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Are pre-approved loans key to seamless consumer financing?

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How can I find out if I'm pre-approved for a consumer durable loan, and will it help speed up the application process? Additionally, what are the benefits of being pre-approved, and does it make the overall experience smoother?

—Name withheld on request

Most pre-approved consumer durable loans are a convenient way to finance big-ticket purchases. These loans are typically offered by banks and non-bank lenders to existing customers based on their credit profile. Here's how you can check your eligibility and why pre-approval can simplify the process.

Check for pre-approval

Online platforms: Lenders allow customers to check pre-approved loan offers on their websites or mobile apps. Log in to your account or provide basic details, such as your phone number or email ID, to access the information.

Customer support: Reach out to your lender's customer care service to confirm if you have a pre-approved offer. Speaking to a representative can be helpful if you prefer direct interaction.

Notification: Both banks and NBFCs often send notification to eligible customers via SMS or email about pre-approved offers. Look out for the alerts, especially during festive seasons or sales events when special terms may be available.

Retail store inquiries: At the partner stores, you can ask the



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billing staff to check for pre-approved loan options. Retailers often have integrated systems with lenders for instant eligibility checks at all points of sale.

Pre-approval advantage

Time-saving: Pre-approved loans are processed quickly since lenders have already reviewed your eligibility. Approval is often instant, particularly at retail counters.

Minimal documentation is required: With pre-approved loans, the paperwork is usually minimal and limited to essential documents such as identity and address proof.

Tailored offers: These loans often come with many attractive benefits like lower interest rates, higher loan amounts, or flexible repayment options, making them more appealing than regular loans.

Key considerations

Review terms: Even with pre-approval, ensure to review the loan terms, including the

interest rates and repayment tenure, to confirm they align with your financial goals.

Impact on credit score: It is important to check your pre-approval status does not affect your credit score. However, proceeding with the application and loan disbursement will reflect on your credit history.

Pre-approved consumer durable loans are ideal for purchasing essential items such as appliances and electronics without delay. They simplify financing, helping you manage purchases without immediate cash flow constraints. Whether you're upgrading your home or investing in better gadgets, checking for pre-approval before you shop can save valuable time and effort.

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