

ICICI Bank established its Financial Counseling Centre DISHA

DISHA, a financial counseling centre, established by ICICI Bank to increase awareness about financial products and services. DISHA provides free counseling, financial education and debt management services to all consumers.

Mumbai, Maharashtra, IND, 2008-05-19 16:14:10 (IndiaPRwire.com)

Mr. Raj Kanwar. Family man with four dependants, an aged mother, wife and a school-going child. Being the only earning member of his family, he earns Rs.10,000 per month. He has XYZ Credit Card but is unable to repay the dues. He now receives calls from recovery agents and lawyers.

This is typical of many consumers today. Irresponsible use of credit facilities and a relative low awareness of the workings of sophisticated financial products have made such situations common. Most people do not plan their spending. They do not save for rainy days and unforeseen situations as medical expenses, marriages, education, maintenance of properties, loss of job or losses in business.

In the modern financial world, consumers desperately need Financial Counselling. It is appalling to note that a major portion of disposable incomes is used by many to repay debt. A large percentage of credit card holders owe more than about 20 to 25% of their annual income. With such startling statistics, education and awareness is need, particularly for the following issues:

1. Budgeting and saving
2. Choosing, using and repaying credit like housing, auto, personal loans and credit cards
3. Modern products introduced by banks and financial institutions e.g. Debit Cards, Demat accounts, Mutual Fund products, etc.

Indian Scenario

Many consumers look resourceful and prosperous. Starting their adult lives with a healthy financial status, they end up in a financial mess a few years down the line. Even household savings are relatively low. Consumers don't analyze their repaying capacity before borrowing. They are often caught in debt traps and the resultant follow up by banks and financial institutions for recovery, will look like harassment. Instead of apportioning their incomes to meet future/emergency expenses, they end up with multiple loans for housing, automobile, household appliances, furniture, holidays to foreign locations and thus live beyond their means. Their hidden pride does not allow them to admit their ignorance in financial management. Many consumers feel it is wasteful to spend precious time in investment decisions, which should be left to the experts. They simply sign documents at the places marked without attempting to read their contents or understand what they are signing. The excuse of *lack of time* often causes ineffective and poor financial decisions. Many a time they are ashamed of seeking help to manage their finances.

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ICICI Bank has established their financial counselling centre DISHA with the objective of increasing

awareness about financial products and services and thus promoting better understanding and decision-making. Part of their Corporate Social Responsibility activities, DISHA provides free counselling, financial education and debt management services to consumers, irrespective of whether they are an ICICI Bank customer or not.

DISHA, managed by seasoned retired bankers of commercial banks and Reserve Bank of India, is already present in Ahmedabad, Chennai, Delhi, Hyderabad, Kanpur, Ludhiana and Mumbai. SMS DISHA to 53030 for address or visit www.disha.fc.org details.

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