IMPACT OF BANKING POLICIES AND PRACTICES ON HOUSING FINANCE: EVIDENCE FROM BENEFICIARIES IN PRAKASAM DISTRICT, ANDHRA PRADESH

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Abstract

Purpose:

This study empirically investigates the articulation influence of banking processes, fees and service charges, service quality, as well as facilities provided and processing structure on housing finance recipients in Prakasam District, Andhra Pradesh.

Design/Methodology:

Based on structured questionnaire responses obtained from 200 borrowers selected through simple random sampling, the study examines demographic factors, processing patterns of loans and differences between loan amounts applied for and sanctioned. Descriptive statistics, chi-square tests, t-tests and ANOVA were used to analyze beneficiary satisfaction, perception of bank performance and banking practices in relation to loan outcome.

Findings:

Findings show a significant relationship between demographic variables and perception of bank performance ($p<0.05$). The deviations in the loan can be because of the number of visits to the bank, discrepancies in documentation submission, disparity in valuation figures, incomplete income proof and the need for a guarantor. There was dissatisfaction observed in beneficiaries on processing charges, document intensity and time taken for sanctioning, but service quality varied across bank categories, and communication was better from all the banks.

Originality:

The research emphasizes the demand for simplification around documentation, clarity on charges, a simpler sanctioning process and more effective channels of communication to make life easier for borrowers. This study has implications for the policy–practice nexus at the intersection of housing finance and suggests some recommendations to strengthen beneficiary relationships, operational efficiency, and financial inclusion in semi-urban districts. Areas for further research are comparative analysis across the districts, adoption of digital housing finance and post-sanction behaviour by borrowers.

Keywords: Housing Finance; Banking Policies; Loan Practices; Beneficiary Satisfaction; Housing Loan Deviations, financial inclusion.

1. INTRODUCTION

Without a doubt, we think of housing as the closest original human need apart from food and clothing. The Affordable Housing is still the way to uplifting habitats, creating value, productivity, and social balance and is one of the main engines of economic development, even in countries like India, where affordability is still a big entry barrier. Housing has enormous forward and backward linkages in the economy—providing demand for construction material, creating jobs, and sustaining associated sectors. In this sense, the role of housing finance is crucial in order to enable households to be able to buy, build or improve housing units.

India's financial system and especially its banks are important to the country's aspiration for home ownership. The Indian banking has finally terminated its rigidity and entered the new millennium after a decade of the nineties with measures to free its interest rates, its products and its services from administrative controls. Now, advised housing is financed by a chain of commercial banks, Regional rural banks, and cooperative banks, along with house finance companies. These are all governed by the Reserve Bank of India (RBI) and National Housing Bank (NHB) rules governing housing finance, interest rate structures, refinancing norms, priority sector obligations and risk management.

While substantial policy pushes such as PMAY, interest subventions, reduction in stamp duties, and credit-linked subsidies exist, home loan procurement remains a challenge at the ground level for borrowers. Cumbersome documentation, delayed sanctioning, undervaluation of property, exorbitant processing fees, stringent income proof and communication lags are some factors that otherwise make housing finance less accessible. These problems are more acute in semi-urban districts such as Prakasam, with variation in the financial literacy levels and branch availability.

The Indian housing finance system has transformed from a welfare-oriented model to a market-driven structure. Banks have been developmental intermediaries going back decades, providing credit to the undeserved. However, the institutionalisation of banking policies—often well-engineered at the macro level—is commonly characterised by a mismatch between policy and reality, stemming from robust administrative procedures operating to some extent where they are not required or else absent where they are needed. Hence, the loan amount that is applied for may not be sanctioned to the applicants, and there could also exist differences in the quantum of loan sanctions made due to property valuation, legal scrutiny, etc. and customer profiling.

In the case of Prakasam District, where there is a heavy dependency on public sector banks, RRBs and private banks for housing loans, borrowers' experience has become more significant. Beneficiary-oriented concerns involving time for the loan process, number of bank visits, satisfaction regarding service quality and perception of bank performance throw light on the lapses in operations. The district-level dynamics provide micro insights into how national banking policies are articulated in practice.

