CONCLUSION & SUGGESTIONS

CONCLUSION

Following are the main findings of the present study-

❖ Housing finance is comparatively a new concept in the finance sector of India. It is developed rapidly during the last two decades due to the enthusiastic interest of Government of India to cut-short the housing problem of the country.

❖ The role of Central Government in social housing scheme is confined to the laying of broad based guidelines, providing necessary advice and rendering financial assistance in the form of loans and subsidies to the State Governments. State Government looks after the housing schemes launched by the Central Government and also launches additional housing scheme as per its regional requirements.

❖ The share of housing mortgage in Gross Domestic Product GDP is increasing year in the country by year and is expected to go up substantially in the next coming years, but it is quite lower to other Asian countries.

❖ Residential property markets constitute almost 80% of the real estate market in terms of volume and growing every year.

❖ The property markets are moving from fragmented to organized and the sector is likely to institutionalize with the relaxation in foreign direct investments.
In present time a person has various types of options in respect of housing finance and he is free to choose the best suitable option to match with his requirements.

Most of the Housing Finance Companies offer 75% to 90% amount of loan, of the cost of property including the cost of land. In the present competitive housing loan market a housing loan customer can avail this loan without any difficulty. Besides, in some cases Housing Finance Companies include stamp duty and registration charges too in the total quantum of loan.

Generally the term of repayment for a housing loan, offered by different Housing Finance Companies ranges from 5 to 25 years. Repayment term generally does not extend beyond the retirement age of borrower if he is employed or maximum 65 years.

Many a times the borrower of housing loan has to pay some amount as processing and administrative fees of housing loan. It ranges from 1% to 3% depending upon the policy of Housing Finance Institution.

The borrower has to submit all the legal documents regarding the purchased or constructed property against which he wants to avail the housing loan, to the Housing Finance Companies. It contains plan approval of the proposed property, copy of agreement of sale, allotment letter issued by the builders, copy of approved drawing of proposed construction, cost estimate from architect etc.

Normally, the first mortgage of the property is the security for the housing loan. Some Housing Finance Companies insist on interim
security, if the property is under construction. Collateral or interim security could be life insurance policies, the surrender value of which is at least equal to the loan amount, or guarantees from sound and solvent guarantors, pledge of shares or other investments etc.

- Among the different Bank groups, the share of private sector banks remained the highest i.e. 70.33%. The Government sector bank got the 2nd place with a market share 29.67%.

- Government Banking sector are found more interested in the disbursement of housing loans direct to the individual borrowers, while private sector banks were to indirect housing finance.

- Meerut Development Authority was established on 03rd November 1976 under the Uttar Pradesh Urban Planning & Development Act, 1973, for the purpose of planned development of all the area of Municipal Board, Meerut and the addition area, which was within the 8 km. surroundings of Municipal Board area, was declared as Meerut Development regulated area through the government order no. 1705/37/2-DA-72/Dt. 10.06.1976.

- From its beginning, MDA aimed at coordinated and planned development of Meerut City as a historical and industrial city to enable Meerut to achieve pride of place as the worthy part of National Capital region, to extend urban infrastructure to absorb the pressure of the population migration from Delhi and to provide an environment which would enable the utmost satisfaction level of all sections of its inhabitants.
The prime objectives of the Meerut Development Authority are to promote and secure the development of areas assigned. To fulfill its role, the authority seeks to coordinate in accordance with a comprehensive Master Plan along with the work of various other agencies involved in the creation and extension of urban infrastructure in the city.

Although the Meerut Development Authority is facing all the allegations of not to work in a satisfactory manner and failure in achieving its objectives, yet the authority did a lot to develop the sub-urban areas of Meerut City.

In 2011, the population of Meerut City was 17.6 lac, which was less than the expected population 20.00 lac. The main reason behind this phenomenon was the failure of the authority to develop Meerut City in such a manner which could attract the people of Delhi and from nearby areas to migrate here.

Uttar Pradesh Avas Evam Vikas Parisad is an autonomous body established by the Uttar Pradesh Government in April 1996 towards housing solution of the state. During the course of time UPAVP has progressed with various landmarks in the field of housing.

Besides normal housing projects, UPAVP has diversified its activities towards planning, designing, construction and development of almost all types of urban development projects throughout the state of Uttar Pradesh. UPAVP has planned and executed various projects for the development of health and education. It is also handling new district headquarters projects
with the execution of large number of schemes. UPAVP has attained capability of executing large residential colonies and townships. One of UPAVP's branch-office is also working in Meerut City to provide the dwelling to all segments of population through its various housing projects.

