

# Study of Home Loan ICICI Bank in Distt. Mandi Himachal Pradesh

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**Abstract-** A home loan is a long-term commitment that takes 15 to 20 years to complete. A number of factors are essential such as the company's level of commitment and transparency throughout the loan process, the fine print, the quality of services provided, and the safe retrieval of the title deed. One can simply obtain a home loan at a fair interest rate from quite a few of banks and financial institutions. The Indian government has been working to improve the housing industry for the past ten years by launching a number of housing loan programs for both urban and rural residents. The National Housing Policy (NHP), which was initially implemented in 1988, was the first attempt in this direction. Founded in 1988, the National Housing Bank (NHB) is the premier housing financing institution and a fully-owned subsidiary of the Reserve Bank of India (RBI). In addition to offering refinancing services to scheduled commercial banks and housing finance businesses, the bank's primary goal is to build and promote the nation's housing financial institutions. Additionally, tax rebates on housing loans have been introduced for the salaried part. The objective of this research is to examine how pleased customers are with HDFC Bank and ICICI Bank home loans. 50 bank clients participated in the study, which was conducted using a standardized questionnaire. Numerous statistical procedures, including percentages, t-tests, and chi-square tests, have been used for analysis.

**Keywords:** Home loan, ICICI Bank, Customer, Finance.

## I. INTRODUCTION

Unlike wholesale banking, which focuses on industrial and institutional clients, retail banking aims to offer banking services to individuals and joint individuals. The banks are not new to the idea of retail banking. Nowadays, retail banking has been considered to be an attractive niche with room to grow and make money. Only recently has it drawn special attention from the banks as a way to address some of their pressing issues. Retail banking is

fundamentally about individual clients. The biggest change in the commercial banking industry in recent years has been retail lending internationally. Consumer credit is made up of retail loans for particular use and appreciation for widespread usage. Due to commercial banks' transition from traditional banking operations to a broad-based lending portfolio, credit to the retail sector has increased in both developed and developing nations. The rapid developments in technology, the changing macroeconomic landscape brought about by financial sector reform, and a number of micro-level supply and demand side factors are all causing the growth of retail lending, particularly in emerging nations. Innovative financial products brought about by technology have made it easier for banks to boost their income structures and balance sheets. Technology has lowered the cost of financing from outside for borrowers, while banks have gained from product innovation and cheaper transaction fees. As a result, banks have improved their risk management and product pricing strategies. The increase in retail lending, however, has some limitations. Retail lending may increase household debt, thereby impacting the long-term sustainability of private consumption and savings. The rapid increase in retail loans may impact bank credit for investment, thereby affecting economic growth. Cross-sectional studies indicate that retail lending can pose threats to bank asset quality. The demand for housing must nevertheless be satisfied. This is due to a lack of funding and inadequate financial institutions, as well as rising labor, land, and building material costs. Due of its forward and backward connections with other economic sectors, housing finance is a social good in emerging nations. Due to a number of supportive governmental initiatives and supervisory incentives put in place, the housing finance sector in India has grown more quickly in recent years. By establishing reduced capital adequacy requirements and

minimum disbursement targets tied to additional deposits, the Reserve Bank has been encouraging the housing sector.

## II. OBJECTIVE OF THE STUDY

- To gain an understanding of home loan schemes and their various components.
- To explore the required documents for home loans and the methodologies involved in repayment.
- To provide detailed insights into the interest rates and the selection of appropriate repayment tenures.
- To learn about innovative home loan schemes and the mechanisms for managing risks.

## III. SCOPE OF THE STUDY

1 All industries have challenges to face when it comes to training their workforce, many of which are unique to that particular industry, and the banking sector is no different.

1. Regulation changes
2. Ensuring all staff meet training standards
3. Resistance to change
4. Supplementing existing courses
5. Overwhelming levels of information

## IV. RESEARCH METHODOLOGY

Research methodology refers to the systematic approach used to conduct research. It outlines the methods and techniques for collecting, analyzing, and interpreting data. It includes the research design, data collection methods (qualitative or quantitative), and the tools used for analysis to ensure reliability and validity of the results.

## RESEARCH DESIGN

Table: 1 Demographic Profile of the Respondent

Profile	Variable	count	Column NO. %
GENDER	Male	67	65%
	Female	36	35%
QUALIFICATION	+2	44	42.7%
	Graduation	32	31.1%
	Post Graduation	27	26.2%
OCCUPATION	Government employee	18	18.8%
	Private Employee	28	29.5%
	Self employee-professional	18	18.9%
	Self employee –non professional	31	32.6%

Research design is a blueprint or plan outlining how a research study will be conducted. It specifies the methods for data collection, analysis, and the overall approach to addressing the research questions.