In this background, the study is an empirical study and attempts to measure and analyse the impact of banking policies and practices on housing finance beneficiaries in Prakasam District. It assesses what borrowers feel about loan practices, detects problems in asset management practices, and examines the extent of satisfaction and variations between applied and sanctioned loans. The paper with data gathered from 200 sample beneficiaries contributes empirical insight to fortify banking operations and maintain customer satisfaction in the domain of housing finance.

2. LITERATURE REVIEW

Housing finance has developed into a vital driver of socio-economic growth, more so in developing countries where institutional credit largely determines the speed and quality at which housing activities can be pursued. The literature relating to housing finance covers issues as diverse as financial access, banking practices, borrower awareness, institutional change and regulation. Drawing on a review of existing studies, this paper traces the trajectory of research in order to situate the current analysis in the larger scholarly discussion.

2.1 The Evolution of Housing Finance and Institutional Reforms

Literature of the past establishes housing finance as central to household welfare and macroeconomic stability. Housing as an Aggregate of Services Grimes (1976) and Charles (1977) highlighted housing as a composite bundle of services affecting productivity and living standards. In India, the sector was transformed by institutional efforts, mainly reflected information of Housing Development Finance Corporation (HDFC) in 1977 and National Housing Bank (NHB) in 1988, which facilitated refinancing operations and availability of credit.

Recent research papers confirm that the opening of policy and expansion of the market have invigorated the industry. NHB Reforms A study by Saritha and Narasaiah (2018) proved that the reforms initiated by NHB enhanced the availability of housing, but a demand-supply gap remains even now. Prabitha and Krishnan (2018) noted that commercial banks have surpassed housing finance companies in terms of market share by adopting retail aggressive strategies.

2.2 Banking Procedures, Efficiency and Customer Experience

Lending protocols, from application, document verification, to valuation and sanction, significantly contribute towards determining borrower satisfaction. Murugan and Jansirani (2017) stated that verification delays, lack of communication, and low service quality lower the level of customer trust in financial institutions. Riar and Bhalla (2016) also found that borrowers are confronted with challenges of bureaucratic hurdles, rigid provisions, poor staff support, etc., in the processing of loans.

In modern times, digitisation has made the processing of loans much more efficient. Singh & Sahu (2021) observed that the advent of online documentation and automated verification systems has reduced turnaround time, but the challenges of digital illiteracy still face rural and semi-urban borrowers.

2.3 Factors Influencing the Choice of Housing Loan

Interest rates, processing time, quality of service and reputation of the bank have been commonly acknowledged as significant determinants that influence a borrower's choice. Varma (2015) opined that customer perception of service quality plays an instrumental role in the choice of a loan. Otwani (2017) discovered that private banks are popular among young borrowers on account of quick processing and a conducive service environment. Recent studies reinforce these findings. Jain & Banerjee (2022) find that competitive interest rates and low documentation are the major predictors for housing loan preference among middle-income families.

2.4 Problems in Sanctions and Deviations of loans

Studies in the literature have identified several reasons that result in a difference between (loan applied) and (loan sanctioned). Siddiqui and Mahore (2016) found that lack of adequate income proof, discrepancies in property valuation the most common reasons for deviation observed in Legal issue verification. The current thesis presents a comparable result, but demonstrates that gaps in income documentation, encumbrance matters, under-valuation and guarantor requirements have significant effects on loan approval. A recent study by Lakshmi & Raj (2023) finds that RBI's severe regulatory action—such as high KYC and low property valuation norms increases scrutiny of the loan, reducing the final sanctioned amount.

2.5 Scale of Borrower Satisfaction and Banking Success

Satisfaction is influenced by interest rates, staff behaviour, transparency of charges and post-sanction service. Chinnasamy (2017), Identifying simplified housing loan procedures to regain borrowers' trust. Works such as Kamal (2016) and Mostafa (2016) signify the need for less complex administrative requirements to increase housing finance uptake. Most recent evidence by Kumar et al. (2024), satisfaction is maximum when banks are transparent in charges, and also, the communication between the applicant and bank from application to disbursement becomes clear.

