

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:787

ANSWERED ON:27.02.2015

FSLRC

Kesineni Shri Srinivas

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has framed guidelines pertaining to consumer protection as recommended by Financial Sector Legislative Reforms Commission (FSLRC);

(b) if so, the details thereof;

(c) whether the above consumer protective guidelines/regularities is based on domestic experience and global best practices; and

(d) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) Yes Madam,

(b) A Charter of Customer Rights was prepared and released by the Reserve Bank of India on its website on December 3, 2014 covering principles on consumer protection recommended by the FSLRC, namely:-

(i) Right to Fair Treatment,

(ii) Right to Transparency, Fair and Honest Dealing,

(iii) Right to Suitability,

(iv) Right to Privacy,

(v) Right to Grievance Redress and Compensation.

(c) Yes Madam,

(d) These principles are based on domestic experience and global best practices and interactions with various stake holders. Further the Indian Banks' Association (IBA) and the Banking Codes and Standards Board of India (BCSBI), as advised by the RBI have drawn up a "Model Customer Rights Policy" encapsulating the above principles and placed it on their website for all the scheduled commercial banks, regional rural banks and urban co-operative banks to prepare their own Board approved policies incorporating the above rights which, among other things, would contain a monitoring and oversight mechanism for ensuring adherence.