

Project Report(17MBAPR407)
on
“Study on Credit appraisal of Home loans at Sundaram BNP Paribas Home Finance Ltd.”

BY
Nandish S
1AY17MBA32

Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI



In partial fulfillment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION
Under the guidance of

INTERNAL GUIDE

Prof. Ayub Ahamed
Assistant Professor
Dept of MBA, AIT
Bengaluru.

EXTERNAL GUIDE

Mr. Shriram G
HR Manager
Sundaram BNP Paribas.



Department of MBA
Acharya Institute of technology, Soldevanahalli,
Hesaragatta Main Road, Bengaluru
March 2019



Date: 3/4/2019

CERTIFICATE

TO WHOMSOEVER IT MAY CONCERN

This is to certify that **Mr. Nandish S**, bearing the Reg No. **1AY17MBA32**, student of **Acharya Institute of Technology, Bengaluru**. Pursuing MBA has successfully completed his project work on the topic "**A Study on Credit Appraisal of Home Loans at Sundaram BNP Paribas Home Finance Ltd**" from 3rd January 2019 to 22nd February 2019 under our guidance.

We wish **Mr. Nandish S** all the best for his future endeavors.

Mr. Shriram G

for SUNDARAM BNP PARIBAS HOME FINANCE LTD.

HR- Manager

Authorised Signatory

Sundaram BNP Paribas Home Finance Limited

II – Floor, No.1947, 28th Main Road, 9th Block,

Jaynagar, Bengaluru- 560069. Tel: 080-26494747

Registered office: 21, Patullos Road, Chennai-600002



ACHARYA INSTITUTE OF TECHNOLOGY

(Affiliated to Visvesvaraya Technological University, Belagavi, Approved by AICTE, New Delhi and Accredited by NBA and NAAC)

Date: 26/03/2019

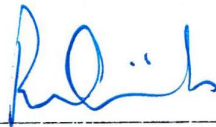
CERTIFICATE

This is to certify that **Mr. Nandish S** bearing USN **1AY17MBA32** is a bonafide student of Master of Business Administration course of the Institute 2017-19 batch, affiliated to Visvesvaraya Technological University, Belagavi. Project report on “**A Study on Credit Appraisal of Home Loans at Sundaram BNP Paribas Home Finance Ltd, Bengaluru**” is prepared by him under the guidance of **Prof. Ayub Ahamed K S** in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.

 5/4/19

Signature of Internal Guide


Signature of HOD
Department of MBA
Acharya Institute of Technology
Bengaluru-107



Signature of Principal/Dean Academics

Dr. Devarajaiah R.M.
Dean-Academics
ACHARYA INSTITUTE OF TECHNOLOGY
Bengaluru-107.

DECLARATION

I, **NANDISH S**, hereby declare that the Project report entitled “**Study On Credit Appraisal of Home Loans at Sundaram BNP Paribas**” prepared by me under the guidance of **Prof. Ayub Ahamed K S**, faculty of **M.B.A Department, Acharya Institute of Technology** and external assistance by **Mr. Shriram, HR Manager, Sundaram BNP Paribas**. I also declare that this Project work is towards the partial fulfillment of the university Regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone a summer project for a period of six weeks. I further declare that this Project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University / Institution.

Place: Bengaluru


Signature of the student

Date: 8/04/2019

ACKNOWLEDGEMENT

I wish to express my sincere thanks to our respected Principal, **Dr. Prakash M R**, beloved Dean-Academics, **Dr. Devarajaiah R M**, and deep sense of gratitude to **Dr. M M Bagali**, HOD, Acharya Institute of Technology, Bengaluru for their kind support and encouragement in completion of the Internship Report.

I would like to thank **Prof. Ayub Ahamed**, Asst. Professor, Department of MBA, Acharya Institute of Technology, Bengaluru and external guide **Mr. Shriram G**, HR Manager, Sunadaram BNP Paribas, Bengaluru, who gave me golden opportunity to do this wonderful Project in the esteemed organization, which helped me to learn various concepts.

Finally, I express my sincere thanks to my Parents, Friends and all the Staff of MBA department of AIT for their valuable suggestions in completing this Project Report.

Place: Bangalore

(Name): Nandish S

Date:

USN: 1AY17MBA32

TABLE OF CONTENTS

| CHAPTER | TITLE | PAGE NO |
|---|---|--|
| | Executive Summary | |
| | Introduction | |
| Chapter 1 | 1.1. Introduction | 2 |
| | 1.2. Industry Profile | 2-3 |
| | 1.3. Company Profile | 4 |
| | 1.3.1 Promoters | 4 |
| | 1.3.2 Vision, Mission & Quality Policy. | 5 |
| | 1.3.3 Products / services profile | 5-9 |
| | 1.3.4 Areas of operation | 10 |
| | 1.3.5 Infrastructure facilities | 10 |
| | 1.4 Competitors information | 10-12 |
| | 1.5 SWOT Analysis | 12-13 |
| | 1.6 Future growth and prospectus | 13 |
| | 1.7 Financial statment | 14-15 |
| | Chapter 2 | Conceptual background and Literature review |
| 2.1 Theoretical background of the study | | 16-31 |
| 2.2 Literature review with research gap | | 31-34 |
| Chapter 3 | Research Design | |
| | 3.1 Statement of the problem | 35 |

| | | | |
|------------------|--|--------------------------------|--------------|
| | 3.2 | Need for the study | 35 |
| | 3.3 | Objectives | 35 |
| | 3.4 | Scope of the study | 35 |
| | 3.5 | Research methodology | 36-37 |
| | 3.6 | Limitations | 37 |
| | 3.7 | Chapter Scheme | 37 |
| | Analysis and Interpretation | | |
| Chapter 4 | 4.1 | Data | 38 |
| | 4.2 | Data Analysis | 38 |
| | 4.3 | Data Analysis & Interpretation | 38-50 |
| Chapter 5 | Summary of Findings, Conclusion and Suggestions | | |
| | 5.1 | Findings | 51 |
| | 5.2 | Suggestions/ Recommendations | 52 |
| | 5.3 | Conclusions | 53 |
| | Bibliography | | 54-55 |
| | Annexure – 1 : Financial Statements | | 56-57 |

LIST OF TABLES

| Table No. | Particulars | Page No. |
|-----------|---|------------|
| 1.3.3 | Table showing Products of the company | 5 |
| 1.1 | Table showing HOUSING LOANS (%) | 6 |
| 1.2 | Table showing PLOT LOANS (%) | 6 |
| 1.3 | Table showing NON-HOUSING LOANS (%) | 7 |
| 1.4 | Table showing Permissible limits of LTV for all categories. | 8-9 |
| 1.5 | Table showing Current Ratios | 14 |
| 1.6 | Table showing Debt-equity ratio | 15 |
| 2.1 | Table showing Credit rating Agency. | 17 |
| 2.2 | Table showing Outlook by Credit Rating Agencies | 20 |
| 2.3 | Table showing Category of Borrowers | 22 |
| 2.4 | Table showing Loan term of the company | 24 |
| 4.1 | Table showing the GPR (%) of SBNPPHFL | 38 |
| 4.2 | Table showing the NPR (%) of SBNPPHFL | 39 |
| 4.3 | Table showing Return on Equity (%) of SBNPPHFL | 40 |
| 4.4 | Table showing Total NPA of Housing loans of SBNPPHFL. | 41 |
| 4.5 | Table showing Total NPA of Non-housing loans of SBNPPHFL | 42 |
| 4.6 | Table showing the Total Borrowings of the SBNPPHFL. | 43 |
| 4.7 | Table showing the Total Deposits of the SBNPPHFL | 44 |
| 4.8 | Table showing the Reserves and Other Funds of SBNPPHFL | 45 |

| | | |
|------|--|-----------|
| 4.9 | Table showing the Sub-Standard Assets from 2013-2017 | 46 |
| 4.10 | Table showing the Doubtful Assets Ratio from 2013-2017 | 47 |
| 4.11 | Table showing the Earnings per Share (%) from 2013-2017. | 48 |
| 4.12 | Table showing Changes in the Gross NPL and Net NPL (%). | 49 |

LIST OF GRAPHS

| Graph No. | Particulars | Page No. |
|------------------|--|-----------------|
| 4.1 | Graph showing the GPR (%) of SBNPPHFL | 38 |
| 4.2 | Graph showing the NPR (%) of SBNPPHFL | 39 |
| 4.3 | Graph showing Return on Equity (%) of SBNPPHFL | 40 |
| 4.4 | Graph showing Total NPA of Housing loans of SBNPPHFL. | 41 |
| 4.5 | Graph showing Total NPA of Non-housing loans of SBNPPHFL | 42 |
| 4.6 | Graph showing the Total Borrowings of the SBNPPHFL. | 43 |
| 4.7 | Graph showing the Total Deposits of the SBNPPHFL | 44 |
| 4.8 | Graph showing the Reserves and Other Funds of SBNPPHFL | 45 |
| 4.9 | Graph showing the Sub-Standard Assets from 2013-2017 | 46 |
| 4.10 | Graph showing the Doubtful Assets Ratio from 2013-2017 | 48 |
| 4.11 | Graph showing the Earnings per Share (%) from 2013-2017. | 49 |
| 4.12 | Graph showing Changes in the Gross NPL and Net NPL (%). | 50 |

EXECUTIVE SUMMARY

The Credit Appraisal is an objective of ensuring and maintaining the quality of lending and managing the credit risk. The process of Credit Appraisal is multidimensional and includes - Management appraisal, Financial appraisal, Commercial appraisal, Economic appraisal and Technical appraisal.

The study explains appraisal is done to ensure the recovery of the credit along with good supervision, Monitoring and Relationship. Credit appraisal is a process in which a lender appraises the creditworthiness of prospective borrower. This normally involves appraising the Borrowers payment history and establishing the quality and sustainability of his income. The lender satisfies himself of the good intentions of the borrower usually through an interview or personal discussions.

The study also speaks related to the NHB guidelines that are supposed to be followed by all the companies which comes under the NBFC's. The company norms and Criteria are also briefly mentioned for different category of customers.

In the support of the study data for the time of 5 years has been collected and calculated to examination. The study briefly explains how the company is performing from 2012 to 2016 through referring company's annual reports and financial statements. It clearly explains the importance of credit appraising in any company coming under the NBFC.

CHAPTER 1

INTRODUCTION

1.1. INTRODUCTION ABOUT PROJECT

The project is mainly aimed at acquiring practical knowledge for students. To acquire work experience on a chosen topic and give an idea of how theoretical knowledge should be applied in the practical field of work. It also helps us to reinforce our professional experience in our CV and to understand the organizational culture. The project is for one and half month I learnt about how industry is working on credit appraisal on home. During internship I learnt theory but lack in practical. As a fresh graduate most student do not have work experience, but many companies offer internships for students that provides students with the expertise they need to start working. Projects add value to the CV.

Sundaram BNP Paribas Home Finance is under NBFCs, which provides housing finance to customers with a variety of products and services. Many customers were impressed by NBFC, as they could provide a very high interest rate on deposits compared to other banks.

The motto of housing finance is to provide a housing loan and a non-residential loan at a lower interest rate. The company's expected result is to gain more customers by providing good customer service and better customer satisfaction.

1.2 INDUSTRY PROFILE

Sundaram BNP Paribas Home Finance is under NBFC. Non-bank financial corporations (NBFCs) are regulatory bodies that allow the provision of banking-related services but do not fall into the real meaning of banking in a legal process.

The ways in which the functions can be performed may relate to banking.

We can say that the NBFC refers to a firm with a special reference to financial assistance and performs the main activity of collecting deposits from its clients with its own norms and criteria to be met under the 1997 Act.

These types of businesses are on the rise, and their growth rate is the hottest these days.

Since the rate of return on deposits of these institutions is relatively higher, more clients are turning to them. It participates in various activities such as equipment leasing, housing loans, consumer-funded activities, etc. where the company meets the higher amount of the difference between supply and demand.

There are different classifications of these institutions and they are the companies that provide the loan, Raise of investment firms, Leasing companies, which include renting activities, mutual funds, companies for providing housing loans for commercial and residential purposes. A non-banking financial institution (NBFI) or a non-bank financial institution (NBFC) is a financial institution that does not have a full banking license or is not controlled by a national or international banking regulatory agency. NBFI facilitates financial services related to banks, such as investment, risk pooling, contractual savings and market mediation.

Examples include insurance companies, pawnshops, cash-checkers, check-check-places, day-to-day payment, currency exchange and micro-credit organizations. Alan Greenspan has defined the role of the NBFI in strengthening the economy as they provide "a multitude of alternatives for transforming economies of the economy into capital investments that act as backup facilities if the primary form of mediation fails.

A Non-Banking Financial company (NBFC) is a company registered under the companies Act, 1956 engaged in the business of loans and advances, acquisition of shares/stocks/bonds/debentures/securities issued by the Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agricultural activity, individual activity, purchase or sale of any goods(other than securities) or providing any services and sale/purchase/construction of immovable property. A non-banking institution is a company and has principal business of receiving deposits under any scheme or arrangement in one lumpsum or in installments by way of contributions or in other manner, is also a non-banking financial company (Residuary non-banking company).

Advantages of NBFC :

Transaction costs are lower.

- In comparison with other banks the interest on deposits is higher.
- Financial decisions are taken quickly.

- Customer-oriented and fast service delivery.
- Provides credits and credits.
- The management of wealth as a portfolio management of shares and shares.

