



NEWS ALERT



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Credit card and personal loan defaulters are finding that they have nowhere to hide. Armed with a new information service, banks are tracking down defaulters who have gone missing or moved to another town to escape recovery agents. Now, an email alerts the bank whenever an errant borrower resurfaces to fish for a new loan—anywhere in the country. The information service is being sold by Credit Information Bureau of India Ltd (Cibil). Till now, there was no way a lender could trace a defaulter if the person did not intimate his new address to the bank. But the central database maintained by Cibil for compiling individual credit history can spot a borrower based on parameters like date of birth and PAN number, among others.

GREECE GLOOM DESCENDS UPON GLOBAL MARKETS

Crisis May Spill Over To Spain, Portugal

GLOBAL markets were on the edge fearing a fresh wave of contagion on a possible Greek default, rising interest rates and joblessness in the US.

Indian stocks fell more than others as food price acceleration may worsen overall inflation and force the Reserve Bank of India (RBI) to raise rates faster to tame inflationary expectations.

All major global stock indices fell and India was the second-worst performer in Asia. The Sensex declined 1.4%, or 255.62 points, to 17,714.40. The MSCI Emerging Markets Index was down 0.9% at 1,033.22. The S&P 500 was 0.5% lower.

Investors stung by the previous credit crisis are shifting to safe investments such as the US treasury. They fear the recovery in the West may take longer as consumer spending remains depressed on joblessness and some emerging markets such as China and India may be overheating.

Kirana store owners may emerge as the new bankers for rural India with commercial banks lining up to enlist them as business facilitators to increase their reach. The local grocery storekeeper has good information about the financial well being of the houses he serves and has emerged as the most viable among a number of options to help increase financial inclusion. The proposal of using local storekeeper has been around for a while, but regulatory frame work for appointing banking correspondents came only in November 2009.

Send across your feedbacks to Dilpreet Kaur at dilpreet.kaur@jimsindia.org