

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2970  
ANSWERED ON:30.03.2012  
COMPLAINTS AGAINST BANKS  
Kumar Shri Kaushalendra;Mahto Shri Baidyanath Prasad

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

- (a) whether the Government has received complaints about non-issuance of no dues certificate even after full and final settlement of the vehicle loans in the case of Hypothecation of motorcycles in 1CICI Bank loan scheme through public representative;
- (b) if so, the details thereof and the action taken on such complaints ; and
- (c) the corrective steps taken/being taken by the Government in this regard ?

**Answer**

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

(a), (b) & (c): Yes, Sir. The Reserve Bank of India's guidelines inter-alia require that lenders should release all securities on receiving payment of loan or realization of loan. In Banking Codes and Standards Board of India's (BCSBI's) Code of Bank's Commitment to Customers, one of the commitment by banks is to return all the securities / documents / title deeds to mortgaged property within 15 days of the repayment of all dues agreed to or contracted. Banks have also committed to compensate for any delay in return of securities / documents / title deeds to mortgaged property beyond 15 days of the repayment of all dues agreed to or contracted. With effect from February 3, 2009, any violation of RBI instructions and BCSBI Code by banks has been made a valid ground of complaint under the Banking Ombudsman Scheme 2006. Borrower can lodge a complaint to respective Banking Ombudsman of the region if not satisfied with bank's action / reply in this regard. Besides, RBI has informed that their Department of Banking Supervision has been advised to examine such compliance / instance of delays in release of mortgage documents, issue of no due certificate on repayment of auto loans in course of the Annual Financial Inspection of private sector banks. RBI has also brought this issue to the notice of Indian Banks' Association for necessary follow up action.