PROTECTION
MECHANISMS
OF
THE RIGHTS
OF
A BANK CUSTOMER
4.1 INTRODUCTION

In the midst of cut throat competition, each and every bank is interested in expanding more and more of its business. Sometimes due to this attitude a bank may forget its basic duty of taking care of the individual customer and thus it leads to the sufferings of the customer. For the redressal of the grievance of the customer, there are some protection mechanisms which have been discussed in this chapter.

Banking Ombudsman Scheme-2006 is one of the important tools for the redressal of grievances of the customers. It is introduced by the RBI to save the customer from the harassment of any type due to the negligence of any bank. An aggrieved customer has to file his complaint in a prescribed format as given in Annexure 'A' of the said scheme. If the Ombudsman is not satisfied with the complaint he may also reject it.

The State Bank of India has launched consumer grievance redressal mechanism named e-poll an internet based questionnaire. An aggrieved customer can fill up the prescribed format to lodge his complaint and may get his grievance redressed.

A Non Govt. organisation is also extending helping hands to a harassed and negligent customer of a bank. The example of such is the International Consumer Rights Protection Council (ICRPC), which is a registered, non-profit, non-political and Non Govt. organisation working for evolving a corruption free society.

The consumer protection regulations act-2005 is also another general and common protection mechanism for any type of consumer. Apart from that a dissatisfied customer can also take the help of the Right to Information Act to know exactly what is the reason of non performance of his job, which will indirectly solve his problem.

The guidelines of RBI on customer service will also guide both the bankers and the customers in providing and receiving better services. In addition to that the fair practices code of Indian Banks’ Association also is a very helpful piece of material in this regard.
4.2 BANKING OMBUDSMAN SCHEME - 2006

The Banking Ombudsman Scheme, 2006 is the replacement of the Banking Ombudsman Scheme, 1995 and the Banking Ombudsman Scheme, 2002. The Scheme shall come into force from January 1, 2006 and will be applied for redressal of grievances against deficiency in banking services, concerning loans and advances and other specified matters of all commercial banks, regional rural banks and scheduled primary co-operative banks. As the scheme is meant for Redressal of grievances of the customers it is therefore pertinent to give here some important part of the scheme.

Appointment & Tenure of Banking Ombudsman

The Reserve Bank may appoint one or more of its officers in the rank of Chief General Manager or General Manager to be known as Banking Ombudsmen to carry out the functions entrusted to them by or under the Scheme. The appointment of Banking Ombudsman under the above Clause may be made for a period not exceeding three years at a time.

Location of Office and temporary Headquarters

The office of the Banking Ombudsman shall be located at such places as may be specified by the Reserve Bank. In order to expedite disposal of complaints, the Banking Ombudsman may hold sittings at such places within his area of jurisdiction as may be considered necessary and proper by him in respect of a complaint or reference before him.

Secretariat

The Reserve Bank shall depute such number of its officers or other staff to the office of the Banking Ombudsman as is considered necessary to function as the secretariat of the Banking Ombudsman. The cost of the Secretariat shall be borne by the Reserve Bank.

Jurisdiction, Powers and duties of Banking Ombudsman

The Reserve Bank shall specify the territorial limits to which the authority of each Banking Ombudsman appointed under Clause 4 of the Scheme shall extend. The Banking Ombudsman shall receive and consider complaints relating to the deficiencies in banking or other services filed on the grounds mentioned in clause 8 and facilitate their satisfaction or settlement by agreement or through conciliation and mediation between the bank concerned and the aggrieved parties or by passing an
Award in accordance with the Scheme. The Banking Ombudsman shall exercise general powers of superintendence and control over his Office and shall be responsible for the conduct of business thereat.

