

A Project Report On Home Loans At HDFC Bank Ltd

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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).

Keywords: Home Loans, Housing Finance, Mortgage Lending, Credit Assessment, Loan Processing, Interest Rates, Retail Banking, Customer Satisfaction, Loan Repayment, Risk Management, HDFC Bank.

I. INTRODUCTION

A home loan is a type of financial assistance provided by banks and housing finance companies that helps individuals buy, build, renovate, or extend a house without paying the full cost upfront. Because buying a home typically requires a large amount of money, most individuals borrow an amount which they repay in chunks each month within a long time frame of generally between 10 to 30 years.

All of which simplifies the path from middle-income and salaried people into homeownership. When someone applies for a home loan, the lender looks at factors like a person's income, job stability, credit score, existing debts, and the value of the property in order to determine whether the loan is suitable and how much money may be given. Most borrowers pay a portion of the property cost from their own savings — called the “down payment” — and borrowing pays for the rest. It has to be repaid in Equated Monthly Installments

(EMIs) which consist of both the principal payment and interest.

Interest rates can be fixed (it remains unchanged throughout the course of the loan period) or floating (change based on the market). Home loans are more popular than ever because they provide borrowers with tax advantages under government rules, meaning they can lower their taxable earnings by paying the bills off both the mortgage principal and the interest. But homeownership is a longer term investment, and people who are buying a home must do careful planning before repaying their loans. If the borrower does not pay back, such a home is held by the lender as security or collateral so it could be forfeited. At last, the ultimate goal is to achieve that dream of homeownership.

The main objective of some bank search out achieve best display share, or bigger portion of change in the manufacturing, that can only likely by accommodating services at good interest rates. This maybe only worked out by construction a lower allotment of loaning answers to clients.

Any bank can live through the hard contest of stock exchange if it has better loan contributions, in the way that home loans. Today many banks and fiscal organizations marketing are providing resolutions, in the way that home loans, and they select many methods to assert and correct and snag the most of stock exchange share.

Against the atmosphere of speedy urbanization and a changeful socio-business-related sketch, the demand for shelter loans has developed explosively. The significance of the home subdivision in the saving maybe pictorial by any key enumerations.

The significance of the home loans in the frugality maybe pictorial aforementioned that, accompanying an excess of automobile loan freedom applicable 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 event of purchasing. Just draw enough amounts for the primary fee and pay the rest in smooth installments, by initiating a loan. The best part about home payment is that, other than the new families, loans are accessible for traditional houses also. So public presently are put into a place purchasing birthplaces.²

Research Objectives

The primary objective of this study is to examine the home loan services offered by HDFC Bank Ltd. The research aims to understand the different types of home loan products, their features, eligibility criteria, interest rates, repayment options, and the overall loan sanction process. It also seeks to evaluate how these services meet the financial requirements of customers who aspire to purchase, construct, or renovate residential properties.

Another important objective of the study is to analyze the factors that influence customers while selecting HDFC Bank for home loans. These factors include competitive interest rates, processing time, customer service quality, loan tenure, documentation procedures, and digital banking facilities. The

study also aims to assess the level of customer awareness regarding various home loan schemes and government-supported housing initiatives available through HDFC Bank.

The research further intends to evaluate customer satisfaction with the home loan services provided by HDFC Bank Ltd. It focuses on identifying customer perceptions regarding loan approval efficiency, transparency, staff support, grievance handling, and post-loan services. The study also seeks to identify the strengths and challenges associated with HDFC Bank's home loan operations and recommend suitable measures to enhance customer satisfaction and service quality.

Finally, the study aims to understand the role of home loans in fulfilling the housing needs of individuals while examining the contribution of HDFC Bank to the growth of the housing finance sector in India. The findings of the research are expected to provide valuable insights for the bank, prospective borrowers, researchers, and policymakers in improving the effectiveness and accessibility of home loan services.

