

A Comparative Performance Evaluation of LIC Housing Finance Ltd and GIC Housing Finance Ltd using CAMELs Model

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Abstract

Housing finance sector is one of the most expeditious growing sectors in India. Today's Housing finance sector changing in to additional advanced. Evaluating Indian housing finance sector isn't a straightforward task. An attempt is made to evaluate the two major housing finance ltd with an objectives of examine the comparative financial and operating performance of the LIC housing finance Ltd & GIC housing finance Ltd using the CAMELS approach. To achieve the aforesaid objectives data was gathered from the annual reports of LIC Housing Finance Ltd and GIC Housing Finance Ltd. Certain ratios have been calculated to understand the financial position of both housing finance limited under each acronym of CAMELS and these were ranked based on the ratio values. As a part of this study, significant difference was observed among the selected HFCs with regard to all the CAMELS parameters. GICHFL is ranked first where as LICHFL is ranked second under the CAMELS model

I. Introduction

SHELTER BEING THE one of the essential needs of human beings, the interest of having house is developed in accordance with the increase in standard of living and population; consequently the concept of financing the purchasing of a House started. This requirement for Finance to buy a house brought out particular Housing Finance Institutions. In India housing finance is one of the new concept compare to other financial services which are widely available in all part of the country. However, the quick and speedy development in housing and other housing related activities have led to the growth of housing finance market in India.

Housing finance is step by step stepping forward because of huge demand, development and monetary system reforms. Nowadays

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