Chapter-VIII
MAJOR FINDINGS, CONCLUSIONS AND SUGGESTIONS

An attempt is made in this chapter to present chapter wise findings followed by conclusions and suggestions.

Chapter-III: Major findings

- Majority of the account holders in housing finance are drawn from urban areas.
- Majority of the account holders in housing finance are found to be relatively young.
- Majority of the NPA account holders in housing finance are drawn from socially downtrodden communities.
- 22.5 percent of the NPA account holders in housing finance are drawn from the self employed category and 77.5 percent are from employed category.
- 70 percent of the NPA account holders in housing finance are equipped with under graduate level education, followed by 21 percent with post graduation and 9 percent with other equivalent qualifications.
- 14 percent of the NPA account holders in housing finance are found in the income range of up to 5 lakhs rupees, 58 percent are found in the income range of Rs 5-10 lakhs, 21 percent in the 10-15 lakhs rupees range and 7 percent in the income range of Rs above 15 lakhs.
81.5 percent of the NPA account holders in housing finance are male and 18.5 percent are female.

Chapter-IV: Major findings

In case of 76 percent of the sample respondents, their desire to own a house has influenced them to go for housing finance and 24 percent of the sample respondents did not subscribe to this view.

In case of 72 percent of the sample respondents, EMI in the place of rent has influenced them to go for housing finance and 28 percent of the sample respondents did not subscribe to this view.

In case of 84 percent of the sample respondents, problems encountered in the rented houses has influenced them to go for housing finance and 16 percent of the sample respondents did not subscribe to this view.

In case of 32 percent of the sample respondents, social prestige has influenced them to go for housing finance and 68 percent of the sample respondents did not subscribe to this view.

In case of 76 percent of the sample respondents, desire for permanent settlement has influenced them to go for housing finance and 24 percent of the sample respondents did not subscribe to this view.

In case of 80 percent of the sample respondents, easy access to house loan has influenced them to go for housing finance and 20 percent of the sample respondents did not subscribe to this view.
In case of 82 percent of the sample respondents, availability of institutional support to construct the house has influenced them to go for housing finance and 18 percent of the sample respondents did not subscribe to this view.

In case of 28 percent of the sample respondents, availability of owned plot has influenced them to go for housing finance and 72 percent of the sample respondents did not subscribe to this view.

In case of 76 percent of the sample respondents, repayment period is very long has influenced them to go for housing finance and 24 percent of the sample respondents did not subscribe to this view.

In case of 78 percent of the sample respondents, flexibility in terms and conditions of house loan has influenced them to go for housing finance and 22 percent of the sample respondents did not subscribe to this view.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on desire to own a house is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on EMI in the place of rent is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on problems encountered in the rent house is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on social prestige is found to be statistically dependent.
The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on the desire for permanent settlement is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on easy access to house loan is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of institutional support to construct the house is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of owned plot is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on repayment period is very long is found to be statistically independent.

The relationship between the age of the sample respondents and the set of factors affecting their demand for housing finance with a focus on flexibility in terms and conditions of house loan is found to be statistically independent.

The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on desire to own a house is found to be statistically independent.
The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on EMI in the place of rent is found to be statistically independent.

The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on problems encountered in the rent house is found to be statistically independent.

The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on social prestige is found to be statistically independent.

The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on the desire for permanent settlement is found to be statistically independent.

The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on easy access to house loan is found to be statistically independent.

The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of institutional support to construct the house is found to be statistically independent.

The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of owned plot is found to be statistically independent.
- The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on repayment period is very long is found to be statistically independent.
- The relationship between the occupation of the sample respondents and the set of factors affecting their demand for housing finance with a focus on flexibility in terms and conditions of house loan is found to be statistically independent.
- The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on desire to own a house is found to be statistically independent.
- The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on EMI in the place of rent is found to be statistically independent.
- The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on problems encountered in the rent house is found to be statistically independent.
- The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on social prestige is found to be statistically independent.
- The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on the desire for permanent settlement is found to be statistically independent.
The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on easy access to house loan is found to be statistically dependent.

The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of institutional support to construct the house is found to be statistically independent.

The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of owned plot is found to be statistically independent.

The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on repayment period is very long is found to be statistically independent.

