

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1600  
ANSWERED ON:13.12.2013  
COMPLAINTS AGAINST CREDIT CARDS  
Karwariya Shri Kapil Muni

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

- (a) whether the Government has received complaints against banks/ financial institutions for their deficient services and unfair practices related to credit cards like undue penal charges, late payment charges, issue of unsolicited cards, harassing telephone calls, etc.;
- (b) if so, the details thereof including the number of such complaints received during each of the last three years and the current year, bank-wise;
- (c) the details of the guidelines issued by Reserve Bank of India (RBI) in this regard, if any; and
- (d) the further remedial measures taken/proposed to be taken by the Government/RBI in this regard?

**Answer**

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

(a): Yes, sir.

(b): Complaints on non-adherence by banks to the instructions of Reserve Bank of India (RBI) on ATM/Debit Card or Credit Card Operations are considered under the RBI's Banking Ombudsman Scheme, 2006. Bank-wise details of Credit Cards complaints handled by the offices of Banking Ombudsman, during the period 2010-11, 2011-12, 2012-13 and 1.7.2013 to 9.12.2013 are enclosed at Annex.

(c) & (d): RBI has issued a Master Circular DOBD No. FSD.BC.4/24.01.011/2013-14 dated July 1, 2013 on Credit Card, Debit Card and Rupee Denominated Cobranded Prepaid Card operations of banks asking the Card issuing banks and Credit Card issuing Non Banking Financial Companies (NBFCs) to strictly adhere to the guidelines. The details of the circular are available at RBI website [rbi.org.in](http://rbi.org.in).

In addition to above, as per RBI guidelines, banks have a Customer Service Committee of the Board, Standing Committee of Customer Service chaired by CMD or Executive Director and Branch Level Customer Service Committee. Each bank is appointing Principal Nodal Officer as single contact point for all complaints.

As remedial measures, banks have been advised by RBI that unsolicited cards should not be issued. In case, an unsolicited card is issued and activated without the written consent of the recipient and the latter is billed for the same, the card issuing bank shall not only reverse the charges forthwith, but also pay a penalty without demur to the recipient amounting to twice the value of the charges reversed.

As regards harassing telephone calls banks have been advised to ensure that they engage telemarketers who comply with directions/regulations on the subject issued by the Telecom Regulatory Authority of India (TRAI) from time to time.