

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2861  
ANSWERED ON:30.03.2012  
INTEREST ON CREDIT CARDS  
Mahato Shri Narahari;Roy Shri Nripendra Nath

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of the interest charged by the public and private sector banks on late payment of dues of credit cards, as on date, bank-wise;
- (b) the rate of interest charged by the said banks on credit card dues, as on date, bank- wise;
- (c) whether the Government/RBI proposes to formulate a uniform policy for the banking institutions in this regard;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the time by which such policy is likely to come into force?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): The interest rate on Credit Card dues, Bank-wise for the month ended January, 2012 as made available by the Reserve Bank of India (RBI) is enclosed as Annexure.

(c) to (e): The Reserve Bank of India (RBI) has issued a Master Circular dated 1.7.2011 on Credit Card Operations of Banks which, inter-alia, covers guidelines on Interest rates and other charges. Credit Card dues are in the nature of non- priority sector personal loans and while determining the interest rate on them, Banks have been advised to be guided by the instructions on pricing of loans with reference to the 'Base Rate' as per RBI Circular no. DBOD No. Dir. BC 88/13.03.00/ 2009-10 dated 9.4.2010. Banks have also been advised by the RBI vide circular dated 7.5.2007 to prescribe a ceiling rate of interest, including processing and other charges in respect of small value personal loans. These instructions are also applicable to credit card dues.