For the purpose of securing clients with their deposits in financial institutions, the RBI has issued a new set of rules and regulations. If companies are one of the NBFCs, they should be divided into two main clauses; they are lending and investment firms, as well as a financial company in terms of leasing equipment and buying and selling activities.

1.3 COMPANY PROFILE

Sundaram's finance to provide long-term housing finance to individuals for household property, SBNPPHFL was created in 1999. Sundaram's finance and BNP Paribas's personal s come together for the joint venture. SBNPPHFL also offers home insurance of the property as well as household content and living coverage for the homeowner and his family. The SBNPPHF combines expertise in home with the service orientation of its Sundaram provider.

On the basis of a huge potential in the housing sector to provide housing loans to both the official and non-formal sections of the public, Sundaram Home Finance Limited, under the 1956 Companies Act, was incorporated on 2 July 1999 as subsidiary. SBNPPHFL has also been granted a registration certificate under Section 29A of the (NHB) Act 1987 by the National Housing Bank, which is regulatory and advisory to home loan companies.

Sundaram Finance Limited (SFL) and Union de Credit pour le Batiment (UCB), a wholly-owned subsidiary of BNP Paribas, France, entered into an agreement on 9 May 2007

1.3.1 FOUNDER OF THE COMPANY:

Born November 8, 1912, Mr. Santhanam was educated in Madurai. In 1930, he joined his father in business, thus starting to participate in the lives of cars and He moved to Chennai in 1936 and served the parent company T.V. In 1954 he founded the S of Sundaram, which together with his subsidiaries are now at the rate of an active base around Rs. 23915 crores. He has been associated with the foundation for more than 25 years. The Sundaram Medical Foundation and the hospital under its control testify to its strong interest in charity causes.

1.3.2 VISION, MISSION and QUALITY POLICY

VISION: To be a finance company of par excellence to contribute to mitigation of shelter related problems of both the formal and informal sectors.

MISSION: To create value-addition for its promoters and stakeholders.

QUALITY POLICY

- Respect others, their needs & sentiments.
- Develop & maintain trust.
- Communicate freely & maintain confidentiality.
- Be on time always.
- Never ever take shortcuts.

1.3.3 PRODUCTS / SERVICES PROFILE

| (A) HOUSING LOANS | (B) NON-HOUSING LOANS |
|------------------------|-----------------------|
| Home loans | Lamp residential |
| Home improvement loans | Lamp plus |
| Home extension loans | Lamp commercial |
| Land loans/ plot loans | NRPR |
| Take over | Lamp on plot |

RATE OF INTEREST as on (11-01-2017):

Table 1.1: Table showing HOUSING LOANS (%)

| LOAN TYPE | <=75 LAKHS | >75 LAKHS |
|--------------------------------------|------------|-----------|
| SALARIED | 8.70% | 8.70% |
| SALARIED (including group employees) | 8.70% | 8.70% |
| SE-1/Self customer | 9.25% | 9.25% |
| SE-2/Self appraisal | 10.50% | 10.50% |

Table 1.2: Table showing PLOT LOANS (%)

| LOAN TYPE | LOAN SLABS |
|--------------------------------------|------------|
| Salaried | 9% |
| SALARIED (including group employees) | 9% |
| SE-1/Self customer | 10% |
| SE-2/Self appraisal | 10.75% |

Table 1.3: Table showing NON-HOUSING LOANS (%)

| LOAN TYPE | LAMP Plus with Takeover (<= 75 lakh) | LAMP Plus with takeover (>75 lakh) | Lamp-residential For existing customer (upto 15 Lakhs) | Lamp-Residential |
|--------------------------------------|--------------------------------------|------------------------------------|--|------------------|
| Salaried | 8.70% | 8.70% | 10% | 14.50% |
| Salaried (including group employees) | 8.70% | 8.70% | 10% | 14.50% |
| SE-1/ SF Customer | 9.25% | 9.25% | 10% | 14.50% |
| SE-2/ Self- | 10.50% | 10.50% | 10% | 14.50% |

Source: Company Book Information.

NOTE: Interest rates on LAMP-Commercial, LAMP-Plot, NRPRO are 15.50%.

AGRICULTURE: All credit cards in this type of credit consist of 9.25% fixed for 10 years.

CORE N, 1, 3: All credit cards in this type of credit consist of 3% higher than the applicable mortgage rate.

Table1.4: Table showing Permissible limits of LTV for all categories.

| SL.N O | Product | | LTV | | | | |
|-----------|------------------------------|---|-----------------------------|----------------|---------------------|-----------------|---|
| | | | Salaried/Group Employees | NRI | SF CUSTO MERS | SE I returns | ITSE II External /Internal Appraisal |
| 1 | Housing loans | Up to Rs. 30 lakh | 90.00% | 90.00 % | 90.00% | 90.00% | 90.00% |
| | | Above Rs.30 lakh up to Rs. 75 lakh | 80.00% | 80.00 % | 80.00% | 80.00% | 80.00% |
| | | Above Rs.75 lakh | 75.00% | 75.00 % | 75.00% | 75.00% | 75.00% |
| 2 | Plot loan | | 75.00% | 75.00 % | 75.00% | 75.00% | 60.00% |
| 3 | LAMP Plus –(Home loan BT) | | 70.00% | Not offered | 70.00% | 70.00% | 70.00% |
| 4 | LAMP – Residential | | 50.00% | Not offered | 50.00% | 50.00% | 50.00% |

| | | | | | | |
|---|---|----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 5 | LAMP – Commercial and NR Pro loan purchase/construction of commercial property) | 50.00% | Not offered | 50.00% | 50.00% | 50.00% |
| 6 | LAMP – Plot | 50.00% | Not offered | 50.00% | 50.00% | 50.00% |
| 7 | CORE N – Building plan approval not available | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% |
| 8 | CORE 1- Commercial real estate others – more than two kitchen | As applicable housing loan | As applicable to housing loan | As applicable to housing loan | As applicable to housing loan | As applicable to housing loan |
| 9 | CORE 3- Commercial real estate – third property | As applicable housing loan | As applicable to housing loan | As applicable to housing loan | As applicable to housing loan | As applicable to housing loan |

1.3.4 AREAS OF OPERATIONS

As shown in the above picture of Sundaram BNP Paribas home finance Ltd., there are 14 branches throughout Karnataka. Bangalore consists of 5 branches in places like Jayanagar, Whitefield,

Kengeri, Sheshadriram and Yelahanka. Other branches are in Mysore, Mangalore, Shimoga, Davanagere, Hubli, Raichur, Gulbarga, Belgaum and Bellary.

Throughout India, the company consists of 109 branches in different locations, as in today's countries such as Andhra Pradesh, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Pondicherry, Rajasthan, Tamil Nadu and West Bengal. The main branch is located in Chennai, Tamil Nadu.

1.3.5 INFRASTRUCTURAL FACILITIES

- Sundaram BNP Paribas home finance has a reliable and scalable, state-of-the-art IT infrastructure.
- Automated and centralized processing by adopting customer-friendly procedures.
- The company maintains high standards and the latest technology.
- All branches are linked in real time.

1.4 COMPETITORS INFORMATION

- **HDFC: HDFC Bank Limited (Housing Development Finance Corporation)** is an Indian banking and financial services company headquartered in Mumbai, Maharashtra. It has 88,253 permanent employees as of 31 March 2018 and has a presence in Bahrain, Hong Kong and Dubai. HDFC Bank is India's largest private sector lender by assets. It is the largest bank in India by market capitalization of February 2016. It was ranked 69th in 2016 Brands Top 100 Most Valuable Global Brands.
- **ICICI Bank : ICICI Bank Limited (Industrial Credit and Investment Corporation of India)** is an Indian multinational banking and financial services company headquartered in Mumbai, Maharashtra with its registered office in Vadodara, Gujarat. As of 2018, ICICI bank is the 2nd largest bank in India in terms of assets and market capitalization. It offers a wide range of banking products and financial services for corporate and retail customers through a variety of delivery channels and specialized subsidiaries in the areas of investment banking, life, non-life insurance,

venture capital and asset management. The bank currently has network of 4867 branches and 14367 ATM's across India and has a presence in 17 countries including India.

- **LIC : Life Insurance Corporation of India (LIC)** is an Indian state owned insurance group and investment company in India with an estimated assets value of ₹2529390 crores (2016). As of 2013 it had total life fund of ₹143313.14 crores and total number of policies sold coming in at ₹367.82 lakh that year (2012-13). The life insurance corporation of India was founded in 1956 when the parliament of India passed the life insurance of India act that nationalized the private insurance industry in India. Over 245 insurance companies and provident societies were merged to create the state-owned life insurance corporation.
- **DHFL : Dewan Housing Finance Corporation Ltd. (DHFL)** is a deposit taking housing finance company, headquartered in Mumbai, Maharashtra with the branches in major cities across India. DHFL was established to enable access to affordable housing finance to the lower and middle income groups in semi-urban and rural parts of India. DHFL is the second housing finance company to be established in the country. The company also leases commercial and residential premises. DHFL is among the 50 biggest financial companies in India. DHFL is rated CARE AA+ by ICRA Limited and achieved BWE FAA+ from Brickwork Rating, which indicate the high degree of safety regarding timely servicing of financial obligations.
- **IIFL Holdings Limited** (formerly India Infoline Limited) IIFL and India Infoline, is an Indian diversified financial services company headquartered in Mumbai. The organization was an Indian by Nirmal Jain. IIFL and its group companies are backed by Canadian investor Prem Watsa, private equity firm General Atlantic and CDC Group, the UK Government's private equity arm. IIFL is ranked among the top seven financial conglomerates in India and as the top independent financial of the group, while E Venkataraman is the Group Managing Director and Co-promoter.
- **Vijaya Bank** : is the public sector bank with its corporate office in Bengaluru, Karnataka, India. It is one of the nationalized banks in India. The bank offers a wide range financial products and services to customers through its various delivery channels. The bank has a network of 2031 branches (as of march 2017) throughout the country and over 4000 customer touch points including 2001 ATMs.
- **Syndicate Bank**

- **SBI Group**
- **AXIS Bank**

1.5 SWOT ANALYSIS OF SBNPPHFL

STRENGTHS:

- Internal employees such as Legal and Technical Team, Creditor, Accountants, Recovery Team, Legal Recovery to perform a smooth flow of operations.
- The SBNPPHFL consists of an external verification agency.
- The company receives great support from the companies in the group such as SF, SBNPP Asset Management, Royal Sundaram Alliance and others.
- The company gives high employee morale
- The company consists of No hidden costs and always a direct deal between the customer and the company.
- SBNPPHFL has a reliable and scalable, state-of-the-art IT infrastructure
- SBNPPHFL includes the process of rapid sanctions and personalized services.
- The company provides services for after-sales services: Reminder of the due date. Issuing of account statements. Updating customers to different offers and schemes from time to time.
- Tax Reliefs: By virtue of the Income Tax Act 1961, local Indians are entitled to certain tax reliefs on the principal and the interest component of the paid loan installment.
- Customer SE 2 earnings are valued by the company's team, making self-assessment to obtain housing loans even if they do not file tax returns.

WEAKNESS:

- The Company does not act as a bank to increase the number of portfolios.
- In SBNPPHFL, the financing of the market value does not take place.
- The company does not provide the service as project financing at the moment
- The company is not aggressive compared to other companies.

For example: Obligatory follows the rules and rules, as well as company norms.

OPPORTUNITIES

SBNPPHFL has better asset quality parameters than other NBFCs, which is why the growth of the project is likely to increase.

- The NBFC is targeted at the retail sector as long-term consumer loans, vehicle credits, housing loans available with the NBFC.
- The NBFC has a faster credit processing time, which means that applicants receive loan approval and pay faster.
- NBFC can accept lower credit scores and balance its risks by charging higher interest rates.
- While accepting housing loans, the NBFC paperwork requirements may be less stringent than banks.

THREATS:

- Non-bank financial companies and new banks are growing in India.
- Government banks are trying to modernize to compete with private banks and other NBFCs.
- The Reserve Bank of India opened for foreign banks to invest in the Indian market.
- Banks offer different discounts for women who most of the NBFC do not have in the traffic.
- The Bank's various capabilities to undergo greater control are that loan applicants may receive lower processing fees and lower interest rates.

Sudden changes in company regulations and norms due to recession, natural disasters and changes in market prices / indices.

1.6 FUTURE GROWTH PROSPECTS

- The company plans to fund the A and B builders project.
- The company plans to implement Banking Banking.
- The company is trying to expand its number of branches in all areas of Karnataka.
- The company plans to extend the housing loan for SE2's customers by providing an assessment of the CA.

1.7 FINANCIAL STATEMENT

Current ratio: The current ratio is performed to analyze whether the company has enough resources to maintain its next debt for one year. This leads to liquidity and short-term solvency of the company.

