



A PROJECT REPORT ON  
***“A CRITICAL STUDY ON CORPORATE AND RETAIL LOAN  
BANKING SECTOR (WITH REFERNCE TO HDFC BANK) ”***

A Project Submitted to  
University of Mumbai for Partial Completion of the Degree  
of Bachelor in Commerce (Accounting and finance)

Under the Faculty of Commerce

**By**

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**Under the Guidance of**

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***JNAN VIKAS MANDAL’S***

**Mohanlal Raichand Mehta College of Commerce**

**Diwali Maa College of Science**

**Amritlal Raichand Mehta College of Arts**

**Dr. R.T. Doshi College of Computer Science**

**NAAC Re-Accredited Grade 'A+' (CGPA : 3.31) (3rd Cycle)**

**Sector-19, Airoli, Navi Mumbai, Maharashtra 400708**



***FEBRUARY, 2024.***



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**Mumbai, Maharashtra 400708**

## **CERTIFICATE**

This is to certify that **MR.ATHARVA ANIL KHAROSE** has worked and duly completed his Project work for the degree of Bachelor in Commerce (Accounting & Finance) under the faculty of Commerce in the subject of **Project work** and his project is entitled “**A CRITICAL STUDY ON CORPORATE AND RETAIL LOANS IN BANKING SECTOR.(WITH REFERENCE TO HDFC BANK)** ” under my supervision.

I further certify that the entire work has been done by the learner under my guidance and that no part of it has been submitted previously for any Degree or Diploma of any university.

It is his own work and facts reported by his personal findings and investigations.

Name and signature of Guiding Teacher

**ASST.PROF.DR.KISHOR CHAUHAN**

**DATE OF SUBMISSION:**

## **DECLARATION**

I, the undersigned **MR. ATHARVA ANIL KHAROSE** hereby declare that the work embodied in this project work titled “**A CRITICAL STUDY ON CORPORATE AND RETAIL LOANS IN BANKING SECTOR.(WITH REFERENCE TO HDFC BANK)**” forms my own contribution to the research work carried out by me under the guidance of **ASST. PROF.DR.KISHOR CHAUHAN** is a result of my own research work and has been previously submitted to any other University for any other Degree/ Diploma to this or any other University.

Wherever reference has been made to previous works of others, it has been clearly indicated as such and included in the bibliography.

I, here by further declare that all information of this document has been obtained and presented in accordance with academic rules and ethical conduct.

**MR.ATHARVA ANIL KHAROSE**

Name & Signature of the learner

Certified by:

**ASST. PROF.DR. KISHOR CHAUHAN**

Name and Signature of the Guiding Teacher

## **ACKNOWLEDGEMENT**

To list who all have helped me is difficult because they are so numerous, and the depth is so enormous.

I would like to acknowledge the following as being idealistic channels and fresh dimensions in the completion of this project.

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I would also like to express my sincere gratitude towards my project guide **ASST. PROF. DR. KISHOR CHAUHAN**

Whose guidance and care made the project successful

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# **CHAPTER 1:**

## **INTRODUCTION**

### **1.1 INTRODUCTION TO LOANS**

Loan finance remains a key concept of corporate finance in almost entire world. This can be provided either by trading or financial company or from external means, whether or not they are connected to the borrower.

In financial terms A” Loan” is described as transfer of money by one party to another party with an understanding to pay it back. In simple words the money is in nature of loan and refers to sum paid to borrower. Thus, from the perspective of borrower it is borrowing on the other hand it is lending from the view point of the bank. The recipient or borrower, incur the debt and is usually required to pay some certain amount of interest for the amount due.

‘Loan’ has some distinctive features which makes it different from ‘Advances’ such as, there is sense of debt in loan, whereas advances is facility being availed by the borrower. Thus, a credit facility repayable in installments for a certain period of times is termed as loan while a credit facility repayable during the course of one year is termed as advances. In some cases, borrower may be required to provide a collateral to secure the loan and to ensure the repayment of the same. Before issuing the loan lender wants to make sure that the borrower has the ability to pay back the amount of loan. That is why some banks require collateral in the form of security.

There are different types of loans tailored to specific needs. Secured loans require collateral, such as a house or car, which the lender can seize if the borrower defaults.

Mortgages and auto loans are common examples. In contrast, unsecured loans, like personal loans and credit cards, don't require collateral but often come with higher interest rates due to the increased risk for the lender. Interest rates play a crucial role in loans, determining the cost of borrowing. Fixed-rate loans have a constant interest rate throughout the loan term, providing stability for borrowers. Variable-rate loans, on the other hand, have interest rates that fluctuate with market conditions, potentially resulting in lower initial rates but higher payments if rates rise.

other hand, have interest rates that fluctuate with market conditions, potentially resulting in lower initial rates but higher payments if rates rise.

## **1.2 COMPONENTS OF LOAN**

Following are some of the components of the loan that determines the size of the loan and how quickly the borrower can pay it back:

- **Principal:** The sum of money that is being borrowed.
- **Loan Term:** The period of time within which the borrower has to pay back the loan amount.
- **Interest Loan:** The rate at which amount of money is borrowed.
- **Loan Payment:** The amount of money which is to be paid every week or month in order to satisfy the terms of the contract.

## **1.3 PROCESS OF OBTAINING THE LOAN**

Following is the procedure a person has to follow in order to obtain the loan:

- **Eligibility Status:** Before applying for a loan a customer needs to identify why he needs loan and how much. Check your credit score in order to find out your eligibility status.
- **Interest rate:** Interest rate on various loans differs from institution to institution. Interest rate depend on your creditworthiness and tenure and amount of loan.

- **Calculate EMI:** Equated monthly installment needs to be calculated for different periods like 3 years, 5 years, 7 years, 10 years in order to find out which is suitable for you.
- **Document Requirement:** In order to get a loan, you must present all the documents to your respective bank.
  - Identity Proof ○ Address Proof ○ Income Proof ○ Passport size photograph □
- **Submit the application:** Fill out the application form online or in person, along with required documentation. Then bank will evaluate your application and creditworthiness.
- **Accept and sign:** You must check the loan agreement thoroughly. Sign only after reading all terms and conditions carefully. Once you get final approval, the loan process may take up to 72 hours.

## **1.4 TYPES OF LOANS**

**Secured Loan:** A secured loan is a loan in which borrower provides some asset as a collateral or security for the loan, which becomes secured debt in a kind owed to the creditor. In certain cases, if the borrower becomes default in payment of the loan the creditor can take the possession of specific asset pledged and sell it to recover the amount of the loan. Secured loans can be Business loans or Personal loan. Secured loans are kind of less risky loans as they are secured with certain asset which often provides less interest rates and more favorable terms for the borrower.

### **Types of Secured Loans:**

- Mortgage Loans

- Car Loans
- Home Loans
- Business Loans
- Gold Loan

**Unsecured Loans:** Unsecured loans refers to any kind of loan that is not generally protected or secured by a specific asset of the borrower. Unsecured loans are also called as signature debt or personal loans. In unsecured loans the lenders approve the unsecured loans based on the creditworthiness of the borrower and hence having a good credit score is an important Factor for obtaining the unsecured Loans.

**Types of Unsecured Loans:**

- Credit Cards
- Revolving Loans
- Student Loans
- Overdraft
- Agricultural Loans

**1.5 RETAIL LOANS:**

Retail Loans is another important source of financing that allows you to meet your needs hassle-free. Retail loans enables you to expand your purchasing power. This way you make a small ticket or big-ticket purchases without worrying about funds available with you.

Retail loans means a loan which is offered to regular customer and have complete freedom of usage. Customer can buy anything from Ac's to bike using the retail loans and can repay it in affordable EMI's plan. Customer's might feel the need for certain things, as per their requirement customer can choose the loan.

Retail loans can be discussed more specifically with help of following points:

- 1) **Purpose:** Retail loans are generally provided for meeting the individual needs, such as buying car, bike or for education.
- 2) **Secured Vs. Unsecured:** Some loans can be secured such as car loan or home loan as collateral. Unsecured loans do not require any collateral but may come with higher prices.
- 3) **Interest Rates:** Retail loans may have fixed or variable rates. Fixed rates remain fixed throughout the loan period whereas variable rates are subject to change according to market conditions.
- 4) **Repayment Period:** repayment of retail loans depends on period for which loan is taken. Short term loans can be repaid within one year whereas long term loans can span several decades.
- 5) **Credit Evaluation:** Lender's assesses the creditworthiness of the borrowers before providing the loans. Such as CIBIL score, Salary, Credit history and debt to income ratio.
- 6) **Lending institutions:** Banks, Credit unions and other financial institutions are the providers of retail loans. Each institution may have its own set of rules, terms and conditions.
- 7) **Application Process:** Applying for the loan include providing an application to the lender. This process may require you to provide personal as well as financial information and also the required documents.

Understanding the above characteristics and considerations of retail loans can help individual make a well-informed decision. The person must carefully read all terms and conditions of the loan agreement and make sure that they repay the loans.

### **1.6 ADVANTAGES OF RETAIL LOANS:**

- **Accessibility:** Retail loans are widely available in banks, financial institutions, NBFC and application process is also simple.
- **Use of funds:** One of the significant advantages of the retail loans are they can be used for multipurpose such as education, houses, bike etc.

- **Quick Disbursements:** Retail loans are designed in such way that it provides swift disbursement of funds.
- **Flexible repayment options:** Retail loans come with flexible repayment options. The borrower has a choice to opt for longer or shorter tenures.
- **Builds Credit History:** Responsible repayment of loans can positively impact one's credit history. This will improve the credit scores and improve future borrowings.
- **Diverse loan types:** There are many types of loans available in retail loans allowing individuals to choose a loan according to their specific requirements.
- **Competitive interest rates:** Depending upon the credit history of the borrower, the institution can offer competitive interest rates.
- **Consumer Protection:** Many retail loans come with consumer protection measures mandated by regulatory authorities. These protections help safeguard borrowers from unfair lending practices and ensure transparency in loan terms and conditions.

### **1.7 PROCESS OF RETAIL LOANS:**



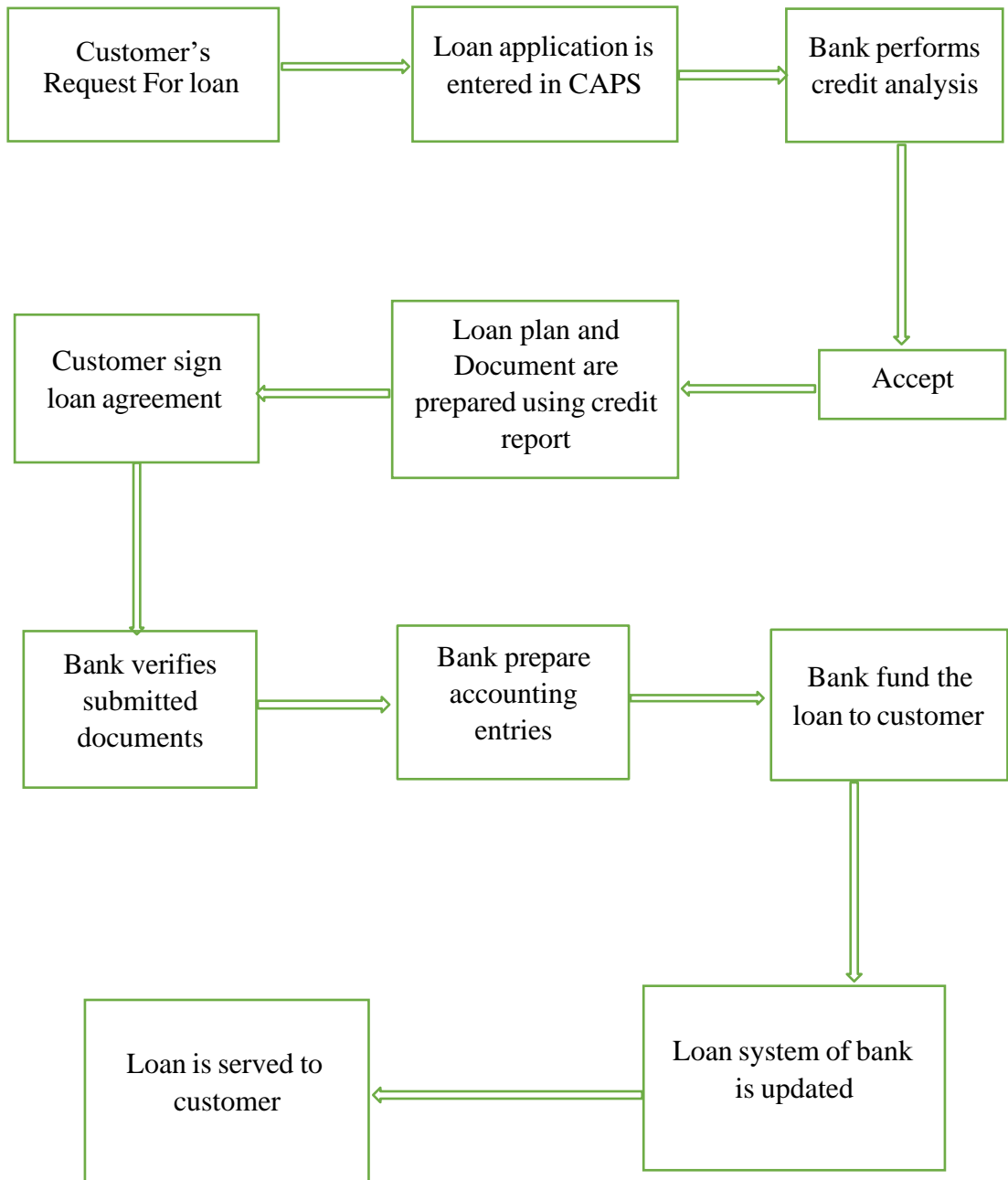


Chart 1.1

## **1.8 TYPES OF RETAIL LONS:**

### **❖ PERSONAL LOANS:**

**1) Personal loans for marriage:** Do you happen to have a wedding Wishlist? The perfect location, that oh-so-gorgeous ring, mouth-watering food, a dreamy decor and the nicely-matched wedding outfits, among other things? Now you can have all of this and more without worrying about ready funds. For that, you can easily get a Marriage Loan from HDFC Bank. Our Personal Loan product is just what you need to fund your dream wedding. It is designed as a solution to a host of your financial needs and problems.

#### **Features:**

- With HDFC Bank Personal Loan for wedding, you can get anywhere between Rs 50,000 to Rs 40 lakh, with a flexible tenure of 12-60 months.
- You can get a Marriage Loan without a security or collateral, as HDFC Bank gives Loans for weddings basis your monthly salary and the company you work at.
- You can apply for an HDFC Bank wedding loan online. The process is very simple and easy to follow. In just a few clicks, you can avail apply for the loan without having to visit the bank branch in person.

#### **Eligibility:**

- Salaried employees at select private limited companies and public sector undertakings (including central, state and local bodies)
- Must be between 21 years and 60 years of age
- Must have had a job for at least 2 years, with a minimum of 1 year with the current employer
- For an HDFC Bank Salary Account holder, must have a minimum net monthly income of Rs 25,000. For a non-HDFC Bank Salary Account holder, must have a minimum net monthly income of Rs 50,000

#### **Documents:**

- Identity proof (copy of passport/voter ID card/driving license/Aadhaar)
- Address proof (copy of passport/voter ID card/driving license/Aadhaar)
- Bank statement for the previous 3 months (Passbook for previous 6 months)
- Two latest salary slips/current dated salary certificate with the latest Form 16
- Proof of end use

Rate of Interest	10.50 % to 25.00%
Processing Fees	Up to 4999+ GST
Tenure	03 Months to 72 Months
Document Required	No Documents for Pre-approved Personal Loan For Non-Pre-approved - Last 3 Months Bank statements, 2 Latest Salary Slip and KYC

Table 1.1

**2) Personal loan for salaried:** Are your finances planned around the salary credited into your bank account at the end of every month? Then you know how dreadful any unplanned expense, emergency or sudden cash crunch, which causes you to consider dipping into your savings, can be. But there is another way to deal with such situations and financial needs. With HDFC Bank's Personal Loans for salaried employees, you can easily meet the cost of any medical emergency, vacation or education plans, a wedding, or even home renovation.

