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FINANCIAL SERVICES OF HOUSING FINANCE THROUGH BANKING SECTOR IN KALLAKURICHI TALUK, VILLUPURAM DISTRICT

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ABSTRACT

Housing finance is one of the emerging sector provide financial assistance of credit of conditions in which access to institutional finance is made easier and affordable for individuals for construction/buying of houses/flats for future. Housing finance assistance is validity of financial instruments supporting formation of new house and buildings promote sound healthy of financial system delivery of effective creditworthy. Reserve bank of India predetermined contributes financial policy direct and indirect way of financial health of customer services which easily approaches banking institution. Present day customer expectation financial institution follows number of formalities getting credit from banking sector. Government of India is the regulatory role assigned assumes more importance as the housing finance system in India enters a socio-economic development in terms of integration with the debt and capital markets. National housing board is one transformer analyzed population growth rate decision of however below poverty line people to grant assistance of housing finance.

KEYWORDS   Housing, Finance, Banking, Customer, Services

Introduction

Housing finance has significantly customer financial services establishing a system where housing boards and development authorities would concentrate on acquisition and development of land and infrastructure. Indian bank institution is fully pledged concentrate financial services of housing finance provide individuals and group of people. Every should submit proper document for secured movable and immovable mortgage of securities for grating of credit supply of persons. Banking financial service is systematic ensuring supply of financial worthy promote customer service granting terms and condition of financial assistance for regular customer. Finance is pathway of depositing cash and mobilization of money resources provides service of socio-economic growth in our country. Commercial bank is one of the financial intermediaries enhance the flow of resources to housing sector, term loans may be granted by banks to housing intermediary agencies against the direct loans sanctioned/ proposed to be sanctioned by the latter, irrespective of the borrower size of the loan extended by these agencies. National housing board of India introduced innovative housing loan system several cores of financial support for developing housing revolution schemes extracting house and renovation buildings. Private sector bank declares housing finance is high interest rate to repayment of borrowing money and framed certain unethical activities of secured of their customer assets. Housing development financial corporation bank of India is highly potential dedicated served housing finance and certain criteria remove financial services help through every individual customer.

Objectives

1. To analyses socio-economic profile of the customer and its impacts on banking services of housing finance.
2. To evaluate the function and benefit of housing finance among customer
3. To found that level of satisfaction on financial services of housing loan through banking sector in study areas.

Methodology

The present study is analytical nature collected the primary data from baking customer and secondary data referred information through journal, magazines, newspaper, website, related text books. The study is based on simple random sampling technique in Kallakurichi there are three leading banking sector such as public, private, co-operative banks each banks can divide into 50 samples on probability sampling method. Hence total sample size is 150.

Hypothesis

1. There is no association between age group with regards to banking service of housing finance. Hence the null hypothesis (Ho) is rejected.
2. There is no association between genders wise of the respondents with regards to banking service of housing finance. Hence the null hypothesis (Ho) is rejected.
3. There is no association between martial statuses of the respondents with regards to banking service of housing finance. Hence the null hypothesis (Ho) is rejected.
4. There is no association between educations of the respondents with regards to banking service of housing finance. Hence the null hypothesis (Ho) is rejected.
5. There is no association between occupations of the respondents with regards to banking service of housing finance. Hence the null hypothesis (Ho) is rejected.
6. There is no association between annual incomes of the respondents with regards to banking service of housing finance. Hence the null hypothesis (Ho) is rejected.

Table -1 Profile of the Customer

Variables	Respondents	Percentage	Chi-square test
Age Below -30	39	26	Chi-Square value is (2.06) < significant value (0.000) at 1 per cent level of **Significant**
31- 35	36	24	
36- 40	48	32	
41 and Above	27	18	
Gender Male	72	48	Chi-Square value is (1.245) < (0.000) at 1 **Sig**
Female	78	52	
Marital Status Married	94	62.67	Chi-Square value is (1.626) < (0.000) at 1 **Sig**
Unmarried	56	37.33	
Education Illiterate	27	18	Chi-Square value is (2.956) < (0.005) at 1 per cent level of **Significant**
Primary school	19	8	
High school	24	16	
Higher secondary	18	12	
Graduate	39	26	
Post graduate and above	30	20	
Occupation Private	30	20	Chi-Square value is (1.996) < (0.000) at 1 per cent level of **Significant**
Government	24	16	
Own business	39	26	
Farmer	36	24	
Daily wages	21	14	

