

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:220

ANSWERED ON:07.12.2012

COMPLAINTS AGAINST BANKS

Hegde Shri Anant Kumar;Singh Shri Rajiv Ranjan (Lalan)

Will the Minister of FINANCE be pleased to state:

- (a) whether the number of complaints against the functioning of the public sector banks has increased over the years ;
- (b) if so, the details thereof including the number of complaints disposed of or pending during each of the last three years and the current year, bank-wise ;
- (c) the corrective measures taken by the Government to redress these complaints along with the timeframe within which these are likely to be redressed ; and
- (d) the steps taken/being taken by the Government for further improvement in the functioning of the banking industry in the country ?

Answer

FINANCE MINISTER (SHRI P. CHIDAMBARAM)

(a) to (d) :- A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (A) TO (D) OF LOK SABHA STARRED QUESTION NO. 220 FOR 7TH DECEMBER, 2012 TABLED BY SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH AND SHRI ANANTKUMAR HEGDE REGARDING COMPLAINTS AGAINST BANKS.

(a) & (b): Yes Sir. There is marginal increase in the complaints received under Banking Ombudsman Scheme, 2006 (BOS) against Public Sector Banks (PSBs). During the year 2011-12, the total number of complaints under Banking Ombudsman Scheme against PSBs was 48180 during 2011-12 as compared to 42724 during 2010-11 and 41924 during 2009-10. Details are attached.

(c) & (d): Under the Banking Ombudsman Scheme, 2006 of the Reserve Bank of India (RBI), 15 offices of Banking Ombudsmen situated across the country to expeditiously resolve the complaints received from customers relating to deficiency in banking services. In deserving cases, Banking Ombudsmen are also empowered to give compensation to customers of banks for violation of any guidelines issued to them by the Reserve Bank of India (RBI) under the provisions of Banking Regulation Act, 1949.

A number of steps have been taken by the RBI and the Government to resolve the complaints of customers expeditiously, generally within 30 days, by putting in place a robust grievance redressal system including resolution of grievances received through the Centralised Public Grievance Redressal and Monitoring System (CPGRAMS) in all PSBs.

Banks are also required to follow the Banking Codes and Standards Board of India's (BCSBI) Code of Banking Commitments to Customers and Code of commitment to Micro and Small Enterprises. In order to improve customer service in banks, in June, 2010 RBI constituted a Committee on Customer Service in banks under the Chairmanship of Shri M. Damodaran. The majority of recommendations of the Committee have been implemented by the banks and a Working Group has also been constituted by the Reserve Bank of India to view and update the BO Scheme, taking into consideration the recommendations made by the Committee on Customer Service in Banks (Damodaran Committee) and also the changes in services and product delivery strategies of banks.