Current ratio = (current assets / current liabilities)

Table 1.5: Table showing Current Ratios

| Year | Current assets | Current liabilities | Current ratios |
|------|----------------|---------------------|----------------|
| 2013 | 91650 | 252068 | 0.36 |
| 2014 | 113164 | 290540 | 0.39 |
| 2015 | 102926 | 181237 | 0.57 |
| 2016 | 103967 | 258099 | 0.4 |
| 2017 | 54400 | 95161 | 0.57 |

Source: Audited financial information from 2013-2017

Analysis: From the above table we can understand that the company is able to settle its current liabilities over time as it consists of high current ratios. Debt-equity ratio: Used to measure the company's financial leverage. It shows the value of the debt used by the company to the proportion of its assets against the value shown in the equity of the shareholder. Debt equity = (Total long term debt / shareholder's fund)

Table 1.6: Table showing Debt-equity ratio

| Year | Total Long-term Debt | Shareholder's Funds | Debt-equity ratio |
|------|----------------------|---------------------|-------------------|
| 2013 | 352120 | 32594 | 10.8 |
| 2014 | 521731 | 51455 | 10.14 |
| 2015 | 598322 | 69790 | 8.57 |
| 2016 | 640154 | 76472 | 8.37 |
| 2017 | 653329 | 87479 | 7.47 |

Source: Audited Financial information from 2013-2017.

Analysis: from the above Table, we can understand that the SBNPPHFL has capacity to fund for the assets by the value of its debt.

CHAPTER 2

THEORETICAL BACKGROUND OF THE STUDY

2.1. THEORETICAL BACKGROUND OVERVIEW

Sundaram BNP Paribas Home Finance Limited was established in 1999, regulated by the National Housing Bank (NHB), which was set up on 9 July 1988 under the National Housing Bank Act of 1987 covering the whole of India.

NHB is wholly owned by India's reserve bank, which has contributed to its entire paid-up capital. The primary goal of NHB is to act as the main agency to encourage housing institutions, both locally and regionally, and to provide financial and other support to such institutions and related or related issues.

NHB GUIDELINES

NHB has set some rules for housing companies that are as follows:

(a) Registration and commencement of business:

Registration: To qualify as a housing company, a company must be registered under the Companies Act 1956 (now the companies operate from 2013) and must first of all carry out transactions or have as one of its main objects the transaction of the business to provide financing for housing directly or indirectly.

(b) Deposits: HFCs are categorized by NHBs in terms of the type of liabilities, ie. of deposits and non-hold acceptances of HFCs and accordingly a registration certificate is issued.

Sundaram's home is categorized as a deposit-taking company and must therefore comply with all the deposit guidelines set by NHB as described below:

Acceptance of deposit:

A housing company may accept public deposits up to 5 times the net own funds provided; both conditions are met:

- Receiving a credit rating for their fixed deposits that are not below the minimum investment grade rated by approved rating agencies

Table 2.1: Table showing Credit rating Agency.

| RATING AGENCY | MIN. CREDIT RATING |
|---------------|--------------------|
| CRISIL | FA (-) |
| ICRA | MA (-) |
| CARE | CARE BBB (FD) |
| FITCH | tA-(ind)(FD) |
| Brickwork | BWR (FA) |

Source: Company information book.

NOTE: 'AAA' is the highest / maximum rating.

To comply with all the prudential norms & maintaining a minimum capital to risk asset ratio (CRAR) OF 12%.

- Deposit Period:

According to NHB, deposits can be paid for a period of between 12 months and over, but it should not exceed 120 months of the period to which customers are redeeming for the purpose of renewing or accepting deposits. in the company.

Repayment of deposits:

From the date of acceptance of deposits, none of the home loan companies will perform the business of paying a deposit made by the firm by the companies. In circumstances such as repayment of deposits before the maturity date, there are different procedures to be followed when

allocating interest payments. They are as follows: The minimum or minimum lock time during the deposits are 3 months from the due date. The maximum interest rate will be 4% for individual clients, but for other customers, the interest rate option is not available to customers with a time difference of 3 to 6 months. period, only one per cent share is available.

Brokerage:

- No housing company must pay any broker on a public deposit collected by or through it.
- Brokerage, commission, incentive or any other benefits of any name called over 2% of such deposit.
- Expenses related to the restoration of the base or vouchers / accounts generated by it that exceed 0.5% of the deposits thus collected.

Maturity Intimation:

In this part of the HFC it is mandatory to specify details of the maturity of the depositor's deposit at least 14 days before the maturity date of the deposit.

NOTE: The company's deposit policy with respect to the NHB guidelines has been applied and labeled as Annex-1.

c) Closure / Opening of Branches:

Closure of Branches: permission to close or move branches of companies or office premises may only occur if the news is published in the national newspaper and with a reference to the NBC prior to the 90-day period or 90-day limitation period for the closure of the companies or financial institutions performing the housing.

Branch opening: Housing companies can make opening their new branch or offices in different locations only after receiving a permit and a message from NHB, which is the regulatory body of all housing companies in writing or writing. document.

d) Legality of Liquidity (SLR): All housing companies must fix or maintain a minimum or minimum rate 12.5% on the deposits made by the company.

(e) Capital adequacy ratio: each financial institution must maintain a certain percentage of the minimum capital ratio, which is 12% for all housing companies. It can be found through the statistical formula, which is as follows:

(h) non-performing loans: Unrealized credit including unpaid interest refers to a loan that has been overdue for a period of more than 90 days or on which the interest remains overdue for a period exceeding 90 days.

Every institution, called housing , will have to face the challenge of reducing NPL, as it is certain that customers can try not to pay their contributions.

- Standard assets:

There are credit accounts that are not considered as NPLs, as customers can pay the installments late for good reason. They will immediately pay contributions as they become NPL.

- Subtask assets:

It refers to a NPL that is not paid for more than 12 months after the loan has been redeemed as a NPL.

- Suspicious assets:

The loan received from borrowers who do not pay their respective contributions over the period of more than 15 months of their loan is a NPL in the company called dubious assets.

Loss of assets:

All assets are derecognized if the account becomes a lost asset. If assets are allowed to remain in the books for any reason (100% of the outstanding amounts are foreseen).

Provisions: an amount set aside from the profits of an entity's liabilities for a known liability, although the specific amount of the liability may not be known or a decrease in the cost of an asset.

Note: The above percentages are only the maximum percentages prescribed by the NHB and therefore the percentages set by the company may vary.

KNOW YOUR CUSTOMER

The goal of knowing your clients' guidelines is to prevent HFCs, either intentionally or unintentionally, from using criminal elements for money laundering activities. KYC's procedures also enable HFCs to know / understand their clients and their clients and their financial transactions better, which in turn helps them manage their risks wisely. The essential requirements to maintain the knowledge of your client's document are to track the flow of customer transactions and avoid the risk.

Table 2.2: Table showing Outlook by Credit Rating Agencies.

| Borrowing through | ICRA | CRISIL | CARE |
|--------------------------------------|-----------------------|----------------------|----------|
| Short term debt/ commercial paper | (ICRA) A1+ | CRISIL A1+ | – |
| Fixed deposits | MAA+/ Positive | FAA+/ Stable | – |
| Non-convertible Debentures | (ICRA) AA+/ Stable | – | CARE AA+ |
| Subordinated debt | (ICRA) AA+/ Stable | CRISIL AA/ Stable | CARE AA |
| Long-term bank Loans | (ICRA) AA+/ Stable | – | CARE AA+ |
| Structured Obligations | (ICRA) AAA (SO) | – | – |

The Sundaram home credit rating is AA+ and Sundaram credit rating is AAA given by CRISIL.

ELABORATIVE INFORMATION ON TOPIC

LOAN APPRAISAL - INTRODUCTION

Credit assessment is a process to determine the borrower's repayment capacity. The main purpose is to ensure the safety of money that is distributed to customers. This process involves a financial assessment of the borrower and a legal and technical assessment of the property.

The main aspects to be sought upon the arrival of the loan are:

- Income of the applicant and co-applicant.
- Age of candidates.
- Qualifications and family data.
- Nature of business / employment, experience, harvest, previous employment history.
- Net worth, additional source of income, if any
- Payment history
- Periodic obligations
- Investing and saving
- Clear and marketable titles.
- Acquisition costs.
- Commercial value of the property.

LENDING POLICY FRAMEWORK

1. Products

Eligibility criteria: properties must be located in places where all basic facilities such as water, sanitation and transport are provided. The properties must fall under the corporation, the municipal, the city's pancake.

2. Classification of borrowers:

Table 2.3: Table Showing Category of Borrowers

| SALARIED | SELF EMPLOYED |
|----------------------------|---------------|
| Normal salaried class | SE 1 |
| Group & SF group employess | SE 2 |
| NRI's | SF Customers |

3. Income norms:

(a) For the profits to be paid, we can take into account the gross income that is reflected in the payment bill. In the case of self-employed, the average net profit for three years should be taken into account.

(b) Income that should not be taken into account in the valuation is:

- Agricultural income: it is exempt and unstable.
- Rental income: its sequence may be in doubt.
- Performance standards, medical recovery / travel leave.
- Interest income.

4. Age criteria:

The minimum borrower's age at which the loan can be used is 18 years. The maximum age of the client whose income is considered to be the target of assessment will be the retirement age, i.e., 58 or 60 years for salary and 65 years for self-employed persons.

5. Key indicators for determining the eligibility of the loan:

a) Income-to-income ratio (IIR) - The maximum IIR that can be considered is 45%. IIR is expressed in% and means income that can be saved by the customer to repay the housing loan.

$IIR = [EMI \text{ for the amount of the loan} / \text{Total income considered} * 100]$

(b) Fixed-to-income ratio (FIR) - The maximum FOIR that can be considered is 50%. FOIR includes total monthly liabilities to borrowers that include the EMI on the proposed loan and other borrowing obligations.

$FIR = [EMI \text{ for loan amount} + \text{other loan commitments} / \text{total income} * 100]$

(c) Credit-Cost Ratio (LCR) - The loan-to-expense ratio is entirely governed by the documented value of the property. Here will be considered the price of land, the cost of construction on the notary deed. For self-building, home improvement and housing expansion, the estimated value will be considered.

$LCR = [\text{Credit Amount} / \text{Estimated Value for Construction or Sale at Purchase Value} * 100]$

(d) Loan / Value Ratio (LTV) - LCR and LTV vary depending on product and profile. The predominant market rate, which is assessed on the basis of various factors by technical firms, is a very important component when the loan is reached.

$LTV = [\text{Loan amount} / \text{value assessed by the technical officer} * 100]$

6. Duration of the loan: The maximum amount of the loan that can be penalized varies depending on the different products and the age of the client.

Table 2.4: Table Showing Loan term of the company.

| PRODUCTS | CATEGORY | MAXIMUM TERM |
|------------------|--------------------------|--------------|
| Home loan | Salaried | 20 YEARS |
| Home loan | Self-employed | 15 YEARS |
| Plot loan | Salaried & self-employed | 15 YEARS |
| Home loan | NRI | 15 YEARS |
| Non-housing loan | Salaried & self-employed | 10 YEARS |

The non- housing loans are not offered to NRI's. The loan tenor should not exceed these terms.

7. FEES: The applicable fee varies from 0.5% to 0.75% for housing loans and up to 2% for non-residential loans.

8. Prepaid Fees:

- Housing loans: zero or 1% on fixed interest rates.
- Non-residential loans: zero.

However, if one of the borrowers / guarantors is corporate, then changes are applicable. 1.5% for equity and 2% for acquisition.

CREDIT DOCUMENTATION REQUIREMENTS

1. General Requirements:

- Application form, duly completed and signed by the applicant with the latest photos.
- KYC documents - proof of age / identification and address.
- Compliance of KYC forms
- The most important terms and conditions (MITC).

2. For salaried profile:

- Last 3 month payroll or last salary certificate.
- Form of the last year - 16.
- 6-month bank statement, in which the salary is paid.
- Opportunity to repay loans.
- Proof of previous employment if the client is employed by the current employer for less than 2 years.
- Order for appointment by the current employer.

3. For Self-employed profiles:

The last 3 years ITR with spreadsheet, P / L account, B / S, schedules, form 3CB, form 3CD.

- Opportunity to repay loans.
- 6-month bank statements - CA / SA / OD / CC account.
- Business proof of harvest
- Company evidence.
- Certificate of Registration / Partnership Deed / MOA / AOA and others.
- Professional certificate for a professional.

4. For NRI:

Six month salary slip.

- Bank statement on the loan abroad for 6 months.
- Bank statement for NRE / NRO for 6 months.
- Local and foreign evidence.
- Order to recruit from current employer evidence / previous job
- Total Power of Attorney.
- Valid visa and passport copy.
- Qualification certificate.

- Continue.
- Credit report for countries like USA, UK, Singapore and Australia.

5. For SF customers: Apart from the ITR'S the following needs to be collected:

RC paper copies of the vehicles owned.

- Permission for a route.
- A copy of the insurance document.
- SF recommendation.
- SOA from SF.

6. Caution profile:

Money lenders, people involved in the film industry, politics.

- People involved in real estate.
- Low level of employees / workers.
- Employees of certain departments.
- Commission Agents.
- lawyers.

FIELD INVESTIGATION

1. Residence verification:

- The borrower's standard of living.
- Quality of the locality and surrounding areas.
- Address tracking.
- Whether the residence is the property of a landlord or the company is accommodated.
- Check adjacent references.
- Number of members seen.
- Phone number to be checked.

2. Employment/ Business verification

a) For salaried individual:

The existence of the company.

- Company address.
- The department in which the candidate works and his / her nature of work (manager, clerk, etc.)
- The designation can be checked with colleagues or through the Human Resources department.
- Wage details.

b) For Employment/ Self-employment:

- Nature of business and number of years in business.
- Business level.
- Number of Employees.
- Number of customers.
- The office and state of the building where the office is located.
- Consultation with debtors and creditors.