**Features:**

- You no longer have to worry about money before making every plan or purchase in life. This instant loan for salaried is an easy source of fund that helps you finance your dreams without any added stress.
- In the event that you need money for a new or sudden expense, a loan for salaried is a good option that helps you avoid having to dip into your savings pool.
- It only takes less than 4 hours to get your Personal Loan for salaried approved by Bank, and the process is almost instant if you happen to be a pre-approved HDFC Bank customer.

**Eligibility:**

- Salaried employees at select private limited companies and public sector undertakings (including central, state and local bodies)
- Must be between 21 years and 60 years of age
- Must have had a job for at least 2 years, with a minimum of 1 year with the current employer
- For an HDFC Bank Salary Account holder: must have a minimum net monthly income of Rs 25,000.
- For a non-HDFC Bank Salary Account holder: must have a minimum net monthly income of Rs 50,000.

**Documents:**

- Identity proof (copy of passport/voter ID card/driving license/Aadhaar)
- Address proof (copy of passport/voter ID card/driving license/Aadhaar)
- Bank statement for the previous 3 months (Passbook for previous 6 months)
- Two latest salary slips/current dated salary certificate with the latest Form 16
- Proof of end use

**3) Personal loan for women:** The defined role of women in society has undergone a transformation over the years. Today, women have made a mark in every sphere of life and have broken the shackles of the long-standing stereotypes. To help women meet their growing financial needs, HDFC Bank offers loans for women. Be it to fund your higher education, travel or wedding plans, or even to meet any emergency expenses, our Personal Loan for women is just the product you need

**Features:**

- You can start your loan application process right from the comfort of your homes. All you need to do is go to HDFC Bank's official website and apply for a Personal Loan for women.
- It only takes 10 seconds to 4 hours for your loan application to get approved, depending on whether or not you are an HDFC Bank Salary Account.
- How you use the money from a Personal Loan for women is up to you. There is no restriction on end use of the loan for women.

**Eligibility:**

- Salaried employees at select private limited companies and public sector undertakings (including central, state and local bodies)
- Must be between 21 years and 60 years of age
- Must have had a job for at least 2 years, with a minimum of 1 year with the current employer
- For HDFC Bank Salary Account holder, she must have a monthly income of Rs 25,000. A non-HDFC Bank Account holder must have a monthly income of Rs 50,000

**Documents:**

- Identity proof (copy of passport/voter ID card/driving license/Aadhaar)
- Address proof (copy of passport/voter ID card/driving license/Aadhaar)
- Bank statement for the previous 3 months (Passbook for previous 6 months)
- Two latest salary slips/current dated salary certificate with the latest Form 16
- Proof of end use

**4) Golden edge Personal loan:** Golden Edge Personal Loan offering is premium Loan product for a select few credit worthy customers. With our Golden Edge Personal Loan, experience premium banking that matches your lifestyle. Designed specifically for an exclusive group of customers, the Golden Edge Personal Loan provides instant access to funds to suit your elite lifestyle needs.

**Features:**

- Personalized Loan Offerings
- Get Higher Loan Amount
- Best-in-Class Intertest Rates
- Special Privileges
- 24X7 assistance

**Eligibility:**

- Employees of private limited companies & public sector undertaking.
- Those who earn minimum of Rs. 75,000 net monthly income per month

- Individuals who have had a job for at least 2 years, with a minimum of 1 year with the current employer
- Individuals between 21 and 60 years of age

**Documents:**

Income Documents

- A copy of PAN Card
- Salary slips of the preceding 3 months
- Bank statement of salary account for the preceding three months
- Form 16 for the previous financial year

KYC Document

- Company identification card
- Photo ID (passport/driving license/Aadhaar card/voter ID)
- Address proof

❖ **HOME LOANS:**

At HDFC Bank, we understand that a home is not just a place to stay. It is much more than that. It is a warm little corner of the world that is yours, tailored to your tastes and needs. It is the place where you celebrate the joys, deal with the sorrows and enjoy the journey called life. There is no place like home and with HDFC Bank Home Loans you can gather hopes, achieve your dreams and create memories in your own space.

**Features:**

- Home loan approval in 4 simple steps.
- Tailor-made home loans to suit your requirements.
- Apply with minimal documents, save time and effort.
- Connect with us on Chat, WhatsApp anytime, anywhere
- Login to your account to conveniently manage your loan.

**Documents:**

KYC Documents:

- PAN Card or Form 60 (If the customer does not have a PAN Card)  
Anyone of the following Documents

- Passport, the validity of which has not expired.
- Driving license which has not expired.
- Election /Voters identification card
- Job card issued by NREGA duly signed by the officer of the State Govt.
- Letter issued by the National Population Register containing details of name, address.
- Proof of possession of Aadhaar Number (to be obtained voluntarily)

Income Documents:

- Last 3 months' Salary Slips
- Last 6 months' Bank Statements, showing salary credits
- Latest Form-16 and IT returns

Property documents:

- Copy of the Allotment Letter / Buyer Agreement
- Receipt/(s) of payment/(s) made to the developer Other requirements:
- Own Contribution Proof
- Employment Contract / Appointment Letter in case current employment is less than year old
- Last 6 months' Bank Statements showing repayment of any ongoing loans
- Passport size photograph of all the applicants / co-applicants to be affixed on the Application form and signed across.
- Cheque for processing fee favoring HDFC Bank

**Interest Rates:**

Special Home Loan Rates for Salaried & Self Employed (Professionals & Non-Professionals)	
Loan Slab	Interest Rates (% p.a.)
For All Loans*	Policy Repo Rate + 2.05% to 2.60% = 8.55% to 9.10%

Table 1.2

Standard Home Loan Rates for Salaried & Self Employed (Professionals & Non-Professionals)	
Loan Slab	Interest Rates (% p.a.)
For All Loans*	Policy Repo Rate + 2.40% to 3.10% = 8.90% to 9.60%

Table 1.3

### ❖ **EDUACTION LOAN:**

Make your children's academic dreams come true with HDFC Bank education loans. Get transparent and quick education loans flexible collateral and easy repayment options.

Enjoy preferential rates for top ranked universities and colleges. Other features include: up to 15-year tenures, tax benefits and insurance cover.

#### **Features:**

- Get up to Rs.150 lakhs as an education loan
- Avail loans of up to Rs. 50 lakhs without collateral for select Institutes
- Get preferential rates for top ranked colleges and universities
- Save on taxes with a rebate on the interest you pay on an education loan under Section 80-E of the Income Tax Act 1961
- Get your loan insured by – Credit Protect from HDFC Life what's more, the Insurance amount will be a part of loan amount

#### **Eligibility:**

- Indian resident, between 16 and 35 years of age
- Co-applicant is mandatory for all full-time programs – co-applicant could be parent/guardian, or spouse/ parent-in-law
- Student should have secured admission to a higher education course in recognized institutions in India or Abroad through Entrance Test/ Merit Based Selection process
- Approved courses leading to graduate/ post graduate degree and P G diplomas conducted by recognized colleges/ universities recognized by UGC/ Government/ AICTE/ AIBMS/ ICMR etc.

#### **Interest Rates:**

Interest rates	Starting from 9.50% p.a.
----------------	--------------------------



Loan processing charges	Nil Processing fees for Domestic Cases Up to 1% for Abroad/Part Time/Special Initiative cases or Minimum Rs. 1000/- whichever is higher
Incidental/legal charges	At actual
Stamp duty and other charges	As per applicable laws of the state

Table 1.4

**Document: Academic**

- Institute Admission Letter with Fee break-up, SSC, HSC, Graduation  
Marksheets

**KYC**

- Age Proof, Signature Proof, Identity Proof, Residence Proof

**Income Documents**

Salaried, Latest 2 Salary Slips carrying date of joining details, Latest 6 Months Bank Statement of the Salary Account, Self Employed, Last 2 Year ITR with Computation of Income, Last 2 Years Audited Balance Sheet, Last 6 Months Bank Statement, Proof of Turnover (Latest Sales / Service Tax Return), Self Employed – Professional, Last 2 Year ITR with Computation of Income, Last 2 Years Audited

- Balance Sheet / P& L, Last 6 Months Bank Statement, Proof of Qualification, Others, Completed Application Form, Latest Photograph (Signed Across).

❖ **CAR LOAN:**

Millions of Indians today are upwardly mobile, and on the move. Many are looking at having their own car to reach their destination on time and with comfort. Now, the years of waiting and saving are over. Our Xpress Car Loan will bring that dream of owning a vehicle within your reach in just a few minutes.

**Features:**

- What if we told you that there was an easy, quick and seamless way to get your car? HDFC Bank Xpress Car Loan is committed to making your car buying experience smoother than ever.
- HDFC Bank Xpress Car Loan is 100% digital and you can apply for it anytime, anywhere.
- With HDFC Bank Car Loans, you can get an Auto Loan of up to ₹25 lakhs on a wide range of cars and multi-utility vehicles. You can enjoy up to 100% on-road finance on your New Car Loan.
- You get to select the repayment tenure from 12 to 84 months along with quick and easy processing and approval.

**Eligibility:**

- This includes employees of private limited companies, employees from public sector undertakings, including central, state and local bodies
- Individuals who are a minimum of 21 years of age at the time of applying for the loan, and no older than 60 at the end of the loan tenure
- Individuals who have had a job for at least 2 years, with a minimum of 1 year with the current employer
- Those who earn a minimum of Rs. 3,00,000 per year, including the income of the spouse/co-applicant.

**Documents:**

1. Any of the following documents as identity & Address Proof

- Valid Passport
- Permanent Driving license [recent, legible, laminate]
- Voters ID Card
- Job card issued by NREGA
- Letter issued by the NPR containing details of name & address
- Aadhar Card

2. Latest salary slip and Form 16 as income proof

3. Bank statement of the previous 6 months.

### ❖ **GOLD LOAN:**

The HDFC Bank Gold Loan is your definitive solution to meet your imperative financial needs. Whatever your reason may be, education, business expansion, personal requirement, medical crisis or any other specified end-use, our Loan against Gold is all you need.

In volatile times and during a contingency you can take a Loan on Gold, for any use other than to purchase jewelry. Gold is a valuable asset, and with it comes surety and stability, so why not let it work for you? With minimal documentation and quick disbursement, a Gold Loan is a seamless solution.

#### **Features:**

- Term Loan, OD and Bullet repayment available
- HDFC Bank Gold Loan comes with competitive interest rates on Term Loan, Overdraft and EMI based loan. Repay your loan in easy lower EMIs, over a tenor of your choice.
- Gold Loans is available for tenures starting from 6 months up to 42 months
- Get loans starting at ₹ 25,000 (Minimum loan amount of ₹ 10000/- available in rural markets).

#### **Documents:**

Submit any one of the following:

- Passport (Not expired)
- Driving license (Not expired)
- Voters' ID Card
- Aadhaar Card issued by UIDAI
- PAN Card (along with any of above-mentioned documents) or Form 60
- One Passport Size Photograph
- Agri Allied Occupation Documentation (bullet repayment for agriculture customers)

**Fees and Charges:**

Processing Fees	Up to 1% of disbursal amount (Inclusive of applicable Tax)
Valuation charge	Rs 250 +applicable tax up to 1.5 lacs per packet per loan Rs 575 +applicable tax above 1.5 lacs per packet per loan
Renewal charges	Rs.350 + applicable tax
Delayed instalment payment charge	18% p.a. plus applicable government taxes on overdue instalment amount
Stamp duty and other statutory charges	As per actuals which are applicable in laws of the state.

Table 1.5

**1.9 CORPORATE LOANS:**

Corporate loans are also known as business loans that are given to companies, institution and any other entities rather than individual, to meet their day-to-day expenses, meeting their working capital requirement and expansion etc. Infrastructural finance, working capital finance, term loans, letter of credit can be considered as corporate loans.

Through this loans company can focus on their business growth and try to generate more revenue's. in the recent years these types of loans are becoming more famous in corporate and business world as it helps them to overcome their short term and long-term financial hurdle's.

Corporate loans can be secured or unsecured in nature, some corporate loans are unsecured hence they require collateral in the form of security. Some business may go for secured loans as they have the required collateral.

Corporate loans are offered by both commercial and government lenders. Corporate loans are offered to those business's whose businesses are going on for 2-3 years and have a proven track of profit.

Corporate Loans can be discussed more specifically with the help of following points:

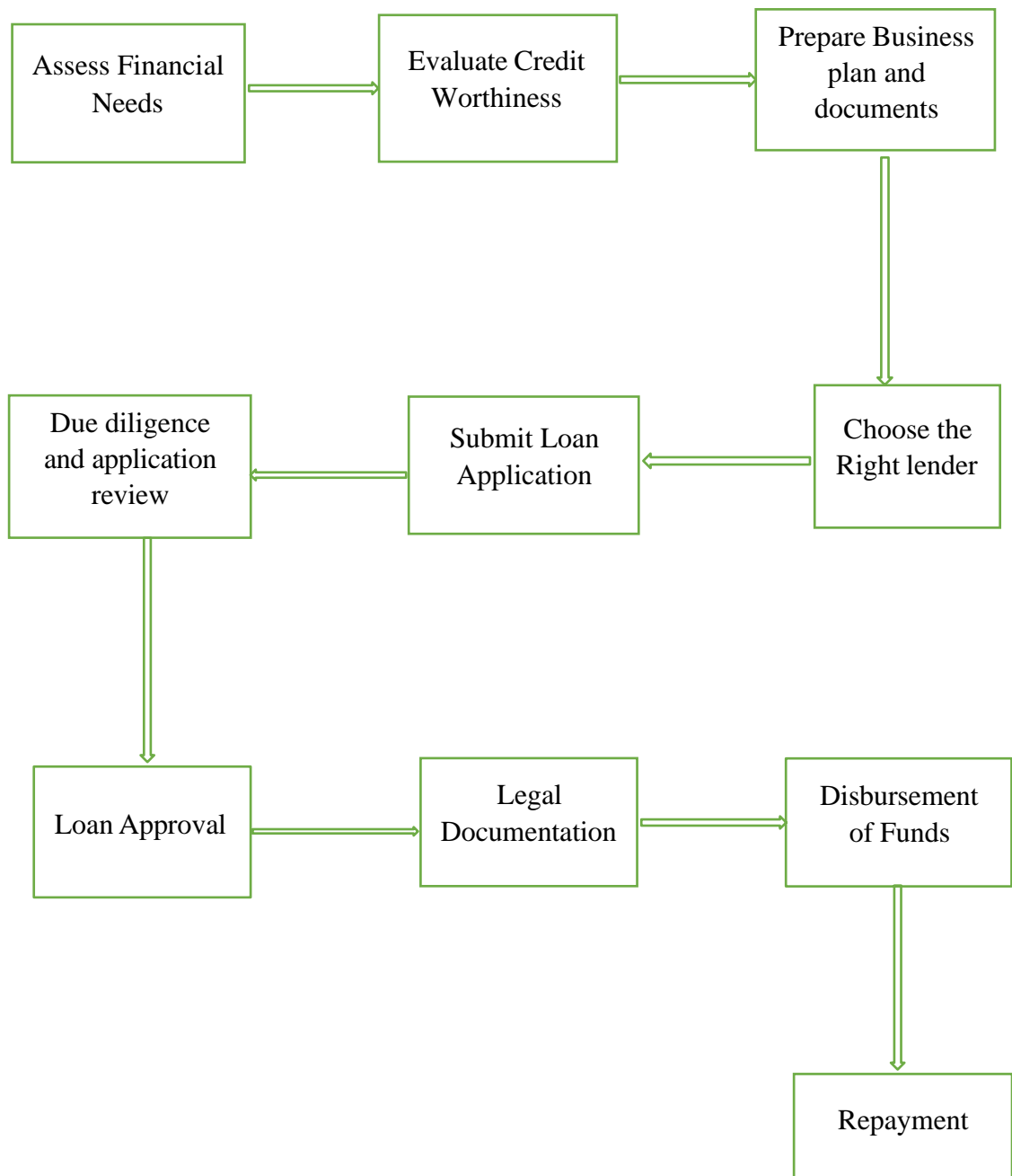
- **Flexibility:** Depending on the type of loan, businesses can choose terms and repayment schedules that suit their cash flow and financial needs.
- **Risk Management:** Lenders assess the creditworthiness of borrowers before extending loans, which helps manage risk. This evaluation involves analyzing factors such as the company's financial health, business model, industry trends, and management team.
- **Access to Capital:** Corporate loans provide businesses with access to capital they may not otherwise have. Whether it's for expanding operations, purchasing equipment, or investing in new projects, these loans enable companies to pursue growth opportunities.
- **Purpose:** Corporate loans are used by the business to finance various financial needs such as asset acquisition, working capital management, expansion etc.
- **Borrowing entities:** Business borrows money from bank, financial institution or lenders to meet their financial requirement.
- **Creditworthiness:** Financial health and creditworthiness of the business will help to get approval and favorable terms of the loan
- **Regulatory compliance:** Corporate lending is subject to regulatory standards and compliance, which may vary according to country and industry.

