

Outstanding bank loan could lead to travel ban



ASHISH MEHTA
LEGAL VIEW

Q I am an Indian expatriate living in the UAE. I have been jobless for the last two months. I have outstanding personal loan of Dh25,000 and two credit cards with outstanding debt of Dh35,000. I have registered my details on Consulate-General of India-Dubai website to travel back to India after the restrictions on flights, due to Covid-19, are removed. Will my aforementioned liabilities make it difficult for me to get repatriated to India?

A It should be noted that any bank or approved financial institution in the UAE has to follow the guidelines laid down by the UAE Central Bank while lending loans or providing credit card facilities to the individuals.

Article 12 of Regulation No. 29 of 2011 related to regulations regarding bank loans and services offered to individual customers, states the conditions for opening of accounts, providing of credit cards and granting loans and bank facilities. The Central Bank of the UAE through its notice No. 3692/2012 to all banks and finance companies in the UAE has provided a format of general terms and conditions to be incorporated in agreements for personal loans, overdrafts and auto loans which has been approved by the Emirates Banks Association. The said formats are in accordance with Article 12 (a) and (b) of the Regulation No. 29 of 2011 related to regulations regarding bank loans and services offered to individual customers.

You may have signed a Personal

PERSONAL WOES

Q My wife is having an illegal relationship with her boyfriend and she is not living with me even though her visa is sponsored by me. I have evidence of her extramarital affair. If I file a complaint against them, what will be the legal implications on my wife and her boyfriend? What is the legal procedure and court fee involved to take appropriate legal action?

A In the UAE, having an extramarital affair or engaging in a relationship with someone who is not married to you is punishable by law. If you possess sufficient and admissible evidence to prove your assertion regarding your wife's extramarital affair, you may consider filing a criminal complaint. If your wife and her boyfriend are found guilty, the court may order deportation.

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Read: My wife's having an affair. How do I take action against her?

Loan Agreement or you may have signed accepting the terms and conditions in the application form while availing personal loan and credit card facilities with the lending bank or the financial institution. You could be held responsible if you have defaulted in repayment of personal loan or credit card outstanding continuously for three installments or six non-consecutive installments to the lending bank or the financial institution.

Further, the lending bank or the financial institution, which granted

personal loan and credit card facilities to you, may have collected from you security cheque/s as guarantee for the personal loan and credit card facilities provided to you. In the event of default on repayment of personal loan and credit card facilities by you, the bank may deposit your security cheque/s for collection and if the said security cheque/s are dishonoured by your bank due to insufficient funds in your bank account, the lending bank or financial institution may file a criminal complaint against you for dishonour of security cheque/s. It should be noted that dishonour of cheque is considered a criminal offence.

If the security cheque/s amount is lesser than Dh200,000 and if your lending bank or the financial institution is based in Dubai, pursuant to Law No. 1 of 2017 called 'Criminal Order Law' the punishment may be a financial penalty which may vary between Dh2,000 and Dh10,000 depending on the cheque/s amount. Upon payment of this financial penalty, a travel ban imposed due to dishonour of cheque/s may be lifted. However, the lending bank or financial institution may file a civil case to recover the outstanding personal loan and credit card amount and may again obtain a travel ban against you. It is recommended that you consult a legal practitioner in the UAE to avail further professional advice.

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