**Procedure for Redressal of Grievance**

**Grounds of Complaint**

A complaint on any one of the following grounds alleging deficiency in banking or other services may be filed with the Banking Ombudsman having jurisdiction:

- Non-payment or inordinate delay in the payment or collection of cheques, drafts, bills etc.
- Non-acceptance, of small denomination notes & coins tendered, for any purpose, and for charging of commission in respect thereof;
- Non-payment or delay in payment of inward remittances;
- Failure to issue or delay in issue of drafts, pay orders or bankers'cheques;
- Non-adherence to prescribed working hours;

**Procedure for Filing Complaint**

Any person who has a grievance against a bank on any one or more of the grounds mentioned in Clause 8 of the Scheme may, himself or through his authorised representative (other than an advocate), make a complaint to the Banking Ombudsman within whose jurisdiction the branch or office of the bank complained against is located.

The complaint in writing shall be duly signed by the complainant or his authorized representative and shall be, as far as possible, in the form specified in Annexure 'A' or as near as thereto as circumstances admit, stating clearly:

(i) The name and the address of the complainant,
(ii) The name and address of the branch or office of the bank against which the complaint is made,
(iii) The facts giving rise to the complaint,
(iv) The nature and extent of the loss caused to the complainant, and
(v) The relief sought for.

The complainant shall file along with the complaint, copies of the documents, if any, which he proposes to, rely upon and a declaration that the complaint is maintainable under sub-clause (3) of this clause.

A complaint made through electronic means shall also be accepted by the Banking Ombudsman and a print out of such complaint shall be taken on the record of the Banking Ombudsman.
Settlement of Complaint by Agreement

As soon as it may be practicable to do, the Banking Ombudsman shall send a copy of the complaint to the branch or office of the bank named in the complaint, under advice to the nodal officer referred to in sub-clause (3) of clause 15, and endeavour to promote a settlement of the complaint by agreement between the complainant and the bank through conciliation or mediation.

Award by the Banking Ombudsman

If a complaint is not settled by agreement within a period of one month from the date of receipt of the complaint or such further period as the Banking Ombudsman may allow the parties, he may, after affording the parties a reasonable opportunity to present their case, pass an Award or reject the complaint.

The Banking Ombudsman shall take into account the evidence placed before him by the parties, the principles of banking law and practice, directions, instructions and guidelines issued by the Reserve Bank from time to time and such other factors which in his opinion are relevant to the complaint.

An Award shall not be binding on a bank against which it is passed unless the complainant furnishes to it, within a period of 15 days from the date of receipt of copy of the Award, a letter of acceptance of the Award in full and final settlement of his claim in the matter.

Rejection of the Complaint

The Banking Ombudsman may reject a complaint at any stage if it appears to him that the complaint made is;

- Frivolous, vexatious, malafide; or
- Without any sufficient cause; or
- That it is not pursued by the complainant with reasonable diligence; or
- In the opinion of the Banking Ombudsman there is no loss or damage or inconvenience caused to the complainant; or
- Beyond the pecuniary jurisdiction of Banking Ombudsman prescribed under clause
Protection of the Rights of a Bank Customer

Appeal before the Appellate Authority:

Any person aggrieved by the Award may, within 45 days of the date of receipt of the Award, prefer an appeal against the Award before the Appellate Authority.

Form of complaint (to be lodged) with the Banking Ombudsman

(for office use only)

Complaint No.................of year.............Date.........................

(To be filled up by the complainant)

To

The Banking Ombudsman

Dear Sir,

Sub: Complaint against ...........................................(Name of the bank's branch)
of...........................................(Name of the Bank)

1. Name of the complainant .................

2. Full address of the complainant .................

   Pin code ................

   Phone no./fax no.............................

3. Complaint against (name and full

   Address of the branch/ bank ) .................

   Pin Code ..........................

   Phone No./Fax No. .........................