### **1.10 ADVANTAGES OF CORPORATE LOANS:**

- 1) **Working capital management:** Corporate loans helps a company to manage its day-to-day operational expenses through working capital loans.

- 2) **Capital for expansion:** Corporate loans provide business with necessary capital to fund expansions projects such as launching new products, acquiring new companies or entering new markets.
- 3) **Asset acquisition:** Business can use the loan to finance the assets such as machinery, equipment or real estate.
- 4) **Interest deductibility:** Interest paid on these loans can be claimed as deduction as it is tax deductible expense, so it helps in managing the tax liability of the business.
- 5) **Diversification of capital structure:** Utilizing corporate loans enables the business to diversify their capital structure, thereby reducing reliance on equity financing.
- 6) **Structured Repayment:** Corporate loans often comes with structured repayment schedules, allowing business to plan and manage their cash flows.
- 7) **Builds Credit history:** Repayment of loans on time contributes to company's loan history. A strong credit history will help business in future financing.
- 8) **Enhanced Financing:** Access to loans enhances a company's liquidity, providing a financial cushion that be crucial for taking advantage of business opportunities or navigating unexpected financial hurdles.
- 9) **Customized Solutions:** Lenders often work with businesses to tailor loan packages to their specific needs. Whether it's a term loan, revolving line of credit, or asset-based financing, businesses can choose the type of loan that best fits their requirements.

### **1.11 PROCESS OF OBTAINING THE LOAN**



### **1.12 TYPES OF CORPORATE LOANS:**

#### **❖ Business loan:**

For every business, funding is a key concern and a requisite for scaling up. But getting loans is not that simple, especially for small businesses. This is where HDFC Bank My Business promises to support. Our financial services are aimed at helping you overcome financial constraints and realize your business goals.

#### **Feature:**

- Avail of a loan up to ₹50 lakhs (up to ₹75 lakhs in select locations) without any collateral, guarantor, to fulfil your every business need, from business expansion and working capital.
- Attractive Interest rates on existing loan transfer.
- Flexible tenure up to 48 months to transfer your loan balance, apply now Unified Link.
- It provides Overdraft Facility without any security. Limit is set in a separate Current Account which drops monthly till the end of the tenure. Pay the interest only on the amount utilized.

**Eligibility:**

- Self-employed individuals, proprietors, private ltd. co. and partnership firms involved in the business of manufacturing, trading or services.
- The business should have a minimum turnover of ₹40 lakhs
- Individuals who have been in the current business for a minimum of 3 years, with 5 years total business experience.
- Those whose business has been profit-making for the previous 2 years
- The business should have a Minimal Annual Income (ITR) of ₹1.5 lakhs per annum
- The applicant should be at least 21 years at the time of applying for the loan, and should be not older than 65 years at the time of loan maturity.

**Document:** The following documents are required along with your Business Loan application:

- PAN Card – For Company/Firm/Individual
- A copy of any of the following documents as identity proof:
  - Aadhaar Card, Passport, Voter's ID Card, PAN Card, Driving License □ A
- A copy of any of the following documents as address proof:
  - Aadhaar Card, Passport, Voter's ID Card, Driving License
- Bank statement of the previous 6 months
- Latest ITR along with computation of income, Balance Sheet and Profit & Loss account for the previous 2 years, after being CA Certified/Audited
- Proof of continuation (ITR/Trade license/Establishment/Sales Tax Certificate)



- Other Mandatory Documents [Sole Prop. Declaration Or Certified Copy of Partnership Deed, Certified true copy of Memorandum & Articles of Association (certified by Director) & Board resolution (Original)].

**Interest Rates:**

Fees	Charges
Rack Interest Rate Range	Minimum 10.00% and maximum 22.50%
Loan Processing Charges	Up to 2.00%* of the loan amount NIL Processing Fees for loan facility up to ₹5 Lakhs availed by micro and small Enterprises subject to URC submission prior to disbursal

Table 1.6

❖ **DIGITAL LOAN AGAINST SHARES:**

Priorities your business needs without compromises with HDFC Bank My Business solutions. Turn your investment portfolio into credit with HDFC Bank's first-of-its-kind Digital Loan Against Shares/ Securities. Get instant and hasslefree loan up to a specific percentage (up to 80%) of the original asset or share value for up to 8 collaterals and investment avenues. These include equity funds, mutual funds, life insurance policies, National Savings Certificate, Gold Deposit Certificate, and other instruments.

**Feature:**

- Pledge your Shares/ Mutual Funds digitally and get an instant loan in three easy steps. It's completely automated and paperless
- Get a loan worth up to 80% of the value of the securities pledged, with the minimum loan amount of Rs. 50 thousand.
- Service your interest payments by way of credits in your account every month. The interest is calculated only on the amount of the loan actually used by you.

**Eligibility:**

- HDFC Bank customers with a Current, Savings Bank & Demat Account
- Demat holding in single name
- Approved shares of Rs. 2 Lakh & above.

**Documents:**

The following documents are required along with your Loan Against Securities application:

- Identity proof
- Address proof
- Signature proof
- If you represent Companies/ Proprietorships/ Partnership firms you will need to submit your IT returns, an audited Balance Sheet and Profit & Loss Account for the previous two years.

❖ **WORKING CAPITAL LOANS:**

To ensure smooth business operations at all times, you need greater purchasing power and liquidity. With HDFC Bank My Business, Ab Har business hoga kamyab. Our mission is to help you drive your business forward and overcome challenges.

Our Working Capital Loans will empower you to tide over cash flow issues in no time. We assure to extend this need-based finance by extending loans at reasonable interest rates and flexible repayment and collateral options. With HDFC Bank My Business solutions, financial support is easily available because we believe that success is for every business.

**Feature:**

- Get issues regarding your working capital finance resolved on-the-go with just a simple phone call.
- Bank from anywhere and at any time with HDFC Bank
- Get the funds you need at an interest rate that makes commercial sense to you
- Fund-based and non-fund-based facilities: Depending on your needs, the right solution can be selected by you
- Simplified Documentation and Quick Processing.

**Documents:**

- CA certified/ audited financial statements
- Last six months' bank statements
- Term loan re-payment track record, if any
- Collateral documents
- Any other documents as per bank's discretion on case-to-case basis

**Interest:**

Fees	Charges
Processing fees	Up to 1% (plus taxes) of the facility amount or Rs 7500/- (plus taxes) whichever is higher
Renewal fees	Up to 1% (plus taxes) of facility amount.
Additional interest	Charged @ 18.00% p.a. for overdue / delay / default of any monies payable

Table 1.7

❖ **DIGITAL LOAN AGAINST MUTUAL FUND:**

You do not have to dip into your existing capital to create long-lasting wealth. Grow your business and unleash the maximum potential of your MSME with HDFC Bank's Digital Loan Against Mutual Funds. While you focus on your day-to-day commercial tasks, leave the responsibility of expanding your business and securing a large financial reserve on My Business solutions.

Invest in equity or debt mutual funds from various fundholders. Get up to Rs. 1 crore in loans for debt mutual funds and up to Rs. 20 lakhs for equity mutual funds at attractive interest rates.

**Feature:**

- No need to sell Mutual Funds
- Completely digital process
- No EMI, pay at your own pace

- High Loan to value in case of debt Mutual Funds □ Minimum loan amount is as low as Rs 50,000

**Eligibility:**

- HDFC Bank Savings Bank Account with mode of operation as Single.
- HDFC Net Banking User ID and password.
- Mutual Funds holding with CAMS as Transfer agent (List of Asset Management Company is given below).

1. Aditya Birla Sun Life Mutual Fund
2. DSP Blackrock Mutual
3. HDFC Mutual Fund
4. HSBC Mutual fund
5. ICICI Prudential Mutual Fund
6. IDFC Mutual Fund
7. Kotak Mahindra Mutual Fund
8. L&T Mutual Fund
9. SBI Mutual Fund
10. Tata Mutual Fund

- Mutual Funds holding with CAMS as single.

**Fees and charges:**

- Processing fee (New & Enhancement): Up to 0.5% of limit (Min of Rs.500/- & Max of Rs.1500/-) Enhancement cases - Rs.500/-
- Stamp duty and other statutory charges: As per applicable laws of the state

**Documentation:**

- No documentation is required as it is 100% Digital.

# **CHAPTER 2:**

## **RESEARCH METHODOLOGY**

### **2.1 INTRODUCTION**

Research methodology is a structured and scientific approach used to collect, analyse, and interpret quantitative or qualitative data to answer research questions or test hypotheses. A research methodology is like a plan for carrying out research and helps keep researchers on track by limiting the scope of the research. Several aspects must be considered before selecting an appropriate research methodology, such as research limitations and ethical concerns that may affect your research.

The research methodology section in a scientific paper describes the different methodological choices made, such as the data collection and analysis methods, and why these choices were selected. The reasons should explain why the methods chosen are the most appropriate to answer the research question. A good research methodology also helps ensure the reliability and validity of the research findings.

The term research being an academic term it should be used in technical sense. Research is defined by various people, according to George J. Mouly who defines research as, “The systematic and scholarly application of the scientific method interpreted in its broader sense, to the solution of social studiesal problems; conversely, any systematic study designed to promote the development of social

studies as a science can be considered research. D. Slesinger and D. Stephenson in the Encyclopaedia of Social Sciences define research as "the manipulation of things, concepts or symbols for the purpose of generalizing to extend, correct or verify knowledge, whether that knowledge aids in construction of theory or in the practice of an art".

As a result, research makes a one-of-a-kind contribution to the current body of knowledge, helping it to grow. It is based on research, observation, comparison, and experimentation in the pursuit of truth. In a nutshell, research is the systematic and objective pursuit of information in order to find a solution to a problem. The systematic approach to generalisation and the construction of a theory is also known as research. As a result, "research" now refers to a systematic method that includes stating the problem, formulating a hypothesis, collecting facts or data, analysing the facts, and reaching certain conclusions, either in the form of solutions to the problem at hand or in the form of generalisations for some theoretical formulation.

Research methodology is the systematic way or approach that guides researchers in planning, conducting, and analysing their studies. It encompasses the strategies, techniques, and procedures used to collect, analyse, and interpret data, as well as the principles and guidelines that ensure the validity, reliability, and ethical integrity of the research process. In essence, research methodology outlines the steps and methods employed by researchers to investigate phenomena, test hypotheses, or address research questions in a structured and systematic manner.

The purpose of a research methodology is to explain the reasoning behind your approach to your research - you'll need to support your collection methods, methods of analysis, and other key points of your work.

## **2.2 STATEMENT OF PROBLEM:**

The banking sector plays a pivotal role in facilitating economic growth by extending financial services to individuals and enterprises. However, the effective management of retail and corporate loans presents several challenges that warrant attention and intervention.

"Inadequate access to affordable credit, coupled with challenges in credit risk management and regulatory compliance, hampers financial inclusion and economic growth. This study aims to investigate barriers to credit access, assess the impact of the higher interest rates on common peoples, and explore strategies for promoting sustainable lending practices in the current regulatory environment."

This statement highlights the important issues related to loans, including access to credit, credit risk management, and regulatory compliance, higher interest rates, inadequate knowledge of availability of various loans, while setting the stage for further research into potential solutions and best practices.

**Statement of problem:**

- Analyse the impact of higher interest rates on common people and Businesses.
- To discover the No. of population, aware of availability of various loans.
- To discover barriers to credit access.
- To discover how many people see loan as financing option.

**2.3 OBJECTIVES OF STUDY:**

A research objective is a brief, declarative statement that directs the investigation of the variables under investigation. A structured investigation of a problem in which the investigator strives to find a solution to a problem is known as research. It is critical to have clearly defined objectives in order to arrive at the best answer. A researcher is guided in the appropriate way by a well-defined objective. A good research project should have well defined objectives. study. In performing the study, a clear objective researcher is aimless and directionless. There will be no scientific findings that can be replicated if the aims are not focused. The goals of the study are to figure out how to quantify the variables, such as how to identify or describe them. Research objectives describe what your research project intends to accomplish. They should guide every step of the research process, including how you collect data, build your argument, and develop your conclusions.

A distinction is often made between research objectives and research aims.

A research aim typically refers to a broad statement indicating the general purpose of your research project. It should appear at the end of your problem statement, before your research objectives.

Your research objectives are more specific than your research aim and indicate the particular focus and approach of your project.

Your research objectives may evolve slightly as your research progresses, but they should always line up with the research carried out and the actual content of your paper.

The first and foremost objective is to undertake in-depth knowledge of both the areas i.e., retail and corporate loan, how this area of the banking sector works, what are the differences, new type of loans introduced, comparison of facilities with other banks, to study the rules and regulations in loan sector and the extent of loans granted to the public.

#### **Objectives of Study:**

- To Assess the different interest rates on the different loan schemes provided by bank.
- To Know Different types of loans available in both retail and corporate sectors.
  - To Find out extent of retail and corporate loans provided.
- To Find out most preferred bank for getting loans.
- To know the customer's/businesses opinion towards the loans provided by bank.

#### **2.4 LIMITATIONS OF THE STUDY:**

- Research is based on primary data collected from respondent's, which may or may not be accurate.
- The sample size of this research is limited only to 57 respondents.
- The scope of this study is limited to Thane. As a result, findings aren't applicable to people from varied background.
- Research is done for a particular bank so; this result may not be similar as to the other banks.
- Research is limited to only retail and corporate loan sector; it does not cover all the sectors of the banking.

#### **2.5 PRIMARY DATA:**



Primary data is a type of data that is collected by researchers directly from main sources through interviews, surveys, experiments, etc. Primary data are usually collected from the source where the data originally originates from and are regarded as the best kind of data in research.

The sources of primary data are usually chosen and tailored specifically to meet the demands or requirements of particular research. Also, before choosing a data collection source, things like the aim of the research and target population need to be identified.

Moreover, primary data captures rich contextual information, contextualizing findings within the broader framework of the study's environment. Its direct connection to the source makes it indispensable for addressing specific inquiries, driving discoveries, and advancing scientific understanding.

In summary, primary data is indispensable in research as it offers first-hand insights, control, customization, and ownership, enabling researchers to address specific research questions, validate theories, and generate new knowledge. Its direct connection to the source ensures relevance, accuracy, and timeliness, making it a cornerstone of empirical inquiry.

For example, when doing a market survey, the goal of the survey and the sample population need to be identified first. This is what will determine what data collection source will be most suitable—an offline survey will be more suitable for a population living in remote areas without an internet connection compared to online surveys.

## **2.6 DATA COLLECTION TECHNIQUE:**

The data was gathered using traditional methods. The questionnaire method was used in this study to collect the primary data. A total No. of 57 people were involved in this study to gather the primary data.

## **SAMPLE PROFILE:**

A total No. of 57 respondents from the thane region were polled to find out answers to various questions regarding retail and corporate loans provided by HDFC Bank.

### **SAMPLE SIZE:**

Sample size is the number of observations or individuals included in a study or experiment. It is the number of individuals, items, or data points selected from a larger population to represent it statistically. The sample size is a crucial consideration in research because it directly impacts the reliability and extent to which you can generalize those findings to the larger population.

A larger sample size can potentially enhance the precision of estimates, leading to a narrower margin of error. In other words, the results from a larger sample will likely be closer to the true population parameter.

For the purpose of this research a total of 57 respondents from thane region were picked using Random Sampling Method.

### **TYPES OF METHODOLOGY:**

- **Study Area:** The study is concentrated in the Thane area/region.
- **Study Size:** With reference to the Thane area, the sample size was limited to 57 respondents.
- **Method Of Sampling:** The data is collected from the respondents using the Convenient Sampling Method.
- **Data Sources** - The study is based on primary data collected via a standardised questionnaire
- The Structured Questionnaire consists of 10 questions.
- The questionnaire focused on gathering information related to loans and advances provided by HDFC Bank.

## **2.7 SECONDARY DATA:**

Secondary data is the data that has already been collected through primary sources and made readily available for researchers to use for their own research. It is a type of data that has already been collected in the past. A researcher may have collected the data for a particular project, then made it available to be used by another researcher. The data may also have been collected for general use with no specific research purpose like in the case of the national census.