The relationship between the education of the sample respondents and the set of factors affecting their demand for housing finance with a focus on flexibility in terms and conditions of house loan is found to be statistically independent.

The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on desire to own a house is found to be statistically independent.

The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on EMI in the place of rent is found to be statistically independent.
- The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on problems encountered in the rent house is found to be statistically independent.

- The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on social prestige is found to be statistically dependent.

- The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on the desire for permanent settlement is found to be statistically independent.

- The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on easy access to house loan is found to be statistically independent.

- The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of institutional support to construct the house is found to be statistically independent.

- The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of owned plot is found to be statistically independent.

- The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on repayment period is very long is found to be statistically dependent.
The relationship between the income of the sample respondents and the set of factors affecting their demand for housing finance with a focus on flexibility in terms and conditions of house loan is found to be statistically independent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on desire to own a house is found to be statistically independent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on EMI in the place of rent is found to be statistically independent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on problems encountered in the rent house is found to be statistically independent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on social prestige is found to be statistically independent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on the desire for permanent settlement is found to be statistically independent. the relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on easy access to house loan is found to be statistically independent.
The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of institutional support to construct the house is found to be statistically independent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on availability of owned plot is found to be statistically independent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on repayment period is very long is found to be statistically dependent.

The relationship between the social status of the sample respondents and the set of factors affecting their demand for housing finance with a focus on flexibility in terms and conditions of house loan is found to be statistically independent.

Chapter-V: Major findings

12 percent of the NPAs account holders in housing finances on an average availed house loan in the range of up to five lakhs rupees, followed by 62 percent availed in the range of 5-10 lakhs rupees, 20 percent availed in the range of Rs 10-15 lakhs and 6 percent in the range of above 15 lakhs rupees.
➢ 8 percent of the NPAs account holders in housing finances on an average had NPAs to the extent of Rs up to two lakhs, 24 percent to the extent of Rs 2-4 lakhs and 68 percent to the extent of Rs above 4 lakhs.

➢ The age of the NPAs of 80 percent of the NPAs account holders in housing finances is up to one year and the same is 1-2 years in case of 20 percent of the NPAs account holders in housing finances.

➢ 82 percent of the NPAs account holders have admitted that due to their low incomes they could not pay regularly the house loan commitments and hence their accounts became NPAs and 18 percent of the NPAs account holders did not subscribe to this view.

➢ 76 percent of the NPAs account holders have admitted that due to unexpected expenses they could not pay regularly the house loan commitments and hence their accounts became NPAs and 24 percent of the NPAs account holders did not subscribe to this view.

➢ 24 percent of the NPAs account holders have admitted that due to job quitting they could not pay regularly the house loan commitments and hence their accounts became NPAs and 76 percent of the NPAs account holders did not subscribe to this view.

➢ 74 percent of the NPAs account holders have admitted that due to increase in other commitments they could not pay regularly the house loan commitments and hence their accounts became NPAs and 26 percent of the NPAs account holders did not subscribe to this view.

➢ 34 percent of the NPAs account holders have admitted that due to rigid payment schedule they could not pay regularly the house loan commitments...
and hence their accounts became NPAs and 66 percent of the NPAs account holders did not subscribe to this view.

- 24 percent of the NPAs account holders have admitted that due to non-receipt of salary for the past six months they could not pay regularly the house loan commitments and hence their accounts became NPAs and 76 percent of the NPAs account holders did not subscribe to this view.

- 26 percent of the NPAs account holders have admitted that due to ill health they could not pay regularly the house loan commitments and hence their accounts became NPAs and 74 percent of the NPAs account holders did not subscribe to this view.

- 32 percent of the NPAs account holders have admitted that due to no rent for a considerable period they could not pay regularly the house loan commitments and hence their accounts became NPAs and 68 percent of the NPAs account holders did not subscribe to this view.

- 28 percent of the NPAs account holders have admitted that due to loss in business they could not pay regularly the house loan commitments and hence their accounts became NPAs and 72 percent of the NPAs account holders did not subscribe to this view.

- 70 percent of the NPAs account holders have admitted that due to high EMI they could not pay regularly the house loan commitments and hence their accounts became NPAs and 30 percent of the NPAs account holders did not subscribe to this view.

