



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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March 06, 2024

The Chairman / Managing Director / Chief Executive Officer
Authorised Payment System Providers / Participants (Banks and Non-banks)

Madam / Dear Sir,

Arrangements with Card Networks for issue of Credit Cards

The authorised card networks tie-up with banks / non-banks for issuance of credit cards. The choice of network for a card issued to a customer is decided by the card issuer (bank / non-bank) and is linked to the arrangements that the card issuers have with card networks in terms of their bilateral agreements.

2. On a review, it is observed that some arrangements existing between card networks and card issuers are not conducive to the availability of choice for customers.

3. In exercise of the powers conferred under Section 18 read with Section 10(2) of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007), the RBI being satisfied that it is necessary and expedient, in the interest of payment system and public interest, to do so, hereby, directs as under:

- a) Card issuers shall not enter into any arrangement or agreement with card networks that restrain them from availing the services of other card networks.
- b) Card issuers shall provide an option to their eligible customers to choose from multiple card networks at the time of issue. For existing cardholders, this option may be provided at the time of the next renewal.

For the purpose of these directions, the following definitions are used:

- i) Authorised card networks: American Express Banking Corp., Diners Club International Ltd., MasterCard Asia/ Pacific Pte. Ltd., National Payments Corporation of India–RuPay, and Visa Worldwide Pte. Limited.

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हिंदी आसान है, इसका प्रयोग बढ़ाइए

4. Card issuers and card networks shall ensure adherence to the above requirements in:
 - a) existing agreements at the time of amendment or renewal thereof, and
 - b) fresh agreements executed.
5. The directions at 3(b) above shall not be applicable to credit card issuers with number of active cards issued by them being 10 lakh or less in number.
6. Card issuers who issue credit cards on their own authorised card network are excluded from the applicability of the circular.
7. The directions at para 3(b) above shall be effective six months from the date of this circular.

Yours faithfully,

(Gunveer Singh)
Chief General Manager-in-Charge