3. Verification of the income documents

(a) For employees:

- Employee name and logo.
- Date of the last payment slip.
- Name of the borrower, its purpose, department and date of accession.
- Structure of the payment card with respect to its constituent elements as a basis, YES, etc. ... this should be cross checked with the documents as form 16 / letter of appointment.
- Payment method, whether in cash / bank / bank account in the case of bank loans.
- Authorized subscribers in the payment bill.

b) For self-employed:

- Name, PAN, residence address, father's name and address.
- Evaluation status, year of assessment, compartment, scope in which ITR has submitted ITR.
- Serial number for sequence.
- Tax paid.

- Declaration of income to be certified by an accountant and his / her membership.
- Profit & Loss Account, Audit Reports, Notes on Accounts.
- Any other documentary evidence detailing its turnover, customers, business crops such as VAT declarations, copies of agreements, invoices, accounting books, etc.

SANCTION AND LEGAL- TECHNICAL CO-ORDINATION

1. Borrowing Recommendation: powers of sanction are delegated to branches and heads of districts. Files that do not fall under these powers are sent to cooperatives, where the VP, MD, EC and the board of directors are responsible for sanctions. It should be ensured that when the file is ready in all aspects such as branch of a branch, the following must be checked before penalizing or recommending a sanction:

- The application is in the specified format, filled in all aspects, the pictures are placed and validated. The annexes to the application are also provided by a part of the dossier on the basis of which the eligibility of the loan is calculated.
- All applications are authenticated by the borrower.
- A personal discussion sheet is available.
- All credit standards are met.
- Deviations, if any, which must be justified and approved by the competent authority.
- The selected interest rate, charge, product, and schedule are appropriate for the account.
- The quantum loan offered is in line with the profile specified for the profile.

All credit conditions must be determined.

2. Legal and technical: If the property is identified, the legal documents may be sent for property verification, and upon submission of the plan approval and the title document, the technical officer can check the property.

3. Documentation: The loan documents must be executed by the borrowers before taking advantage of the first payments borrowers have to fulfill the loan contracts in the presence of staff at the branch. Once the documents have been completed, they must be sent to the CPC together with the other title documents in the designation.

Borrowers must acknowledge the terms stated in the loan offer letter must also form part of the file.

PRE-DISBURSEMENTS PROCESS

- Payment form.
- All legal, technical or credit terms must be met before payments are determined.
- Check the property insurance to be collected.
- In the case of KLI, the form of KLI and the application to be checked and sent when the KLI is not applicable, the personal incident form collected by the borrower.
- In advance, the EMI PDC in case of payment of parts and forms of NACH / ADD / ECS to collect fully paid cases. In the case of a DAS, a letter of authorization must be received.
- Letter accepting the invoice date to be received by the customer. Any change in the billing date requested by the customer must be made when determining the payments. Changing the billing date may be before / after the due date. Any change after the due date will bring interest before EMI.
- Co-ordination with the CPC to release from prepayment.
- Transmission of payment checks, receipt of customer confirmations checks / escorts and coordination for registrations and collections of payment accounting documents.

POST-DISBURSEMENTS PROCESS

- Track and collect accounting documents.
- Input of PDC data (PEMI in a branch, EMI @ CPU).
- Daily check. • mandatory registration of ECS / ADD.
- Collections - returns ECS /
ADD / Check. • Customers handling. • Keeping the audit.
- Follow-up for partially paid files.

OVERVIEW OF OUR APPLICATION SOFTWARE “HOMFINSYS”

- Customer ID: All personal data, bank behavior, net worth, net income & ownership engagement, property details, credit report, and financial statement reports.

- A temporary reference number (TRN) will be created after the applicant Candidate data is attached to the file.
 - Completion of credit notifications and recommendations of BDO, branch and regional directorates saved in the file.
 - Credit reviewed and recommended after product review, profile, percentage, PF, deadline and deviations, if any. Key ratios such as IIR, FOIR and LTV need to be checked found that they were within the prescribed standards.
 - Once these checks are made, the file may be offered for sanction.
 - When penalizing, a written letter is generated and sent to the client.
 - Legal and technical will clear the payout file. • Once this happens, payments can be fixed based on a customer request.
 - Subsequent checks and other payments that need to be updated in the system.
- Charges, such as property insurance, personal accident insurance should be cleared when determining the first payout. Prior to concluding the dossier, advantages should be gathered before EMI is collected.

FILE MANAGEMENT AND CONTROL

Files that are being processed and sanctioned should not be viewed. Once logged in, files must be kept by CSO or branch branches and not moved from the office. Files that have been canceled must be sent to CO for scanning. Files logged into the system must have a credit request and all applications in the order sorted in the correct order as described below:

- Duly completed application form.
- Documentation of the income of the applicant and co-applicant.
- Evidence of age, proof of identity and address proof (KYC of all borrowers).
- Field studies (FI) reports as prescribed by the available for connection.
- Credit information reports.
- Online Check Reports.
- Customer data sheet.

- Approval (copy of email message) of deviations, if any.
- Property documents (plan and contract for the sale or sale of a copy of the notarial deed).
- Technical reports (mandatory for non-residential loans).
- Loan evaluation form (L.A.F) / credit offer note.
- TAT sheets to be placed.

2.2. LITERATURE REVIEW

Manureet Riar and Dr. G. S. Bhalla (2016) say that housing is a one-time achievement in human life. There is a need for the huge amount to buy quality housing, and this gap is overcome by housing. In this study, the sampling method is used. To gather data and sources, the appropriate questionnaire is well structured. The statistical tools used are average, standard deviation and factor analysis.

The National Credit Union Administration (NCUA) (2001), clarified in 2002, revised the valuation rule to make it more flexible and similar to the rating requirements imposed by the banking authorities as more credit unions were attracted of lending to real estate. As far as possible, the valuer should not engage in any lending, investment and real estate acquisition activity by the credit union.

Blood and Roger (1989) clarify the weakening of home mortgage fundamentals with new federal tax regulations, which state that tax deductible borrowing is a credit inflated homegrown paper. The minimum valuation requirements may be contained in the regulations on deductible loans.

Minderman, Dean C (1992) explains that many credit unions support home loans in order to increase their portfolio with a slow growth in demand for the economy. Changing credit rates are more popular and acceptable on the economy because of lower interest rates, although there is uncertainty about lending to this type of customer.

Molvig and Dianne (1999) explain that the challenge facing us is to know what steps have been taken by credit institutions to provide housing loans. Various strategies are adopted to discuss marketing efficiency in the marketplace. Many financial institutions at various locations in Kansas

City summarize the pricing structure in the exchange rate structure and home market products as a final product.

According to **Farrell and Kathlyn L (1994)**, few banks believe that mobile loans are attractive and viable in nature. It is risky and difficult to keep the documentation of the procedure. Due to regulatory and congressional pressures that are currently affecting the banking guide, the market is facing the needs of credit and housing customers.

Guard and Marybeth (1998) explain that, in accordance with each of the lending rules, they verify the authenticity of mobile loans by managing loans and systematic approach. Loans provided by non-mobile homes are not included here. All types of credit are eligible under the Equal Credit Act. Both fixed and non-fixed housing loans fit the purpose of housing regulation.

Robert and Michelle (1998) describe that many regulatory bodies and mortgage-related legislation, as a rule, do not help financial institutions to report on 2 mortgage loan loans. Capital loans may not be granted for land used for agricultural purposes unless the primary reason for use is the production of milk.

Lai and Zhihong (2001) explain that variables such as interest rate changes, credit size, credit / value ratios and borrower credit have a significant impact on mortgage repayment, such as theoretical models and empirical studies. The aim of the thesis is to empirically analyze the situation on three statistical sections, which are the regular logistic regression, the cox regression of the proportional hazard model and the discrete time logistic regression. They suggest that discrete time logistic regression is better than the cox regression ratio of the hazard model, even if it is not possible to determine which model is generally better.

Sabry, Faten, Franceschelli, Ignacio, Claxton, Drew (2016) assess the relative importance of changes in home loans and possible errors in the value of the borrower's probability of repaying the loan. Mortgage loans have developed between 2005 and 2007, and it is estimated that more than 3 million subprime mortgage loan debt data are multinational logistics models and advance payments. It was found that 44.8% of secondary borrowers were on the defaulters list by 2011.

James R Hagerty, Ruth Simon, and Jonathon Karp (2007) explain that changing financial institutions' guidelines and relying on employees for brokers is a matter for the broker and faces significant problems. The president of the National Association of Mortgage Brokers said that he

had not noticed that many would leave the business by saying that they could not do this activity, where they specialized, because there are no programs and products available.

Shaw and Michael (1996) explain that the credit rating was misunderstood and the majority of the mortgage industry, and they are mistaken that the credit rating is not useful to reach customers' creditworthiness. Benefits of most financial instruments Institutions do not use credit scores because they are reliable data and provide accurate estimates of credit performance. Financial institutions should monitor their models by updating and verifying their viability in this changing market environment.

Bankston and Karen (2009) explain that a clear examination of the dramatic economic downturn in 2008 was surprising, but credit union leaders were rated for lending. By changing promotions and processes, lending has become much easier for valuers to gain from market shares, the firm's constant crime rates, while others have provided sharp interest rates and a growing understanding of positive thinking to achieve the purpose of credit segments.

Ghosh (2010) explains that the history of the credit crisis is not a novelty for the economy, as it has faced and dealt with many situations before. Recently, the credit crunch and its link to the secondary mortgage industry have given a dark opinion on the economy as a whole. The model explains how interest rates and capitalization of banks affect the lending process.

Clark and Danial M (1987) explain that, according to the National Second Mortgage Credit Association, critics suggest that lenders support borrowers to serve as collateral at the time of debts. Loans for loans and housing loans offer 4 basic formats and are open, as the credit line or closing ends as a final or floating rate loan. Here, there is a significant situation in the sale of products.

Ding and Lei (2014) explain that after a major recession, the credit to the retail sector is difficult to restore the housing market. This study depicts the impact of information externality on lending decisions on housing crisis in metropolitan cities from past transactions. The results of this study at the time of the housing crisis are the positive value of the systematic process of asset valuation and the cost of mortgage insurance.

Sugandha Sharma and Pooja Kalra (2015) explain that credit rating is a process that begins with the entry of a potential borrower into the company and ends with a view to maintaining the quality of lending and credit supervision and managing credit risk. Credit risk is assessed on the basis of

the probability of the borrower's delay to the given confidence level and the loss that the creditor suffers at the time of default.

Seema U, Venkatesh, Mahadev and Anjali N (2012) say they are more dependent on the company and the industry to assess credit risk. It is still a challenge for banks to assess the potential credit application. This study examines the applicability of a new integrated model for Indian banks to sample data. The integrated model is a combination of logistic regression and multi-layered techniques.

Ch. Karuna & Prof. Tulsi Rao (2013) explains that the liberalization of the financial sector of the economy has become possible due to housing finance in India. Housing finance is the highlight of recent years' research and trends. In addition, it provides the current housing situation in India, the institutional performance of the housing sector, and basically manuscripts end with recommendations for improving the national housing situation.

Dr. Rosy Kalra (2012) explains that the groom is needed at every stage of the business, either to start a business or to track it to meet the daily business costs. The primary task of any financial institution is to provide commercial credit. It also explains how the creditor should check the creditworthiness of the client? What criteria must be met to apply for a loan? What tools should be used in banks to minimize credit risk?

Ms. Soniya Mohil (2013) explains that the individual's desire to own a house is not only a shield but also provides financial security in adverse circumstances. The person can provide funds from the market as collateral. The housing sector contributes greatly to the employment opportunities of the Indian community. This study aims to find a continuous movement of the housing sector in India from 2008 to 2013 by reviewing the annual publications of the National Housing Bank.

Nancy Arora, Dr. Arti Gaur and Babita (2013) say that to properly mitigate credit risk, the customer is properly assessed. In this study, we examine the credit risk assessment model of the SBI bank and examine the viability and financing pattern of the commercial, financial and technical aspects of the planned client. It is also necessary to reduce the various risk parameters, therefore it is necessary to observe the movement of the credit process.

CHAPTER 3

RESEARCH DESIGN

3.1 Statement of the Problem

"Credit appraisal study with a special reference to Housing Loans Sundaram BNP Paribas Home Finance Limited Establishing customer credit activity is a key role in the credit assessment process. The company assesses the creditworthiness of the potential borrower through its own rules and criteria to decide whether a person is entitled to a loan or not.

3.2 NEED FOR THE STUDY

The analysis is performed in SBNPPHFL. According to the Credit Appraisal study, it is required to perform a different process to verify the reliability of the creditworthiness test, the payment of contributions and the clearing of non-performing assets.

To find answers to important questions like:

- Assess the exact time requirement in order to know the financial stability of the firm.
- Analyze the organization's financial performance for a specified period.

3.3 OBJECTIVE OF THE STUDY

- To ensure a balance between credit risk and accessibility.
- To deal with the consequences of high NPAs.
- Use the client's creditworthiness criteria.
- Assess the role of SBNPPHFL in financing housing loans in Bangalore.
- Identify schemes and analyze housing financing trends from SBNPPHFL.

3.4 SCOPE OF THE STUDY

Shelter is a basic human need, as well as a productive investment. Easy access to a financial institution at reasonable prices is an essential requirement for accelerating housing. The scope of the proposed study is limited to the Bangalore divisions of the SBNPPHFL.