4. Particulars of bank account

5. (a) date of representation by the complainant to

   the bank

   (b) Whether any reminder was sent by the complainant? Yes /No

6. Subject matter of the complaint

7. Details of the complaint

     (a) Whether any reply (Within a period of one month after the bank

        concerned received the representation) has been received? Yes / No

     (b) Whether the representation has been rejected? Yes/ No

     (c) Whether the complainant has received any other final decision of the

        bank? Yes / No

9. Nature of relief sought from the banking ombudsman

10. Nature and extent of monetary loss, if any, claimed by

    the complainant by way of compensation-Rs............
11. List of documents enclosed
12. Declaration

1. I / We, the complainant/s herein declare that:
   (a) The information furnished herein above is true and correct; and
   (b) I / We have not concealed or misrepresented any fact stated in aforesaid columns and the documents submitted herewith.

2. The complaint is filed before expiry of period of one year reckoned in accordance with the provisions of Clause 9(3) (a) and (b) of the Scheme.

3. (a) The subject matter of the present complaint has never been brought before the Office of the Banking Ombudsman.
   (b) The subject matter of the present complaint has not been decided by any forum/court/arbitrator.

4. I / We authorize the bank to disclose any such information / documents furnished by us to the Banking Ombudsman and disclosure whereof in the opinion of the Banking Ombudsman is necessary and is required for redressal of any other complaint or our complaint.

5. I / We have noted the contents of the Banking Ombudsman Scheme, 2006.
   Yours faithfully,
   (Signature of Complainant)

------------------

4.3 STATE BANK OF INDIA'S E-POLL

E-POLL is a consumer grievance redressal mechanism of the State Bank of India through internet. A consumer who has to say anything with regards to deficiency of services in any branch of SBI can fill up his complaints in prescribed questionnaire format and send it to the given address. In the beginning it has been addressed as follows: “Your valuable feedback is being sought through this questionnaire with a view to improving the extent and quality of overall services offered at this branch. We give below some statements. Please show the extent to which you believe this branch has the features described by the statement. You may circle the number that shows how strong your feelings are. There is no right or wrong answers. All we are interested in is what best shows your perceptions about the branch”. In order to understand properly the intention of such effort it is better to give some of the questions as asked by the system.
Q1. Name (Optional) :- (In this question the customer may or may not give his name, it depends upon him.)

Q2. Occupation: Service  
               Retired  
               Household  
               Student  
               Business

Q3. Enter the branch you belong to ---

Q4. Kindly choose your Circle ---

Q5. Type(s) of Account maintained:-

   Savings  
   Pension  
   Current  
   Fixed Deposit  
   Recurring Deposit  
   Loan

From this point onwards there are 15 questions on a five degree scale as follows:

   Strongly Disagree  Disagree  Can't Decide  Agree  Strongly Agree

Q6. When you visit the branch, you feel that you are being welcomed at the branch

Q7. The staff is always available at the counter

Q8. The staff is well dressed and appears neat

Q9. The timings of the branch are convenient to you

Q10. The products and services offered are adequate

Q11. When you have a problem the branch shows a sincere interest in solving it.

Q12. The branch performs the service right the first time

Q13. When the branch promises to do something by a certain time, it does so

Q14. The branch staff is always willing to help you

Q15. The behaviour of the staff instills confidence in you

Q16. Staff at this branch has the requisite knowledge/ information to answer your questions

Q17. The staff in the branch gives you prompt service

Q18. The layout of the branch is good and convenient to the customer

Q19. In this branch, the customer is not required to move from pillar to post
Q20 you feel motivated to do further business with SBI

Apart from the above there are three more questions as follows:

Q21 How do you rate the overall service of this branch?
   Excellent  Good  Above average  Unsatisfactory

Q22 what more services you would like to have at this branch?

Q23 what more products you would like this branch to introduce?