3. RESEARCH GAP

Even though housing finance has expanded on an unimaginable scale in India, there remain large gaps in knowledge about the impact of banking guidelines and systems at the level of the individual borrower. The available literature on housing finance generally adopts a macroeconomic, institutional or policy perspective and hypothetically could fall under headings such as the influence of interest rates, regulation changes and financial performance of banks and housing finance companies. Yet relatively little has been written about the experience of beneficiaries at the community and household level, where social protection can be nascent, as in semi-urban areas, where financial literacy, service delivery and policy implementation differ substantially.

In the first place, there are very few studies that have attempted to analyse “the borrower end-to-end experience” across the spectrum categories of banks—public sector banks, private sector banks, RRBS and cooperative all comprising different banking categories (in terms of ownership and operation) with its procedures (application for loans), documentation, communication during loan sanctioning process and the receiver feeling on customer satisfaction. Second, although the extant literature recognises problems related to documentation and loan sanctioning, the determinants of discrepancies in applied and sanctioned size of loan continue to be under-researched at the district level. Third, prior studies have not fully explored the relationship between demography and perceived bank performance; however, previous findings suggest that age, education, income or occupation may influence borrower expectations.

Also, Prakasam District remained un-researched, and no extensive empirical work has been carried out in this area, where varied types of banks function and the procedural burden faced by borrowers is found to be high. The way in which policy-elaboration is connected to grass-roots-level practice has not yet been adequately investigated. There is therefore significant demand for client-oriented research that assesses the outcomes of banking regulations, isolates bottlenecks and provides tailored recommendations aimed at improving access to housing finance. The present paper attempts to fill these gaps through a study on 200 beneficiaries across Prakasam District and presents rich data that informs us about satisfaction, operational challenges and procedural bottlenecks in housing finance.

4. OBJECTIVES OF THE STUDY

- To examine the housing finance procedures followed by selected banks in Prakasam District.
- To identify and evaluate the factors influencing beneficiaries in selecting a particular bank for availing housing loans.
- To assess the difficulties faced by beneficiaries in the housing finance process and the asset management practices of banks.
- To analyse the benefits and perceived outcomes experienced by beneficiaries after availing a housing loan.
- To suggest practical measures for improving beneficiary satisfaction and strengthening the relationship between banks and housing loan customers.

5. HYPOTHESES OF THE STUDY

Based on the research objectives and theoretical foundations of housing finance, the following hypotheses were formulated. These hypotheses are retained from the dissertation but rewritten in a strong academic style:

- H_1: Demographic variables of beneficiaries (age, gender, education level, income and occupation) have a significant impact on their perception towards the performance of banks.
- H_2: There is a significant association between the number of times a beneficiary visits the bank and the difference between the loan applied amount and with sanctioned amount.
- H_3: Brand image of the bank has a significant effect on perceived formalities required in getting a housing loan.
- H_4: A significant relationship exists between the time of a bank approving housing loans and satisfaction among recipients.
- H_5: Bank charges (processing fees, legal charges & penalties) are significantly related to beneficiaries' perception of bank performance.

6. RESEARCH METHODOLOGY:

The research is framed by a descriptive and analytical research design to explore the role of banking policies and operations on the experiences of housing loan beneficiaries in Prakasam District, Andhra Pradesh. Housing finance is a multifaceted field encompassing several actors involved in action, processes, and rules – the upshot of which is that reaching an understanding on beneficiary perceptions will demand a combination of both quantitative description and inference. In the district, public sector banks, private banks, regional rural banks and cooperative banks are considered to be the Four HAs which account for resources being disbursed under housing finance in semi-urban and countryside areas as their conduit. The selection of Prakasam District as the study area is well justified, since a various mix of bank categories are operating in this region and borrowers undergo hard times to get easy, reliable and effective housing finance services.

The study population include all those who took home loans from a few banks and their loan are one to three years old as of the date of data collection. This condition is applied to ascertain whether the respondents had enough experience of loan processing, repayment pattern and post-sanction service quality. Two hundred borrowers were sampled through simple random sampling to attain representative information, where every borrower had an equal probability of participation. Sample size was pragmatic, given the investigators' time availability, resource limitations and feasibility in their research timeline. Recipients were recruited on banking premises and through lists of bank-loan-break receivers, and those who met the inclusion criteria had the opportunity to respond.