- The study acquires knowledge of a loan to build residential premises for employees working in public and private companies.
- The study helps to know the movement of clients' funds in the investment objective related to home loans rather than savings.
- The survey helps clients get tax breaks if they have taken home loans.
- The survey shows the company's financial information.
- The study includes full compliance with the laws and regulations of the company.
- The study explains the different products and services and their respective interest rate.

3.5 RESEARCH METHODOLOGY

3.5.1. RESEARCH DESIGN

With the help of the 5-year annual reports provided by the company, an exploratory study can be used in this study. The activity includes fact-finding, critical decision-making skills, and gathering information related to the study.

3.5.2. DATA AND SOURCES OF DATA

Secondary data and sources are included in the survey, which is mainly provided by the company. The various attributes required in this study are data related to customer portfolios, customer identification procedures, KYC clients' documents, company assets and liabilities, and shareholder funds. Sources used to collect survey data are as follows:

- Financial statement of the company.
- Company Income Statement.
 - Historical customer inquiries.

3.5.3. STATISTICAL TOOLS

- The tools used for the research are Ratio Analysis.
- Profitability Ratio: This is the process of measuring profit generation in the financial statements for the purpose of using bulk resources.

- Gross profit ratio: GPR can also be called a gross margin, which consists of the difference between the cost of sales and the direct costs. $\text{Gross profit ratio} = (\text{gross profit} / \text{net sales} * 100)$
- Net profit ratio: The process of calculating the company's performance efficiency in the conduct of business with respect to of the shareholders.
- $\text{Net profit ratio} = (\text{net profit after tax} / \text{net sales} * 100)$
- Return on equity: refers to the activity performed after dividend payments with preferences measuring the share of the shareholders' profit.
- $\text{Return on equity} = (\text{net profit after interest and tax} / \text{share funds} * 100)$

3.6 LIMITATIONS OF STUDY

- This study is limited to Jayanagar's branch at SBNPPHFL.
- The study includes financial details only based on the company's 5-year financial statement.
- The study does not compare the growth of the company with other NBFCs and banks.
- This study is based on historical company information.

3.7 CHAPTER SCHEME

Chapter 1: Explains the introduction of a company, industry profile, vision, quality policy, SWOT analysis, future growth and prospects, etc.

Chapter 2: It deals with a theoretical background and a review of the research literature.

Chapter 3: Explains the problem's explanation, the need, the scope, the methodology of the study.

Chapter 4: It includes data analysis and study interpretation.

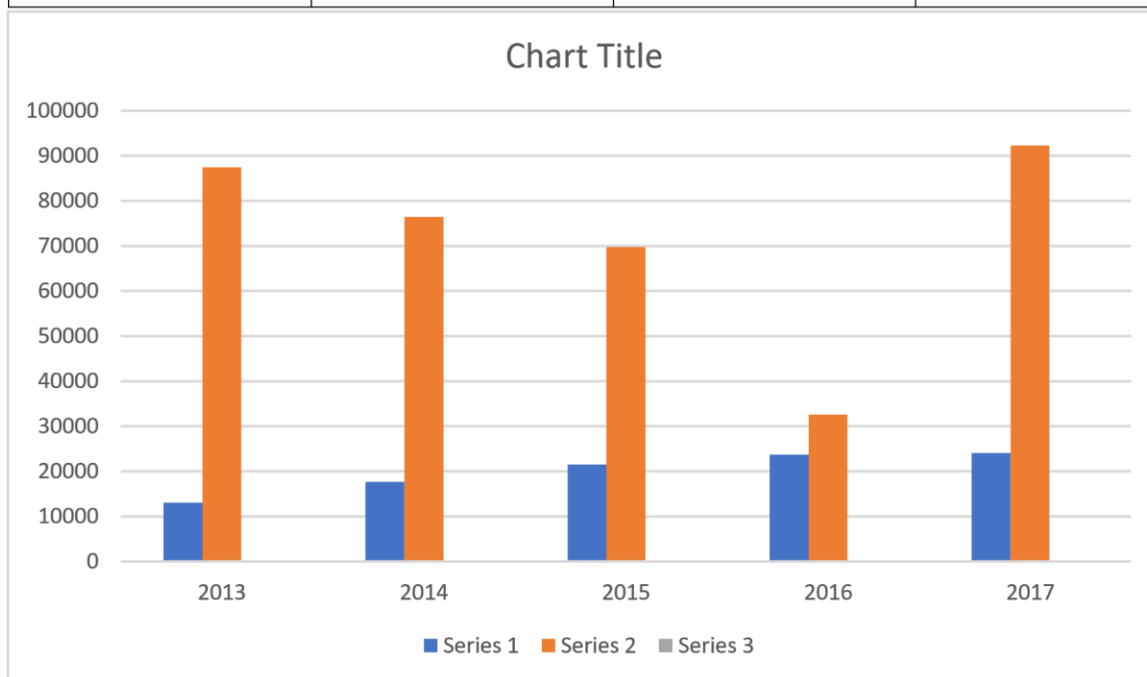
Chapter 5: It details the findings and suggestions.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

Table 4.1 Table showing the GPR (%) of SBNPPHFL.

| YEAR | GROSS PROFIT | NET SALES | GPR(%) |
|------|--------------|-----------|--------|
| 2013 | 13050 | 87479 | 14.92 |
| 2014 | 17667 | 76472 | 23.1 |
| 2015 | 21512 | 69790 | 30.82 |
| 2016 | 23701 | 32594 | 72.72 |
| 2017 | 24076 | 92284 | 26.08 |

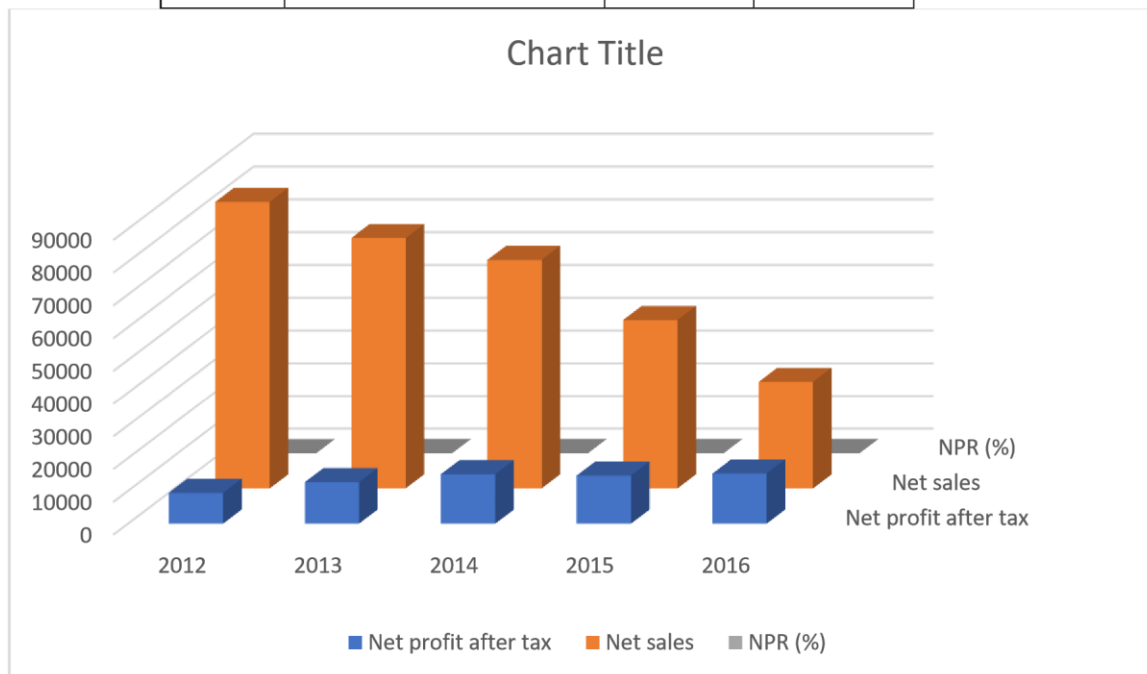


Source: From the above Table 4.1

Analysis and Interpretation: The Gross profit and Net sales of SBNPPHFL has gradually increased from 14.92, 23.1, 30.82, 43.32 and 72.72 in the year 2013, 2014, 2015, 2016, 2017 respectively as shown in the above graph. The Gross profit ratio has increased immensely bypassing years which builds the trust and confidence in the customer's perspective towards the company due to increase in the Net sales and total Revenue.

Table 4.2 Table showing the NPR (%) of SBNPPHFL.

| Year | Net profit after tax | Net sales | NPR (%) |
|------|----------------------|-----------|---------|
| 2013 | 9373 | 87479 | 10.71 |
| 2014 | 12655 | 76472 | 16.55 |
| 2015 | 15074 | 69790 | 21.6 |
| 2016 | 14642 | 51455 | 28.45 |
| 2017 | 15272 | 32594 | 46.85 |



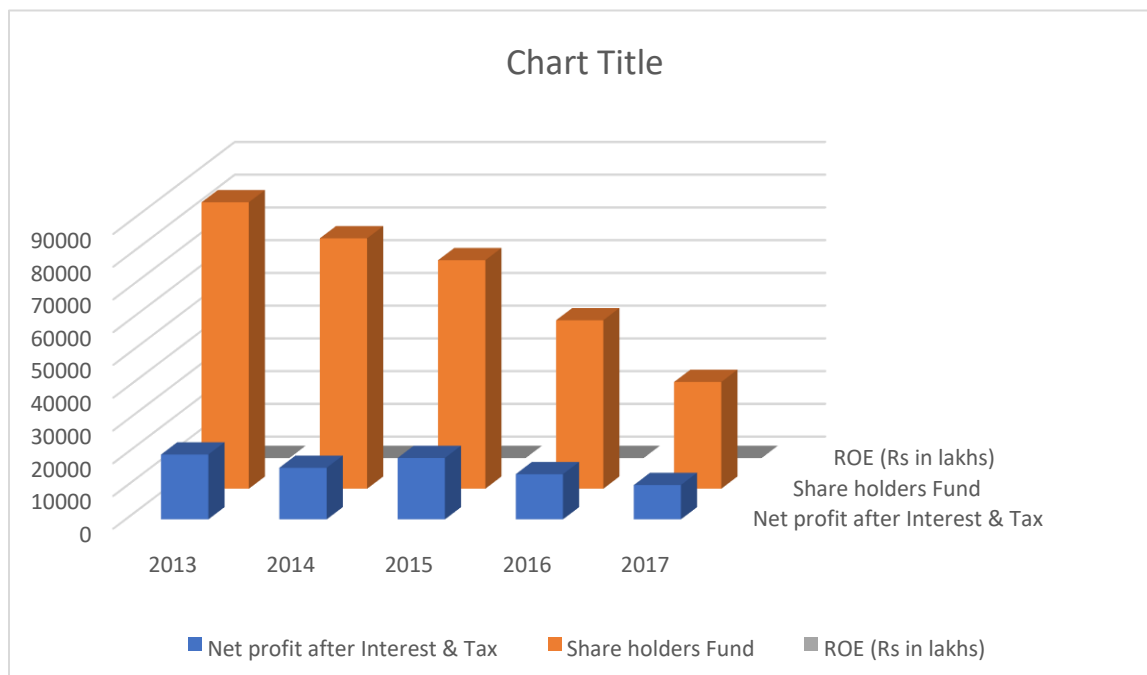
Analysis and Interpretation: As shown in the figure above, the net profit ratio in 2013, 2014, 2015, 2016 and 2017 will gradually increase to 10.71, 16.55, 21.6, 28.45 and 46.85. It gives a clear understanding of the company's performance. The Company Net sales have increased in recent years, with the proper retention of manufacturing, administration and financing costs. It gives a clear picture of the company's improved operational activities and increased efficiency.

Table 4.3 Table showing Return on Equity (%) of SBNPPHFL.

| year | Net profit after Interest & Tax | Share holders Fund | ROE (Rs in lakhs) |
|------|---------------------------------|--------------------|-------------------|
| 2013 | 19812 | 87479 | 22.65 |
| 2014 | 15734 | 76472 | 20.57 |
| 2015 | 18739 | 69790 | 26.85 |
| 2016 | 13792 | 51455 | 26.8 |
| 2017 | 10466 | 32594 | 32.11 |

Source extracted from Annual reports from 2013-2017

Graph: 4.3 Graph showing Return on Equity (%) of SBNPPHFL.



Source: Table 4.3

Analysis and Interpretation: From the above graph, we can see the change in the percentage of Return on equity from 22.65, 20.57, 26.85, 26.8 and 32.11 in the year 2013, 2014, 2015, 2016 and 2017 respectively.