---------00---------

4.4 INTERNATIONAL CONSUMER RIGHTS PROTECTION COUNCIL (ICRPC)

About the Organization:- It is a registered, non-profit, non-political, Non Government Organization (NGO) working for the benefit and welfare of consumers in distress. Aims of International Consumer Rights Protection Council:

* To evolve a corruption free society.
* To educate the public on consumer issues and bring consumer awareness among masses.
* To help consumers fight against the powerful and corrupt organizations / officials.
* To guide and counsel consumers for filing their consumer complaints with the consumer court.
* To provide with the latest information on consumer laws through the website.
* To take action against corrupt government officers and report their activities to the concerned authorities.
* To enlighten and encourage the citizens of India to become aware of their rights as a consumer.
* To unite the public and offer them a platform to voice their grievances against defaulting companies and corrupt officials.
* To redress the consumer grievance by out of court settlement and reduce load on the consumer courts.

It deals with the following types of complaints

- Complaint against misleading advertisement
- Complaint against internet service provider
- Complaint against mobile phone service provider
- Complaint against banking institution
- Complaint against non-banking financial company
- Complaint against recovery agents/telesales
- Complaint against builder
- Complaint against adulterated food
- Complaint against adulterated medicine
- Complaint against railways
- Complaint against postal services
- Complaint against co-operative housing society
- Complaint against selling at price higher than MRP
- Complaint against selling lesser weight than actual
- Complaint against media/newspaper/publication
- Complaint against school/college/institute
- Complaint against harassment by corrupt public servant

Where to Approach: - Channels for action (addresses provided)

† State Consumer courts in India
† District Consumer courts in India
† District Consumer court in Mumbai, Thane, Pune, N. Delhi
† District Consumer court in Kerala
† Lok Adalats & Lok Ayukta
† Human Rights Commission
† Controller of Legal Metrology
† Banking Ombudsman
† Insurance Ombudsman
† Insurance Regulatory and Development Authority
† Central Pollution Control Board
† Company Law Board
† Bureau of Indian Standard
4.5 CONSUMER PROTECTION REGULATIONS ACT-2005

Introduction: - A customer of a bank is normally a consumer of banking products and services. Thus he / she can avail the benefit of approaching a consumer court at the hour of need. Therefore, some of the important sections of the said act have been discussed in this chapter. The Consumer Protection Act-2005 came into force on 31st May, 2005. It replaced all other consumer acts in force till that date.

Hearing hours.-Subject to the provisions of the rules, the normal working hours of the Consumer Forum for hearing matters shall be from 10.30 am to 1.00 p.m and 2.00 p.m to 4.00 p.m on all working days of the Central Government in the case of the National Commission and on all working days of the State Government in the case of the State Commission and the District Forum.

Cause List.-
Cause list of the Consumer forum for the following entire week shall be made ready before the close of the working hours of the preceding week and displayed on the notice board. The cause list in respect of a Consumer Forum having a website shall also be hosted on the website. Cause list shall be split into three different parts, namely:-

(i) Admission and after notice matters;
(ii) Matters where evidence is to be recorded;
(iii) Final disposal matters.

If a date of hearing is given in the presence of parties or their agents, it shall not be a ground for non-appearance for the reason that the cause list for the concerned date does not show the matter or contains incorrect entry or there is omission of the particulars of the matter.

Institution of complaints, appeals and revision petitions.-
Where a complaint is filed in District Forum or State Commission it shall be filed in three sets and where it is filed in the National Commission it shall be filed in four sets.
with additional sets equal to the number of opposite party(ies)/respondent(s). Every complaint shall clearly contain particulars of dispute and the relief claimed and shall also be accompanied by copies of such documents as are necessary to prove the claim made in the complaint.

**Scrutiny of complaint, appeal, petition and revision petition.**—Every complaint, appeal, or revision petition shall after it is filed be numbered by the Registrar. If there is any defect in the filing of the complaint, appeal or revision petition, the particulars of such defects shall be recorded and the party or his agents shall be informed of the defects asking them for removing the defects within 15 days.