- 68 percent of the NPAs account holders have admitted that due to diversion of income as investment in to the other productive assets they could not pay...
regularly the house loan commitments and hence their accounts became NPAs and 32 percent of the NPAs account holders did not subscribe to this view.

- The relation between the age of the NPAs account holders and size of the house loan is found to be statistically independent.
- The relation between the age of the NPAs account holders and size of the NPAs is found to be statistically dependent.
- The relation between the age of the NPAs account holders and age of the NPAs is found to be statistically independent.
- The relationship between the age of the NPAs account holders and their response about low income as a determinant of NPAs in the housing finances is found to be statistically dependent.
- The relationship between the age of the NPAs account holders and their response about unexpected expenses as a determinant of NPAs in the housing finances is found to be statistically dependent.
- The relationship between the age of the NPAs account holders and their response about job quitting as a determinant of NPAs in the housing finances is found to be statistically independent.
- The relationship between the age of the NPAs account holders and their response about increase in other commitments as a determinant of NPAs in the housing finances is found to be statistically dependent.
- The relationship between the age of the NPAs account holders and their response about rigid payment schedule as a determinant of NPAs in the housing finances is found to be statistically independent.
The relationship between the age of the NPAs account holders and their response about non receipt of salary for the past six months as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the age of the NPAs account holders and their response about ill health as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the age of the NPAs account holders and their response about no rent for a considerable period as a determinant of NPAs in the housing finances is found to be statistically dependent.

The relationship between the age of the NPAs account holders and their response about loss in business as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the age of the NPAs account holders and their response about high EMI as a determinant of NPAs in the housing finances is found to be statistically dependent.

The relationship between the age of the NPAs account holders and their response about diversion of income as investment into other productive assets as a determinant of NPAs in the housing finances is found to be statistically independent.

The relation between the occupation of the NPAs account holders and size of the house loan is found to be statistically independent.

The relation between the occupation of the NPAs account holders and size of the NPAs is found to be statistically dependent.
➢ The relation between the occupation of the NPAs account holders and age of the NPAs is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders and their response about low income as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders and their response about unexpected expenses as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders and their response about job quitting as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders and their response about increase in other commitments as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders and their response about rigid payment schedule as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders and their response about non receipt of salary for the past six months as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders and their response about ill health as a determinant of NPAs in the housing finances is found to be statistically independent.
The relationship between the occupation of the NPAs account holders and their response about no rent for a considerable period as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the occupation of the NPAs account holders and their response about loss in business as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the occupation of the NPAs account holders and their response about high EMI as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the occupation of the NPAs account holders and their response about diversion of income as investment into other productive assets as a determinant of NPAs in the housing finances is found to be statistically independent.

The relation between the education of the NPAs account holders and size of the house loan is found to be statistically dependent.

The relation between the education of the NPAs account holders and size of the NPAs is found to be statistically independent.

The relation between the education of the NPAs account holders and age of the NPAs is found to be statistically independent.

The relationship between the education of the NPAs account holders and their response about low income as a determinant of NPAs in the housing finances is found to be statistically dependent.
The relationship between the education of the NPAs account holders and their response about unexpected expenses as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the education of the NPAs account holders and their response about job quitting as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the education of the NPAs account holders and their response about increase in other commitments as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the education of the NPAs account holders and their response about rigid payment schedule as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the education of the NPAs account holders and their response about non receipt of salary for the past six months as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the education of the NPAs account holders and their response about ill health as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the education of the NPAs account holders and their response about no rent for a considerable period as a determinant of NPAs in the housing finances is found to be statistically independent.
➢ The relationship between the education of the NPAs account holders and their response about loss in business as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the education of the NPAs account holders and their response about high EMI as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the education of the NPAs account holders and their response about diversion of income as investment into other productive assets as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relation between the income of the NPAs account holders and size of the house loan is found to be statistically independent.

➢ The relation between the income of the NPAs account holders and size of the NPAs is found to be statistically independent.

➢ The relation between the income of the NPAs account holders and age of the NPAs is found to be statistically independent.

➢ The relationship between the income of the NPAs account holders and their response about low income as a determinant of NPAs in the housing finances is found to be statistically independent.

➢ The relationship between the income of the NPAs account holders and their response about unexpected expenses as a determinant of NPAs in the housing finances is found to be statistically independent.
The relationship between the income of the NPAs account holders and their response about job quitting as a determinant of NPAs in the housing finances is found to be statistically dependent.

