

More people complaining about banks' services, says Fomca

Written by 3K Admin

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KUALA LUMPUR: There was a 30% increase in the number of consumer complaints against financial institutions last year compared with 2007, said the Federation of Malaysian Consumers Associations (Fomca).

The National Consumer Complaints Centre (NCCC) operated by Fomca received 1,354 such complaints last year against 1,004 cases the previous year.

Fomca president Datuk N. Marimuthu said that most of the complaints were on unfair bank charges, interest and penalties.

He said customers were charged from RM5 to RM40 for unauthorised overdrafts, bounced cheques or failed direct debit.

Customers who slipped into minor difficulties could see a mountain of debts piling up as banks charged large amounts for overdraft and missing direct debits, he said. Marimuthu said the average consumer had to cope with numerous new charges imposed by financial institutions in comparison with the meagre returns earned on their deposits.

Besides, consumers were also subjected to misleading advertisements by banks which enticed them to buy the products and services offered but with provisos which were often in very fine print, absolving the banks of any liability.

He said Bank Negara had wide powers under the law to haul up banks which indulged in misleading advertisements and it should enforce them.

He urged consumers who were unhappy with the banks' services to write to Bank Negara so that action could be taken. - Bernama.

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