The study was based on primary data collected through a pre-tested structured questionnaire developed for analytical purposes, which viz housing finance and some other features. The questionnaire comprised sections to explore respondents' demographic information, the loan application process, frequency and purpose of visiting the bank, documentation roadblocks witnessed at the bank, position of open lines of communication with the bank, perceived performance of the bank, satisfaction estimates, and the difference in amount applied as against sanctioned. Before the study was conducted, a pilot survey was performed in order to guarantee instrument clarity and rigour; comments from this phase were then used to make adjustments meant to enhance the questionnaire accuracy. Secondary data were also searched from journals, books, government housing policies and RBI/NHB publications to enrich the conceptual base of the study that fosters situating of the empirical analysis in larger theoretical and policy dimensions.

Descriptive and inferential analyses were used for interpreting the beneficiaries' experiences. Demographic characteristics and satisfaction rate were described in terms of frequencies, percentages, mean and standard deviation. Inferential statistics tools, such as chi-square tests, t-tests and Analysis of Variance (ANOVA) were used to test the first three assumptions and hypotheses. With these instruments, it was possible to identify correlations that were formed between such variables as demographic profiles, frequency of visits, brand imagery, loan sanction period and charges charged by the banks and overall bank performance. Also, the questionnaire reliability was examined through

Cronbach's Alpha for internal consistency of measurement instruments. Statistical analysis. General statistics and hypothesis tests were performed by SPSS software, in which robust computational support for conducting hypothesis tests and interpreting the data was available.

Ethical considerations were adhered to throughout the process of data collection. Participation was completely voluntary, verbal consent was taken from all the respondents and confidentiality was maintained. No personal data was collected, and answers were only used for academic purposes. Through the successful combination of sound methodological framework and ethical considerations, the household survey findings fill a significant evidentiary void on what really matters to housing finance recipients in Prakasam District.

7. RESULTS & DISCUSSIONS:

Objective 1: To examine the housing finance procedures of selected banks

Table 1.1 Housing Finance Procedural Analysis (N=200)

Procedure Variable	Category	Frequency	Percentage
Loan Applied (₹)	< 20 lakhs	62	31.0%
	20–50 lakhs	74	37.0%
	50 lakhs–1 crore	38	19.0%
	> 1 crore	26	13.0%
Loan Sanction Duration	< 1 month	42	21.0%
	1–2 months	96	48.0%
	2–3 months	62	31.0%
Sanction–Disbursement Gap	< 1 month	66	33.0%
	1–3 months	87	43.5%
	> 3 months	47	23.5%
Documentation Complexity	Low	32	16.0%
	Moderate	81	40.5%
	High	87	43.5%

Table 1.2 Chi-Square Test: Loan Processing Time vs. Type of Bank

Variable	χ^2 Value	df	p-value	Result
Processing Time × Bank Type	12.84	4	0.012	Significant

Descriptive statistics confirmed the substantial delays in their housing finance procedures, documentation, and sanction-disbursement cycles. The majority of participants (46%) had a drawdown sanction duration greater than 1 month, and 43.5% had a drawdown delay of between 0 and 3 months. This suggests procedural (manual) inefficiency in banks, especially PSUs, which rely heavily on manual verification.

Chi-square showed a significant difference in processing time of loans based on the type of bank ($p < 0.05$). Private banks are at a faster pace in terms of sanction and disbursement experience, while going through the process of full verification of the credentials. Public and cooperative counterparts took a long time as they are risk-averse and limited in using technology. Our empirical results corroborate the anecdotal reality that structural inertia and slow processing time are problems in the Indian public bank segment. Hence, procedural simplification and digitisation are your best shots to cut down on time-based inefficiencies.

Objective 2: To identify factors influencing the selection of banks

Table 2.1 ANOVA: Influence of Bank Selection Factors Across Bank Types

Factor	Public Sector Mean	Private Sector Mean	Cooperative Bank Mean	F-Value	p-value	Result
Interest Rate	3.68	4.22	3.51	5.84	0.003	Significant
Processing Speed	3.21	4.18	3.05	8.11	0.001	Significant
Service Quality	3.59	4.06	3.12	4.97	0.008	Significant
Brand Image	3.12	4.15	3.08	7.43	0.002	Significant
Margin Requirement	3.46	3.92	3.21	3.10	0.048	Significant

Based on ANOVA results, rates of interest, processing speed, service quality and brand image are significantly different among types of banks ($p < 0.05$). The means for speed of processing and quality of service for private banks were lower than the average rank, suggesting the competitive nature of the environment vis-à-vis loans is not as rigid and targeted towards customers. Public-sector banks performed badly, apparently due to bureaucracy and Uniform approach standards.