The relationship between the income of the NPAs account holders and their response about increase in other commitments as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the income of the NPAs account holders and their response about rigid payment schedule as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the income of the NPAs account holders and their response about non receipt of salary for the past six months as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the income of the NPAs account holders and their response about ill health as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the income of the NPAs account holders and their response about no rent for a considerable period as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the income of the NPAs account holders and their response about loss in business as a determinant of NPAs in the housing finances is found to be statistically dependent.
- The relationship between the income of the NPAs account holders and their response about high EMI as a determinant of NPAs in the housing finances is found to be statistically independent.

- The relationship between the income of the NPAs account holders and their response about diversion of income as investment into other productive assets as a determinant of NPAs in the housing finances is found to be statistically independent.

- The relation between the social status of the NPAs account holders and size of the house loan is found to be statistically independent.

- The relation between the social status of the NPAs account holders and size of the NPAs is found to be statistically independent.

- The relation between the social status of the NPAs account holders and age of the NPAs is found to be statistically independent.

- The relationship between the social status of the NPAs account holders and their response about low income as a determinant of NPAs in the housing finances is found to be statistically independent.

- The relationship between the social status of the NPAs account holders and their response about unexpected expenses as a determinant of NPAs in the housing finances is found to be statistically independent.

- The relationship between the social status of the NPAs account holders and their response about job quitting as a determinant of NPAs in the housing finances is found to be statistically dependent.
The relationship between the social status of the NPAs account holders and their response about increase in other commitments as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the social status of the NPAs account holders and their response about rigid payment schedule as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the social status of the NPAs account holders and their response about non receipt of salary for the past six months as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the social status of the NPAs account holders and their response about ill health as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the social status of the NPAs account holders and their response about no rent for a considerable period as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the social status of the NPAs account holders and their response about loss in business as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the social status of the NPAs account holders and their response about high EMI as a determinant of NPAs in the housing finances is found to be statistically independent.

The relationship between the social status of the NPAs account holders and their response about diversion of income as investment into other productive
assets as a determinant of NPAs in the housing finances is found to be statistically independent.

**Chapter-VI: Major findings**

- 30 percent of the sample bankers are from semi urban areas and 70 percent are from urban areas.
- 76 percent of the sample bankers are field staff and 24 percent are in manager cadre.
- 68 percent of sample bankers have felt that it is due to over statement of income by the borrowers at the time of application for house loan is a determinant of NPAs in housing finances and 32 percent of the sample bankers did not agree to it.
- 76 percent of sample bankers have felt that diversion of income to unproductive channels is a determinant of NPAs in housing finances and 24 percent of the sample bankers did not agree to it.
- 64 percent of sample bankers have felt that neglect of house loan commitments by the borrowers is a determinant of NPAs in housing finances and 36 percent of the sample bankers did not agree to it.
- 72 percent of sample bankers have felt that non receipt of expected incomes by the borrowers is a determinant of NPAs in housing finances and 28 percent of the sample bankers did not agree to it.
➢ 84 percent of sample bankers have felt that indiscriminate spending on social functions by the borrowers is a determinant of NPAs in housing finances and 16 percent of the sample bankers did not agree to it.

➢ 80 percent of sample bankers have felt that increase in other commitments for the borrowers is a determinant of NPAs in housing finances and 20 percent of the sample bankers did not agree to it.

➢ 86 percent of sample bankers have felt that extra borrowings for house construction from informal sources by the borrowers is a determinant of NPAs in housing finances and 14 percent of the sample bankers did not agree to it.

➢ 78 percent of sample bankers have felt that repayment priority to informal sources by the borrowers is a determinant of NPAs in housing finances and 22 percent of the sample bankers did not agree to it.