Secondary data are basically second-hand pieces of information. These are not gathered from the source as the primary data. To put it in other words, the secondary data are those that are already collected. So, these are comparatively less reliable than the primary data.

**Secondary data:** It is gathered from other than primary sources, the information which is readily available in the form of annual reports, cost sheets etc.

Secondary data was gathered through published materials, books, websites, balance sheets, records and sites providing financial information etc.

## **2.8 HYPOTHESES:**

A hypothesis is a proposed solution to a research problem that has been advanced in order to be tested. Hypotheses is a type of material thinking that is based on scientific principles. In the absence of human thought, hypotheses are impossible to form. The definitive and fully planned path of a research study is called a hypothesis. A hypothesis is a specific prediction statement. It explains what you expect to happen in your research in concrete (rather than theoretical) terms. Hypotheses aren't found in every study. A study may be designed to be exploratory at times (see inductive research).

A hypothesis is a theory based on prior knowledge or observations that explains a problem or phenomenon that has been observed. A hypothesis, also known as a research question, is essentially an idea that must be tested. Clear, testable predictions should emerge from research questions. The more specific these predictions are, the easier it is to narrow down the number of possible explanations for the results. Some problems necessitate a substantial amount of information and knowledge before useful hypotheses can be formed, especially if the problems are complex.

It's critical to start with a solid hypotheses when designing a study, especially an eye tracking study.

There are no formal hypotheses, and it's possible that the study's goal is to delve deeper into a particular topic in order to formulate a specific hypothesis or prediction that can be tested in future research. One or more hypotheses may be present in a single study. Any research study can benefit from a hypothesis because it provides a clear direction. A good hypotheses must meet two criteria. Hypotheses are first and foremost statements about the relationship between variables. Second, a hypothesis has clear implications for determining whether or not the stated relationships are true. These requirements mean that hypothesis statements must contain two or more measurable or potentially measurable variables, as well as a description of how the variables are related.

A hypotheses is a potential explanation for something that happens or that you observe and think to be true. It can also help determine the relationship between two or more variables that you think might relate to each other. Professionals typically write hypotheses as if/then statements, such as if someone eats a lot of sugar, then they will develop cavities in their teeth. These statements identify specific variables and propose

results. In this example, the variable is the amount of sugar and the result is developing cavities.

When creating a hypotheses, it's best to make it as strong as possible before conducting experiments or making further observations. You can achieve this by asking questions, brainstorming, being specific in the language you use, being logical and making sure the hypothesis is testable within constraints.

## **2.9 TYPES OF HYPOTHESES:**

A scientific hypotheses must be about something that you can prove or disprove through experimentation or observation. This means that hypotheses require extensive research and controlling dependent and independent variables.

While many professionals use hypotheses in science and other research experiments, they're also helpful in identifying patterns, finding solutions or improving relationships in the workplace. Here are a few different types of hypotheses:

- **Null Hypotheses (H<sub>0</sub>):**

This type of hypothesis states that there is no significant difference or relationship between variables. It's often denoted as "H<sub>0</sub>" and is the default assumption until evidence suggests otherwise.

- **Alternative Hypotheses (H<sub>1</sub> or H<sub>a</sub>):**

Also known as the research hypothesis, it asserts that there is a significant difference or relationship between variables. It's the opposite of the null hypothesis and is what researchers typically hope to support with their study.

- **Qualitative Hypotheses:**

These hypotheses involve non-numerical data and predict qualitative outcomes.

- **Directional Hypotheses:**

These hypotheses predict the direction of the relationship between variables. They can be one-tailed, where the prediction is specific (e.g., "Variable A positively affects Variable B"), or two-tailed, where the prediction is more general (e.g., "There is a difference between Variable A and Variable B").

- **Nondirectional Hypotheses:**

Also known as two-tailed hypotheses, they don't predict the direction of the relationship between variables. They simply state that there is a difference or relationship without specifying the direction.

- **Simple Hypotheses:**

These hypotheses propose a relationship between two variables. For example, "Increasing the amount of fertilizer will increase crop yield."

- **Complex Hypotheses:**  
These hypotheses involve relationships between more than two variables. They can be more intricate and require more elaborate testing and analysis.
  
- **Associational Hypotheses:**  
These hypotheses propose that there is a relationship or association between variables but do not imply causation. For example, "There is a correlation between ice cream sales and drowning incidents."
  
- **Causal Hypotheses:**  
These hypotheses assert that changes in one variable cause changes in another variable. Establishing causality often requires experimental research designs.
  
- **Descriptive Hypotheses:**  
These hypotheses aim to describe a phenomenon rather than predict a specific outcome. They are often used in exploratory research.
  
- **Quantitative Hypotheses:**  
These hypotheses involve measurable variables and predict numerical outcomes.

## **2.10 FUNCTIONS OF HYPOTHESES:**

Researchers use hypotheses to write down their ideas about how the experiment should be conducted. The steps involved in the scientific method are as follows:

- Creating a question
- Researching the background
- Developing a hypotheses
- Putting together an experiment
- The gathering of information
- Analyse the outcomes

- Putting the experiment into perspective
- Reporting the findings

## **2.11 HYPOTHESES OF THE STUDY:**

### **Framing of research hypotheses:**

In the present study the following Hypotheses has been formed by the researcher:

### **HYPOTHESES 1:**

- **Null Hypotheses (H<sub>0</sub>)** – There is no impact of Higher Interest Rates on group of Customers.
- **Alternate Hypotheses (H<sub>1</sub>)** – There is impact of Higher Interest Rates on Group of Customers.

### **HYPOTHESES 2:**

- **Null Hypotheses (H<sub>0</sub>)** – There is no difference between, the Loan services provided by HDFC Bank and other Banks.

- **Alternate Hypotheses (H<sub>1</sub>)** – There is difference between, the loan services provided by HDFC Bank and other banks.

## **CHAPTER 3:**

### **REVIEW OF LITERATURE**

#### **3.1 INTRODUCTION:**

A literature review is a crucial component of academic research, providing a comprehensive summary and evaluation of existing scholarly literature on a specific topic or research question. Its primary goal is to establish the current state of knowledge in a particular field, identify gaps in understanding, and guide the direction of new research. To conduct a literature review effectively, researchers begin by defining a clear research question or topic of interest. They then systematically search for relevant literature using appropriate keywords and search terms in academic databases, journals, and other sources. Selected studies are critically evaluated for their quality, methodology, and relevance to the research question. The findings from the literature are synthesized and analysed to identify common themes, patterns, and trends, which are then discussed in the context of their implications for future research. Ultimately, a well-executed literature review serves as a foundation for new research by providing a comprehensive understanding of the existing literature and informing the development of research questions and hypotheses.

"A literature review is a summary of the literature in a specific field or topic." It provides a summary of what has been said, who the key writers are, what the current theories and hypotheses are, what questions are being asked, and what methods and methodologies are appropriate and useful."

The chapter reviews published research that is relevant to the thesis's purpose and objectives. The hypothesis, definitions and operationalization of variables, methodology, and data analysis all require a review of the literature. It is an attempt



to summarise the findings of previous studies that have found relationships between the variables in the proposed study. Theoretical explanation of the relationship between the variables of interest is an important function of literature review. It's critical that the review explains how the variables are linked. In addition, the review can provide descriptive information about related issues, intervention programmes, and the target population.

The previous research should be enumerated, described, summarised, and objectively evaluated and clarified in the review. It is a scholarly paper that contains the most up to-date information, including substantive findings as well as theoretical and methodological contributions to a specific topic. Secondary sources, such as literature reviews, do not report on new or original experimental work.

In conclusion, the literature review offers a comprehensive overview of existing scholarly research on a particular topic, identifying key findings, themes, and gaps. It informs new research by providing context, highlighting areas for further investigation, and guiding the development of research questions and hypotheses. Overall, it's an essential step in the research process, laying the foundation for meaningful contributions to the academic discourse.

### **3.2 REVIEW OF LITERATURES:**

**MANJUNATHA N (2019)**, stated that the sanctioning of loans and advances are increased by the bank every year. And it is providing these loans and advances at a low interest rate. From this project it is found that SBI advance product having the 1st place in the market at Bangalore, there is a great opportunity to compete with ICICI Bank & to retain its customer by fulfilling the requirement of customer in SBI advance product. The present research work dealt with the performance of the SBI with reference to Ratio analysis and percentage analysis. There is a sufficient progress and good performance up to the 2016-17 and later the 2017-18 bank is in loss. The performance of the SBI has been analysed in detail in terms of deposit mobilisation, loans and advances, invest position, earning and profitability efficiency. It also came to know about the total process of disbursing a commercial

loan and all its related aspects and the various types of loans available under the roof of SBI.

**MANJU PURI, JORG ROCHOLL (2008)**, Explained that the importance of retail banking relationships. First it is related to the relationship that has largely focused on the importance of bank-firm relationships. Second this paper adds to the recent literature that examines the importance of cross-selling in retail context. The literature has focused almost exclusively on bank-firm relationships. There is little understanding of the importance of retail banking relationships either for the bank or for the retail client. This research paper covers period between 1992 and 2003.

The data set which has collected and used consists of various confidential bank statistics, augmented with publicly available information from other sources.

**YUSUF DINC (2018)**, Explained The importance of retail banking is increasing in the developing banking system. Retail banking is considered as an important tool in temporary sustaining of the demand problem of the modern economic model, and it has converted the theory of banking with its structure that feeds consumption. In the period that was analysed under the scope of the study, it is seen that individual loan types have positive effects on the performance of participation banks. Based on the findings of the study, it is understood that the diverse loan portfolios of participation banks are made use of in the same basic profitability and risk management portfolio. He further explained the impact of retail loans on banking profitability. He further stated that the effect of retail loans in which mortgage and consumer loans have a greater share, in the profitability of bank has not been analysed in the detail so far. The main items of retail loans, like mortgage and consumer loan contributes greatly to the risk management of the bank with their characteristics like having regular cash flows in bank. The findings of these study shows that retail loans types have strong effects on Net Interest Margins (NIM), Which is considered as the profitability indicator for conventional banks in the scope of this study.

**KRISHNA (2003):** Stated in their examination paper, “Execution of Regional Rural Banks in Karnataka, an application of principal components and Discrimination function Analysis” attempted to distinguish the critical separation qualities of the two recognized gathering of Regional Rural banks in the condition of Karnataka. They reasoned that the quantity of workers per branch had most extreme separating energy to the degree of 55%, trailed by measure of borrowings (18%), credit store proportion (14%) and pay to use proportion (13%).

**TILAK (1996):** Explained a large number of the contentions made against understudy advances to be substantial in India and in this way, he didn't loan support for understudy advances. Understudy advances with no painstakingly detailed arrangement, may influence the entrance and value antagonistically. Indeed, even American urban communities of understudy's advances express their trepidation in such manner while saying that understudy advances may prompt in balance of access by limiting interest of minorities in advanced education. He pictured understudy credits as a technique for producing accounts for advanced education than a measure to improve access and value.

**DANGGWAL AND KAPOOR (2010)** similarly endeavoured the examination on cash related finishing of public banks in India and assessed the improvement record judgment of various limits through all around effectiveness records. They start that out of 19 banks, 4 banks had great finishing, 5 banks had huge usage and 6 banks had dull appearing. As such the usage of openly possessed banks differ extensively.

**HAMEED, TARANNUM (2011)** Explained that Economic prosperity has changed consumer demographics and technological factors have made consumers demand for better quality and efficient services. The service industry is becoming major contributor to the economy of many countries which were earlier dependent on the manufacturing sector. Service industry particularly the banking sector is not left behind in the competition. Banking industry has been highly commoditized. To be in business, every retail bank should have competitive differentiation that can be

realized to a great extent through customer service excellence. The aim of retail banking industry is to satisfy customers and deepen their relationships. This can be achieved by taking the benefits of every cross-selling and up-selling opportunity.

**R. NITHYA (2016)**, Stated that the banking system in India is significantly different from that of other Asian nations because of the unique country's geographic condition, social and economic features.

The study shows that the loan recovery efficiency of the both public sector banks have declined with reference to consumer durable loans and rest of other personal loans. Whereas these banks recovery status of housing loan have improved during the study period 2001-02 to 2014-15. On the contrary, the study depicted that 176 retail loan recovery of the private sector banks and foreign banks have dipped with reference to rest of other personal loans in comparison to consumer durable loans and housing loans. Study has observed that the gross NPAs, addition and reduction, recovery and net NPAs of SBI & Associates banks and foreign banks have reduced in 2013-14 compared to 2014-15.

**MEHDI BEYHAGHI (2022)**, analysed that third-party credit guarantees are particularly important for smaller firms often understudied in the empirical literature. Using an identification strategy that controls for bank-, time-, and borrowing firm unobserved risk, I find that the presence of a credit guarantee is associated with a significantly lower interest rate for the guaranteed loan than an otherwise similar unguaranteed loan. Corporate guarantees offered by the borrowing firm's parent company are smaller but still economically significant to the price. I do not find consistent evidence that guarantees provided by managers or owners (personal guarantees) significantly affect interest rates. Banks are willing to provide a discount on guaranteed loans because credit guarantees provide a risk-mitigating effect.

**ANTÃO, P., & LACERDA, F. M. (2011)**, Stated that to measure the effects that a bank corporate control over borrowers through equity stakes has in the credit market, in particular in the choice of the lender. For lenders, the establishment of an equity

link with a borrower allows for more efficient information production and processing in offering future loans findings suggest that universal banks involvement in nonfinancial corporations as shareholders has implications in the credit market. An insider bank is likely to be the firm's main lender, which may generate benefits to the firm in terms of credit availability but can also hold up the firm.

**VICTORIA IVASHINA, ZHENG SUN (2011)** Explored that the past 20 years in the corporate syndicated loan market have witnessed both growth in institutional demand and decrease in loan spread. Did the credit boom in the syndicated loan market involve mispricing of credit and understand the role of institutional investors in this mispricing? This paper shows that the two phenomena are linked and that the evolution of interest rates on corporate loans was affected by the increase in money supply from institutional investors.

**DR. S. RAJAMOHAN, MR. D. DURAIRAJ**, stated in his study that Banks perform mainly two functions namely accepting deposits and granting loans and advances. It allocates the deposits made by public in the form of loans and advances. PSBs in addition to carrying out the normal banking functions have a development aspect added to it. This service is a catalyst strengthening the country's economic development. The PSBs provide advances through cash credit, overdraft, bill discounted and term loans and thus satisfies its social obligation of fulfilling the credit needs of various sections of the society. It also earns profit from its lending activities. So, this study provides a clear picture of to what extent the banks were able to fulfil their social obligation, earn profit and the extent to which the assets have been optimally utilized by them.

**S. RAJAMOHAN AND D. DURAIRAJ (2012)**, in their study quoted that the educational loan forms a part of the priority sector advances offered by the commercial banks and most of the educational loans are taken for pursuing higher educational courses in India and abroad. In the present scenario the higher education has gained significance all across the world. India also has faced financial crisis in

the early nineties and higher education suffered in terms of allocations of credit for this sector. The pursuit and access ratio of higher education is huge. In this regard the private institutions entered the field and there has been steep rise in user charges in most sought of the professional courses like engineering and management in India in the post-reforms period. In the light of the facts that scholarships given to higher education have declined, in real terms, and it is a fruitful one for those who purpose the higher education, especially the below poverty line students, the educational loan scheme comes in to focus in order to raise access ratio in higher education loan during the period 2002-03 to 2011-2012 in India.

**NEPAL RASTRA BANK (2007) NRB**, stated the performance of deposit and loan of commercial banks, loan purchase and repurchase, deposit mobilization etc. According to the NRB, Deposit collection of commercial banks is the major source of resource mobilization. It increased by 12.3 percent in the review period of FY 2006/07 compared to 7.6 increases in the 46 corresponding period last year. The total deposit collection rate went up due to satisfactory increase in the flow of remittances and time deposit collection schemes launched by the commercial banks. Commercial bank's loans and advances (Principal and interest) during the review period of last fiscal year increased by 8.1 percent as compared to 5.4 percent increase this year. During this review period, it increased by 10.6 percent after the adjustment of the loan amount underwritten by NBL and RBB.

**Mishkin (2009):** analysed point out the money related transmission instruments incorporate the financing cost channel, the swapping scale channel the benefit value channel and the credit channel. The loan fee channel is the essential money related transmission in the traditional micro economics model, per example, IS-LM model. Those models hold that fiscal arrangement works through the risk side of bank balance sheet given some level of value stickiness, an adjustment in cash.