**Issue of notice.**—Whenever the Consumer Forum directs the issuance of a notice in respect of a complaint, appeal or revision petition, as the case may be, to the opposite party(ies)/respondent(s), ordinarily such notice shall be issued for a period of 30 days and depending upon the circumstances of each case even for less than 30 days. Whenever notices are sought to be effected by a courier service, it shall be ascertained that the courier is of repute. While appointing the courier for the purpose of effecting service, security deposit may also be taken.

**Adjournment.**—Every proceeding before a Consumer Forum shall be conducted as expeditiously as possible and as per the requirements of the Act. The cost of adjournment, if asked by the opposite party or parties, shall not be less than five hundred rupees per adjournment and could be more depending upon the value and nature of the complaint as may be decided by the Consumer Forum. If any adjournment is granted without awarding cost, the order sheet shall mention the reasons thereof.

**Ex-parte interim order.**—Any *ex-parte* interim order issued by the Consumer Forum shall stand vacated after 45 days if in the meanwhile the objections to the interim order are not heard and disposed of.

**Final order.**—The order of a Consumer Forum disposing of a matter shall be as short and precise as practicable and unnecessary long quotations from the judgments of the higher courts or otherwise shall be avoided. When a copy of the order is sent to a party, the mode by which it is sent and the date on which it is sent shall be stamped on the last page of the order. The Consumer Forum shall pass final order invariably within fifteen days of the conclusion of the arguments.
Certified copy.
A copy of the order is to be given to the parties free of cost as required under the Act and the rules made there under. In case a party requires an extra copy, it shall be issued to him duly certified by the Registry on a payment of Rs.20/- irrespective of number of pages.

Miscellaneous.
The Consumer Forum shall give proper respect and courtesy to the parties who appear in person and shall provide separate accommodation in the Hall for the convenience of the parties. The Forum shall not insist upon the parties to engage advocates. The cases filed by or against the senior citizens, physically challenged, widows and persons suffering from serious ailments shall be listed and disposed of on a priority basis.

4.6 RIGHT TO INFORMATION ACT-2005

Introduction: - The Right to Information Act of Parliament received the assent of the President on the 15th June, 2005, and become the most important act of the current times for citizens to secure access to information under the control of public authorities, in order to promote transparency and accountability in the working of every public authority. A customer of a bank can also ask for information regarding nonperformance of any of his jobs at any part of the bank. This act can mainly be applied to public sector banks.

Some important sections of the Act

In this Act, unless the context otherwise requires,—

- “Central Information Commission” means the Central Information Commission constituted under sub-section (1) of section 12;
- “Central Public Information Officer” means the Central Public Information Officer designated under sub-section (1) and includes a Central Assistant Public Information Officer designated as such under sub-section (2) of section 5;
- “Chief Information Commissioner” and “Information Commissioner” mean the Chief Information Commissioner and Information Commissioner appointed under sub-section (3) of section 12;
- “competent authority” means—
  - the Speaker in the case of the House of the People or the Legislative Assembly of a State or a Union territory having such Assembly and the
Chairman in the case of the Council of States or Legislative Council of a State;  
- the Chief Justice of India in the case of the Supreme Court; 
- the Chief Justice of the High Court in the case of a High Court; 
- the President or the Governor, as the case may be, in the case of other authorities established or constituted by or under the Constitution; 
- the administrator appointed under article 239 of the Constitution; 
- “information” means any material in any form, including records, documents, memos, e-mails, opinions, advices, press releases, circulars, orders, logbooks, contracts, reports, papers, samples, models, data material held in any electronic form and information relating to any private body which can be accessed by a public authority under any other law for the time being in force; 
- “prescribed” means prescribed by rules made under this Act by the appropriate Government or the competent authority, as the case may be; 
- “public authority” means any authority or body or institution of self-government established or constituted—  
  - by or under the Constitution; 
  - by any other law made by Parliament; 
  - by any other law made by State Legislature; 
  - by notification issued or order made by the appropriate Government, and includes any—  
    - body owned, controlled or substantially financed; 
    - non-Government organization substantially financed, 
    - directly or indirectly by funds provided by the appropriate Government; 
- “record” includes—  
  - any document, manuscript and file; 
  - any microfilm, microfiche and facsimile copy of a document; 
  - any reproduction of image or images embodied in such microfilm (whether enlarged or not); and 
  - any other material produced by a computer or any other device; 
- “right to information” means the right to information accessible under this Act which is held by or under the control of any public authority and includes the right to—  
  - inspection of work, documents, records; 
  - taking notes, extracts or certified copies of documents or records; 
  - taking certified samples of material;
obtaining information in the form of diskettes, floppies, tapes, video cassettes or in any other electronic mode or through printouts where such information is stored in a computer or in any other device;