➢ The relationship between the location of the sample bankers and their response about over statement of income at the time of application for house loan by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

➢ The relationship between the location of the sample bankers and their response about diversion of income to unproductive channels by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

➢ The relationship between the location of the sample bankers and their response about neglect of house loan commitment by the borrowers as a
The relationship between the location of the sample bankers and their response about non receipt of expected incomes by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

The relationship between the location of the sample bankers and their response about indiscriminating spending on social functions by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

The relationship between the location of the sample bankers and their response about increase in other commitments for the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

The relationship between the location of the sample bankers and their response about extra borrowings for house construction from the informal sources by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

The relationship between the location of the sample bankers and their response about repayment priority to informal sources by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

The relationship between the position of the sample bankers and their response about over statement of income at the time of application for house
loan by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

- The relationship between the position of the sample bankers and their response about diversion of income to unproductive channels by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

- The relationship between the position of the sample bankers and their response about neglect of house loan commitment by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

- The relationship between the position of the sample bankers and their response about non receipt of expected incomes by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

- The relationship between the position of the sample bankers and their response about indiscriminating spending on social functions by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

- The relationship between the position of the sample bankers and their response about increase in other commitments for the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

- The relationship between the position of the sample bankers and their response about extra borrowings for house construction from the informal
sources by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

- The relationship between the position of the sample bankers and their response about repayment priority to informal sources by the borrowers as a determinant of NPAs in housing finances is found to be statistically independent.

**Chapter-VII: Major findings**

- 84 percent of the NPAs account holders in housing finances have expected that they may be provided contingency loan and 16 percent of the respondents did not expect the same.
- 78 percent of the NPAs account holders in housing finances have expected that they may be provided top up loan and 22 percent of the respondents did not expect the same.
- 72 percent of the NPAs account holders in housing finances have expected flexible EMIs and 28 percent of the respondents did not expect the same.
- 81 percent of the NPAs account holders in housing finances have expected waiver of penal interests and 19 percent of the respondents did not expect the same.
- 86 percent of the NPAs account holders in housing finances have expected competitive interest rate and 14 percent of the respondents did not expect the same.
➢ 84 percent of the NPAs account holders in housing finances have expected NPAs burden must be phased out over time and 16 percent of the respondents did not expect the same.

➢ 82 percent of the NPAs account holders in housing finances have expected rescheduling the housing loan and 18 percent of the respondents did not expect the same.

➢ 86 percent of the NPAs account holders in housing finances have expected hassle free house loan transfer from one bank to another bank and 14 percent of the respondents did not expect the same.

➢ 80 percent of the NPAs account holders in housing finances have expected integrated loan regardless of the location and 20 percent of the respondents did not expect the same.

➢ 66 percent of the NPAs account holders in housing finances have expected loan enhancement on the basis of credit history for every years and 34 percent of the respondents did not expect the same.

➢ The relationship between the age of the NPAs account holders in housing finances and their expectation namely provision of contingency loan is found to be statistically dependent.

➢ The relationship between the age of the NPAs account holders in housing finances and their expectation namely top up loan is found to be statistically independent.

➢ The relationship between the age of the NPAs account holders in housing finances and their expectation namely flexible EMIs is found to be statistically independent.
The relationship between the age of the NPAs account holders in housing finances and their expectation namely waiving penal interest is found to be statistically independent.

The relationship between the age of the NPAs account holders in housing finances and their expectation namely competitive interest rate is found to be statistically independent.

The relationship between the age of the NPAs account holders in housing finances and their expectation namely NPAs burden must be phased out over time is found to be statistically independent.

The relationship between the age of the NPAs account holders in housing finances and their expectation namely rescheduling the housing loan is found to be statistically independent.

The relationship between the age of the NPAs account holders in housing finances and their expectation namely hassle free house loan transfer from one bank to the other bank is found to be statistically independent.

The relationship between the age of the NPAs account holders in housing finances and their expectation namely integrated loan regardless of the location is found to be statistically independent.

The relationship between the age of the NPAs account holders in housing finances and their expectation namely loan enhancement on the basis of credit history for every five years is found to be statistically independent.

The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely provision of contingency loan is found to be statistically independent.
The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely top up loan is found to be statistically dependent.

The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely flexible EMIs is found to be statistically dependent.

The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely waiving penal interest is found to be statistically independent.

The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely competitive interest rate is found to be statistically independent.

The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely NPAs burden must be phased out over time is found to be statistically independent.

The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely rescheduling the housing loan is found to be statistically dependent.

The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely hassle free house loan transfer from one bank to the other bank is found to be statistically independent.
➢ The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely integrated loan regardless of the location is found to be statistically independent.