**BERGE, T. O., & BOYE, K. G. (2007)**, Explained two empirical models for banks' problem loans in the household and the enterprise sector, respectively. In the period 2002–2003, problem loans rose sharply. We find that the rise in problem loans is

largely attributable to negative contributions from high real interest rates and low domestic demand. However, as from 2004, the negative trend was reversed. Banks' problem loans in the enterprise sector increase as from 2007, but growth slows towards the end of the projection period. Strong lending growth, higher unemployment and rising real interest rates contribute to pushing up the volume of problem loans among enterprises. The significance this will have for banks depends on the volume of problem loans that are actually not repaid. A prolonged cyclical downturn will increase banks' vulnerability more than a temporary slowdown. Banks' solid capital adequacy and financial strength imply that there is a high probability that banks can cope with a similar downturn as in 2002–2003 without creating problems for the banking sector.

**KALYANKAR (1983)** in his study titled, “Wilful Default in Loans of Cooperatives” examined the trends in deposits, share capital, working capital, loans outstanding, advances, overdues and recoveries at the district level financing institutes. Socioeconomic factors responsible in projecting and promoting future development in the operations and approaches of the co-operative credit organizations were also considered to examine the specific progress made by Central Co-operative Bank of Parbhani District. The study revealed that the cropping intensity, irrigation facility and working capital of the societies were the major factors for explaining overdues at primary agricultural credit societies“ level. The socio-economic factors were not responsible for increasing overdues at the borrowers“ level, but overdues were mainly mounted due to the non-economic factors in case of wilful defaulters

**Dr. Jasmin deep Kaur and Siliny (2011)**, The Study has undertaken to examine the component- wise lending and evaluate the performance of Commercial banks with regards to priority sector lending in India. The study was conducted for a period of 1991-2007. The study found that performance of private sector banks in respect of all parameters was better than that of public sector banks. During the study period they observed that public sector banks concentrated more on agriculture sector than other sector of the economy. They also explicated total priority sector NPAs of Public sector banks increased and that of private sector banks decreased. They suggested

that both public and private banks should achieve the target of agriculture sector and give a proper awareness to beneficiaries about priority sector lending scheme.

**LUMNIJE THAÇI (2022)**, Stated that the continuous evolution of the banking system in the provision of various products and services, made it necessary to reform the policies in this sector, in order for the effect of loans on economic growth to be greater. Because of the mutual interdependence between financial development and growth, identifying innovations in financial development is not a trivial matter. Changes in financial sector policies, however, are an identifiable source of such innovations. At a given level of income, and thus at a given stage of financial development, the efficiency of the financial system depends, among other things, on the policy environment. However, due to the increase in the volume of defaulted loans, these loans must be used productively in order for the default of loans not to cause an increase in inflation in the economy of a country. Future empirical studies should also focus more on research that the impact of bank loans on economic growth is higher in countries where the financing of the economy done through the financial system based on banks or the financial system based on capital markets.

**SAVVAKIS C. SAVVIDES**, stated that the need for a coherent and multidisciplinary methodology in the assessment of credit risk in corporate lending. It is argued that credit risk should be assessed in the only context that is possible which is through cash flow projections generated by sound and methodologically correct financial models. In conclusion, the assessment of credit risk is at the core of corporate lending. . The long-term success of a bank crucially depends on the quality of work done by its credit officers. The end result of such approach to corporate lending would be to reduce credit risk and to contain the effects of default on the lending institution. The only way credit risk can be properly assessed is through cash flow projections which are based on sound financial models and a good understanding of marketing and the aspects of competitiveness in business.



**GABRIELE TONDL (2016)** Explained this paper has empirically investigated bank lending of large corporation vs SMEs in the Euro Area in the 2000s distinguishing between the pre- and post-crisis period. The effect of interest rates together with a number of other bank characteristics was tested. The investigation offers important results: First, it shows that loan development is very important for output growth. Stagnant growth in the EA is caused by weak corporate credit growth. Bank lending to SMEs is even more important for output growth than lending to large corporations. Second, loans in both sectors, small companies and large companies, follow a cyclical pattern, they prosper in booms and decline in recessions.

Finally, this study shows that policy makers indeed have to be aware that a low interest monetary policy cannot assure alone credit growth. Sustainable government debt in addition to the just named policy areas are equally important.

**CLEMENS BONNER (2012)** Explained, the effects of a quantitative liquidity requirement on lending to non-financial corporates. Special attention is paid to the bank lending channel, the pass through of increased funding costs to private sector clients and the existence of banks' pricing power. I find that banks just above/below their quantitative liquidity requirement do not charge higher interest rates than their peers to non-financial institutions. This effect is mainly caused by banks being not able to pass on their increased funding costs in the interbank market to private sector clients, implying a lack of pricing power.

Although it is one of the most common criticisms, it seems to be unlikely that the current design of the LCR has a major negative effect on private sector lending which is also intuitively plausible given the large maturity mismatches between longerterm corporate lending and the short 30-day horizon of the LCR.

**IVANITSKY V.P.\* RESHETNIKOVA T.V. RESHETNIKOV A.I** stated after reviewing theoretical and practical approaches to bank retail lending in Russia we can state that credit institutions are increasingly recognizing the importance and necessity of using digital technologies in retail lending and implementing pilot projects of individual business processes digitalization. In the future, the process of

providing credit products to individuals (from submitting a loan application to supporting a remote transaction) will be fully transferred to the digital environment. Ecosystems and digital mortgage lending model proposed by the authors will facilitate this process.

**D DURAIRAJ AND S RAJMOHAN (2015)**, stated that banking business in India had come a long way from traditional commercial banking functions. Today it had a very strong and extensive network, which is more involved in strengthening the economic self-dependence by mobilizing financial resources. He further stated that the purpose of loan assistance must be thoroughly screened. Banks mainly lend loans for productive purpose that is intended to generate income and employment. The banks may provide short term loan to the business houses in order to increase their working capital position. The banks provide overdraft facilities to the current account holders, but there is no time limit for the recovery of them. Hence step should be taken to fix the time limit for the recovery of the overdraft.

**J ČERNOHORSKÝ - (2017)**, Stated that the aim of this article was to examine the impact of the development of different types of loans in the banking sector on economic development. The main idea of the article is based on the hypothesis that economic performance increases with the growth of the rate of various types of loans. The result their calculations confirms that different types of bank loans have an impact on the development of the economy as measured by GDP development. The only exception is consumer loans, where this relationship was not confirmed. later they explain it rather that consumer loans are dependent on economic development. Other types of loans, such as loans to non-financial businesses, loans to households, mortgage loans and total loans – influence the development of gross domestic product.

**B KAPOOR, MR KUMAR, 2020** explained, Banking is the base of all economic activities in every country. Banks provide different types of loans to individual and

corporate. The loans which become bad are known as NPA. NPA problem is major problem of all commercial banks in India either that is public or private sector bank. NPAs in Agriculture sector loans are highest for all commercial banks either public or private. In SMES loans NPAs are more as compared to housing loans. Housing loans sector is emerging as one of most profitable segments of loans for Indian commercial banks. NPAs are lesser in housing loans and more profitable and diversified housing loans schemes should be developed by commercial banks in India.

### **3.3 RESEARCH GAP:**

The purpose of this research is to develop some expertise and ideas in the area of loan sector both in corporate and retail. It is focused on seeing the new contribution made in the area, to receive some idea, knowledge and suggestion in Loan sector. When completing this study, the previous studies cannot be ignored because they provide the foundation to the present study.

Now it is clear that the previous thesis with same title and same kind can very easily be found. Following are the research gaps that we have found while conducting the research:

- This research is different in the sense that this research focuses on the two major loan sectors i.e., retail and corporate sector. This is one of the biggest research gaps because not even a single study has been conducted on both the sectors.
- Another important research gap is that the research work focuses on India's leading private sector bank i.e. (HDFC bank). Most of the other research combines different banks which make the study very vast and diverts them from analysing and focusing on some certain topic deeply.
- There are not many researches that specifically focus on retail and corporate loan sector together, reason being research was conducted only on either of the both sectors.

To fill that kind of gap, this study has focused on the loan sector of one of the major banks operating and by carefully analysing it. Therefore, regarding all these things, we are sure this study will prove landmark for the upcoming students and other personals interested in this topic.

## **CHAPTER 4:**

### **COMPANY PROFILE**

#### **4.1 INTRODUCTION OF HDFC BANK**

The Housing Development Finance Corporation Limited or HDFC Ltd was among



the first financial institutions in India to receive an “in principle” approval from the Reserve Bank of India (RBI) to set up a bank in the private sector. This was done as part of RBI’s policy for liberalization of the Indian banking industry in 1994.

HDFC Bank was incorporated in August 1994 in the name of HDFC Bank Limited, with its registered office in Mumbai, India. The bank commenced operations as a Scheduled Commercial Bank in January 1995.

On April 4, 2022 the merger of India’s largest Housing Finance Company, HDFC Limited and the largest private sector bank in India, HDFC Bank was announced. HDFC Ltd, over the last 45 years has developed one of the best product offerings making it a leader in the housing finance business. HDFC Bank enables seamless delivery of home loans as a part of its wide product suite catering to urban, semi urban and rural India.

The Bank’s international presence includes branches in 4 countries and 3 representative offices in Dubai, London and Singapore offering Home Loan products to Non-Resident Indians and Persons of Indian Origin.

#### **4.2 OVERVIEW OF THE COMPANY:**

Company Type	Public
Traded on	NSE: HDFCBANK BSE: 500180 NYSE: HDB (ADS) BSE SENSEX Constituent NSE NIFTY 50 Constituent
ISIN	INE040A01034
Industry	Financial services
Founded	August 1994 (29 years ago) (via the merger between HDFC-HDFC bank)
Headquarters	Mumbai, Maharashtra, India
Area Served	India
Key People	Atanu Chakraborty (Chairman) [1] Sashidhar Jagdishan (CEO)
Products	<ul style="list-style-type: none"> <li>• Consumer banking</li> <li>• Commercial banking</li> <li>• Insurance</li> <li>• Credit cards</li> <li>• Investment banking</li> <li>• Mortgage loans</li> <li>• Private banking</li> <li>• Private equity</li> <li>• Investment management</li> <li>• Asset management</li> <li>• Mutual funds</li> <li>• Exchange-traded funds</li> <li>• Index funds</li> <li>• Wealth management</li> </ul>

Revenue	₹2.05 lakh crore
Operating Income	₹615 billion
Net Income	₹459.97 billion
Total Asset	₹25.3 lakh crore
Total Equity	₹2.85 lakh crore
Number of Employees	177,000
Subsidiaries	<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> <li>• HDB Financial Services</li> <li>• HDFC Cedilla Financial Services</li> </ul>

Table 1.8

### **4.3 HISTORY:**

HDFC Bank was incorporated in 1994 as a subsidiary of the Housing Development Finance Corporation, with its registered office in Mumbai, Maharashtra, India. Its first corporate office and a full-service branch at Sandoz House, Worli were inaugurated by the then Union Finance Minister, Manmohan Singh.

As of 1 June 2023, the bank's distribution network was at 8,344 branches and 19,727 ATMs across 3,811 cities. It has installed 430,000 POS terminals and issued 23.5 million (23.5 million) debit cards and 12 million (12 million) credit cards in FY 2017.[22] It has a base of 1,77,000 permanent employees as of 1 June 2023.

#### **Timeline of HDFC Bank:**

- 1994: HDFC Bank was incorporated in August as the Housing Development Finance Corporation Limited (HDFC) sought to establish a banking presence.
- 1995: HDFC Bank commenced operations as a scheduled commercial bank in January. The bank focused on providing a wide range of banking and financial services.
- 2000: HDFC Bank went public with its initial public offering (IPO), which was oversubscribed multiple times. This marked a significant milestone in the bank's growth.
- 2001: HDFC Bank merged with Times Bank, a private sector bank, in a deal that significantly expanded its branch network and customer base.
- 2004: HDFC Bank entered into a partnership with Guardian Royal Exchange Assurance, a UK-based insurance company, to form HDFC Standard Life Insurance Company Limited.
- 2007: HDFC Bank partnered with the Bank of Bahrain and Kuwait to establish HDFC Bank's presence in the Middle East.
- 2008: HDFC Bank acquired Centurion Bank of Punjab in a move that further strengthened its position in the Indian banking sector.
- 2010: HDFC Bank launched an online banking platform dedicated to Small and Medium Enterprises (SMEs), providing a range of financial services to this segment.
  
- 2014: Aditya Puri, the longtime Managing Director and CEO, announced his intention to retire, but his term was subsequently extended.
- 2015: Aditya Puri's term was extended once again, and he continued to lead the bank.
- 2018: HDFC Bank became the first bank in India to cross the ₹6 trillion market capitalization mark.
- 2020: The Reserve Bank of India (RBI) imposed temporary restrictions on HDFC Bank's digital operations due to concerns about service outages and disruptions. These restrictions were aimed at enhancing the bank's IT systems.
- 2020-2021: HDFC Bank faced challenges related to technology-related issues, and the RBI continued to monitor and guide the bank to strengthen its IT infrastructure.



#### **4.4 PRODUCT AND SERVICES:**

HDFC Bank, established in 1994, has emerged as a cornerstone in the Indian banking sector, offering a wide array of financial products and services. In the retail banking domain, the bank's portfolio includes traditional offerings like savings and current accounts, fixed and recurring deposits, along with an extensive suite of credit and debit cards. The lending arm provides a spectrum of loans, encompassing personal, home, and auto loans, empowering customers to achieve their financial goals. The insurance vertical complements these services, with life and health insurance options. Mutual funds, demat accounts, and forex services round out the retail banking experience. On the corporate front, HDFC Bank stands as a reliable partner, offering wholesale banking solutions, corporate loans, and trade and cash management services. The bank's commitment to technological innovation is evident in its digital and online banking platforms, including internet and mobile banking, online trading facilities, and digital wallets, catering to the evolving needs of techsavvy customers. The NRI banking segment addresses the unique requirements of Non-Resident Indians, providing a comprehensive suite of services from NRI accounts and loans to investment opportunities and remittance services. HDFC Bank's footprint extends to agri-business and rural banking, where it plays a pivotal role in providing financial support to farmers and rural communities through agricultural loans and development initiatives. Government and institutional banking services contribute to the bank's comprehensive financial ecosystem. Wealth management and private banking offerings cater to the affluent clientele, delivering tailored solutions and portfolio management services. HDFC Bank's presence in investment banking is marked by its involvement in capital markets, advisory services, and structured finance, showcasing its prowess in diverse financial domains. The bank's role in the insurance sector further underscores its commitment to offering holistic financial solutions. In essence, HDFC Bank's multifaceted product and service portfolio reflects its dedication to meeting the diverse and evolving financial needs of individuals, businesses, and institutions in India.

#### **4.5 MERGERS AND ACQUISITION:**

- HDFC Bank merged with Times Bank in February 2000. This was the first merger of two private banks in the New Generation private sector banks category. Times Bank was established by Bennett, Coleman and Co. Ltd., commonly known as The Times Group, India's largest media conglomerate.
- In 2008, Centurion Bank of Punjab (CBoP) was acquired by HDFC Bank. HDFC Bank's board approved the acquisition of CBoP for ₹95.10 billion in one of the largest mergers in the financial sector in India.
- In 2021, the bank acquired a 9.99% stake in FERBINE, an entity promoted by Tata Group, to operate a pan-India umbrella entity for retail payment systems, similar to the National Payments Corporation of India.
- In September 2021, the bank partnered with Paytm to launch a range of credit cards powered by Visa.
- On 4 April 2022, HDFC Bank announced a merger with the Housing Development Finance Corporation. Upon the completion of the merger, HDFC became the fourth-largest bank in the world by market capitalization. The effective date of the merger was set to be 1 July 2023. After the merger takes place, HDFC, a housing financing corporation, will transfer its home loan portfolio to HDFC Bank. Also, the bank is giving home financing company depositors the choice of either withdrawing their money or renewing their deposits with the private sector bank at the interest rate that the bank is currently offering.

#### **4.6 LISTING AND SHAREHOLDING:**

The equity shares of HDFC Bank are listed on the Bombay Stock Exchange and the National Stock Exchange of India. Its American depositary receipts are listed on the NYSE issued through JP Morgan Chase Bank.