Interest rate (Mean = 4.22) and processing speed (Mean = 4.18) were the highest-scoring factors. These results are consistent with earlier research documenting consumer choice behaviour, indicating that among the set of factors that borrowers care most about when selecting a financial institution is cost and convenience. The big dispersion across banks suggests that competitive differentiation is a key driver of customer acquisition in the home loans business.

Objective 3: To analyse difficulties in housing finance and asset management practices

Table 3.1 Frequency of Difficulties Encountered (N = 200)

Difficulty Factor	No Difficulty	Mild	Moderate	High	Total
Documentation	22	41	79	58	200
Income Proof	68	55	43	34	200
Under-Valuation	74	62	40	24	200
Guarantor Requirement	57	66	49	28	200
Bank Communication	48	73	47	32	200

Table 3.2 Chi-Square: Difficulties vs Loan Deviation

Difficulty Type	χ^2 Value	df	p-value	Result
Documentation	14.92	3	0.002	Significant
Income Proof	11.41	3	0.010	Significant
Under-Valuation	9.85	3	0.020	Significant
Guarantor	8.71	3	0.033	Significant
Communication	12.54	3	0.006	Significant

Chi-square tests show that all five major barriers--intense documentation burden, income proof-related issue, low valuations of property to be mortgaged, necessity for guarantors and communication issues--have significant impacts on loan deviation decisions ($p<.05$). Documentation burden was the largest challenge borrowers faced, with 35.5 having a moderate struggle and 27.5 having severe difficulty. This represents the strict risk prevention compliance, which is being applied by banks.

Under-valuation of property and the income proof issue also remained one of the major factors why there was a difference in the applied loan amount vis-à-vis the sanctioned amount. Borrowers with inconsistent income (self-employed, agriculture) are even more disadvantaged, emphasising the need for alternative means of assessing income. Nearly 40% said poor communication worsened borrower dissatisfaction and confusion over the terms of their loans. The results demonstrate the importance of streamlining procedures, transparency and knowledge-sharing mechanisms in housing finance institutions.

Objective 4: To evaluate the benefits gained by beneficiaries after availing of housing finance

Table 4.1 Correlation Between Loan Benefits and Loan Amount

Benefit Variable	Correlation (r) with Loan Amount	p-value	Result
Improvement in Housing	0.412	0.001	Moderate Positive
Asset Creation	0.367	0.002	Moderate Positive
EMI Affordability	−0.298	0.005	Negative (higher loans → higher EMI burden)
Financial Stability	0.334	0.003	Positive
Satisfaction with Bank	0.221	0.024	Weak Positive

Table 4.2 Reliability Test: Benefits Scale

Construct	No. of Items	Cronbach's Alpha	Reliability Level
Housing Loan Benefits	8	**0.842**	Excellent
Customer Satisfaction	6	**0.816**	Good

According to the results of set analysis, housing loans provide strong positive results, especially with housing improvement ($r = 0.412$) and asset establishment ($r = .367$). Zhong shows that both have a significance level in the lower than 5% interval. All of these are benefits as well as requirements for housing development. If we deny them, people will stop altogether liking loving places to live in and avoid replacing their old dwellings, which are rented through mortgages with no outright ownership being possible. There's no way around it: dependency on homes makes life hard indeed. The negative correlation between loan amount and EMI affordability ($r = -0.298$) showed that higher amounts made the borrower's financial burden greater, reflecting current theories of repayment capacity. The reliability analysis (Cronbach's alpha > 0.80) confirmed that the measures for benefits and satisfaction were internally consistent and reliable too. All in all, borrowers are happier with housing finance. But the benefits are maximised when loan terms are simple and repayment is particularly easy.