➢ The relationship between the occupation of the NPAs account holders in housing finances and their expectation namely loan enhancement on the basis of credit history for every five years is found to be statistically independent.

➢ The relationship between the education of the NPAs account holders in housing finances and their expectation namely provision of contingency loan is found to be statistically independent.

➢ The relationship between the education of the NPAs account holders in housing finances and their expectation namely top up loan is found to be statistically independent.

➢ The relationship between the education of the NPAs account holders in housing finances and their expectation namely flexible EMIs is found to be statistically independent.

➢ The relationship between the education of the NPAs account holders in housing finances and their expectation namely waiving penal interest is found to be statistically independent.

➢ The relationship between the education of the NPAs account holders in housing finances and their expectation namely competitive interest rate is found to be statistically independent.
The relationship between the education of the NPAs account holders in housing finances and their expectation namely NPAs burden must be phased out over time is found to be statistically independent.

The relationship between the education of the NPAs account holders in housing finances and their expectation namely rescheduling the housing loan is found to be statistically independent.

The relationship between the education of the NPAs account holders in housing finances and their expectation namely hassle free house loan transfer from one bank to the other bank is found to be statistically independent.

The relationship between the education of the NPAs account holders in housing finances and their expectation namely integrated loan regardless of the location is found to be statistically independent.

The relationship between the education of the NPAs account holders in housing finances and their expectation namely loan enhancement on the basis of credit history for every five years is found to be statistically independent.

The relationship between the income of the NPAs account holders in housing finances and their expectation namely provision of contingency loan is found to be statistically dependent.

The relationship between the income of the NPAs account holders in housing finances and their expectation namely top up loan is found to be statistically independent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely flexible EMIs is found to be statistically independent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely waiving penal interest is found to be statistically independent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely competitive interest rate is found to be statistically dependent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely NPAs burden must be phased out over time is found to be statistically independent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely rescheduling the housing loan is found to be statistically independent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely hassle free house loan transfer from one bank to the other bank is found to be statistically independent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely integrated loan regardless of the location is found to be statistically independent.
• The relationship between the income of the NPAs account holders in housing finances and their expectation namely loan enhancement on the basis of credit history for every five years is found to be statistically dependent.
The relationship between the social status of the NPAs account holders in housing finances and their expectation namely provision of contingency loan is found to be statistically independent.

The relationship between the social status of the NPAs account holders in housing finances and their expectation namely top up loan is found to be statistically independent.

The relationship between the social status of the NPAs account holders in housing finances and their expectation namely flexible EMIs is found to be statistically independent.

The relationship between the social status of the NPAs account holders in housing finances and their expectation namely waiving penal interest is found to be statistically independent.

The relationship between the social status of the NPAs account holders in housing finances and their expectation namely competitive interest rate is found to be statistically independent.

The relationship between the social status of the NPAs account holders in housing finances and their expectation namely NPAs burden must be phased out over time is found to be statistically independent.

The relationship between the social status of the NPAs account holders in housing finances and their expectation namely rescheduling the housing loan is found to be statistically independent.

The relationship between the social status of the NPAs account holders in housing finances and their expectation namely hassle free house loan
transfer from one bank to the other bank is found to be statistically independent.

- The relationship between the social status of the NPAs account holders in housing finances and their expectation namely integrated loan regardless of the location is found to be statistically independent.
- The relationship between the social status of the NPAs account holders in housing finances and their expectation namely loan enhancement on the basis of credit history for every five years is found to be statistically independent.

CONCLUSIONS

1. The amount of housing loan given by the HDFC has been increasing. Individual house loan segment is predominant followed by corporate and others in the descending order.

2. In absolute terms the amount of NPAs has increased during 2007 to 2011. But the percentage of gross NPAs has declined during the same period.

3. 77.5 percent of the housing finance NPA account holders are from urban areas, 66.5 percent of the NPA holders are found to be relatively young, 62.5 percent are from socially downtrodden categories and 37.5 percent are from socially advanced castes, 77.5 percent are employed and 22.5 percent are self employed, endowed with higher education, 58 percent of the respondents are from the average income range of 5-10 lakhs annual income and 81.5 percent are male respondents.