Its global depository receipts (GDRs) were listed on the Luxembourg Stock Exchange but were terminated by the board of directors following its low trading volume.

As per their shareholding pattern Top Shareholders are,

Shareholders (as of 30 <sup>th</sup> September 2023)	Shareholding
Promoter Group (HDFC)	0 % (After the merger)
Foreign Institutional Investors	52.13 %
Individual Shareholders	13.66 %
Domestic Shareholders	30.6 %
- Mutual funds	- 19.71%
- Insurance Companies (including LIC)	- 08.74 %
NPS (HDFC pension management scheme E)	1.50 %
Central/State government	0.001 %

Table 1.9

#### **4.7 PARIVARTAN: CORPORATE SOCIAL RESPONSIBILITY**

- Parivartan is an umbrella term for the corporate social responsibility initiatives by HDFC Bank.
- HDFC Bank's Parivartan initiative spent ₹535 crore in FY 2019–20.
- HDFC Bank spent ₹6349.1 million towards Parivartan, in FY 2020-21. Out of ₹6349 million, over ₹1.10 billion was allocated and used towards initiatives focused on COVID-19.
- HDFC Bank has pledged to become carbon neutral by 2032.

**Other CSR:** HDFC Bank has made substantial strides in fulfilling its Corporate Social Responsibility (CSR) commitments, demonstrating a deep-seated commitment to social and environmental well-being. In the realm of education, the bank has undertaken initiatives to enhance educational infrastructure, offer scholarships, and promote digital literacy. Health awareness campaigns, support for medical facilities, and assistance for critical medical treatments form integral components of the bank's healthcare programs.

Rural development has been a key focus, with projects aimed at improving livelihoods, fostering sustainable agricultural practices, and empowering rural communities. Skill development and livelihood enhancement initiatives are at the forefront of HDFC Bank's efforts, aiding individuals in acquiring employable skills and supporting entrepreneurship.

The bank places a premium on environmental sustainability, championing ecofriendly practices, promoting renewable energy, and undertaking measures to reduce its carbon footprint. Engaging closely with communities, HDFC Bank has spearheaded community development projects, addressed local needs and fostered well-being.

The bank's commitment extends to disaster relief and rehabilitation efforts, offering support during natural calamities. Employee volunteerism is actively encouraged, with staff contributing their time and skills to various CSR projects. HDFC Bank's involvement in the Swachh Bharat Abhiyan underscores its dedication to cleanliness and hygiene, with contributions towards sanitation facilities. Overall, HDFC Bank's CSR initiatives exemplify a holistic approach towards social, economic, and environmental responsibility, showcasing a commitment to making a positive impact on the communities it serves.

In addition to the aforementioned initiatives, HDFC Bank has been a proponent of various other CSR activities aimed at creating a positive impact on society. The bank has been actively involved in promoting financial inclusion by facilitating access to banking services in underserved and remote areas. This includes initiatives to set up banking infrastructure, such as branches and ATMs, in rural and semi-urban regions.

Furthermore, HDFC Bank has been at the forefront of supporting women empowerment programs. These initiatives encompass skill development and entrepreneurship opportunities for women, aiming to enhance their economic independence and societal roles.

The bank has also shown a commitment to technology-driven social initiatives, leveraging its expertise to create digital solutions for societal challenges. This includes projects that use technology for education, healthcare, and financial literacy, contributing to the overall development of communities.

HDFC Bank's CSR endeavors extend to cultural and heritage conservation as well. Through partnerships and sponsorships, the bank supports initiatives that preserve and promote India's rich cultural heritage, ensuring its continued appreciation for future generations.

#### **4.8 AWARDS & RECOGNITION:**

##### **2016**

- Best Banking Performer, India in 2016 by Global Brands Magazine Award
- Best Performing Branch in Microfinance among private sector banks by NABARD, 2016, Award for Best Performance in Microfinance
- KPMG study of India's Best Banks, Bank of the year & best digital banking initiative award 2016
- BrandZ Rankings, Most Valued brand in India for third successive year
- Finance Asia poll on Asia's Best Companies 2015, Best managed public company – India

- J. P. Morgan Quality Recognition Award, best in class straight-through processing rates

## **2018**

- Company of the year: The Economic Times Corporate Excellence Awards
- Best Performing Private Bank in Total Aadhaar Generation & Update □ NPCI - National Payments Excellence Awards

## **2019**

- Best Bank: New Private Sector – FE Best Bank awards
- Winner in Innovation and Inclusiveness in Priority Sector Lending – 11th Inclusive Finance India Awards (IFI) 2019
- Ranked 1st in 2019 BrandZ Top 75 Most Valuable Indian Brands HDFC Bank was featured for the 6th consecutive year.
- Among The Most Honored Company List, Institutional Investor All-Asia (ex-Japan) Executive Team 2019 survey
- India's Best Bank, Euromoney Awards for Excellence 2019
- Bank of the Year and Best Large Bank, Business Today – Money Today Financial Awards 2019
- Best Bank in India 2019, by Global magazine Finance Asia.
- Ranked 60th in 2019 BrandZ Top 100 Most Valuable Global Brands HDFC Bank was featured BrandZ Top 100 Most Valuable Global Brands 2019 for the 5th consecutive year. The Bank's brand value has gone up from \$20.87 billion in 2018 to \$22.70 billion in 2019.
- Best Large Bank & Fastest Growing Large Bank in 2019, by Business World Magna Awards
- India's leading private sector bank: Dun & Bradstreet BFSI Awards

## **2020**

- Best Bank in India: Euromoney Awards
- Best Bank in India: FinanceAsia Country Awards

## **2021**

- Best bank in India: FinanceAsia Country Awards
- Best bank for SMEs: Asiamoney best bank awards
- Best bank in India: [[Euromoney#The Euromoney Awards for Excellence the Euromoney Awards for Excellence
- Ranks No. 1 in Mass Affluent category: Euromoney Private Banking and Wealth Management Survey
- On 12 January 2022 HDFC BANK has been adjudged ' Best Private Bank in India' at the Global Private Banking Awards 2021, Organized by Professional Wealth Management (PWM)

## **2022**

- Best Bank in India: Euromoney Awards for Excellence 2022

## **DISTRIBUTION NETWORKS:**

HDFC Bank is headquartered in Mumbai. As of December 31, 2023, the Bank's distribution network was at 8,086 branches across 3,836 cities. Customers across India are serviced through multiple delivery channels such as Phone Banking, Net Banking, Mobile Banking, and SMS based banking. The Bank's expansion plans take into account the need to have a presence in all major industrial and commercial centers, where its corporate customers are located, as well as the need to build a strong retail customer base for both deposits and loan products. Being a clearing / settlement bank to various leading stock exchanges, the Bank has branches in center's where the NSE / BSE have a strong and active member base. The Bank also has a network of 18,089 ATMs across India. HDFC Bank's ATM network can be accessed by all domestic and international Visa / MasterCard, Visa Electron / Maestro, Plus / Cirrus and American Express Credit / Charge cardholders.

#### **4.9 VISION, MISSION AND VALUES:**



HDFC Bank’s mission is to be a world class Indian bank. We have a two-fold objective: first, to be the preferred provider of banking services for target retail and wholesale customer segments. The second objective is to achieve healthy growth in profitability, consistent with the bank’s risk appetite.

The bank is committed to maintaining the highest level of ethical standards, professional integrity, corporate governance and regulatory compliance. HDFC Bank’s business philosophy is based on five core values: Operational Excellence, Customer Focus, Product Leadership, People and Sustainability.



# **CHAPTER 5: DATA ANALYSIS AND INTERPRETATION**

## **5.1 DATA ANALYSIS:**

Data is everywhere, and people use data every day, whether they realize it or not. Daily tasks such as measuring coffee beans to make your morning cup, checking the weather report before deciding what to wear, or tracking your steps throughout the day with a fitness tracker can all be forms of analyzing and using data

Data analysis is the systematic process of examining, transforming, and interpreting data to uncover valuable insights and inform decision-making. It encompasses a series of steps, beginning with data collection from diverse sources. Once collected, the data undergoes rigorous cleaning and preprocessing to ensure accuracy and reliability. Exploratory data analysis techniques are then employed to understand the underlying patterns and relationships within the dataset. Statistical methods and machine learning algorithms are applied to derive meaningful conclusions and predictions from the data. Visualization plays a crucial role in presenting these findings in a clear and understandable manner. Ultimately, data analysis empowers organizations across various sectors to make informed decisions, optimize processes, and gain a competitive edge in today's data-driven world.

Data analytics is important because it helps businesses optimize their performances. Implementing it into the business model means companies can help reduce costs by identifying more efficient ways of doing business and by storing large amounts of data. Data analysis plays a pivotal role in various domains such as business, science, healthcare, finance, and social sciences. In business, it helps in understanding customer behavior, optimizing marketing strategies, and improving operational efficiency. In science, data analysis facilitates hypothesis testing, pattern recognition, and the advancement of knowledge.

In conclusion we can say that the goal of data analytics is to pull out important insights from the various information that you've collected about your customers. It's accomplished through data collection, data cleaning and preprocessing, exploratory data analysis, data visualization, and predictive modeling. By analyzing

data from multiple sources — such as databases, spreadsheets, and social media — companies can gain a deeper understanding of their operations, customers, and market trends.

## **5.2 DATA INTERPRETATION:**

Data interpretation is the critical phase following data analysis, where the focus shifts from raw numbers to meaningful insights and actionable conclusions. It entails contextualizing the analyzed data within its relevant framework, whether it's business operations, scientific research, or social trends. Through this process, patterns, trends, and relationships within the data are identified and scrutinized to extract valuable insights. These insights are then translated into clear and understandable narratives, often involving comparisons, validations, and inferences. Effective communication is paramount in data interpretation, as findings must be conveyed in a manner accessible to stakeholders, using visualizations, summaries, or narratives tailored to the audience's needs.

Ultimately, the aim of data interpretation is to empower decision-makers with actionable insights that drive informed decisions, strategy formulation, and problemsolving. It's an iterative process that ensures the derived conclusions are robust, relevant, and capable of guiding future actions and initiatives.

The interpretation of data helps researchers to categorize, manipulate, and summarize the information in order to answer critical questions. The importance of data interpretation is evident, and this is why it needs to be done properly. Data analysis and interpretation, in the end, help improve processes and identify problems. It is difficult to grow and make dependable improvements without, at the very least, minimal data collection and interpretation.

## **5.3 GRAPHICAL REPRESENTATION OF DATA**

### **PRIMARY DATA**

#### **1) Age group of the respondents regarding the research?**

Age Group	No. of respondents
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15-19	4 (8.7%)
20-24	27 (58.7%)
25-30	10 (21.7%)
Above 30	5 (10.9%)
Grand Total	46

Table 1.10

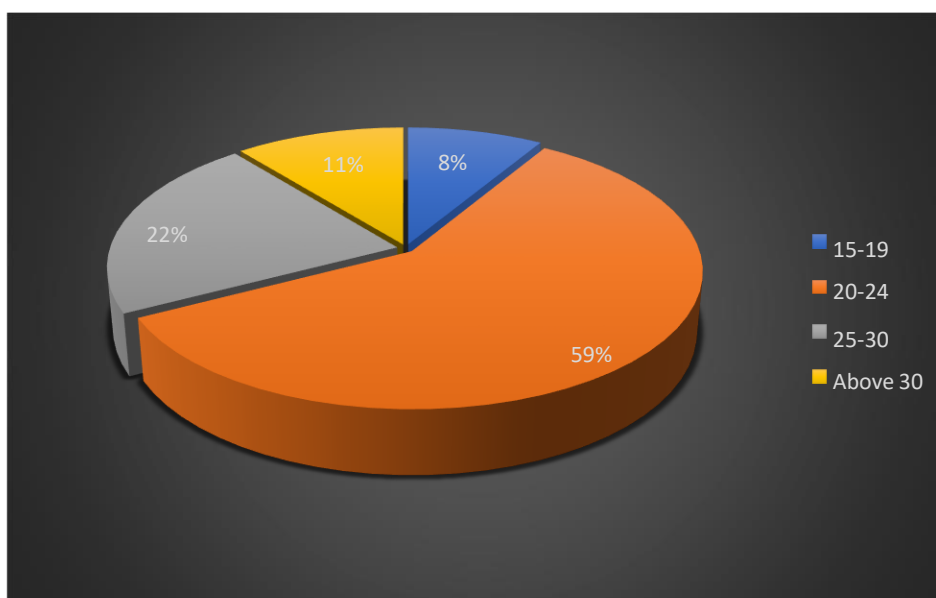


Chart 1.3

**INTERPRETATION:**

The above diagram shows a survey taken for the dissertation on topic “A Critical Study on Retail loans in banking sector ". It is clear that most of the respondents are from the age group of 20-24 followed by the group of 25-30. However, age responses are subject to change due technologies margin of error.

**Q. 1) Which Bank do you mostly prefer for regular transaction?**

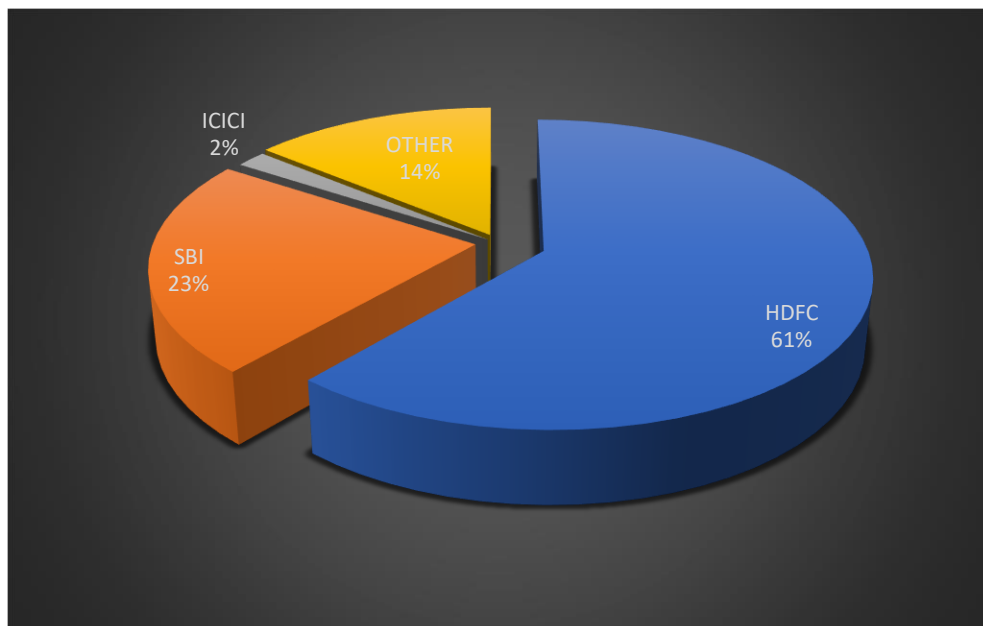
Options	No. of respondents
HDFC	35 (61.4%)
SBI	13 (22.8 %)
ICICI	1 (1.8 %)
OTHER	8(14%)
Grand Total	57

Table 1.11

Chart 1.4

**INTERPRETATION:**

It has been observed that approximately 61.4% correspondents are using the service of HDFC Bank for their daily transaction, around 22.8% of people are using SBI Bank for their transaction and only 1.8% & 14% of people are using ICICI & other Bank service respectively in Thane. It also shows that HDFC Bank have the highest market position in Thane as per my sample.



