



External Relations Department

November 02, 2015

PROVISION OF CIB INFORMATION TO CONSUMER COMPLAINANTS

State Bank of Pakistan has issued a circular instructing all Banks/Development Finance Institutions, (DFIs)/Micro Finance Banks (MFBs)/Non Bank Finance Companies(NBFCs)/ Modarabas that in case of recovery against overdue/write off/late payment, the bank /Financial Institutions (FIs) will clearly mention in the clearance letter that history of overdue/write off/late payment will continue to be reflected in credit report for a period of one year.

SBP has further advised that banks/FIs should provide complete information to borrowers while giving financial relief in the form of write off/ reversal of mark up and will categorically inform them in writing that this financial relief will be reported to CIB. Banks will have to ensure that reporting to CIB is invariably discontinued immediately after the settlement and closure of facility.

It may be recalled here that State Bank of Pakistan has been receiving a number of complaints wherein various issues are being raised by the customers related to their CIB information uploaded by the banks/FIs. It is pertinent to mention here that the banks/FIs and not State Bank of Pakistan report customers in CIB database.

Also, it has been observed that while issuing clearance certificate to their customers after receipt of overdue amount, the banks/FIs do not mention that their overdue/write off/late payment history in CIB report will continue to be reported for a period of one year from the date of adjustment of overdue amount. The customers, therefore, have understanding about clearance of their liabilities immediately after payment, which subsequently leads to unnecessary correspondence/ legal proceedings against the banks/FIs and State Bank of Pakistan;

While giving some financial relief to the borrowers in the form of write off/ reversal of mark up, the banks/FIs do not inform their customers that this relief will be reported to CIB database and will continue to be reflected in their CIB reports for a period of one year.

Some of the banks/FIs misguide their customers to approach State Bank of Pakistan for any correction in their CIB report; despite the fact that any amendment is required to be made by concerned bank/FIs; Banks issue settlement plan to customer and collect the payment but continue reporting him/her as defaulter in CIB database.

SBP has further advised banks/FIs to make necessary correction at their end if any requisite correction is pointed out by the customer to the concerned bank/FI in reported data and do not advise the customers to approach State Bank of Pakistan for the same.