4. The reasons for opting house loan are arranged in the descending order of endorsement by the NPA account holders which include problems encountered in rent houses, institutional support to construct a house, easy access to house loan,
flexibility in terms and conditions of house loan, repayment period is very long, permanent settlement, desire to own a house, EMI in the place of rent, social prestige and owned a plot.

5. The relationship between the age of the NPA holders in housing finance and their reasons to opt for housing loan is found to be statically independent with level of significance=0.05 and degree of freedom=2 except with reference to social prestige.

6. The relationship between the occupation of the NPA holders in housing finance and their reasons to opt for housing loan is found to be statically independent with level of significance=0.05 and degree of freedom=1.

7. The relationship between the education of the NPA holders in housing finance and their reasons to opt for housing loan is found to be statically independent with level of significance=0.05 and degree of freedom=2 except with reference to easy access to house loan.

8. The relationship between the income of the NPA holders in housing finance and their reasons to opt for housing loan is found to be statically independent with level of significance=0.05 and degree of freedom=3 except with reference to social prestige and repayment period is very long.

9. The relationship between the social status of the NPA holders in housing finance and their reasons to opt for housing loan is found to be statically independent with level of significance=0.05 and degree of freedom=4 except with reference to repayment period is very large.

10. The average size of the housing loan ranges from Rs. 5-10 lakhs in case of majority of the NPA holders in housing finance (62 percent).
11. The average size of NPAs is Rs. above 4 lakhs in case of majority (68 percent) of the respondents.

12. The average age of the NPAs in housing finance is up to one year in the case of 80 percent of the respondents.

13. The relationship between the age of the respondents and size of the housing loan is found to be statistically independent with degree of freedom=6 and level of significance=0.05. The relationship between the occupation of the respondents and size of the housing loan is found to be statistically independent with degree of freedom=3 and level of significance=0.05. The relationship between the education of the respondents and size of the housing loan is found to be statistically dependent with degree of freedom=6 and level of significance=0.05. The relationship between the income of the respondents and size of the housing loan is found to be statistically independent with degree of freedom=9 and level of significance=0.05. The relationship between the social status of the respondents and size of the housing loan is found to be statistically independent with degree of freedom=12 and level of significance=0.05.

14. The relationship between the age of the respondents and size of the NPAs in housing loan is found to be statistically dependent with degree of freedom=4 and level of significance=0.05. The relationship between the occupation of the respondents and size of the NPAs in housing loan is found to be statistically dependent with degree of freedom=2 and level of significance=0.05. The relationship between the education of the respondents and size of the NPAs in housing loan is found to be statistically independent with degree of freedom=4 and
level of significance=0.05. The relationship between the income of the respondents and size of the NPAs in housing loan is found to be statistically independent with degree of freedom=6 and level of significance=0.05. The relationship between the social status of the respondents and size of the NPAs in housing loan is found to be statistically independent with degree of freedom=8 and level of significance=0.05.

15. The relationship between the age of the NPAs holders and the age of NPAs in housing loan is found to be statistically independent with degree of freedom=2 and level of significance=0.05. The relationship between the occupation of the NPAs holders and the age of NPAs in housing loan is found to be statistically independent with degree of freedom=1 and level of significance=0.05. The relationship between the education of the NPAs holders and the age of NPAs in housing loan is found to be statistically independent with degree of freedom=2 and level of significance=0.05. The relationship between the income of the NPAs holders and the age of NPAs in housing loan is found to be statistically independent with degree of freedom=3 and level of significance=0.05. The relationship between the social status of the NPAs holders and the age of NPAs in housing loan is found to be statistically independent with degree of freedom=4 and level of significance=0.05.

16. The determinants of NPAs in housing finance are arranged in descending order of endorsement by the NPA holders which include low income, unexpected expenses, increase in other commitments, high EMI, diversion of income as investment to other productive assets, rigid payment schedule, no rent for a considerable period, loss in business, ill health, non receipt of salary for the past six months and job quitting.
17. The relationship between the age of the NPA holders in housing finance and their perceptions about the determinants of the NPAs in housing finance is found to be statistically independent with degree of freedom=2 and level of significance=0.05 except with reference to low income, unexpected expenses, increase in other commitments, no rent for a considerable period and high EMI.