Annual Income Below – Rs. 30000	33	22	Chi-Square value is (1.696) (0.000) at 1 per cent level of **Significant**
Rs. 31000 - Rs. 35000	36	24	
Rs. 36000 – Rs. 40000	42	28	
Rs. 41000 and above	39	26	
Term of Housing Finance Short term	54	36	
Medium term	51	34	
Long term	45	30	
Total Sample size is 150			

Sources: Primary Data

It is calculated that Chi-Square value is (2.06) greater than the significant value (0.000) at 1 per cent level of significant. Therefore, there is significant relationship among the age group of banking services of the respondents. Hence, the null hypothesis (Ho) is rejected. It is analyzed that the Chi-Square value is (1.626) greater than the significant value (0.000) at 1 per cent level of significant. Therefore, there is significant relationship among marital status and banking services of the respondents of the respondents. Hence, the null hypothesis (Ho) is rejected.

It is found that the Chi-Square value is (2.956) greater than the significant value (0.005) at 1 per cent level of significant. Therefore, there is significant relationship among the education and banking services of the respondents. Hence, the null hypothesis (Ho) is rejected. As regard that the Chi-Square value is (1.996) greater than the significant value (0.023) at 1 per cent level of significant. Therefore, there is significant relationship among the occupation and banking services of the respondents. Hence, the null hypothesis (Ho) is rejected. It is calculated that the Chi-Square value is (1.696) greater than the significant value (0.000) at 1 per cent level of significant. Therefore, there is significant relationship among the annual income and banking services of the respondents. Hence, the null hypothesis (Ho) is rejected.

Table -2 Function of Housing Finance

Function	Respon dents	Percent age
Borrowing of Housing Finance Yes	98	65.33
No	52	34.67
If yes approaches of Housing Finance Directly	69	46
Agency	45	30
Advertisement	36	24
If No Fear of inability to repay the loan	54	36
Difficulty and Lengthy procedures	25	16.67
High interest rate	19	12.67
Lack of bank relations	31	20.67
Lack of collateral/security	21	14
Mortgage of Securities Land Document	32	21.33
Job Securities	25	16.67
Building (house/flat)	19	11.88
Jewellery	41	27.33
Guarantor	13	8.67
Pension	20	13.33
Purpose of loan Non availability of Finance	31	20.67
Construction of House	23	15.33
To buy a newly built or existing/existing house	14	9.33
Purchase of new plot	37	24.67
Home improvement/repairs	45	30
Bank Public sector	68	45.33
Private sector	36	24
Co-operative bank	29	19.33
Regional rural bank	17	11.33
If yes nationalized bank More Branches	17	11.33
Easy and low cost processing	25	16.67
Qualitative of services	37	24.67
Reasonable interest rate	24	16

Advertising	47	31.33
Total Sample size is 150		

Sources: Primary Data

Table. 2 inferred that 65.33 percent of the respondents are borrowing of housing finance and remaining 34.67 percent of the respondents are not borrowing of housing finance. 46 percent of the respondents are approaching of housing finance by directly, 30 percent of the respondents are approaching of housing finance by Agency, and remaining 24 percent of the respondents are approaching of housing finance by advertisement. 36 percent of the respondents have no awareness, 20.67 percent of the respondents are extent time, 16.67 percent of the respondents said that are lengthy procedures, 14 percent of the respondents are secured of assets, 12.67 percent of the respondents are paying high interest rate. 54.67 percent of the respondents are mortgage of securities land document, 27.33 percent of the respondents are job Securities, 18 percent of the respondents are secured immovable property. It is exhibits that 20.67 percent of the respondents are purpose of loan for Non availability of finance, 15.33 percent of the respondents are purpose for construction of house, 9.33 percent of the respondents are purpose for extent house, 24.67 percent of the respondents are purpose for purchase of plot, 30 percent of the respondents are purpose for renovation of new house. 45.33 percent of the respondents are chosen by public sector, 24 percent of the respondents are chosen by private sector, 19.33 percent of the respondents are chosen by Co-operative bank, 11.33 percent of the respondents are chosen by regional rural bank.