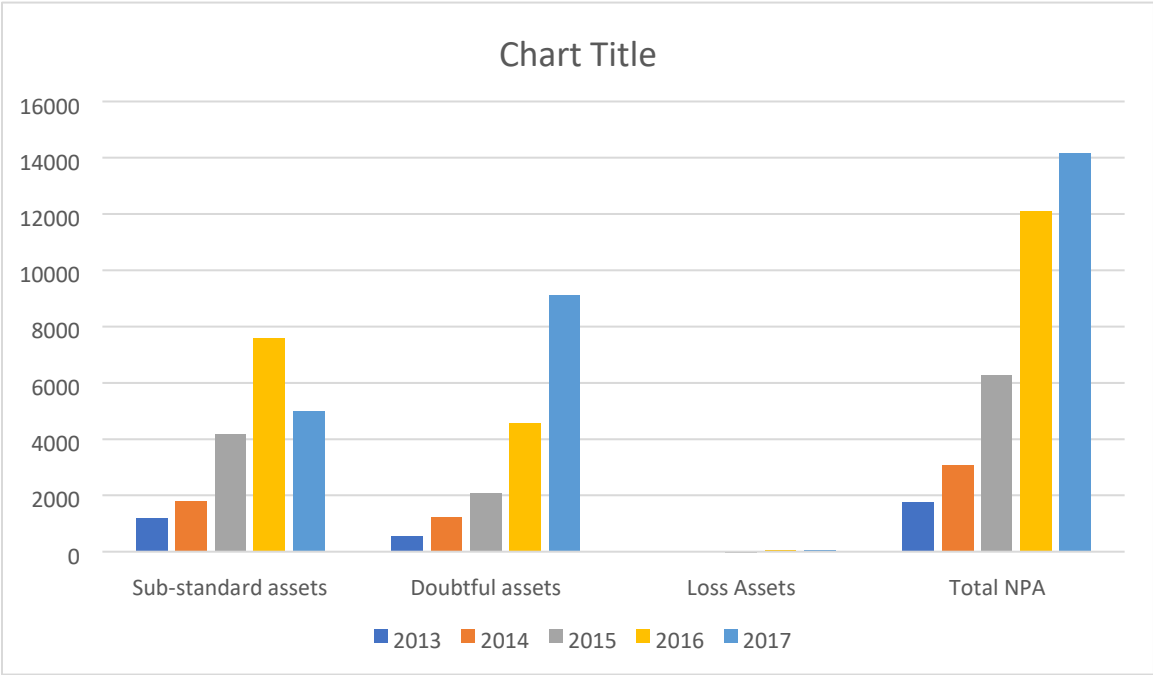
2016 and 2017 respectively. After 2014 the company is doing well by generating higher profits to the money invested by the shareholders gradually in the recent year.

Table 4.4 Table showing the Total NPA of Housing loans of SBNPPHFL.

| Particulars | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------------|------|------|------|-------|-------|
| Sub-standard assets | 1180 | 1817 | 4184 | 7573 | 4991 |
| Doubtful assets | 567 | 1243 | 2058 | 4561 | 9113 |
| Loss Assets | - | - | 25.2 | 61 | 61 |
| Total NPA | 1747 | 3059 | 6268 | 12095 | 14165 |

Source: Extracted from Annual reports from 2013-2017

Chart 4.4 Graph showing the Total NPA of Housing loans of SBNPPHFL



Source: 4.4. Table

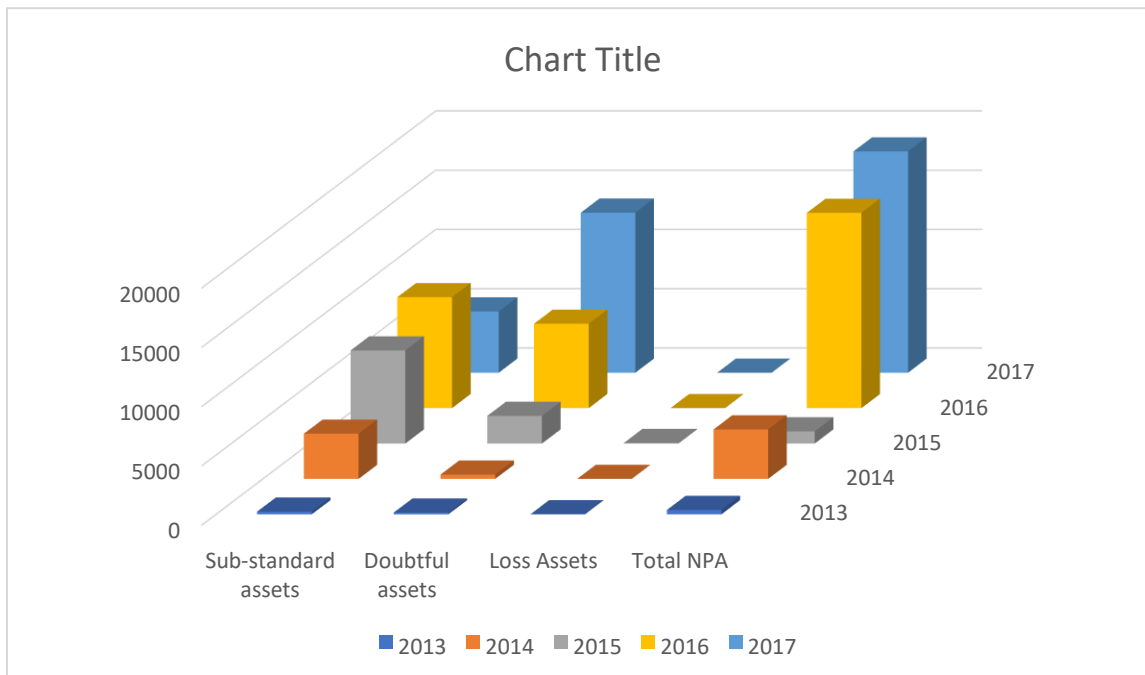
Analysis and Interpretation: In the above graph we can understand the changes in the total NPA of SBNPPHFL. It has a detrimental effect on the company that the total amount of NPA for home loans is gradually increasing from 2012 to 2016. \ t a statistically proven credit assessment process.

Table 4.5 Table showing the Total NPA of Non-housing loans of SBNPPHFL.

| Particulars | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------------|------|------|-------|-------|-------|
| Sub-standard assets | 224 | 3812 | 7849 | 9355 | 5166 |
| Doubtful assets | 144 | 361 | 2329 | 7116 | 13499 |
| Loss Assets | - | - | 45.54 | - | - |
| Total NPA | 368 | 4173 | 1024 | 16471 | 18665 |

Source: Extracted from Annual reports from 2013-2017

Chart 4.5 Graph showing the Total NPA of Non-housing loans of SBNPPHFL



Source: 4.5. Table

Analysis and Interpretation: In the above graph we can understand the changes in the total NPA of SBNPPHFL. It has a detrimental effect on the company that the total NPA of nonresidential

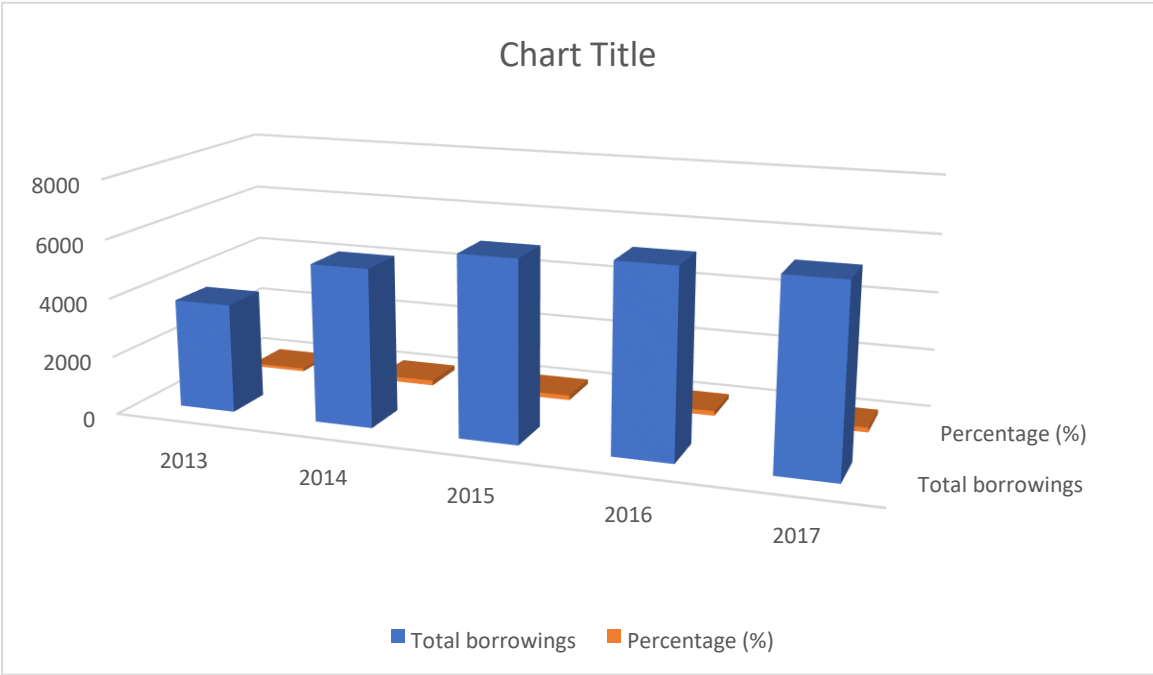
loans will gradually increase from 2013 to 2017. The company has to adopt various techniques to reduce NPA and restore the previous NPA by a modern and statistically proven credit assessment process. In recent years, there has been a massive change in these values, which can help us understand the customer approach to non-residential loans.

Table 4.6 Table showing the Total Borrowings of the SBNPPHFL.

| Year | Total borrowings | Percentage (%) |
|------|------------------|----------------|
| 2013 | 3710 | 100 |
| 2014 | 5358 | 169.24 |
| 2015 | 6100 | 160.81 |
| 2016 | 6282 | 159.04 |
| 2017 | 6270 | 159.17 |

Source: Extracted from Annual reports from 2013-2017

Graph 4.6 Graph showing the Total Borrowings of the SBNPPHFL.



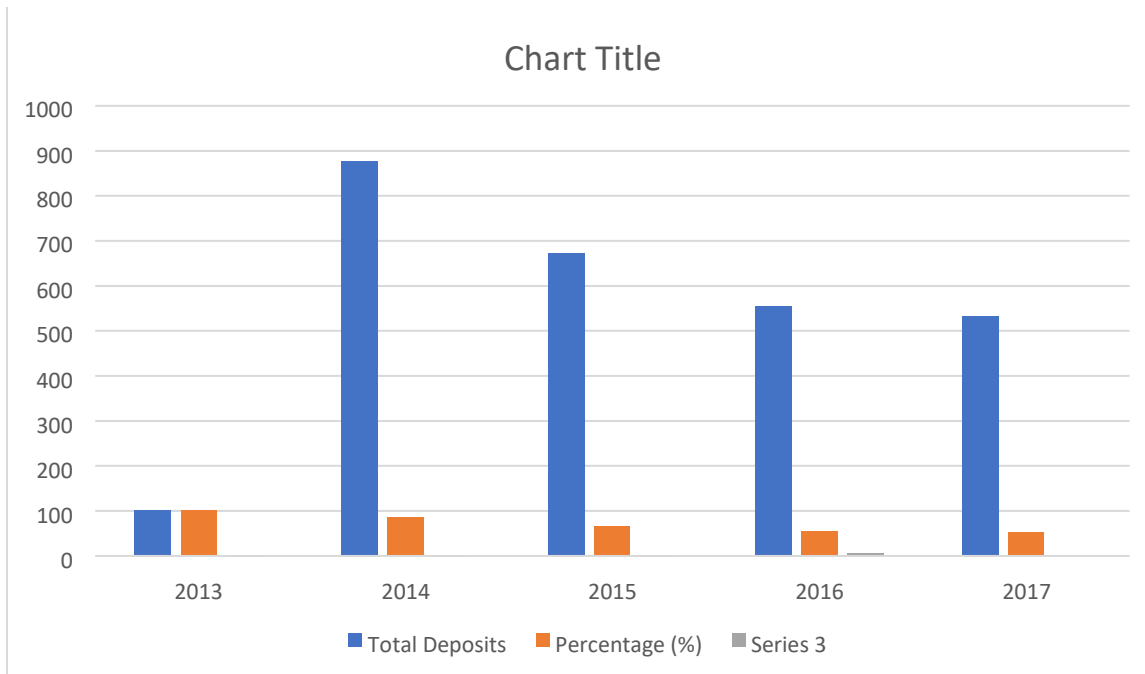
Analysis and Interpretation: From the graph above, we know that in recent years the company's total borrowing has gradually increased. Further calculations are made with reference to the base year 2013, the value increased from 100 in 2007 to 144.42, in 164.42, 169.33 and 169 in 2014, 2015, 2016-2017. The company must reduce its borrowings to keep lower interest rates to attract more customers and gain profits.

Table 4.7 Table showing the Total Deposits of the SBNPPHFL.

| Year | Total Deposits | Percentage (%) |
|------|----------------|----------------|
| 2013 | 102 | 100 |
| 2014 | 876 | 85.9 |
| 2015 | 673 | 66 |
| 2016 | 554 | 54.3 |
| 2017 | 532 | 52 |

Source: Extracted from Annual reports from 2013-2017

Graph: 4.7 graph showing the Total Deposits of the SBNPPHFL.