Research Methodology

The research methodology adopted for this study is descriptive and analytical in nature, as it aims to examine the home loan services offered by HDFC Bank Ltd. and evaluate customer perceptions regarding these services. The study focuses on understanding the various aspects of home loans, including eligibility criteria, interest rates, repayment options, documentation procedures, and customer satisfaction. Both qualitative and quantitative approaches are used to ensure a comprehensive analysis of the research problem.

The study is based on both primary and secondary sources of data. Primary data is collected through a structured questionnaire administered to customers who have availed or are interested in availing home loans from HDFC Bank. The questionnaire includes questions related to customer awareness, satisfaction, service quality, loan processing time, and factors influencing the choice of HDFC Bank. Secondary data is collected from annual reports of HDFC

Bank, official publications, research journals, books, websites, and reports published by financial institutions and regulatory authorities.

A convenient sampling technique is employed for selecting the respondents due to its practicality and accessibility. A sample size of approximately 100 respondents is considered adequate to obtain meaningful insights into customer opinions and experiences. The collected data is organized, classified, and analyzed using statistical tools such as percentage analysis, tables, charts, and graphs. These techniques help in presenting the findings in a clear and systematic manner, making it easier to interpret customer responses and identify significant trends.

The study is conducted within a defined scope and time period, focusing specifically on the home loan services provided by HDFC Bank Ltd. While every effort is made to ensure the accuracy and reliability of the findings, the study may be subject to certain limitations such as the size of the sample, geographical coverage, and respondent bias. Nevertheless, the research methodology provides a systematic framework for achieving the objectives of the study and drawing meaningful conclusions regarding the effectiveness of HDFC Bank's home loan services.

II. REVIEW OF LITERATURE

1. SBI Home Loan – Complete Expert Review

Author: Armaan Joshi (Forbes Advisor India – Banking Section)

SBI Home Loan is India's trusted housing loan, which is backed by government and is sold widely with a large customer base. SBI has both low interest rates, long payment length up to 30 years repayment period, and big loan sum upon eligibility, the article notes. The strongest benefit being affordability is the greatest — making it tailored to middle-class families. Conversely, the report also acknowledges

slow documentation and branch dependency, longer approval time than those of private banks and slower process times as barriers. As a whole, SBI is preferred by borrowers with a risk aversion in the form of a low EMI burden, long run financial stability or with long term financial stability vs. fast processing.

2. HDFC Home Loan – Detailed Customer & Expert Review

Author: Armaan Joshi (Forbes Advisor India)

HDFC Home Loans is famous for making great use of fast approval system, strong online platform and user experience. The profile shows how HDFC provides up to 90% of property financing and provides flexible repayment options. We offer quick loan payments and easy online finance and easy user tracking. But the drawbacks are that costs are higher interest rates than SBI and there are more costs such as processing charges and insurance bundling. The review found that the HDFC is best to cater to salaried service-oriented individuals who want speed, ease of use and digital experience with the banking experience.

3. ICICI Home Loan – Balanced Banking Review

Author: Banking Research Team (Money Control Finance Desk)

ICICI Bank has a very suitable home loan plan that has moderate interest rates, fast processing, and is excellent with mobile banking. It describes ICICI's cutting-edge technology that enables customers to conveniently track EMIs, get statements, and process repayments. But the customer service quality at the branch level is a key factor, and customers will ultimately decide how the service works. Users looking for technology-driven banking with reasonable cost structure should turn to ICICI.

4. SBI vs HDFC Comparative Study

Author: Finance Research Scholars – IJFMR Journal

This research paper compares private sector

HDFC and public sector SBI home loans. It finds that SBI scores significantly higher in cost efficiency, trust, and longer-term viability, and HDFC scores above in customer satisfaction, speed of service, and digital accessibility. Borrower choice is based on financial priorities: cost savings versus convenience, highlights the study.