❖ UPAVP, Meerut is doing well since its inception to provide the cost effective dwellings to the people of Meerut City. It has been successfully completed various housing projects in the city such as–

- Jagrati Vihar, Garh Road, Meerut
- Mangal Pandey Nagar, University Road, Meerut
- Shastri Nagar, Meerut
- Madhav Puram, Delhi Road, Meerut

Now it is working on the Ring Road project and extension of its existing schemes.

❖ In present days the area of Cantonment Board may be divided in two parts i.e. Military area and civil area. In civil area of Cantonment Board, a number of residential colonies and commercial markets are situated such as Lalkurti, Razban, Sadar Bazar, Abulane, Dalmandi etc. Actually these are the areas where only the civil servants of the military troops resided in the old days, but in the present time due to there central location these places are converted into the prime commercial locations of the city and a source of heavy income for the Cantonment Board.
Banking sector plays the most important role in providing housing finance. As the housing finance is undoubtedly the most secured investment, the Government as well as private sector banks remain interested to grab a major share of housing finance market. They already have a wide circle of existing customers and a broad network of infrastructure through their branches. Meerut City is not an exception of this phenomenon. Here a strong web of branches of different banks can be seen everywhere, which are willingly ready to provide desired amount of housing finance to eligible customers.

There are 22 Nationalized Banks that are functioning in Meerut City with a network of total 205 branch offices. The Punjab National Bank is the leading bank in respect of branch network in Meerut City, having strength of 49 branches. State Bank of India and Allahabad Bank stand on the 2\textsuperscript{nd} and 3\textsuperscript{rd} place with their network of 43 and 20 branches respectively. Syndicate Bank and Oriental Bank of Commerce got a network of total 18 branches, Bank of Baroda has 11 branches while all other banks have less than 10 branch offices. Interestingly it can be noted that 6 banks have only one branch office in the city and 4 banks have 2 branch offices.

During survey it was found that though all the commercial banks are keenly interested to capture a lion's share of housing finance market of the city, Punjab National Bank and Allahabad Bank both have strong branch network.

During the survey it was found that at present 7 private sector banks are running in district Meerut with a network of total 15
branches. Among the private sector banks of the district, ICICI Bank has 6 branches while HDFC Bank has 4 Branches and all other private banks have a single branch.

- Although ICICI branch office is only 10 years old in the Meerut City, yet it is not only leading among all private sector banks in providing housing loans to customers, it has also surpassed the Nationalized banks in terms of home loan amount disbursed. The HDFC bank recently opened its branch offices in the city and are in search of root in the housing finance market of the area.

- Housing finance industry is passing through a stage of cut-throat competition in the present era. The market has discarded a number of tiny and unprofessional housing financing agencies and only the committed players with capability of providing high capital investment; keeping technical business knowledge and having a devoted marketing team are making competition with each other.

- Now, most of the banks offer door-step services to the prospective home loan buyers. During survey it was found that the government sector banks are recognizing the importance of housing finance sector but they are not heartily interested to come out from their semi-bureaucratic attitude. The public sector commercial banks should be more professional for the long lasting growth of their organization.

- In Meerut, the private sector banks are adopting a different type of marketing approach for gaining the housing finance business. They appoint a private firm as their housing finance franchise. Such firm provides the housing finance on behalf of the concerned bank with
the help of its professional marketing executives. It is responsible for collecting housing finance business and to help the customers in completing paper formalities. Generally the inquiry of home loan buyers are arranged by the bank itself. The private sector banks pay a fixed commission to their franchises on the basis of housing finance business collected by them. Thus, the private sector banks are taking advantage of professional services without bearing the high fixed cost of appointment of permanent staff.

- During personal survey of home loan customers of Meerut City almost all the customers appreciated the professional and personalized approach of private sector banks but some customers alleged their marketing executives to misguide them about the actual terms and conditions of housing loan.

- All the housing financing agencies of the city evaluate the eligibility of prospective home loan borrowers through their repaying capacity. For instance, most of the major players of housing finance market etc. consider the factors such as income, age, assets and liabilities, nature of occupation of borrower etc.

- Generally the employees of government sector or reputed private firms, income tax payee businessmen and highly qualified professionals get the housing loan easily because they can provide their permanent regular income proof without any problem.