- "State Information Commission" means the State Information Commission constituted under sub-section (1) of section 15;

- "State Chief Information Commissioner" and "State Information Commissioner" mean the State Chief Information Commissioner and the State Information Commissioner appointed under sub-section (3) of section 15;

- "State Public Information Officer" means the State Public Information Officer designated under sub-section (1) and includes a State Assistant Public Information Officer designated as such under sub-section (2) of section 5;

"Third party" means a person other than the citizen making a request for information and includes a public authority.

4.7 RESERVE BANK OF INDIA'S GUIDELINES ON CUSTOMER SERVICE

4.7.1 Introduction

Ensuring improvement in the customer service rendered by the banks has been the constant endeavour of RBI. RBI had set up in 1990 a Committee headed by Shri M.N.Goiporia, the then Chairman of SBI. The Committee had made various recommendations to ensure improvement in the customer service in the banks. Various instructions issued in this regard may be summed up as under:

(i) Instructions issued on the basis of the Goiporia Committee
(ii) Instructions relating to collection of local / outstation instruments
(iii) Other instructions

4.7.2 Recommendations of the Goiporia Committee

Guidance to Customers:- All branches, except very small ones, should have "Enquiry" or "May I help you" counters. Such counters may exclusively attend to enquiries or may be combined with other functions depending upon the requirement. As far as possible, such counters should be near the entry point to the banking hall.
Deposit and other Accounts

(i) Nomination facilities

Banks may get the account opening forms amended to incorporate a space to mention the name and address of the nominee and statutorily prescribed nomination forms may be obtained and preserved with the account opening forms. Availability of nomination facility needs to be widely publicised by printing compatible messages on cheque books/pass books and any other literature reaching the customers.

(ii) Savings bank passbooks/statement of accounts

- Banks may devise controls to ensure that the passbooks are updated on an ongoing basis, and complete and correct particulars are written in a legible hand.
- Customers also need to be educated to submit the passbooks regularly for updating.
- Banks may take the following steps to provide customer satisfaction in these areas.
- Customer education drives may be launched to bring home the advantages of getting the passbooks updated regularly / periodically.
- Employees may be exhorted to attach importance to this area to provide customer satisfaction.
- As a rule, passbooks may be updated immediately on submission. If updating is not possible immediately due to a large number of entries, then paper tokens be issued for collection of passbooks on the next day.

Term deposits

Banks have made considerable innovations in the area of term deposits. Various innovative schemes have been introduced to suit customer requirements. However, customer awareness of the different schemes and facilities there under is actually lacking. Banks should therefore ensure that various term deposit schemes are made known to the customers through proper publicity and advice.

Customer service audit

Various facets of service to the customers need review and introduction of more avenues has to be identified. Banks may subject themselves to an audit approach.
towards their customer service points at grass root levels and also at policy
prescription and macro levels in the matter of extension of customer service.

**Complaint book**

A Complaint cum Suggestion Box may be kept in the bank premises at a prominent
place. Every bank branch may also maintain a Complaint Book with adequate
number of perforated copies in each set, so designed as to instantly provide the
complainant with an acknowledged copy of the complaint.