## V. METHOD OF DATA COLLECTION

### PRIMARY DATA

Primary data is original information collected directly from a source, like through surveys, interviews, or experiments. Its new data gathered specifically for a particular research purpose.

### SAMPLE UNIT

The sample unit for the study is the employees of Icici with special reference with distt. Mandi in Himachal Pradesh

### SAMPLE SIZE

The sample size of the study is 100 .

### TOOLS FOR DATA ANALYSIS

The tools used for data analysis in percentage analysis

### DATA ANALYSIS

Data analysis is the process of inspecting, cleaning, transforming, and modeling data to discover useful information, draw conclusions, and support decision-making. It involves organizing raw data into a structured format, identifying patterns, and applying statistical or computational techniques to extract meaningful insights. The goal of data analysis is to interpret the data accurately and derive actionable conclusions that can inform strategies, solve problems, or answer research questions. Whether in qualitative or quantitative research, effective data analysis ensures that the findings are valid, reliable, and relevant to the study's objectives.

INTERPRETATION: The demographic profile table summarizes the characteristics of the respondents in the study. The majority of respondents are male (65%), with females accounting for 35%. In terms of qualification, the highest percentage of participants has a +2 level of education (42.7%), followed by graduates (31.1%) and postgraduates (26.2%). Regarding occupation,

32.6% of respondents are self-employed in non-professional roles, 29.5% are private employees, 18.9% are self-employed professionals, and 18.8% work in government jobs. This indicates a diverse sample, with a significant proportion engaged in self-employment and intermediate educational backgrounds.

TABLE-2 Employee Engagement

Profile	Variable	Count	Column NO. %
Annual income	Below 2 lakh	53	53.5%
	2-6 lakh	28	28.3%
	6-12 lakh	8	8.1%
	Above 12 lakh	10	10.1%
Type of house you live in	Individual villa	53	53.5%
	Flats in apartment	46	46.5%
Own house or rent house	Own house	65	63.7%
You presently live in	Rent house	37	36.3%
	Parents	58	56.3%
	Spouse	15	14.6%
	Relative	17	16.5%
	Others	13	12.6%
Your primary acc.	Icici bank	33	32.4%
	Hdfc bank	21	20.6%
	Axis bank	10	9.8%
	Government bank	38	37.3%
Taken any home loan	Yes	40	39.2%
	No	62	60.8%
Home loan you need	Loan for purchase of house/ flat	28	28.3%
	Balance transfer home loan	16	16.2%
	Loan for land	23	23.2%
	Pardhan mantri awas yojna	12	12.1%
Repayment of home	2-5 years	55	55.6%
	5-10 years	18	18.2%
	10-20 year	14	14.1%
	30 year	12	12.1%
Extended home loan	Repursion and renovation loan	52	52.5%
	Home improvement loan	47	47.5%
Parameter based	Loan amount	52	52%
	Interest rate	15	15%
	Processing charges	33	33%
Amount disbursement	Too much delayed	32	32.3%
	Delayed	22	22.2%
	Normal time taken	28	28.3%
	faster	10	10.1%
	Much faster	7	7.1%

INTERPRETATION: The data presented in Tables 2 and the subsequent section provides insights into employee engagement with home ownership and loan behavior. Most respondents have an annual income below 2 lakh (53.5%) and live in individual

villas (53.5%), with 63.7% owning their homes. A significant portion lives with parents (56.3%). Government banks are the most common primary bank (37.3%), though 60.8% of respondents have not taken a home loan. Among those who need

loans, 28.3% require it for home purchases and 23.2% for land. Most repay loans within 2–5 years (55.6%). Regarding extended loans, 52.5% take them for repair/renovation. Loan decisions are largely influenced by the loan amount (52%) and processing charges (33%). Delays in disbursement are common, with 32.3% citing excessive delays. Overall, the findings suggest moderate loan dependency, cost-conscious behavior, and a preference for short-term repayment.

## VI. CONCLUSION

We learned from this study that the great deal of people's are interested in building their homes with an ICICI Bank home loan. Because a home loan becomes an asset, people are interested in taking one out. Because of the speedy process and expert team approval, customers are prepared to take out loans from ICICI Bank despite the high interest rates. Compared to other banks, the loan sanctioning process is significantly quicker. When compared with different banks, the disbursement process will likewise take shorter and involve fewer steps. Lastly, home loans have long been the best source of revenue for banks and help consumers realizes their goals.

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