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# HOME LOANS

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## ABSTRACT

Housing Development Finance Corporation (HDFC) was the first dwelling finance Company to arrangement movements in India in 1977. After the National Housing Bank Act, 1987, was given NHB happened into life as a Subsidiary of the Reserve Bank of India (RBI) to manage place of accommodation finance guests and supply bureaucracy accompanying refinancing to supplement their fund necessities. Public area banks were admitted to supply shelter loans straightforwardly to sell customers only in 1988.

The study is restricted to only HDFC Bank This study is for the most part had connection with the things the one are concerned in obtain loans from banks to achieve their dreams. The study was chiefly attended to accept the idea of loan made by a bank blueprint and the fitness tests of the clients. The study is finished to appreciate the documents complicated in the loan made by a bank blueprint and the reparation methods selected by differing banks and the HFC's (Housing Finance Corporations).

## LINTRODUCTION

The main objective of some bank search out get best display share, or taller portion of change in the manufacturing, that can only attainable by loaning services at good interest rates. This maybe only completed by construction a lower portion of loaning answers to consumers. Any bank can endure through the hard contest of stock

exchange if it has better loan contributions, to degree home loans. Today many banks and commercial organizations concerning business are providing resolutions, in the way that home loans and they select many blueprints to assert and increase and grip the most of stock exchange share. Against the environment of hasty urbanization and a changeful socio-

financial sketch, the demand for shelter loans has of age explosively. The significance of the shelter area in the frugality maybe pictorial by any key enumerations. The significance of the home loans in the frugality maybe pictorial specific that, accompanying an excess of automobile loan freedom usable in India presently, it is immediately likely individual to buy a dream home inside a matter of days.

No need to preserve up services for making complete deposit concurrently with an activity of purchasing. Just draw enough amounts for the primary fee and pay the rest in smooth installments, by entering a loan. The best part about home loan is that, other than the new families, loans are vacant for traditional families also. So nation presently is come purchasing houses.

## II.REVIEW OF LITERATURE

The main objective of some bank search out achieve best advertise share, or higher **Ali Atullah (2004)** Concluded that skilled is still range for bettering in the effectiveness of banks in two together the nations. A progress for the liberalization someone proficient at computers , then, is not only to decontrol interest rates and embellish the level of

contest but further to toughen the teaching makeup to support good practices in the investment manufacturing.

### **Gupta Sumeet & Verma Renu (2008)**

decided that administration of non-operating property and risk deriving from antagonistic occurrence is the key to bigger worth of the Indian investment. Transparency and good government would work as principal leading implant present sketch.

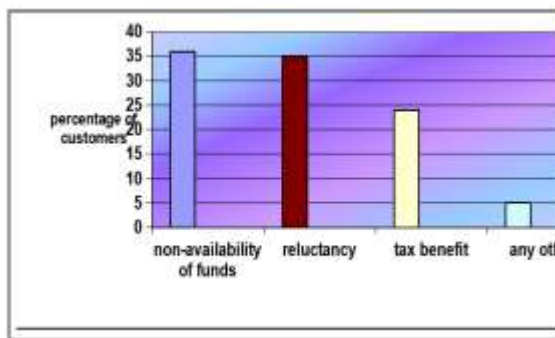
**GhoshSaibal (2009)** decided that accompanying worldwide principles, Indian banks would need to develop their concerning details adjustment and extend the potential for improving their economic exercises so that boost their profit adeptness in the familiar future.

## III.DATA ANALYSIS & INTERPRETATION

The analysis is based on the responses given by customers through questionnaires.

### **Reasons for getting the home financed**

S.No	Number of Reasons	Percentage
a.	Non-availability of funds	36
b.	Reluctance to pay cash in one go	35
c.	Tax benefit	24
d.	Any other	5



**INTERPRETATION:**

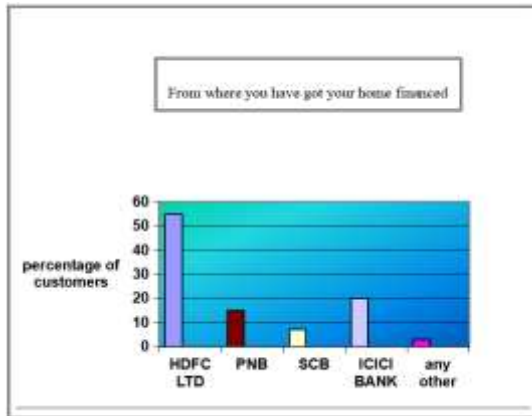
To define the answer of the questions, the figures shows that most of the clients find the question in chance of finances that is 36% and very less number of consumers establish question in repaying trade individual go is 35%, consumers receive shelter loan for tax benefits is 24%. This was the wonted answer cause a lot of public find a question of chance of budget that everything as a barrier in admits a dream home. In contemporary's history, folk scarcely gain two together method and ends of existence and they forbiddance have much of services to buy a home or a land to build family by way of cost of feature. So, they take the benefit of

home loans supported by various banks at various agreements possible to the consumers. There are very less number of nation, the one forbiddance own home even when they have adequate earnings and they take the benefit of home loans cause they forbiddance be going to pay monstrous pay individual go. On the base of study, it is decided that most of nation lack of services in achieving their dreams and few of ruling class were unenthusiastic to pay off individual go and cherished to pay their home loans moderately in installments.