**Customer education**

Customer education both in regard to rights and responsibilities in dealing with banks
should be viewed as a fundamental issue in any attempt to improve customer
service. Customer should be made aware not only of the various schemes and
services offered by banks, but also about the formalities, procedures, legal
requirements and limitations in the matter of providing services by the banks, through
a proper mix of advertisements, literature, interface, seminars, etc. Banks should
involve their employees in all customer education programmes.

**Security arrangements**

In view of the incidents involving terrorists/dacoits, banks should review and improve
upon the existing security system in branches so as to instill confidence amongst the
employees and the public. Regular drill/ training to the security staff should be
ensured.

**Display of time norms**

Time norms for specified business transactions should be displayed prominently in
the banking hall so that it attracts the customers' attention as well as that of the
employees for adherence.

**Maintenance of Complaint Book**

In terms of recommendation of the Goiporia Committee, banks are required to
maintain a Complaint Book with adequate number of perforated copies so as to
instantly provide the complainant with an acknowledgement copy. Banks should take
appropriate steps to introduce the same for ensuring uniformity at all offices of the
banks.

**Periodical Review and Monitoring of customer satisfaction**

(i) With a view to constantly upgrading the quality of customer satisfaction and
also identifying more avenues for customer service, banks need to undertake
periodical evaluation of the position in regard to the extent of actual
implementation at the grass root level of the various recommendations of the
Committee.
(ii) Banks also need to evolve an appropriate monitoring system in respect of 15 core recommendations. The banks are free to include more items for such monitoring and evaluation by their Board of Directors.

(iii) Banks should introduce a system of periodical evaluation on customer service on half yearly basis, as at the end of June and December, with a view to ensuring their implementation at all offices of the bank as also upgrading the quality of services to achieve higher satisfaction among the bank's customers.

4.7.3 Customer Service – Redressal of Grievances

In the case of fraudulent encashment of third party instruments by unscrupulous persons, by opening deposit accounts in the name/s similar to already established concern/s resulting in erroneous and unwanted debit of drawers' accounts, it is advised that in cases where banks are at fault, the banks should compensate the customers without demur; and (ii) in cases where neither the bank is at fault nor the customer is at fault but the fault lies elsewhere in the system, then also the banks should compensate the customer (upto a limit) as part of a Board approved customer relations policy.

4.8 FAIR PRACTICES CODE OF INDIAN BANKS' ASSOCIATION

This is a voluntary Code, which sets standards of fair banking practices for member banks of Indian Banks' Association to follow when they are dealing with individual customers. It provides valuable guidance to customers for their day-to-day operations. The Code applies to:

- current, savings and all other deposit accounts
- pension, PPF accounts etc. operated as agents of RBI/Government
- collection and remittance services offered by the banks
- loans and overdrafts
- foreign-exchange services
- card products
- third party products offered through our network.

This Code came into effect from 1st June 2004 unless otherwise indicated. As a voluntary Code, it promotes competition and encourages market forces to achieve higher operating standards for the benefit of customers.
4.9 CONCLUSION

A customer should know the different remedies available to him against the unfair practices of the banks. In this chapter mainly the different acts and guidelines are given which will be helpful to a customer who has been harassed by any negligence, omission & error committed by the bank. The Banking Ombudsman Scheme, the consumer protection act, the right to information act, the guide lines of RBI, the Fair Practices Code of IBA etc. are the different acts & guidelines which can enforce the rights of a customer. Apart from that the most important thing is that the customer should be aware of these acts and guide lines otherwise the existence of such, will lose importance.

---------------------- XXXX ----------------------

REFERENCES

Banking ombudsman Scheme-1995 - RBI web site

Banking Ombudsman Scheme-2002 - RBI web site

Banking Ombudsman Scheme-2006 - RBI web site


E-poll - State Bank of India website

Gavaghan, Kevin, (1990), "To Market to Market . . . .", Banking World, March.


Govt of India Notification dated 31st May, 2005.

Kapoor, N.D-Elements of Mercantile law


Website of ICRPC (International Consumer Rights Protection Council).