

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**  
**UNSTARRED QUESTION No. 1226**  
TO BE ANSWERED ON 22<sup>nd</sup> December, 2017 (FRIDAY)/PAUSHA 1, 1939 (SAKA)

**Credit Card Transaction Charges**

**1226. SHRI KIRTI AZAD:**

Will the Minister of FINANCE be pleased to state:

- a) whether the credit card usage has helped to bring down black money in circulation, if so, the details thereof and the steps taken by the Government to control the malpractices of Banks in respect of credit cards;
- b) whether the Government is planning to put a limit on levying charges on credit card usage, if so, the details thereof;
- c) whether the Government and RBI are planning to make necessary amendments to make uniform rules in respect of credit cards including interest-rate and penalties; and
- d) if so, the time by which the guidelines are likely to be issued with regard to abolishing the levy of hidden costs in the form of extra-ordinary interest rates and penalties for delay?

**Answer**

**The Minister of State in the Ministry of Finance  
(SHRI SHIV PRATAP SHUKLA)**

(a) to (d) Payments through any digital mode including credit cards can be tracked to help check the black money.

RBI, vide its instruction on credit card operations of banks and NBFCs, dated 1.7.2015, has advised banks or credit card issuing NBFCs to be guided by the instructions on interest rate on advances issued by RBI. It has also instructed banks to constitute time bound Grievance Redressal machinery with system of acknowledging customers' complaints for follow up. The bank/NBFC shall be liable to compensate the complainant for the loss of time, expenses, financial loss as well as for the harassment and mental anguish suffered by him for the fault of the bank and where the grievance has not been redressed in time.

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