Table -3 Banking Services of Housing Finance

Banking Services	Very High Level	High level	Moder ate level	Least level	Low level	Total
Attracting and retaining customer	32 (21.33)	41 (27.33)	19 (12.67)	31 (20.67)	27 (18)	**150** **100**
Requirement of customer services	28 (18.67)	32 (21.33)	14 (9.33)	36 (24)	40 (26.67)	**150** **100**
Promote attention of customer needs	31 20.67	19 12.67	45 30	18 12	37 24.67	**150** **100**
Quick processing of technology	21 14	56 37.33	31 20.67	19 12.67	23 15.33	**150** **100**
High penalties and charges	47 31.33	19 12.67	38 25.33	14 9.33	32 21.33	**150** **100**
Lengthy procedures and formalities	33 22	15 10	54 36	22 14.67	26 17.33	**150** **100**
Understanding customer needs	41 27.33	21 14	34 22.67	17 11.33	37 24.67	**150** **100**
Changing branch location	18 12	36 24	29 19.33	27 18	40 26.67	**150** **100**
Compulsory security of assets	31 20.67	28 18.67	35 23.33	41 27.33	15 10	**150** **100**

Sources: Primary Data

It is found that (27.33%) of the respondent's opinion that attracting and retaining customer is high level, (26.67%) of the respondents said that requirement of customer services, (24.67%) of the respondents promote attention of customer needs, (37.33%) of the respondents quick processing of technology is high level, (31.33%) of the respondents High penalties and charges is very high level, (36%) of the respondents lengthy procedures and formalities is moderate level, (27.33%) of the respondents understanding customer needs is very high level, 26.67%) of the respondents changing branch location is low level, (27.33%)of the respondents compulsory security of assets is least level.

Recommendations

Banking services is highly potential of financial services grant to housing loan every person secured of their own assets. Private sector bank follows certain rules regulation promote the financial services of housing finance customer submit compulsory movable and immovable assets. Reserve Bank of India change methods of formalities and quick way provide financial services to rural customer.

Public sector bank is one of the primary functions of banking services provide short and long term credit to customer. Banking sector expectation customer should be repayment of banking loan within short period and mobilization of financial transaction throughout countries. Public sector collection process charges is high level must avoid delay on pay the penalties and services charges.

Commercial bank is faster way of housing finance provide uneconomical background areas. Banking sector is served understanding customer needs of financial services to fulfill every banking aspects of various credit must be give to every and individuals persons.

Regional rural bank should be come forward promote attention of customer needs timely service attracting and retaining of more customer expectation of financial services. Government of India must be arranging financial orientated services extend at level of customer.

Co-operative bank is one of the rural developments not only for agricultural allied sector and also provide housing finance among various customer. Co-operative bank must be avoided government employees credit society aspects and including uneducated employees services throughout country.

Nationalized bank open more branches in rural areas customer feel that easy and low cost processing of financial transaction service to customers. Banking sector provide reasonable interest rate quickly support and sanction of amount do not delay on extent hosing loan maximum number of customer opinion must be provide reasonable interest rate for housing credit.

Conclusion

Housing finance are leading financial services contributed several schemes and banking institution promoting customer requirements for purpose of construction of new houses. Financial is highly vibrant of economic growth without finance there is no operating of any economic activities banking sector mainly focuses rural credit finance promoting housing finance in rural people. Every human the basic requirement of housing facilities are not available in prescribed manner. Housing financial corporation should be come forward certain obstacles remove rural housing loan generating of financial equipments disbursed under various schemes. India financial system is strengthening rural development supportive every individual members which promote socio-economic aspects of human nature. Co-operative bank is several cores money contributes through government employee's subsidy schemes of housing finance financial services all over world. In this regards banking services housing finance is not effectively reach and unreached of rural customer is significantly in Kallakurichi taluk, Villupuram District.

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