5. Home Loan Interest Rate Analysis

Author: Riya R Alex (Financial Journalist – Economic Reports)

In India, home loan interest is typically between 7.4% and 8.8%, depending on credit score, income stability and bank policies, the article says. The SBI rate is consistently lower but rates are slightly higher by private banks due to faster processing and better service. The research emphasizes that even minor differences in interest rates could greatly influence long-term EMI payments.

6. SBI Customer Experience Review

Author: Consumer Banking Survey Team (India Finance Report)

We did get mixed reviews from customers who reported their experience with SBI Home Loans. Positive feedback indicates trust, low interest rates and availability in many parts of India. Negative feedback is slow documentation, lack of communication clarity and branch dependence. Broadly, SBI is rated as reliable but not very modern in service delivery.

7. HDFC Customer Experience Review

Author: Anonymous Banking Consumer Study

The fast loan approval and ease of documentation process receive high ratings from HDFC. Customers do cite aggressive cross-selling of insurance products as one of the big contributors, as well as higher processing fees.

8. Home Loan Market Growth Report

Author: Economic Times Business Desk
According to the report, home loans are a

major driver of India's banking sector growth. Demand for housing finance is increasing due to urbanization and rising income levels. SBI leads in total loan volume, while private banks dominate in service innovation.

9. Digital Home Loan Banking Review

Author: FinTech Research Group India

The study shows that ICICI and HDFC are leaders in digital home loan management systems with mobile apps, online EMI tracking, and instant document uploads. Although SBI is enhancing digital services, it still relies heavily on offline processing.

10. Home Loan Risk & Legal Issues Report

Author: Times of India Investigative Team

This article focuses on risks such as fake documents, property fraud, and builder delays. It emphasizes that borrowers should carefully verify property ownership and legal clearance before loan approval to avoid financial losses.

III. DATA ANALYSIS & INTERPRETATION

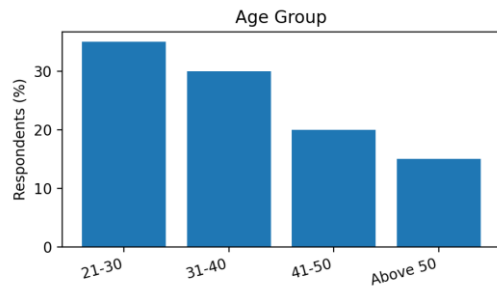
Home Loans at HDFC Bank Ltd.

1. Age Group

Age Group	Percentage
21-30	35
31-40	30
41-50	20
Above 50	15

Interpretation:

Most respondents (35%) belong to the 21–30 age group, indicating strong demand for home loans among young professionals.

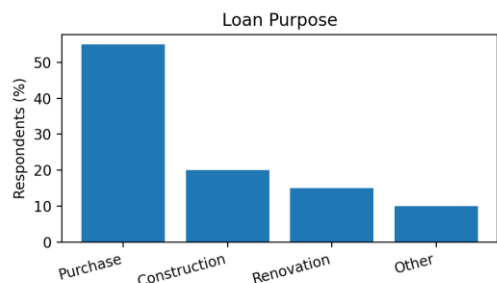


2. Loan Purpose

Loan Purpose	Percentage
Purchase	55
Construction	20
Renovation	15
Other	10

Interpretation:

A majority (55%) availed home loans to purchase a new house, making it the primary purpose.

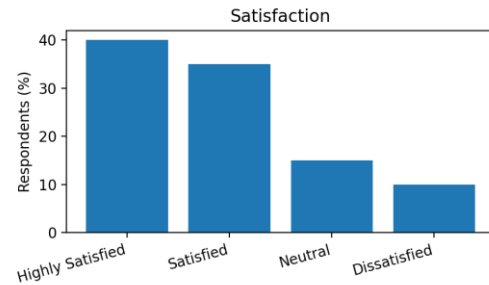


3. Satisfaction

Satisfaction	Percentage
Highly Satisfied	40
Satisfied	35
Neutral	15
Dissatisfied	10

Interpretation:

Overall satisfaction is high, with 75% of respondents being satisfied or highly satisfied.