Objective 5: To suggest measures for improving beneficiary–bank relationships

Table 5.2 Chi-Square: Improvement Needs vs Customer Satisfaction

Improvement Area	χ^2 Value	df	p-value	Result
Reduce Documentation	16.72	3	0.001	Significant
Faster Processing	19.34	3	0.000	Significant
Transparent Charges	14.22	3	0.003	Significant
Improve Communication	11.58	3	0.009	Significant
Staff Responsiveness	8.62	3	0.034	Significant

Chi-square test results supported that each improvement area, documentation simplification, faster processing, transparency of charges, communication and staff responsiveness, is significantly associated with customer satisfaction ($p < 0.05$). Greatest need was for decreasing documentation burden (57.5% "high need") and price transparency in charges (59%).

The results show what policies and operational tactics can make a big difference for borrowers. Likewise, communication and responsiveness of the staff also play an important role in satisfaction, demonstrating the significance of personalised service and prompt help. It is increasingly common for borrowers to seek transparency, digital interaction and low-touch processes. Dealing with these issues will enhance trust, minimise friction and cement long-term customer-bank relationships.

8. DISCUSSION

The current study provides a comprehensive insight into how the dynamics of banking policies, operations and customer service delivery impact the housing finance experience of the beneficiaries. Analysis of Objective 1 The research findings suggest that loan processing, especially for record and documentation requirements, manual verification, process, and multi-level approval process, is manual in many banks and paperwork-heavy. One does not have such an upper bound to the delay and/or cost involved, but the summary data make it clear enough that absence, delay or inadequate documentation only cannot halt credit from flowering at the bank level; we interpret this as a choke point further up the food chain, either documentation assessment, likely legal scrutiny and very likely internal approval. Well, the Chi-square test also shows that these deviant practices are significantly different between types of banks. Private banks, for instance, are more agile in paperless verification and using doorstep document pick-up and online tracking. In that respect also, public sector banks fall behind; old habits die hard — especially when it comes to paperwork. These results are fairly consistent with the earlier literature on procedural rigidity within the traditional banking system of India, which highlighted that procedural efficiency is primarily a question of bank capacity/policy rigidity.

Objective 2, the investigation shows that borrowers consider three main criteria in selecting their bank: interest rate, processing time and service quality. The ANOVA results indicate that both public and cooperative banks record far lower performances than private banks across most of these factors. Borrowers have the opinion that private banks are responsive and progressive in customer friendliness, which accounts for their better performance as issued relates to processing time, service behaviour and brand image. This indicates that competition in the banking industry has made private banks more customer-friendly friendly whereas government banks are operating within a framework of inflexible norms, hierarchical structure and not-so-flexible mechanisms. The findings also underscore that consumers flock to entities that provide them with more convenience and clarity. This is consistent with evidence from around the world that borrowers are inclined to focus on cost and speed rather than long-term relationships.

Objective 3 shows that borrowers' problems with the loan process have an immediate and significant effect on the variation of reservation price for the amount applied and reservation price for the amount sanctioned. The Chi-squares results indicate that documentation needs, difficulty in proving income, under-valuation of the property, need for a guarantor and communication difficulties each contribute significantly to differences/delays in gaining approval. Documentation was cited as the biggest obstacle, highlighting problems of India's widely informal labour force, in which most applicants do not have regular income slips, IT returns or employment proof. Property values being undervalued by the bank-appointed valuers is also rampant, leading to lower sanction amounts and lower outright sales value for borrowers to pay for their construction or purchase. The takeaway is that there are systemic failures in the lending universe, with risk mitigation strategies winning out over customer satisfaction and trust in banking systems.

The estimation for Objective 4 confirms the strong positive effects borrowers can obtain following access to housing finance. Correlation analysis shows that housing loans help in a better standard of living, the creation of assets and long-term financial stability to households. Differentiating between a low and high loan amount on a beneficiary's improvement score, it remains the case that with larger loan amounts, beneficiaries tend to construct better quality housing. This shows us that as the opportunity of finance improves, so do construction standards (both in terms of added square meterage and structural permanence). However, the inverse relationship between loan quantum and EMI affordability demonstrates that repayment burden grows in tandem with loan size, reinforcing the importance of tailor-made EMI structures, tenures and clear interest rate communication. The

Cronbach's Alpha values greater than 0.80 also ensure that the scales that measure benefits and satisfaction are very reliable, thus increasing our confidence in the results.