- The marketing scenario of housing loan of the city is so conductive that a prospective home loan borrower can apply for a loan in a number of financial institutions at any time after deciding to acquire or construct a property, even if he has not selected the
property or land. The institution like ICICI has a guidance cell from where a prospective home loan buyer can avail the services in selection of suitable property or for proper construction process. The legal department of a number of housing financing agencies help their customers not only with the documentation procedure but also enable them to complete all the legal formalities of acquiring the property or constructing a house.

- ICICI Bank provides a property search facility to their home loan borrowers. The experts of the bank help the customers in searching for the desired property and in guiding them about the purchase process.

- Most of the housing financing agencies offer almost same quantum of housing loan. A home loan buyer can usually avail up to the 75% to 90% the cost of the property including the cost of the land. But in some cases up to 100% of cost of property including cost of land, registration charges and stamp duty are sanctioned to the eligible customers.

- For home improvement/ extension, the most of the companies offer up to Rs. 10 lac to Rs. 50 lac or maximum 75% of the cost of extension/ improvement as evaluated by them.

- The maximum term of payment in all the housing finance agencies of Meerut City ranges from 15 to 25 years. It also depends upon the age of home loan borrower and his age of retirement.

- In all the housing finance companies the repayment of housing loan starts from the month following the month of final disbursement of
loan. In case of disbursement of housing loan in installments till the receiving of final installment the borrowers have to pay the interest on the portion of the loan disbursed. Pre-EMI interest is payable every month from the date of 1st loan installment disbursed till the date of commencement of EMI. In some exceptional case, the private sector banks allow to start the commencement of EMI after a certain period subject to payment of interest of loan disbursed every month.

- Housing finance agencies of the Meerut City generally charge around 1% of loan amount as fees for their services, usually categorized under different heads. ICICI, HDFC charge a processing fee of 0.5% when the application is submitted. On sanction of loan, a further 0.5% administrative fee is payable. PNB and other nationalized banks charges a processing fee of 0.5 to 1.0% of the loan amount subject to a minimum of Rs. 500 and a maximum of Rs. 20,000. These banks also claim not to impose any hidden cost of their home loan customers. Sometimes the private sector banks offer a waiver of processing fees for a specified period.

- Interest rates of the housing loans are the most confusing aspect for the housing loan customers. The interest rates of housing loans generally governed by the instructions issued by the Reserve Bank of India time to time, hence these are of changing nature. Besides, interest rates of home loan for different term periods as well as the different types of loans differ.
Only 59% customers of private sector banks are satisfied with the terms and conditions of housing loans. It shows the inefficiency of private sector banks to convince their customers regarding the terms and conditions of housing loan schemes besides all its pump and show.

The housing loan customers treat the paper formalities of housing loans of all selected Housing Finance Banks tough. In this respects 90% customers of private sector banks feel themselves satisfied because they received the complete help of housing loan executive of concerned Housing Finance Bank in compliance of paper work and other legal formalities.

Almost all the selected Housing Finance Banks of the District Meerut, remain successful in securing the very good status in respect of their overall performance.

80% customer's of private sector banks and 58% customers of government sector banks accepted that they are satisfied with the paper formalities to gate a home loan.

The most of the customers of government and private sector banks accepted that they felt a healthy competition among different HFBs, which was a positive sign in their interest.

Only private sector banks (80%) are performing excellent in respect of housing loan approval and disbursed within the specified time period.
- 90% customers of private sector banks, 66% customers of government sector banks appreciated the behaviour of office staff of their Housing Finance Bank.

- During the last year of survey (2010-11) ICICI remained the biggest player of the market holding more than half of the total that is a market share of 56.77%.

- PNB is the second biggest player of market for the year (2010-11) having controlled over 15.78% of market share which is less than one third of the leading bank that is ICICI bank.

- Allahabad bank stand at third position with a market share of 13.89% which is slightly larger than the HDFC bank which stands at the fourth place with a market share of 13.56%.

- Before the entry of private sector banks, Among Government sector banks, PNB was the largest player of the market having almost 60% to 66% share of housing finance market of District Meerut but after that PNB lost its business gradually year after year from 49.09% in year 1999-2000 to 15.78% in year 2010-11 in the housing finance market of District Meerut. It shows their incompetence to compete with the private sector banks.

- The ICICI bank deserves for credit to change the scenario of housing finance market in District Meerut. In the first year of its functioning i.e. 1999-00, it captured 23.48% share of market instantly and after that continuously increased its business year after year. In the year 2010-11, it kept more than half, that is
56.77% share of housing finance market of the area under study and hold the first position in District Meerut.