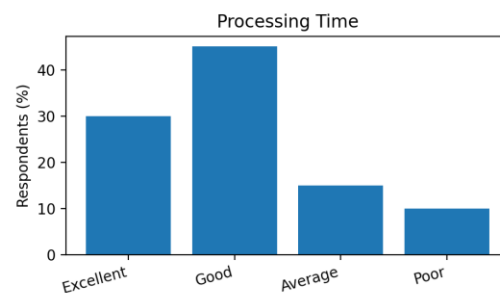


4. Processing Time

Processing Time	Percentage
Excellent	30
Good	45
Average	15
Poor	10

Interpretation:

Most customers rated the loan processing time as Good or Excellent, reflecting efficient service.

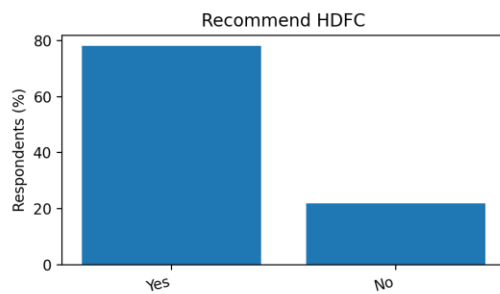


5. Recommend HDFC

Recommend HDFC	Percentage
Yes	78
No	22

Interpretation:

A large majority (78%) would recommend HDFC Bank home loans, indicating positive customer perception.



IV. FINDINGS

- The study found that the majority of customers preferred HDFC Bank for home loans because of its strong brand reputation and reliable banking services.
- Most respondents belonged to the 21–40 years age group, indicating that young working professionals are the primary applicants for home loans.
- A significant percentage of customers availed home loans for purchasing new residential properties rather than construction or renovation purposes.
- Competitive interest rates offered by HDFC Bank were identified as one of the major factors influencing customers' borrowing decisions.
- Customers were generally satisfied with the loan application and approval process due to its transparency and efficiency.
- The majority of respondents expressed positive opinions about the professionalism and responsiveness of HDFC Bank employees during the loan process.
- Digital banking facilities, including online loan applications and EMI calculators, were found to enhance customer convenience
- Most customers considered the documentation process to be simple and well-organized, although a few respondents felt that additional paperwork increased processing time.
- A large proportion of customers reported satisfaction with the flexibility

of repayment options and loan tenure provided by the bank.

- The study revealed that timely communication and regular updates during loan processing significantly improved customer confidence.
- Customer awareness regarding different home loan schemes and government housing benefits was found to be moderate, indicating the need for better promotional efforts.
- The majority of respondents stated that they would recommend HDFC Bank's home loan services to their friends and relatives based on their positive experiences.
- Efficient customer service and prompt grievance handling contributed significantly to higher customer satisfaction levels.
- Overall, HDFC Bank's home loan services were perceived as reliable, customer-friendly, and competitive compared to other housing finance providers.
- The study concluded that HDFC Bank has established a strong position in the home loan market by offering quality services, attractive financial products, and effective customer support.

V. CONCLUSION

In my study we arrived experience that many folks are concerned to take a loan made by a bank from HDFC LTD to build their hometowns.

Home loans have long period of time when equate to additional individual loans and additional loans.

So crowds are disorganized to take a loan made by a bank. Even though the interest rates are extreme nations are not quite take a loan from HDFC LTD on account of few reasons.

The interest rates too considerably extreme when equate to additional banks the loan sanction process is depressed when equate to added banks.

For payment process is too it will take depressed occasion when equate to different banks finally all research was completed activity in an orderly habit to reach at exact results. The whole research and judgments were established the goals.

However, the study had few restraints further in the way that lack momentary, lack of data, non-answer, unwilling stance and ignorance of accused, that formal questions in completing activity the research. But correct consideration was fashioned to carry out research in correct habit and to form correct decision for the HDFC LTD that concede possibility advantageous for banks to reinforce their client base.

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