Objective 5 presents the most important areas that borrowers want banks to focus on to gain greater satisfaction and trust from them. Chi-square analysis reveals that the decrease in documentation, quicker processing, clear charges, better communication and improved response speed of staff have significant effects on the total satisfaction level. Borrowers are generally always unhappy with hidden fees, vague documentation requirements, and frustrating delays due to the unavailability of staff. These results highlight the need to bring in a more customer-centric system where the focus of banking service delivery should be on transparency, clarity and efficiency. Broadly, the results of the above-stated objectives reflect that there is an immediate need for systemic overhaul, digital shift, simple polices and customer-oriented processes in such Indian housing finance industry.

9. MANAGERIAL & POLICY IMPLICATIONS

The results have several important managerial and policy implications. To begin with, the banks need to straighten their process framework by simplifying and even scrapping repetitive points of verification, along with having standard document formats, to avoid confusion among borrowers. Digitisation needs to be encouraged specifically among the public sector and cooperative banks, to cut down on processing time, curtail human-induced errors and better data quality.

Second, valuation practices need modernisation. Under-valuation is the main factor for determining sanctions. PSBs should get associated with certified valuers, adopt GIS-based valuation tools and update market benchmarks regularly for fair valuation. Third, communication has to be both visible and proactive. Borrowers should be notified at every stage in the life of their loan with automated SMS alerts or, if available, through banking apps. Disputing will be made much easier with standard statement sheets and structured fee disclosure sheets, which banish grey areas on processing charges/prepayment penalties / legal fees.

Fourth, there is a need for bank staff training programs. Employee's responsiveness and borrower's counselling exert a powerful impact on satisfaction, so the front-line employees should be trained in customer orientation, behavioural response and complaint management. Lastly, policymakers should work on adapting informal income underwriting methods so that borrowers without traditional income documentation can have access to credit. The role of borrower education programs and digital literacy can further strengthen households to make informed choices in securing loans.

Research Limitations / Implications

The current study explores the extent to which beneficiaries are able to access housing finance, given the policies and practices of banks. Although it gives useful insights into the manner banking procedures, eligibility conditions and loan processing systems affect beneficiaries, the study represents a limited geographical area and selected respondents. As such, the results may not accurately reflect how things are across other districts or states. But the research used mutual basis, meaning it would only lead to an academic understanding of who and what are implementation at the grass root level for housing finance. It has laid a foundation for macro studies about wider geographical or national phenomena in future work.

Practical Implications

These findings give policymakers, banks, and financial institutions that operate housing finance programs some key practical insights. Banks need to make loan procedures simple, banking practices transparent and improve the coordination between them and government housing schemes. Financial institutions need to develop customer support services, awareness drives & faster loan approval mechanisms in order to improve accessibility of housing finance for all beneficiaries. By strengthening banking outreach and adopting beneficiary-friendly policies, the effective delivery of housing finance can be greatly enhanced.

Social Implications

Housing finance is a key element of improvement of housing conditions and socio-economics development it has social implications related to its study. Banking facility enables all economically weaker sections get housing loan easily. Through enhanced transparency, accessibility and awareness about housing finance schemes, banks and policymakers can facilitate better housing opportunities for low- and middle-income households while also fostering overall community development in the state.

10. FUTURE SCOPE OF RESEARCH:

The results from the current research lead to a number of suggestions for future studies. See also Region-wide cross multi-district, or multistate comparison data of a geographic area may general pandemic banking behaviours. The scope of future researchers can be to include other types of lenders such as Housing Finance Companies (HFC), fintech lenders or NBFCs, as the current product also restricts and compares on other characteristics such as flexibility, timely delivery process and technology efficiency. It also gives those regulatory and market actors a sense of whether the loans originated by digital lenders are, on balance, more or less sound than those from traditional banks, which would help them to develop better products.

There will only be a longitudinal analysis and then measure how borrower satisfaction, repayment behaviour and repayment behaviour and financial security, then measure debt to sense and debt ethical standard. The researchers could also study other behavioural factors-wing of borrowing, decision-making as financial literacy, risk appetite, culture (towards credit/debit and related habits), etc., if so, they desired. Lastly, the evaluation of Government housing schemes (PMAY and CLSS) too must be scrutinised and measured on the ground vis-à-vis affordability and access to loans.

11. CONCLUSION

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