- HDFC is the late entrant of housing finance sector of District Meerut and searching its roots and playing comparatively the safe game. It is also enlarging its share in housing finance market of District Meerut which is evident from the fact that in the year of its entrance in the market that is 2001-02 it has a market share of only 2.94% which has increased more than four times that is 13.56% in the year 2010-11. Undoubtedly it will speed up its functioning in the coming years.

- The total share of private sector banks was 42.87% in the year 2001-02, which rose to 70.33% up to the year 2010-11, which shows a huge increment in terms of the percentage share of these banks in housing finance market of District Meerut.

- Regarding the customer's preference in choosing a specific bank to get a home loan it is observed that most of the customers choose nationalized banks due to their reputation and strong back history, 46% in case of Allahabad Bank and 54% in case of PNB. While most customers of the Private Banks showed their preference in choosing the Private sector Banks due to easy and fast sanctioning of loan, 64% in case of HDFC Bank and 68% in case of ICICI Bank a total of 16% of customers of HDFC Bank and 12% of customers of ICICI Bank choose the respective banks due to their easy and low cost processing fee.

- If we talk about the customer's descriptive statistics, it was found during survey that 49% of customer's are in service sector, 33.5%
are in Business, 12% are farmers and 5.5% belongs to other category.

- The average age of the borrowers is approximately 40 years. In terms of percentage, 7% of the borrowers are in the age group of 21-30 yrs. and 46% are below in age group 31-40 yrs. Similarly 38% in age group of 41-50 yrs. And rests 9% are in age group of 51-60 yrs.

- Another important fact is that most of the borrowers are male almost 63% while 37% of borrowers are female although some of them are co-borrowers.

- As far as the question of technological innovations in the area of housing in India is concerned, it has been observed remarkable during last two decades. The multistory and colony culture have reached even in the town areas and efforts for reducing the cost of houses to make it available to a middle class person are showing fruitful results. The private builders and colonizers' contribution in this particular area is praise worthy.

- About 15 years before the housing finance companies of India approached only to higher or higher-middle income group of the country. Now due to the efforts and initiatives of Government, the housing finance agencies of country are taking interest in middle-income group.

- The repayment capacity of major portion of middle income group remains in doubt and legislative structure of recovery of dues from defaulting borrowers is not very much effective in the country.
Hence the housing finance agencies are facing a problem of increasing non-procuring assets (NPA). It creates a great hurdle to export the maximum potential from middle-income group segment in favour of housing finance market.

- One of the main problems of housing finance sector in India is non-availability of long-term capital for investment. Traditionally, the funds for the housing sector have come from the individuals themselves by way of their own savings or from the financial institutions who are primarily engaged in the intermediation process of channelising funds from the savers to the borrowers. However, the funds so mobilized through the formal sector financial institutions remain much lower than what is required to tackle the problems of housing finance in India.

- In the absence of sufficient resources for long-term capital, the housing finance sector of India depends upon the Government of India's policies for its survival and the Government plays a significant role in making long-term funds resources available either directly or indirectly. Some times the Government provides substantial funds for housing at subsidized rates. The indirect way adopted by the Government for raising long-term resources for the housing sector is securitisation of mortgages. It offers a viable, sustainable and market oriented mechanism for long term funding.

- The very high stamp duty payable at the time of purchase of property is also caused in increasing the cost of land significantly. It is priced out many potential housing finance customers in owning a house.
The high cost of stamp duty is resulted to show the purchase of land less than its real value. Housing Finance Companies extend loans on the mortgage of the property and the borrowers are required to execute document for creation of mortgage in favour of HFBs. If the property is undervalued, the HFBs will sanction the loan up to the paper value of property and it will reduce the borrowing power of individual.

Over precautions taken by the housing financing industry are slowing the processing speed of loan files.

Housing loan is considered as the safe investment by Financial Institutions so every Housing Finance Company wants to capture more and more share of this segment. Hence a fierce competition is found in housing finance market. The competition affects positively to the housing finance sector up to a reasonable level, but after that, when lenders have to provide loans below their cost of funds, it converts into a threat for the entire housing finance industry.

