ABSTRACT

Housing is the basic necessity of every human being along with food and water. Everyone needs home i.e shelter to have proper rest in his own feasible way and feel comfortable and live a convenient life. Home is the place where a house is poured with many relations of people and it is the place where all of them in relation stay connected throughout their life otherwise being scattered at different places. Hence, home is the medium of being connected everyday of our lives with our families where other families also can meet and spend some memorable moments altogether. House is also a place where people live together under one shelter with single name of a family.

Further, housing is considered as the criterion for the development of every individual of a nation. Normally, a house involves a living room, a kitchen, a bedroom and the required passage to travel between these compartments. One of the parameters of Human Development Index is the Standard of Living (in other words, Purchasing Power Parity of the individuals) of the people living in the country. So, expenditure on housing can be considered as one of the most important component of calculating the Purchasing Power Parity and ultimately the Human Development Index. Now, it is always observed that Human Development Index is taken as the indicator for the Economic Development of a nation. Hence, housing is the base to judge the Economic Development of a nation. Urbanization as the process of Economic Development can be achieved with the help of transformation of poor housing to the well developed housing.

So, by all the above points, housing has comprehensive scope covering all the aspects of our lives from basic need of every human to the ultimate goal of a nation, Economic Development.

As we have seen that what is housing and what housing plays a role in the life of every individual, we can come to a conclusion that there is keen need of housing for each and every individual. Through housing, every individual share the feelings with his typical family. This is the way how an individual should live as learnt from our ancestors. This implies a dominant role of housing in the development of the individuals. The housing occupied by the individuals can be personally owned or haired on rental basis or leased for a predetermined period or taken on heavy deposit.
and so on. Hence, it is clear that not all the housings are self occupied. Many of them are on other basis i.e rental or lease or heavy deposit. This shows that many of the individuals are not capable of purchasing the house property by their own funds and have diverted to many other options to occupy a housing. Now, as the time has passed, people are of the mentality to have their owned houses than the other basis. This is because people are not in the view today to migrate from one place to the other place after every 11 months or a predetermined period of time. For this now-a-days, people also have found many ways to get their owned houses. These ways include Housing Loans as a medium that allows the individuals to achieve their noble goal of owning a owned house. This has resulted in the rising need of housing loans.

Housing Loan refers to the creation of Debt with the charge on the house property on which the Debt is created. So, Housing Loan is a type of credit given by the banks to the individuals for the purpose of purchasing an owned house by putting that particular house as the security deposit against the amount of Loan. This amount starts with a Lac to the number of crores of rupees in India. Hence, Housing Loan creates burden of debt on the borrower, but on the other side it raises the level of standard of living of the individuals living. The level of standard of living is subjected to the house property belonging to the individuals in a nation. As and when such self occupied house properties’ number get boosted, there is a shift of the entire economy in the upwards trends. Hence, the event of boost in the housing finance in an economy obviously result in the boost or sharp increase in the housing ownerships resulting in the rise in the standard of living and this ultimately resulting in the development of both individuals along with the entire economy. Hence, housing finance has a very significant role in the development of an economy as a whole. The need and demand of Housing Finance in India has shown the progressive trend since past few years right from the act of deregulation of interest rates by the Reserve Bank of India. This has led to rise in the competition among the banks (Public as well as Private Sector) for their most popular product called as Home Loans. This is because among all the Loan products of the banks say Car Loan, Personal Loan, Consumer Credit Loans etc., Home Loan is the safest of these all. This is because the security or charge on which the loan is given by the banks has a very unique and much impressive feature that it never gets depreciated, it always gets appreciated which is always beneficial to
the banks. That is why the popularity and progress of the best Loan product of the banks in the name of Home Loan has become the talk of the town.

So, a keen study of housing loan customers has been undertaken with regard to drawing the conclusion and put some suggestions for improvement for the banks. The study is also initiated to determine, analyze and interpret the outcomes of the financial portfolios of the respective banks.

Hence, to measure the level of customer satisfaction, a qualitative parameter, it is observed through the five point Likert Scale which is tested and analyzed by the Regression Analyses. On the other hand, the comparison of the financial portfolios of PSBs and PVBs is done through the simple ranking using the CAMEL Model. CAMEL Model is considered as the most commonly used tool or technique to analyze the financial soundness of the banks by using the different ratios pertaining to the banking in India. Here, CAMEL stands for Capital Adequacy, Assets Quality, Management Ability, Earning and Liquidity as the elected parameters of this model.

Concluding on the part of the data collected through the structured questionnaire from the relevant customers of Public and Private Sector Banks, the result or the output of the Regression Analyses on the Likert Scale, reveals that the level of the customer satisfaction towards various services and facilities provided by the banks, the customers of PVBs are much more satisfied as compared to that of PSBs. On the other hand, analyzing the financial performance or the portfolios of the respective 10 banks (5 PSBs and 5 PVBs), here also the PVBs have performed very well as against the PSBs which have advantage in none of the parameters of the CAMEL Model. Hence, it is also observed that the people usually tend to the banks which have ease in their procedures which is followed by majority of the PVBs in India and hence, they have better productivity and profitability.