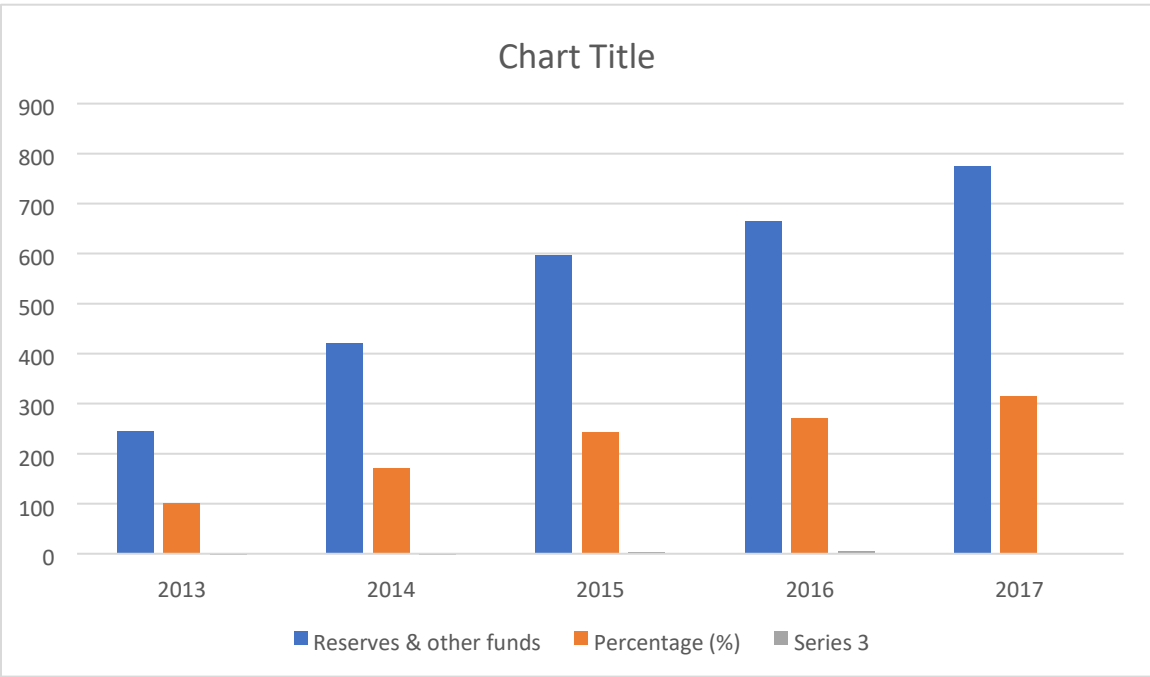


Analysis and Interpretations: Based on the above figure, it is understandable that the percentage change in total company deposits is gradually decreasing annually. For the year 2012, the base year will carry out further calculations. This has a negative impact on the decline in deposit rates from 100 to 85.9, 66, 54.3 and 52 in 2013, 2014, 2015, 2016 and 2017 in.

Table 4.8 Table showing the Reserves and Other Funds of SBNPPHFL.

| Year | Reserves & other funds | Percentage (%) |
|------|------------------------|----------------|
| 2013 | 246 | 100 |
| 2014 | 422 | 171.65 |
| 2015 | 597 | 242.74 |
| 2016 | 664 | 270 |
| 2017 | 774 | 315 |

Graph 4.8 graph showing the Reserves and Other Funds of SBNPPHFL.

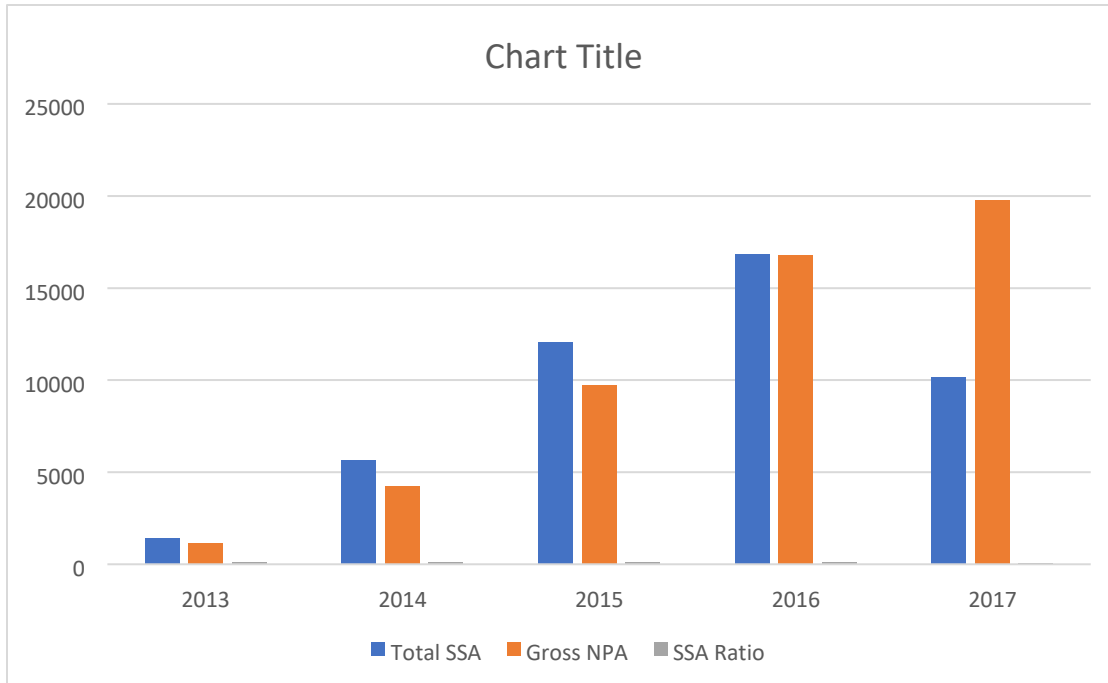


Analysis and Interpretation: The above chart shows that the reserves and other funds maintained by Sundaram BNP Paribas Home Finance have gradually increased from 2013 to 2017. In 2013, the percentage increased from 100 to 171.65, to 242.74, to 270 and to 315 in 2014, 2015, 2016 and 2017.

Chart 4.9 Table showing the Sub-Standard Assets Ratio from 2013-2017.

| Year | Total SSA | Gross NPA | SSA Ratio |
|------|-----------|-----------|-----------|
| 2013 | 1404.74 | 1165 | 120 |
| 2014 | 5629 | 4253 | 133 |
| 2015 | 12033 | 9701 | 124 |
| 2016 | 16827 | 16803 | 100 |
| 2017 | 10158 | 19785 | 51 |

Chart 4.9 Graph showing the Sub-Standard Assets Ratio from 2013-2017.



Source: Extracted from Annual reports from 2013-2017

Source: Table 4.9

Analysis and Interpretation: In the graph above, the change in the SSA ratio can be seen in the years 2013, 2014, 2014, 2015, 2016 and 2017 in 120, 133, 124, 100 and 51 respectively. Here we can understand that the company is well on the way to recovering Sub-Standard assets by observing a positive rate change that will gradually decrease over the year. From 2016 to 100

Doubtful Assets Ratio = (Total Doubtful Assets/ Gross NPA * 100)

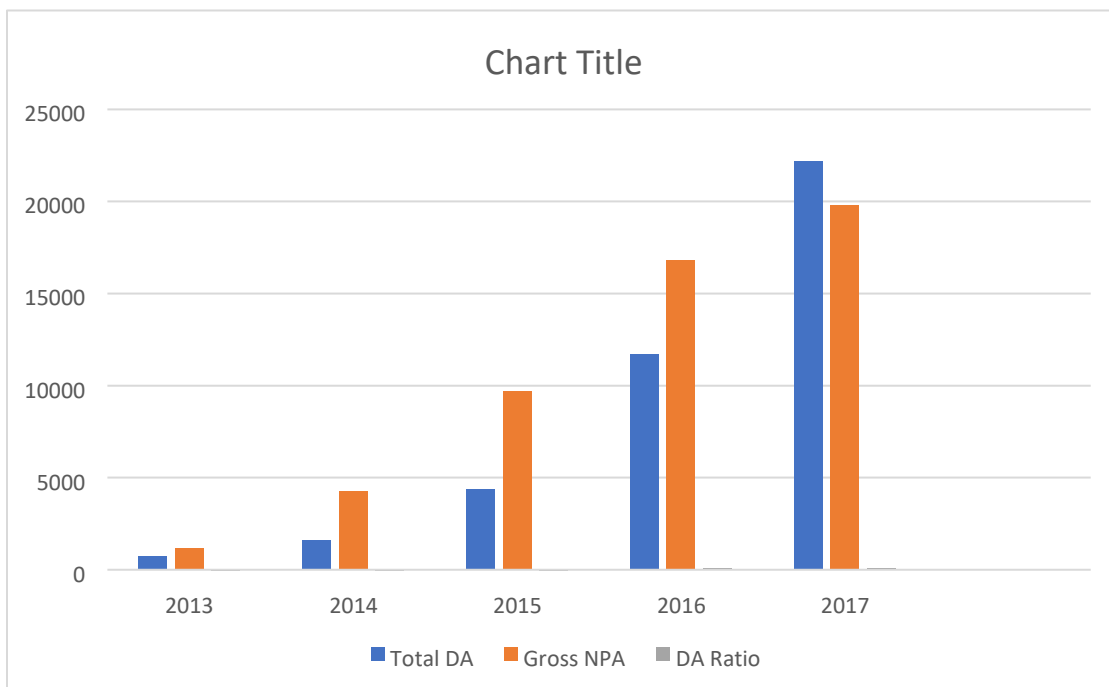
Table 4.10 Table showing the Doubtful Assets Ratio from 2013-2017.

| Year | Total DA | Gross NPA | DA Ratio |
|------|----------|-----------|----------|
| 2013 | 711 | 1165 | 61 |
| 2014 | 1604 | 4253 | 38 |
| 2015 | 4388 | 9701 | 45 |
| 2016 | 11677 | 16803 | 69 |

| | | | |
|------|-------|-------|-----|
| 2017 | 22163 | 19785 | 114 |
|------|-------|-------|-----|

Source extracted from Annual reports from 2013-2017

Chart 4.10: Chart showing the Doubtful Assets Ratio from 2013-2017.



Source: TABLE 4.10

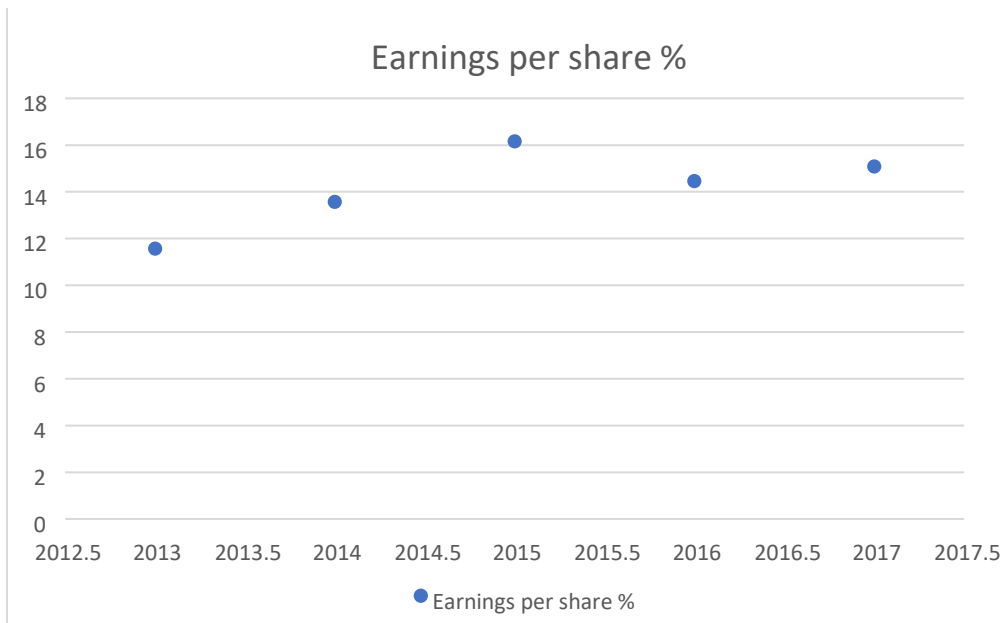
Analysis and Interpretation: The chart above shows that the doubtful asset ratio has fluctuated in recent times. The proportions are 61, 38, 45, 69 and 114 in 2013, 2014, 2015, 2016 and 2017. The company should place more emphasis on credit risk management and use more recovery techniques to reduce NPL cases.

Chart 4.11 Graph showing the Earnings per Share (%) from 2013-2017.

| Year | Earnings per share % |
|------|----------------------|
| 2013 | 11.57 |
| 2014 | 13.57 |
| 2015 | 16.16 |
| 2016 | 14.46 |
| 2017 | 15.08 |

Source extracted from Annual reports from 2013-2017

Chart 4.11 Graph showing the Earnings per Share (%) from 2013-2017.



