



DEBT COUNSELLING

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I am servicing a car and a home loan. I have a part-time job. I lost one job. Now, I am finding it difficult to service both the loans as by the month-end I am left with nothing. My children will go for higher studies in six-seven years, hence I have to save.

I would advise you to sell your car with the consent of your lender and prepay your car loan. Regarding higher studies of your children, you need not worry much as many attractive educational loans are offered by the banks today.

My application for a two-wheeler loan was rejected stating I was in the defaulter's list. I don't know what is this about and neither does my bank. How should I find this out?

If you have genuinely not defaulted on payment of any loan then you need to ask the financier who has rejected the loan application about the specific defaulter list they are referring to. There are three active credit

bureaus in India now who maintain credit history of all borrowers.

Once you know the bureau concerned, you can obtain your credit history from them by following the process mentioned on their website. In case of any error there, please speak to your earlier banker and through them have the errors rectified with the concerned bureau.

I want to apply for a home loan. But, I had defaulted on payment of a personal loan with a scheduled bank eight years back. That bank has closed down today. Is there a possibility of my name featuring in the defaulter's list? Please explain.

Credit bureaus normally capture data that is not more than seven years old from the banks. Each lending institution has to submit this data to at least one credit bureau on a monthly basis.

There are three credit bureaus active in India today. Since your bank has now closed down and Credit Information Bureau (India) Ltd (Cibil) is the oldest credit bureau, you should obtain your credit history from Cibil by following the process mentioned on their website, which will tell you whether you are on their defaulter list or not.

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