**Q. 2) Are you aware of all products and services of HDFC Bank?**

Options	No. of Respondents
YES	35 (61.4%)
NO	22 (38.6%)
Grand Total	57

Table 1.12

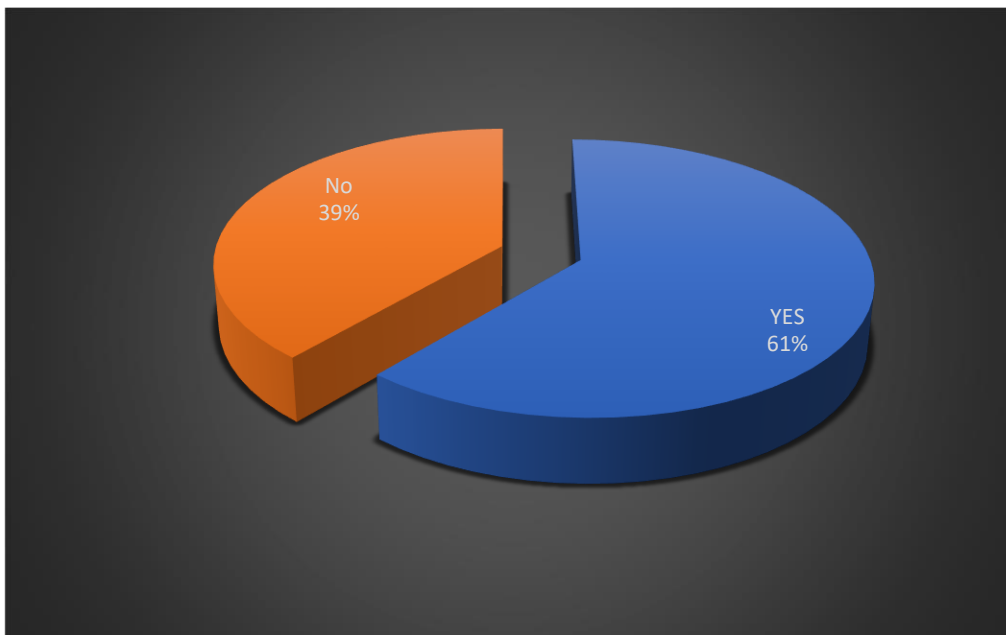


Chart 1.5

**INTERPRETATION:**

From the above data, it is cleared that Most of the customers of Thane knows almost all the product and services of HDFC Bank around (61.4%), the rest (38.6%) have idea about the product they are using only. The unawareness of the products and services of HDFC Bank are mainly among the non-account holder.

**Q. 3) If yes, then specifically regarding the Loan sector?**

Options	No. of Respondents
YES	38 (66.7%)
NO	19 (33.3%)
Grand Total	57

Table 1.13

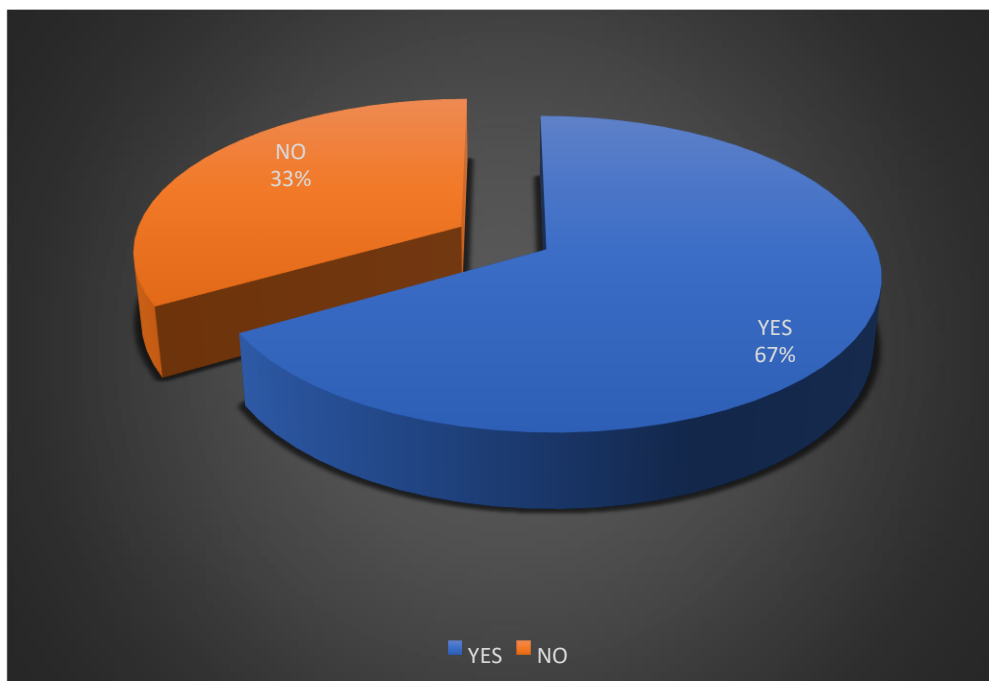


Chart 1.6

**INTERPRETATION:**

From the above data, it is clear that Most of the customers of the Thane know about Loan sector of HDFC Bank around (66.7%) and rest of the (33.3%) of the customers are unaware about the loan sector of HDFC Bank.

**Q. 4) Which bank do you mostly prefer for getting a loan?**

Options	No. of Respondents
SBI	11 (19.3%)
HDFC	37 (64.9%)
ICICI	3 (5.3%)
OTHER	6 (10.5%)
Grand Total	57

Table 1.14

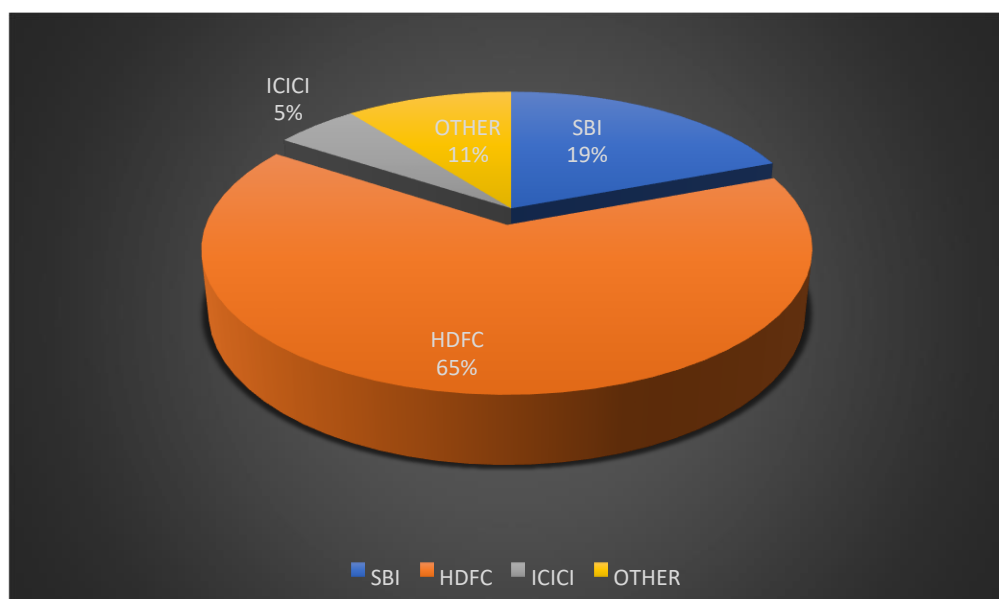


Chart 1.7

**INTERPRETATION:**

According to my sample size (64.9%) of people prefer HDFC Bank for taking loans, (19.3%) people prefer SBI Bank, whereas (5.3%) people prefer ICICI Bank and (10.5%) people prefer Other Banks for taking loans. It may be because they have their account in different bank & it is easier for them to get loan from their bank & it easier for them to pay the interest because it is less as compare to another bank because they are the customer of that bank.

**Q. 5) Which one of the loans is taken by you from HDFC Bank?**

Options	No. of Respondents
Personal loan	17 (29.8%)
Home loan	8 (14%)
Education loan	15 (26.3%)
Car loan	1 (1.8%)
Not taken	16(28.1%)
Grand Total	57

Table 1.15

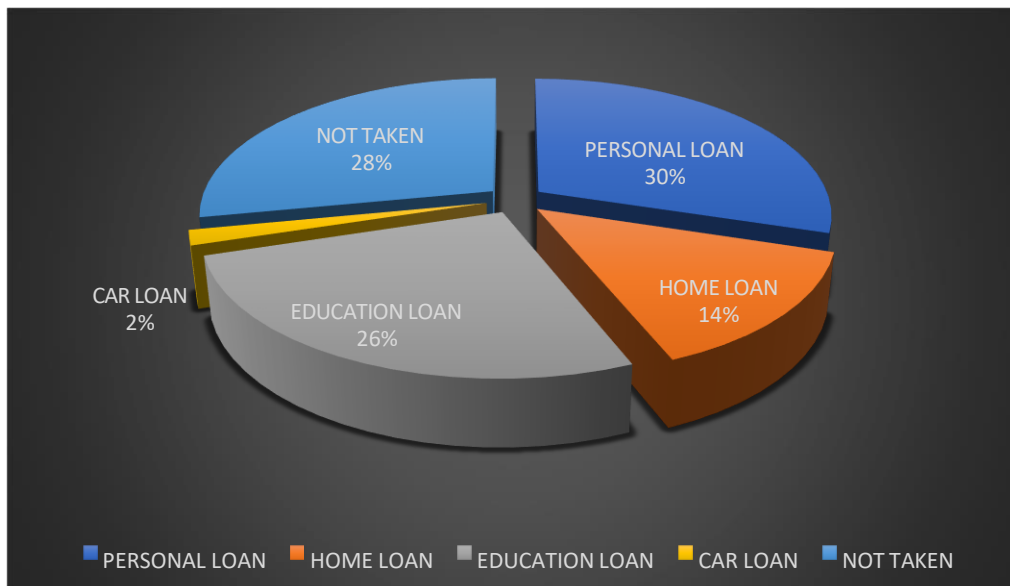


Chart 1.8

**INTERPRETATION:**

From the above sample size 72% of people are using the HDFC Bank loan product. From the total samples 29.8% of people have taken personal loan from HDFC Bank. 26.3% of people have taken education loan for their children, 14% of people have taken home loan from HDFC Bank and 1.8% of people have opted for car loan. On the other hand, there are 28.1% of people who have not taken loan from HDFC Bank.

**Q. 6) For how many years you usually prefer loans?**



Options	No. of Respondents
1 year	11 (19.3%)
2 to 3 years	30 (52.6%)
3 to 5 years	12 (21.1%)
More than 5 years	4 (7%)
Grand Total	57

Table 1.16

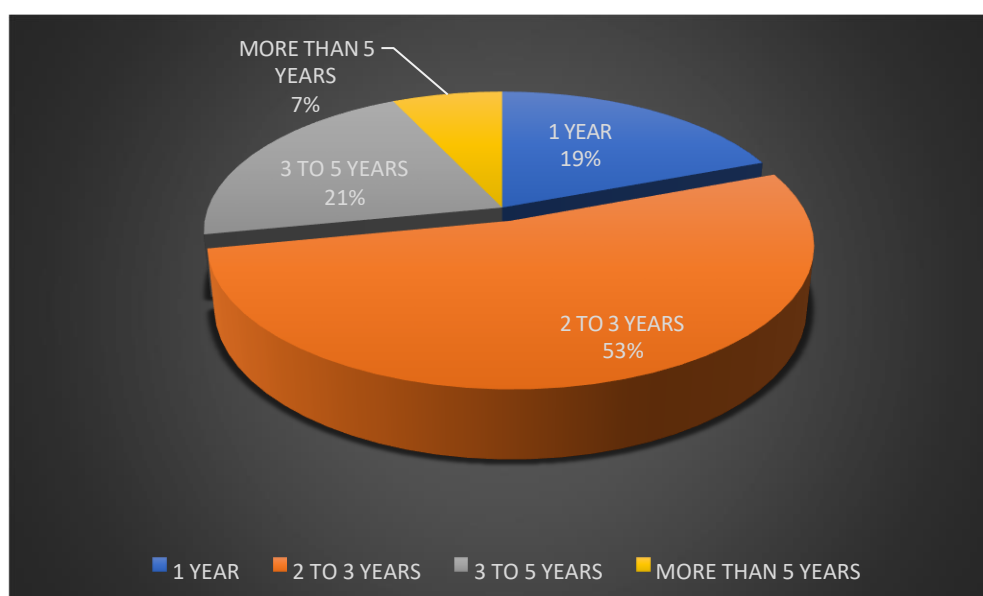


Chart 1.9

**INTERPRETATION:**

From the above data, it is concluded that 52.6% of people prefer 2 to 3 years' time period for repayment of loans, 19.3% of people prefer 1 year for repayment of loans, 21.1% people prefer 3 to 5 years for repayment loans and only 7% of people prefer time period of more than 5 years for payment of loan.

**Q. 7) What do you think of Interest on loans?**

Options	No. of Respondents
Too high	15(26.3%)

Too low	10 (17.5%)
Normal	32 (56.1%)
Grand Total	57

Table 1.17

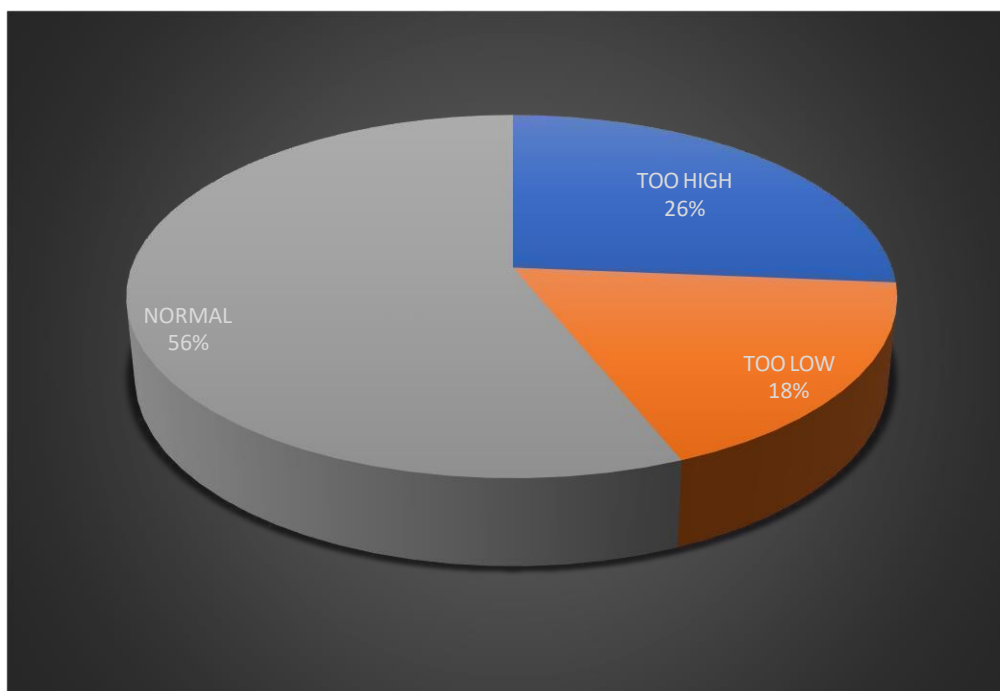


Chart 1.10

**INTERPRETATION:**

From the above findings, it is concluded that 56.1% of people consider that interest rates offered by HDFC Bank on loans are comparatively normal. 26.3% of people found that interest rates are too high for them and 17.5% of people think that interest rates provided by HDFC Bank on loans are too low.

**Q. 8) How do you prefer to pay your installment?**

Options	No. of Respondents
Monthly	32 (56.1%)
Quarterly	22 (38.6%)
Half yearly	3 (5.3%)

Annually	0
Grand Total	57

Table 1.18

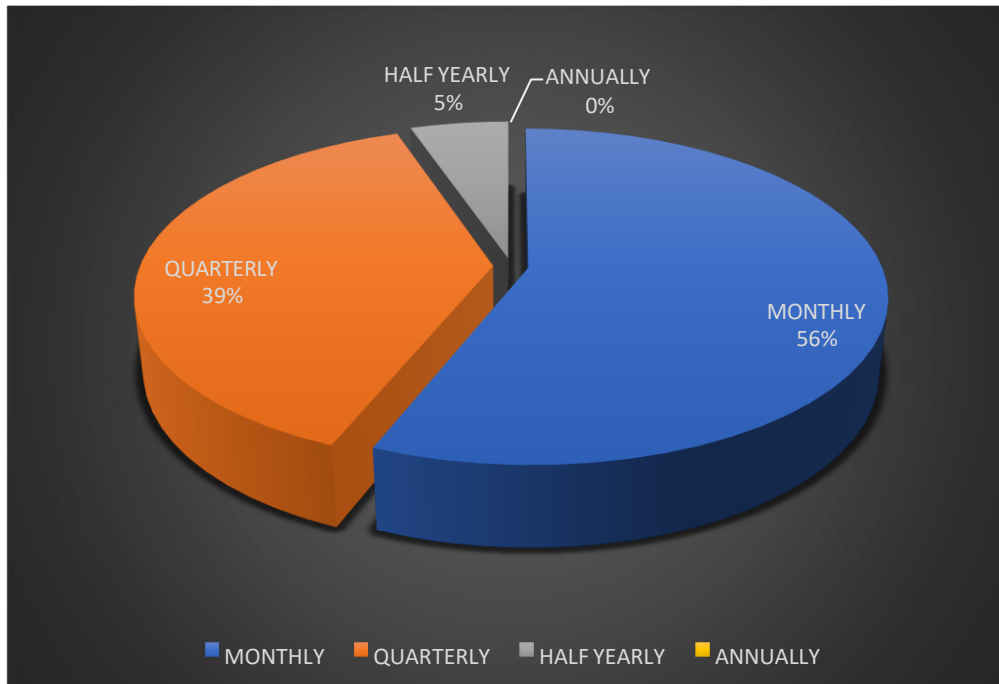


Chart 1.11

**INTERPRETATION:**

Form this sample size we got to know that 56.1% of people prefer to repay their Loans in Monthly installments basis. 38.6% of people prefer to pay their installments on quarterly basis and 5.3% of people like to repay the loan amounts in Half Yearly basis and no one prefer to pay their installment on annual basis as per sample size.

