

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:640

ANSWERED ON:24.11.2006

COMPLAINTS AGAINST PSBs

Shiwankar Shri Maha Deo Rao;Yadav Shri Kailash Nath Singh

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received complaints regarding the arbitrary actions in the branches of Public Sector Banks in rural areas;

(b) if so, the number of complaints received during each of the last three years; and

(c) the action taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b):- The existing reporting of Reserve Bank of India (RBI) does not generate the information asked for. However, complaints received against Public Sector Banks for deficiency in banking/other services, including arbitrary action by banks, during each of last 3 years is as follows: -

During the year Complaints received
 by Banking Ombudsmen

2004	11520
2005	14687
01.01.2006 to 30.09.2006	34544

(c):- Banking Ombudsmen have disposed off 9797, 12,476 and 26,639 complaints in the years 2004,2005 and 2006 (till 30th September) respectively.

With effect from 1st January, 2006, Reserve Bank of India (RBI) has put in place a revised Banking Ombudsman Scheme for redressal of grievances of banking customers. The scope of the scheme has been enlarged to cover customer complaints in areas such as levying service charges without prior notice to the customer and non-adherence to the fair practices code as adopted by individual banks, credit card complaints, deficiencies in providing the services assured by banks and banks` sales agents, etc.

An independent Banking Codes and Standard Board of India has also been set up by the RBI in February, 2006 as an independent watchdog to ensure that banks deliver services in accordance with the Codes and Standards to which they have agreed.