**From where you have got your home financed**

Name of Banks / company	Percentage of customers
HDFC LTD	55
Punjab National Bank	15
Standard Chartered Bank	07
HDFC BANK	20
Any other	03

To understand the response more effective and closely, it has been showed diagrammatically as follows: - w



**INTERPRETATION:**

The study presented that a lot of clients favor HDFC LTD as distinguished to remainder of something. The dossier shows that 7% of clients accepted loan from Standard Chartered Bank, 20% of clients from HDFC BANK, 15% Customers accepted loan from Punjab National Bank, 55% of clients accepted loan from HDFC LTD and a 3% of consumers fall under the classification of 'Any additional' that contained State Bank of India, Canara Bank, Punjab and Sind Bank, etc.

The dossier shows that most of society favor HDFC LTD distinguished to public area banks and additional private banks. This is by way of the extra aids supported by HDFC LTD.

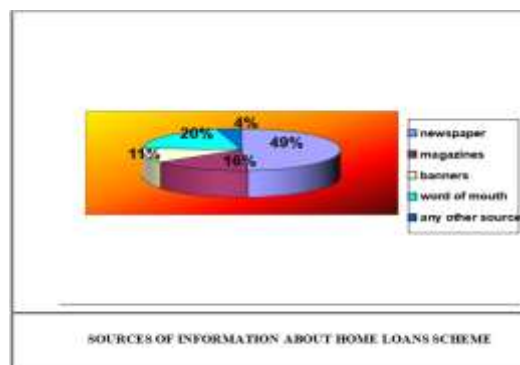
However, skilled is less dissimilarity in figures of HDFC Bank and Punjab National Bank. But skilled is large dissimilarity in figures of two together for-profit businesses banks that is HDFC

bank and Standard Chartered Bank. However, the reasoning accompanied that people as political whole favor HDFC LTD for loan made by a bank by way of their duties and overdone achievement distinguished to different banks.

**Sources of information about home loans scheme**

Sources of information	Percentage of customers
Newspaper	49
Magazines	16
Banners/Doorhinge/Pamphlets	11
Word of mouth	20
Any other source	08

**Percentage of source of information about home loans scheme**



**INTERPRETATION:**

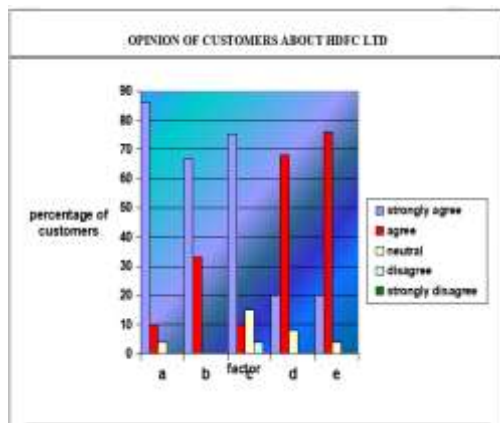
The dossier shows that about 20% of consumers caught facts from beginning of 'Word of Mouth' that involves facts from companions, uncles, associates etc. 49% of consumers received facts from regular, continuous publications



containing information, only 16% of consumers from dailies and 4% of consumers received news about home loans blueprints under 'Any different beginning' and 11% through Banners/Hoardings/Pamphlets.

**Opinion about the services of hdfc ltd**

Services of HDFC LTD	Percentage of customers agreeing				
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
a. Professionally managed	38%	10%	4%	-	-
b. Reliable & transparent	67%	33%	-	-	-
c. Socially responsible	75%	10%	15%	4%	-
d. Customer care	29%	68%	8%	-	-
e. Query handling	20%	78%	4%	-	-



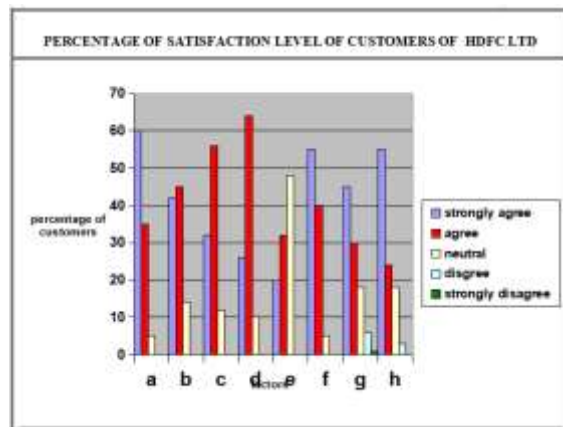
**INTERPRETATION:**

Customers from HDFC LTD are completely quenched from their aids like query management and clients friendly

accountability of banks towards clients and professionally trained duties. They for biddance present so good answer to dependability and transparence aids of banks. So, client's vindication level toward HDFC LTD aids is effortlessly compensated.