**Q. 9) Does HDFC Bank provides good services (In Loan Sector) as compared to other Banks?**

Options	No. of Respondents
YES	44(77.2%)
NO	13(22.8%)
Grand Total	57

Table 1.19

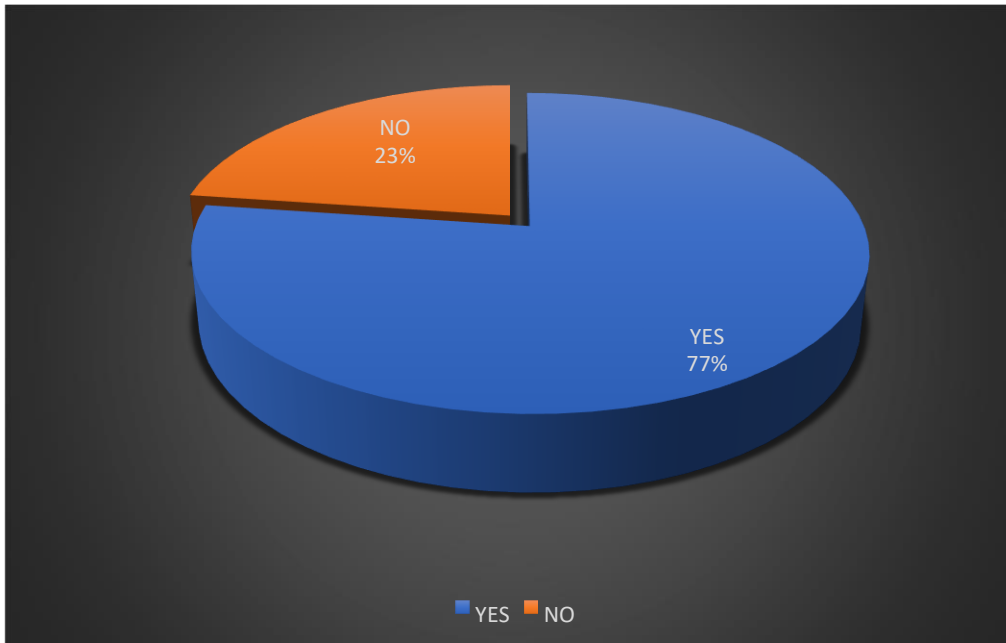


Chart 1.12

**INTERPRETATION:**

From the above data, it is interpreted that about 77.2% of people thinks that HDFC Bank provides good services as compared to other banks whereas 22.8% of people are of view that Services provided by HDFC bank are not good as compared to other banks.

**Q. 10) Which features do you like most in Loan segments of HDFC Bank?**

Options	No. of Respondents
Long repayment period	13 (22.8%)
Simple and fast Processing	26 (45.6%)
Less Paperwork	9 (15.8%)
Attractive interest Rates	9 (15.8%)
Grand Total	57

Table 1.20

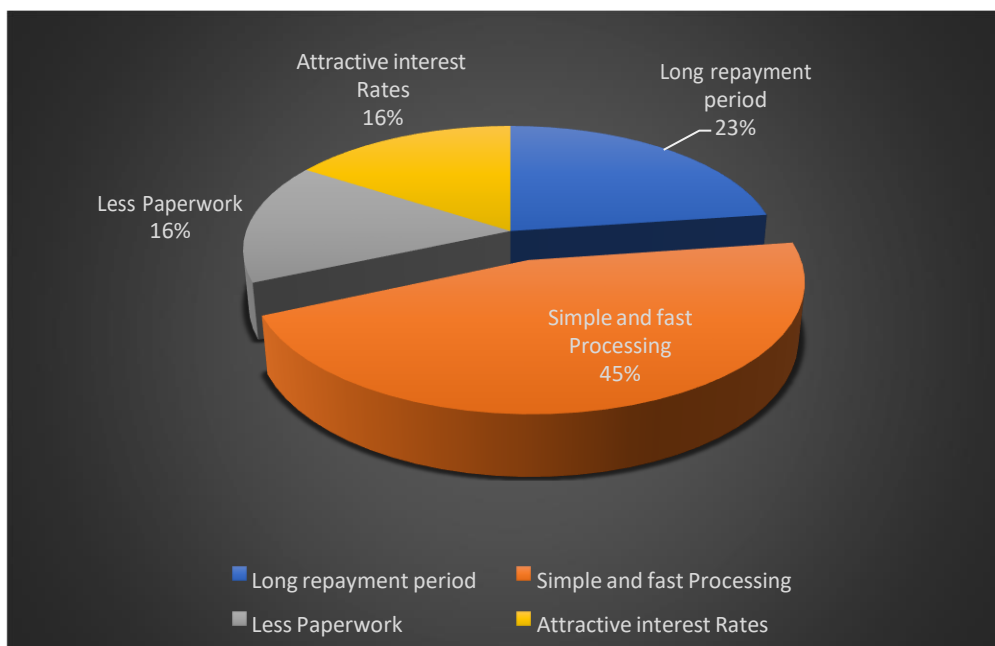


Chart 1.13

**INTERPRETATION:**

From the above data, it is concluded that 45.6% of people like the simple and fast processing of HDFC Bank. 22.8% of people like the Long Repayment Facilities provided by the HDFC Bank and 15.8% of people like Attractive interest rates and less paperwork facilities of the HDFC Bank.

**5.4 SECONDARY DATA:**

❖ **CORPORATE LOANS:**

**Banks' corporate loan book:**

Bank	Q2FY24 (in trillion)	Q2FY23 (in trillion)	YoY change (in %)
<b>SBI</b>	9.77	9.17	7
<b>BOB</b>	3.51	3.01	17
<b>PNB</b>	4.01	3.70	8

<b>HDFC Bank</b>	4.28	3.96	8
<b>ICICI Bank</b>	2.48	2.16	15

Table 1.21

HDFC Bank's **corporate loans** rose **6%** quarter-on-quarter (Q-o-Q) during Q2 to Rs 4.28 trillion as of September 30.

“Even on such a large scale the bank will have the energy to continue to grow at a pace that we have done in the past even on such a larger book.

**Corporate and other wholesale loans** (excluding non-individual loans of the erstwhile HDFC Limited) grew by around **11.0%** and **2.0%** over December 31, **2022**, and September 30, **2023**, respectively.

The lender's wholesale loan book grew 11% year-on-year to Rs 4.04 trillion as of June 30, but de-grew sequentially by 1-2%, the CFO said.

Specifically, loans to **micro and small industries** rose **10.2%** y-o-y. Loans to **medium and large** industries rose **9.7%** y-o-y and **4.3%** y-o-y, respectively.

#### ❖ **RETAIL LOAN:**

According to the bank's internal classification, the growth trajectory varied across segments. Domestic **retail loans** surged by **111.0%** from December 31, 2022, and **3.0%** over September 30, 2023. Commercial and rural banking loans experienced increase of 31.5% and 6.5% YoY and respectively.

The **personal loan** segment in the banking sector posted a record increase of nearly **32%** year-on-year in July 2023 - mainly due to the merger of HDFC with HDFC Bank.

The merger, which added over **Rs 4.3 lakh crore in home loans** to the bank's portfolio, pushed overall bank credit growth to 19.7%. RBI data indicates that the merger contributed five percentage points to the growth in bank credit. Without the

merger, the year-on-year increase would have been 14.7%. Bank credit stood at Rs 148 lakh crore as of July 28.

Within **personal loans, the housing finance** portfolio of banks surged by **37.4% to reach Rs 24.3 lakh crore** as of July-end. It would have been Rs 20 lakh crore without the merger.

## **CHAPTER 6:**

# **FINDINGS, CONCLUSIONS**

### **6.1 FINDINGS:**

- From the data collected through primary method, it can be concluded that the Customer's give 1<sup>st</sup> preference to HDFC Bank while taking Loans according to their need.
- **Corporate and other wholesale loans** grew by around **11.0%** and **2.0%** over December 31, **2022**, and September 30, **2023**, respectively.
- Domestic **retail loans** surged by **111.0%** from December 31, 2022, and **3.0%** over September 30, 2023.
- Through the analysis of the secondary data, it can be concluded that company's both corporate and retail loan book is increasing every year.
- Almost all of the customers of the HDFC Bank are of view that HDFC Bank provides good services as compared to the other banks. Around 77.2% of customers are satisfied with services provided.

- There is shifting among customers toward HDFC Bank due to reasons such as, availability of various loans, lower interest rates and mainly because of the reputation in the market.
- In the 2023, HDFC Bank reported a net profit of Rs. 16.373 crore for the September-December 2023 period.
- In this project it is found that the sanctioning of both loans is increased by the bank every year. And it is providing these both loans at a low interest rate.
- Many of these clients are satisfied with the low hobby price and longer repayment length of the Loans product.
- Following are the factors that have contributed significantly to increase in demand in loans:
  - Long Repayment Period.
  - Simple and Fast Processing.
  - Less Paperwork.
  - Attractive Interest Rates.
- Some people are of the view that interest on the loans is Too high as compared to interest rates offered by the other banks.
- Corporate loans of HDFC Bank are high in demand in the market as compared to other banks as per the research conducted.
- Majority of the customers finds that interest on loans provided by HDFC Bank are Normal.



- To properly convey all the products and services of HDFC Bank to customers, means of reaching to customers should be improved, as the website of the bank is not up to the mark.

## **6.2 CONCLUSIONS:**

At the end It is possible to conclude from the study component that the customers have a fantastic response to HDFC's increased product. Being India's leading private sector bank, HDFC Bank has wide variety of customers and right offerings to them. Having said that bank has large customer base, so it has to concentrate on preserving those customers by providing quality services.

Within a totally short period of time the fulfillment made by using HDFC Bank is super, what an everyday financial institution can't expect, but its miles being carried out through HDFC Bank. It occurs due to employee determination, loyalty to the organization, quickest growing Indian economy and brand photograph.

The research is conducted to analyze the performance of the HDFC Bank. The bank is making consistent profit in the last 5 years. Thorough research has been done in case of loan sector both retail and corporate loan. The company's loan book is significantly increasing every year.

In spite of trying to do well in some aspects HDFC Bank faced some financial problems from time to time. Some of the problems were some defaults in loans,

scarcity of cash. These problems arise time to time due to economic slowdown, interest rate fluctuation, emerging capital market, inflation in the money market and so on.

To bring in fairness and transparency, banks are advised that they must transparently disclose to the borrower all information about fees, charges payable for processing the loan application, the amount of fees refundable if loan amount is not sanctioned/disbursed, if any, penalty for delayed repayments if any, such information should also be displayed on the website of the banks for all categories of loan products.

It also came to know about the total process of disbursement of all types of loan and all its related aspects and the various types of loans available under the roof of HDFC Bank. However, the bank is seen to be taking lot of initiative in attracting customers, helping them financially and provide expert support as and when required to its nearby business units to either setup or expand its operations.

### **6.3 SUGGESTIONS:**

- There is need of promotion for availability various types of loans, their benefits, interest rates etc.
- If there are any hidden charges on loans or anything it needs to be disclosed to the customers.
- HDFC Bank ought to take feedback of the clients regarding capabilities and services.
- The bank should disclose all the clear information regarding develop product, like interest charged, repayment duration, different forms of prices, etc.
- Before deducting or charging any financial rate HDFC Bank have to discuss with customer.

- There is need for awareness campaign, as many customers are not aware of all the product and services of HDFC Bank.

## **CHAPTER 7:**

# **BIBLIOGRAPHY, WEBLIOGRAPHY**

### **7.1 BIBLIOGRAPHY:**

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- <https://www.paisabazaar.com/>
- <https://in.investing.com/>



# **ANNEXURE**

## **BALANCE SHEET 2023**

<b>EQUITIES &amp; LIABILITIES</b>	
<b>SHAREHOLDERS FUNDS</b>	
Equity Share Capital	557.97
<b>TOTAL SHARE CAPITAL</b>	<b>557.97</b>
Revaluation Reserve	0.00
Reserves and Surplus	279,641.03
<b>TOTAL RESERVES AND SURPLUS</b>	<b>279,641.03</b>
<b>TOTAL SHAREHOLDERS FUNDS</b>	<b>280,199.01</b>
Minority Interest	
Deposits	1,883,394.65
Borrowings	206,765.57
Other Liabilities and Provisions	95,722.25
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>2,466,081.47</b>
<b>ASSETS</b>	
Cash And Balances with RBI	117,160.77
Balances With Banks Money at Call and Short Notice	76,604.31
Investments	517,001.43
Advances	1,600,585.90
Fixed Assets	8,016.54
Other Assets	146,712.52
<b>TOTALASSETS</b>	<b>2,466,081.47</b>
<b>CONTINGENT LIABILITIES, COMMITMENTS</b>	
Bills for collection	71,439.54



Contingent liabilities	1,748,130.32
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**PROFIT & LOSS A/C 2023**

<b>INCOME</b>	
Interest/ Discount on Advances/ Bills	127,095.86
Income From Investments	31,311.16
Interest On Balances with RBI and Other Inter-Bank Funds	996.79
Others	2,181.74
<b>TOTAL INTEREST EARNED</b>	<b>161,585.54</b>
Other Income	31,214.83
<b>TOTAL INCOME</b>	<b>192,800.36</b>
<b>EXPENDITURE</b>	
Interest Expended	74,743.32
Payments To and Provision for Employees	15,512.36
Depreciation	2,242.48
Operating Expenses	29,897.24
<b>TOTAL OPERATING EXPENSES</b>	<b>47,652.08</b>
Provision Toward Income Tax	14,596.28
Provision Toward Deferred Tax	-219.68
Other Provisions and Contingencies	11,919.66
<b>TOTAL PROVISION AND CONTINGENCIES</b>	<b>26,296.26</b>
<b>TOTAL EXPENDITURE</b>	<b>148,691.66</b>
<b>NET PROFIT/LOSS FOR THE YEAR</b>	<b>44,108.70</b>
<b>NET PROFIT/LOSS AFTER EI &amp; PRIOR YEAR ITEMS</b>	<b>44,108.70</b>

## **QUESTIONNAIRE**

❖ **NAME**

---

❖ **AGE**

- 15-19
- 20-24
- 25-30
- Above 30

**Q 1) Which Bank do you mostly prefer for regular transaction?**

- HDFC
- SBI
- ICICI
- OTHER

**Q 2) Are you aware of all products and services of HDFC Bank?**

- YES
- NO

**Q 3) If Yes, then specifically regarding the Loan sector?**

- YES
- NO

**Q 4) Which bank do you mostly prefer for getting a loan?**

- SBI
- HDFC
- ICICI
- OTHER

**Q 5) Which one of the loans is taken by you from HDFC Bank?**

- PERSONAL LOAN
- HOME LOAN
- EDUCATION LOAN
- CAR LOAN
- NOT TAKEN

**Q 6) For how many years you usually prefer loans?**

- 1 YEAR
- 2-3 YEARS
- 3-5 YEARS
- MORE THAN 5 YEARS

**Q 7) What do you think of Interest on loans?**

- TOO HIGH
- TOO LOW
- NORMAL

**Q 8) How do you prefer to pay your installment?**

- MONTHLY
- QUARTERLY
- HALF- YEARLY
- ANUALLY

**Q 9) Does HDFC Bank provides good services (In Loan Sector) as compared to other Banks?**

- YES
- NO

**Q 10) Which features do you like most in Loan segments of HDFC Bank?**

- LONG REPAYMENT PERIOD
- SIMPLE AND FAST PROCESSING
- LESS PAPERWORK
- ATTRACTIVE INTEREST RATE