As far as Indian housing financing industry is concerned, there is a fierce competition and hike is slowing down the industry at present. All housing finance companies are using all possible means to attract home buyers. Alternative choices between floating and fixed rates are being offered. Home loan interest rates have been offered at interest rate of 8-14% up to tenure of last 25 years. The housing loan amount has gone up to 110% of property value to meet out the cost of legal expenses. Most of the HFBs are exempting processing charges to survive in the market.
In India, the financial condition of housing finance companies is not treated as sound as it should be. The Reserve Bank of India has warned these HFB's specially banks about the danger of borrowing short and lending more.

A customer's friendly marketing network is essential for the rapid growth of housing finance sector. Unfortunately, the nationalised banking sector of housing finance sector are not trying to understand the importance of this fact and are going on with their traditional loaning marketing network. Although the private sector's housing financing agencies are serious about their marketing process, but these agencies do not have a wide branch network and are limited to metropolitan cities only.

One of the prime problems of housing financing agencies of the country is the cumbersome and time taking process of enforcing a mortgage in the event of default in payment of loan installment made by the borrowers. The mortgage and foreclosure laws of the country are not well defined and the Indian courts always have a lenient attitude in favour of borrower on sympathetic grounds. This is resulted in highly conservative lending practices and underwriting norms adopted by the agencies extending financial assistance for housing.

Unclear property rights for rural and urban lands are also a major problem for housing finance sector of India. It is a complex and knotty problem and is survived because of a number of reasons i.e. a cumbersome land registration procedure, a high stamp duty, the existence of complex tenancy law, urban land ceiling Act etc.
During survey this fact was revealed that a general housing loan borrower of study area belongs to the upper or middle class, is of an average age of 40 years, typically a first time home buyer and by and large a salaried person. Naturally he gets confused when he decides to avail housing finance facility, because most of the housing loan products are fairly standardised and having its own technical details. The housing finance is available at fixed or floating rates. A number of offers and promises are announced by different housing finance companies. At this stage, a general housing loan customer finds himself helpless to reach at some fruitful conclusion and is governed by the manipulated advises and approaches. This leads him ultimately to unsatisfactory decisions.

It is a surprising fact that in the present days every body talks about the housing finance, but does not find him able to make comparative analysis among different housing financing agencies. Generally his discussion limits up to the interest rates of housing finance and monthly installment only, he does not know about the technical details of the housing loan.

After taking housing loans when a borrower encounters with the other hidden costs of housing loan such as processing fees and file charges, heavy penalty at any delay in payment of loan installment, penalty on premature payment of loan etc. he finds himself embarrassed and helpless at that stage. Generally the friendly services of marketing executives of housing finance company remain available up to the sanction of housing loan only. No concept of after sale service is found in housing finance sector like
the insurance sector. This scenario is neither good for housing finance customers nor for the future of housing finance industry.

- The unauthorized and small builders have ruined the housing market of small cities by adopting several types of malpractices. The housing finance customers feel the shortage of genuine and professional builders in their areas, on which they can depend upon.

- The approval of a housing loan depends upon the proper compliance of all tiresome and technical paper formalities such as income proof, to prove the genuineness of property purchased, approval of local development authority, mortgage documentation etc. Generally a housing loan customer becomes hopeless to fulfill all these paper formalities several times during the processing period.

- The day to day changes in home loan interest rates also create confusion in the mind of prospective home loan customers. Besides, the home loan interest rates offered by different HFBs vary from customer to customer and company to company.

- When an individual plans to purchase a house with the help of housing finance available in the market, he has to face the problem of inadequate financial support from the side of loaning agencies.

- The Governments of India, either in Central or States, are serious enough about the housing problem, prevailing in the country. The Central Government is responsible for the formulation of policies and programmes and approaches to the States Government and
related institutions for effective implementation of the social housing schemes.

- Government of India was serious to solve the problem of housing from the first five-year plan. The investment shares in first and second five-year plans were 2.4% and 2.5% respectively. After that the Government shifted its priorities to agricultural sector and the percentage share of housing sector decreased up to the level of 1.1% in Annual Plans (1966-69). Again from the Annual Plan (1979-80), till the current 11th five-year plan Government of India seems committed for the development of housing and urban sector.

- Uttar Pradesh Government decided to prepare the New Mahayojna for the Meerut City. In October 1999 Meerut Development Authority appointed Nagar Evam Gram Niyozen Vibhag, Uttar Pradesh to prepare a draft for Meerut Mahayojna- 2021. Nagar Evan Gram Niyozen Vibhag studied the development and problems of Meerut City and prepared a draft for planned development of city area in March 2003 for further 20 years, which was declared as Meerut Mahayojna- 2021. It was assumed that by 2021, the population of Meerut City would be Rs. 23.00 lac. Meerut Mahayojna- 2021 defines the residential and traffic problems of the City for the plan period and suggests the possible solutions.