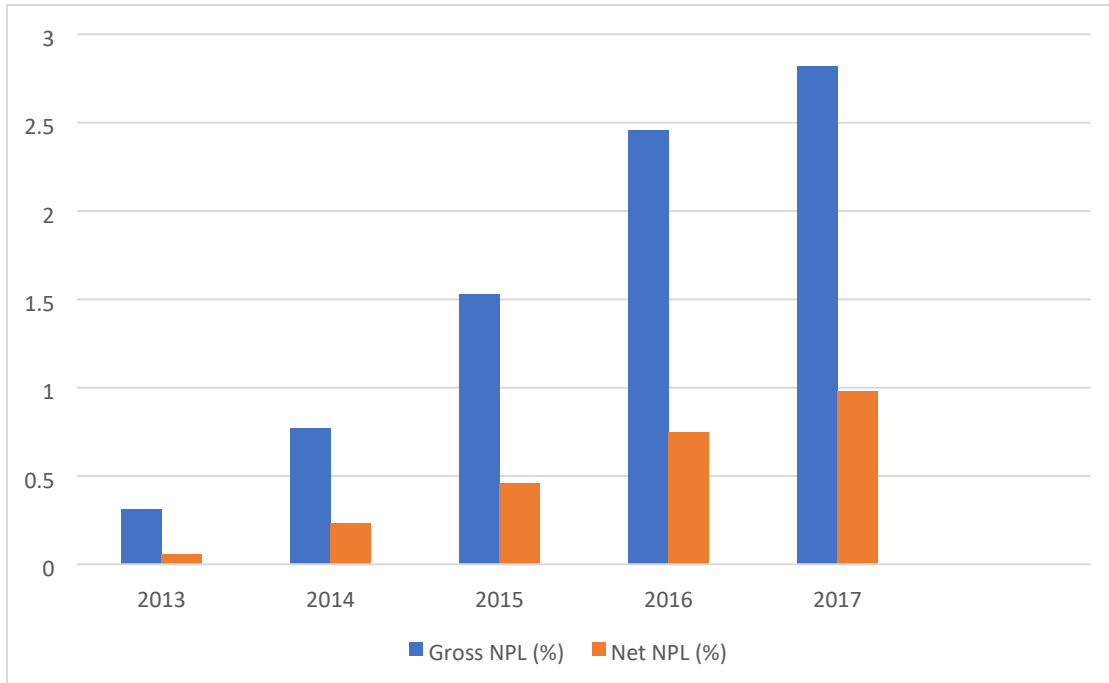
Analysis and Interpretation: The above table increases earnings per share for 3 years between 11.57, 13.57 and 16.16 in , 2013 and 2014. In 2015 2016 and 2017, it will slightly decrease from 16.16 to 14.46, but will gradually rise to 15.08 in 2016 due to net income and the share of Sundaram BNP Paribas Home Finance Ltd.

Table 4.12 Table showing Changes in the Gross NPL and Net NPL from 2013-2017.

| Year | Gross NPL (%) | Net NPL (%) |
|------|---------------|-------------|
| 2013 | 0.31 | 0.06 |
| 2014 | 0.77 | 0.23 |
| 2015 | 1.53 | 0.46 |
| 2016 | 2.46 | 0.75 |
| 2017 | 2.82 | 0.98 |

Source: extracted from Annual reports from 2013-2017.

Chart 4.12 Graph showing Changes in the Gross NPL and Net NPL (%).



Source: Table 4.12

Analysis and Interpretation: The above graph shows Gross NPL and a Net NPL in recent years. Gross NPL rises steadily from 0.31, 0.77, 1.53, 2.46, and 2.82 from 2013 to 2017. Net NPL is more than 0.06, 0.23, 0.46, 0.75 and 0.98 Gross NPL, between 2013 and 2017. The company should provide assistance in taking further action on the recovery of loans and in selecting the right customers as they can repay the loan on time.

CHAPTER - 5

SUMMARY OF FINDINGS, CONCLUSIONS AND SUGGESTIONS

5.1 FINDINGS

- This study found that the approach to purchasing residential loans from customers for residential, commercial and real estate purposes gradually increased.
- The results of NPA calculations of residential and non-residential loans show that the company has taken an initiative to develop stricter standards and criteria for customers as the amount of losses due to non-standard assets and doubtful assets is greater, but the company has a much lesser amount of asset loss by reimbursing the amount of credit.
- In this study, we found that SBNPPHFL has an increasing rate of gross NPL and net NPL from 2013 to 2017, which is a major attitude towards the company, as the net NPL includes both loss of interest rate and principal amount.

5.2 SUGGESTIONS

- The findings show that the analysis of the ratio of SBNPPHFL's five-year financial performance data shows an increase in the value of GPR, NPR and ROE, that's why the company can earn more customers and business.
- As earnings per share increased significantly in recent years, the company will seek to attract more investors and maintain its current presence. Shareholders are satisfied with higher profits.
- The company may try to make good results with the Bank that is not a home (NHB) so they can maintain low interest rates.
- The company can earn more customers by their interest rates.

5.3 CONCLUSION

The survey was conducted over a period of 5 years from 2013-2017 to find the requirement for credit assessment for housing loans. The statistical tools used in this study are Ratio Analysis to measure company performance. This study found that the company's norms and criteria help to verify the client's creditworthiness. Repayment of a loan and good reputation, which is why the company is able to improve its standards and financial results.

BIBLIOGRAPHY

- MANUREET RIAR & BHALLA, G. S. (2016) Problems Faced by the Housing Finance Borrowers: A Study conducted in Punjab. *International Journal of Humanities and Social Science Invention*. 5(8). p. 53-58.
- JOLLY & BRUCE. (2003) Appraisal Rule hits Home. *Credit Union Magazine*, Madison. 69(7). p. 68.
- BLOOD & ROGER F. (1989) Words of Warning on Home Equity Loans. *Bottom-line*, Washington. 6(1). p. 46.
- MINDERMAN & DEAN, C. (1992) Home Equity's Quantum Leap. *Credit Union Management*, Madison. 15(3). p. 42.
- MOLVIG & DIANNE. (1999) Marketing Home Equity Loans. *Credit Union Executive Journal*, Madison. 39(4). p. 32-36.
- FARRELL & KATHLYN, L. (1994) Mobile Home Lending: Another Way to serve your Community's Credit needs. *ABA Bank Compliance*, Washington. 15(10). p. 3.
- GUARD AND MARY BETH. (1998) Mobile Home Lending made Easy. *ABA Bank Compliance*, Washington. 19(9). p. 14-18.
- ROBERTS & MICHELLE. (1998) Some Potholes to avoid in Home Equity Lending. *Texas Banking*, Austin. 87(3). p. 30-31.
- LAI & ZHIHONG (HELEN). (2001) *The Prepayment of Home Equity Loans: An Empirical Study based on Loan Level Data*. Rutgers The State University of New Jersey
o New York, ProQuest Dissertations Publishing.
- SABRY, FATEN, FRANCESCHELLI, IGNACIO, CLAXTON & DREW. (2016) Home Equity, Home Value, and Determinants of Mortgage Defaults during the Credit Crisis. *Journal of Real Estate Practice and Education*, Grand Forks. 19(2). p. 125-148.
- JAMES R. HAGERTY, RUTH SIMON & JONATHAN KARP. (2007) Credit Crisis hits Small Lenders; Mortgage Loan Back-lash Spurs Halt in Operations; Bigger Rivals Swoop In. *Wall Street Journal*, Eastern edition; New York. 15. p. 3.
- SHAW & MICHAEL. (1996) Myths and Misconceptions. *Mortgage Banking*; Washington. 56(9). p. 69.
- BANKSTON & KAREN. (2009) Leading- Edge Lenders. *Credit Union Magazine*, Madison. 75(1). p. 36-40.

- GHOSH & SUDIP. (2010) Is the Credit Crunch a Supply Side Phenomenon? A Theoretical Appraisal. *Academy of Banking Studies Journal*, Arden. 9(1). p. 39-61.
- CLARK & DANIAL, M. (1987) Home Equity Taps the American Dream. *American Bankers Association, ABA Banking Journal*, New York. 79(4). p. 50.
- DING & LEI. (2014) Information Externalities and Residential Mortgage Lending in the hardest hit Housing Market: The Case of Detroit. *Cityscape*; Washington. 16(1).p. 233-252.
- AHMED, SUFI FAIZAN, MALIK & QAISAR ALI. (2015) Credit Risk Management and Loan Performance: Empirical Investigation of Micro Finance Banks of Pakistan. *International Journal of Economics and Financial Issues*, Mersin. 5(2).
- MANN, GERORGE R, LAWTON & KEVIN G. (2003) A Guide to Real Estate Appraisals. *The RMA Journal*, Philadelphia. 85(9). p. 20
- LENTZ, WANG K. & GEORGE, H. (1998) Residential Appraisal and the Lending Process: A Survey of Issues. *The Journal of Real Estate Research*, Sacramento. 15(1).p. 11-39.
- ZHANG, JIAWEI, TANG & HUA. (2014) US Prime Mortgage Credit Risk- Insight from the GSE Loan Level Credit Data Release. *Real Estate Finance*, New York. 30(3).P. 78-106.
- HOCHGARF & LISA. (2003) Tools for Top Speed. *Credit Union Management*, Madison. 26(8). p. 38-40.
- LAWRENCE, E. (2015) Spilled Milk: Can you Sell this Collateral for me? *The RMA Journal*, Philadelphia. 97(4). p. 58-62.
- GOFF & LESLIE. (1995) Home Sweet Home. *Computerworld*, Framingham. 29(11).p. 101.
- CASSIS & JOHN. (2007) A Day in the Life of this Banker. *The RMA Journal*, Philadelphia. 89(5). p. 88-91.
- MADHU, T. (2013) Importance of Credit Score in Improving changes of getting a Loan Analysis. *The Economic Times*, New Delhi.
- LAMB & ELLEN CLAIR. (2002) Unraveling the Attractions of Multifamily

ANNEXURE

Balance sheet of Sundaram ----- in Rs. Cr. -----

| | Mar '18 | Mar '17 | Mar '16 | Mar '15 | Mar '14 |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|
| | 12 mths | 12 mths | 12 mths | 12 mths | 12 mths |
| Sources Of Funds | | | | | |
| Total Share Capital | 111.10 | 111.10 | 111.10 | 111.10 | 111.10 |
| Equity Share Capital | 111.10 | 111.10 | 111.10 | 111.10 | 111.10 |
| Reserves | 3,859.74 | 3,634.53 | 3,201.52 | 2,866.95 | 2,293.81 |
| Networth | 3,970.84 | 3,745.63 | 3,312.62 | 2,978.05 | 2,404.91 |
| Secured Loans | 8,359.06 | 4,217.36 | 4,382.12 | 5,577.27 | 5,961.78 |
| Unsecured Loans | 5,383.56 | 5,628.77 | 2,710.80 | 3,135.09 | 2,220.25 |
| Total Debt | 13,742.62 | 9,846.13 | 7,092.92 | 8,712.36 | 8,182.03 |
| Total Liabilities | 17,713.46 | 13,591.76 | 10,405.54 | 11,690.41 | 10,586.94 |
| | Mar '18 | Mar '17 | Mar '16 | Mar '15 | Mar '14 |
| | 12 mths | 12 mths | 12 mths | 12 mths | 12 mths |
| Application Of Funds | | | | | |
| Gross Block | 461.90 | 537.23 | 559.93 | 586.47 | 660.32 |

| | | | | | |
|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Less: Accum. Depreciation | 239.05 | 260.54 | 281.49 | 277.65 | 316.87 |
| Net Block | 222.85 | 276.69 | 278.44 | 308.82 | 343.45 |
| Capital Work in Progress | 0.00 | 0.00 | 0.00 | 2.06 | 3.20 |
| Investments | 2,258.25 | 1,883.17 | 1,836.24 | 1,521.48 | 1,447.27 |
| Cash and Bank Balance | 981.36 | 747.19 | 552.56 | 676.72 | 674.75 |
| Total Current Assets | 981.36 | 747.19 | 552.56 | 676.72 | 674.75 |
| Loans and Advances | 19,984.45 | 16,260.41 | 14,725.32 | 14,252.13 | 12,946.25 |
| Total CA, Loans & Advances | 20,965.81 | 17,007.60 | 15,277.88 | 14,928.85 | 13,621.00 |
| Current Liabilities | 5,440.61 | 5,307.71 | 6,708.94 | 4,769.82 | 4,514.76 |
| Provisions | 292.83 | 268.01 | 278.08 | 300.96 | 313.23 |
| Total CL & Provisions | 5,733.44 | 5,575.72 | 6,987.02 | 5,070.78 | 4,827.99 |
| Net Current Assets | 15,232.37 | 11,431.88 | 8,290.86 | 9,858.07 | 8,793.01 |
| Total Assets | 17,713.47 | 13,591.74 | 10,405.54 | 11,690.43 | 10,586.93 |
| Contingent Liabilities | 88.28 | 106.90 | 116.60 | 125.60 | 111.85 |
| Book Value (Rs) | 357.40 | 337.13 | 298.16 | 268.04 | 216.46 |



ACHARYA INSTITUTE OF TECHNOLOGY

DEPARTMENT OF MBA

PROJECT (17MBAPR407) -WEEKLY REPORT

NAME OF THE STUDENT: NANDISH S

INTERNAL GUIDE: PROF.AYUB AHAMED K S

USN: 1AY17MBA32

COMPANY NAME: SUNDARAM BNP PARIBAS HOME FINANCE LTD

| WEEK | WORK UNDERTAKEN | EXTERNAL GUIDE SIGNATURE | INTERNAL GUIDE SIGNATURE |
|---|--|--------------------------|--------------------------|
| 3 rd Jan 2019 – 9 th Jan 2019 | Industry Profile and Company Profile | | |
| 10 th Jan 2019 – 17 th Jan 2019 | Preparation of Research instrument for data collection | | |
| 18 th Jan 2019 – 25 th Jan 2019 | Data collection | | |
| 26 th Jan 2019 – 2 nd Feb 2019 | Analysis and finalization of report | | |
| 3 rd Feb 2019 – 9 th Feb 2019 | Findings and Suggestions | | |
| 10 th Feb 2019 – 16 th Feb 2019 | Conclusion and Final Report | | |

for SUNDARAM BNP PARIBAS HOME FINANCE LTD.

Authorized Signatory
Company Seal



College Seal

HOD Signature