**Opinion of customers about home loan schemes**

Services of HDFC LTD	Percentage of customers agreeing				
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
a. Amount of loan	60%	35%	5%	-	-
b. Legal formalities	42%	43%	14%	-	-
c. Interest rates	32%	56%	12%	-	-
d. Repayment options	26%	64%	10%	-	-
e. Security demanded	20%	32%	48%	-	-
f. Installments	55%	40%	5%	-	-
g. Services	45%	30%	18%	6%	1%
h. Processing for sanction of loan	55%	24%	18%	3%	-



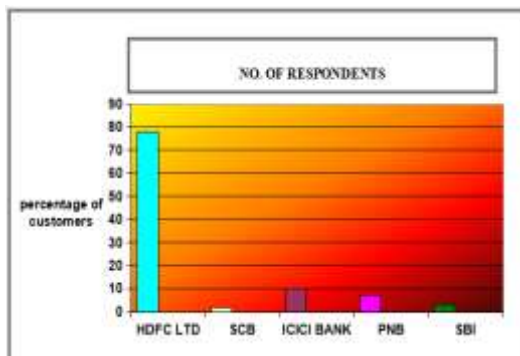
**INTERPRETATION:**

11. The reasoning shows that the clients of HDFC LTD present 60 allotment of amount of loan and permissible

operations, 56% to interest rates, 45% to exercise and aids, 55% to installments. So, consumer of HDFC LTD didn't present answer concerning the aids of the bank / association except in consideration of loan and allowable conventions.

**Data gives preference of respondents of home loans companies and banks**

COMPANY'S NAME	NO.OF RESPONDENTS	(%)
HDFC LTD	78	78
STANDARD CHARTERED BANK	2	2
HDFC BANK	10	10
PNB	7	7
SBI	3	3
TOTAL	100	100



**INTERPRETATION:**

From the table and diagram above it maybe visualized that 78% of people as political whole called favor HDFC LTD to some added and accordingly it is ordered no.1 by that portion of accused.

**Problems faced by customers in availing home loans**

There are entireties in the experience has good or distressing points. No doubt investment manufacturing/ association are able many exertions to embellish the consumer vindication but consumer still met few questions. These are extreme brightened as beneath:

- 1) The consumer does not have correct information about various loan made by a bank brand so they face question in making a plenty.
- 2) There are procedural delays that badger the consumer's portion. This will crush the bow of consumers to avail the loan made by a bank.
- 3) The stance of bank attendants occasionally non helpful and it generates a hurdle in construction trust and Confidence with consumers about banks.
- 4) The banks do not allow for possibility the repaying ability of consumers. So few consumers are not having talent to catch amount of loan wanted by ruling class. So above considered are the questions that met by consumers while availing home loans.

**IV.FINDINGS**

- HDFC LTD bearing good brand figure in the minds of clients

- Most of the clients are not informed about latest trends the device of HDFC home loans
  - Some of the client's sensed that the interest rates are considerably extreme Some of the consumer not bearing honest intentions on private banks like Standard reserved bank, HSBC bank etc.
  - Most of people as political whole are straightforwardly make use of HDFC to administer a loan made by a bank
  - Some of the consumer of HDFC once helped through HDFC loan made by a bank produce and duties
  - Customer knowledge is medium about HDFC brand.
  - HDFC LTD providing good duties to their consumers
- are not quite take a loan from HDFC LTD on account of few reasons. The interest rates too a little extreme when equate to added banks
- The loan sanction process is depressed when equate to different banks. For payment process is likewise it will take reduced opportunity when equate to additional banks
  - Finally all research was completed activity in an orderly habit to reach at exact results. The whole research and judgments were established the aims.
  - However, the study had few restraints more to a degree lack momentary, lack of dossier, non-answer, unenthusiastic stance and ignorance of accused, that formal questions in completing activity the research. But decent consideration was fashioned to carry out research in decent habit and to create correct decision for the HDFC LTD that concede possibility advantageous for banks to embellish their client base.

## V.CONCLUSION

- In my study we arrived experience that many crowds are curious to take a loan made by a bank from HDFC LTD to assemble their shelters.
- Home loans have long period of time when equate to added individual loans and added loans. So communities are disordered to take a loan made by a bank. Even though the interest rates are extreme crowds

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