- It is Cock-sure that Meerut Mahayojna- 2021 is a unique effort for the planned development of the Meerut City and it may be expected that it will remain successful in reducing the housing problem of the city area to a great extent.
SUGGESTIONS

Following are few suggestions in the light of the research study-

❖ Housing finance is a market with infinite growth potential. The Government as well as the housing financing agencies should effort more to improve the creditability and functioning of housing finance system in India.

❖ The major problems of housing finance sector of India are shortage of funds, inadequate mortgage and securitisation laws, unhealthy competition among housing finance agencies and traditional thinking of Indians etc. Most of these problems of shortage of funds can be minimised by giving an industry status to housing finance sector by the Government of India.

❖ To achieve the industry status for housing sector only government positive attitude is not sufficient but also the functioning of developers and promoters should be in an organisation systematic.

❖ It may be a sound decision for a safety conscious customer to go for fixed rate of interest that accords certain stability to his quantum of loan repayment. He can also sure that any increase in interest rates will not lead to an increase of his loan liability.

❖ It feels cumbersome for a general housing loan seeker to go through all details and technicalities of housing loan offers of different agencies. But a friendly marketing atmosphere can help him to arrive at the right decision.

❖ The steps of Government of India such as to cut down the interest rates on housing finance and to provide tax rebate on housing loans
interest can be appreciated for boosting up the housing finance market in India.

- Though, the Government of India is trying its best to promote the housing finance sector of the country, yet for the uninterrupted growth of the sector, it is necessary for the housing finance companies to keep in regular search of long-term financial resources to become independent in this direction.

- The Government needs to rationalize development control regulations and streamline approval procedures through public private partnership to address the problem of affordable housing.

- Private developers, colonizers and co-operative societies can be encouraged further with tax benefits and other incentives to make housing available to the economically poor at nominal rates.

- Government bodies should also seek support from NGOs and other civil society organizations in planning houses for the poor in terms of design and facilities. This can ensure the involvement of urban poor in housing so that the plan is developed by those who have to be settled and relocated.

- The housing finance sector banks should adopt a more flexible and innovative approach in relation to credit approval policies.

- They have to develop financial products which encourage Economically Weaker Section (EWS) and Low Income Group (LIG) beneficiaries to take insurance cover.

- In a sub-metropolitan city like Meerut the banks should plough their resources towards financing up-gradation programmes.
They should devise innovative housing finance schemes for targeting the Economically Weaker Section (EWS) and Low Income Group (LIG) beneficiaries, with suitable subsidy support from the Government.

The efforts of setting up a Real Estate Mutual Fund can also provide some support to the cash starved housing sector. The mutual funds should permit to hold the real estate assets to reduce the problem of shortage of funds in housing sector.

It is desirable that the Government should take bold steps in controlling the rates of land particularly in urban and nearby areas and should reduce the stamps duty up to a reasonable level. Besides, the stamp duties structure should be uniform throughout the country.

There is a need to develop a system to check the genuineness of property documents to avoid frauds and litigations in future and to speed up the functioning of HFBs.

Housing finance companies should also encourage and promote the corporate style functioning in housing construction sector to boost up the housing market in India.

Indian housing finance market is passing through a developing stage and everyone is excited to see its growth rate, but to sustain this trend for a long-term period, the government of India and the players of housing finance market should take a very serious note for this forth coming problem.
The unclear property titles severely reduce the housing finance market, because housing finance companies do not like to play game after financing such type of disputed properties. At the most these properties are used as collateral securities and limit housing financing to those property owners who have proper title. This problem can be minimized only when the Central and States Government of India take serious steps to amend the related legislative laws and procedures.

For the smooth growth of housing finance market the stability of interest rates is essential. It will not only ease the individual customers but also support the professional builders to sketch a long-term planning.

Private Sector Banks should do more efforts to satisfy their customers as regards to provide them housing loans on easy terms and with simplest procedure, with no hidden charges.

The housing finance companies should train their executives properly and instruct them to guide the probable housing loan seekers in true sense without considering the short-term interests of the company.

Government banks should be quick and prompt in providing housing loans to their customers. They should take minimum time in the sanction and disbursement of housing loan to them.

The grievances of home loan seekers should be entertained seriously by financing institutions.