18. The relationship between the occupation of the NPA holders in housing finance and their perceptions about the determinants of the NPAs in housing finance is found to be statistically independent with degree of freedom=1 and level of significance=0.05.

19. The relationship between the education of the NPA holders in housing finance and their perceptions about the determinants of the NPAs in housing finance is found to be statistically independent with degree of freedom=2 and level of significance=0.05 except with reference to low income.

20. The relationship between the income of the NPA holders in housing finance and their perceptions about the determinants of the NPAs in housing finance is found to be statistically independent with degree of freedom=3 and level of significance=0.05 except with reference to job quitting and loss in business.

21. The relationship between the social status of the NPA holders in housing finance and their perceptions about the determinants of the NPAs in housing finance is found to be statistically independent with degree of freedom=4 and level of significance=0.05 except with reference to job quitting.

22. The sample composition of the bankers is predominant (70 percent) with urban respondents and field staff (76 percent) who are involved in housing finance.
23. The determinants of NPAs in housing finance as perceived by the bankers are arranged in descending order of endorsement which include extra borrowings for house construction from informal sources, indiscriminate spending on social functions, other commitments, repayment priority to informal sources, diversion of income to unproductive channels, non receipt of expected income, over statement of income at the time of availing the loan and neglect of house loan commitment.

24. The relationship between the location of the bankers and their perceptions about the determinants of NPAs in housing finances is found to be statistically independent with degree of freedom=1 and level of significance=0.05.

25. The relationship between the position of the bankers and their perceptions about the determinants of NPAs in housing finances is found to be statistically independent with degree of freedom=1 and level of significance=0.05.

26. The expectations of the NPA holders are arranged in the descending order of endorsement by the borrowers which include hassle free loan transfer from one bank to the other, competitive interest rates, NPAs burden must be phased out over time in easy installments, provision of contingency loan, rescheduling the housing loans, waiving penal interest, integrated loan regardless of the location, top up loan, loan enhancement on the basis of credit history for every five years and flexible EMIs.

27. The relationship between the age of the NPAs holders and their expectations from the HDFC and other related organs is found to be statistically independent with degree of freedom=2 and level of significance=0.05 except with reference to provision of contingency loan.
28. The relationship between the occupation of the NPAs holders and their expectations from the HDFC and other related organs is found to be statistically independent with degree of freedom=1 and level of significance=0.05 except with reference to top up loan, flexible EMIs and rescheduling the housing loan.

29. The relationship between the education of the NPAs holders and their expectations from the HDFC and other related organs is found to be statistically independent with degree of freedom=2 and level of significance=0.05.

30. The relationship between the income of the NPAs holders and their expectations from the HDFC and other related organs is found to be statistically independent with degree of freedom=3 and level of significance=0.05 except with reference to provision of contingency loan, competitive interest rate and loan enhancement on the basis of credit history for every five years.

31. The relationship between the social status of the NPAs holders and their expectations from the HDFC and other related organs is found to be statistically independent with degree of freedom=4 and level of significance=0.05.

32. The first hypothesis “the relationship between the income of the households and the size of NPAs in housing finance is assumed to be insignificant” is not rejected.

33. The second hypothesis “The relationship between the size of home loan and the size of NPAs are directly related” is rejected.

**SUGGESTIONS**

In order to minimize the mounting problem of NPAs of housing loans availed from HDFC, the following suggestions are made which include
1. Housing credit limits must be revised upwardly in order to prevent the borrowers resorting to informal sources for complementing their share of investment.

2. Floating interest rates must be encouraged in housing finance.

3. Comprehensive insurance coverage must be arranged.

4. Contingency loan must be arranged to the NPAs holders towards the clearance of NPAs.

5. The fiscal incentives must be extended even during the period of NPAs.

6. Hassle free loan transfer from one bank to the other must be provided.

7. Repayment period must be enlarged.

8. NPAs of less than one year should not get reflected in credit history.

9. Regardless of location, integrated loan facility must be extended.

10. EMI volume should be revised frequently so as to suit to the affordability of the borrowers.

**LIMITATIONS OF THE STUDY**

1. The validity of the findings can not be universalized as they are based on limited sample base.

2. The study, to a large extent, is based on the perceptions of both borrowers and bankers; hence, it may limit the extent of the objectivity of this research effort.

3. NPAs of institutional investors are not analyzed in this study.