

Deadline for fresh credit, debit card rules extended

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The Reserve Bank of India (RBI) on Tuesday extended by three months the deadline for implementing certain provisions of the master directions it issued on new debit cards and credit cards to October 1.

“Considering various representations received from the industry stakeholders, it has been decided to extend the timeline for implementation of the following provisions of the master direction to October 1,” the central bank said in a circular.

According to the master directions issued in April, if a customer has not activated the credit card for more than 30 days from the date of issuance, the card issuer will have to seek a one-time password (OTP-) based consent from the cardholder. And, if no consent is granted by the customer, the card issuers will have to close the card account without any cost to the customer within seven working days from the date of seeking confirmation.

Further, card issuers will now have more time to implement the RBI’s directive to ensure the credit limit as sanctioned and advised to the cardholder is not breached at



Card issuers now have time till October 1 to implement certain provisions

any point in time without seeking explicit consent from the cardholder.

The RBI had also said the terms and conditions for payment of credit card dues, including the minimum amount due, will be stipulated so as to ensure there is no negative amortisation. The unpaid charges/levies/taxes will not be capitalised for charging/compounding of interest. The deadline to implement this provision has also been extended by the central bank to October 1.