CHAPTER III

CASE STUDIES

In Chapter II, it was observed that the literature on CS/D and CB is based on the research conducted abroad, especially in US and Europe. Cultural differences between India and the west may lead to non-applicability of the research findings to Indian situations.

Research on CS/D and CB in India is limited. In the absence of studies in India, to have an understanding into the phenomenon of complaints and complaining behaviour, ten case studies on customer complaints of public sector commercial banks of Goa were prepared.

The chapter contains ten case studies, their analysis and tentative propositions. The ten case studies are: (1) Dishonour of Cheque (2) Rental Charges (3) Transfer of Recurring Deposit Account (4) Issue of Demand Draft (5) Dishonour of Cheque Drawn on Self (6) Realisation of Cheque Amount (7) Replacement of Soiled
Notes (8) Interest on Loan against National Savings Certificate (9) Deposit to the Public Provident Fund Account by Cheque and (10) Premature Withdrawal of Time Deposit. Since ten case studies would be inadequate for generalisation, the findings from the case studies are presented as tentative propositions. The tentative propositions formed a basis for choosing the variables for survey research.

Research Method

Case leads were obtained from the Customer Service Centre and the bank branches. Both the customer's and the banker's versions on each of the ten complaints were obtained through interview. While obtaining the opinions of the bankers and the customers, care was taken as far as possible to avoid bias, fear or favour. The respondents were initially asked about the services and complaints in banks and then about the specific complaint. Cause of complaint, process of complaining and redressal, content and process of interaction between the banker and the customer in connection with the complaints and the banker-customer relationship
subsequent to redressal/non-redressal were the main issues of investigation.

No audio-visual equipment could be used as respondents did not want to disclose their identity. However, notes were made while interviewing and detailed case studies were written immediately thereafter so that loss of information would not occur in case writing. As far as possible data were collected from customers as well as the bankers when they were free, at home or work place. Case studies were prepared from recent case leads and they belong to different banks and are on different types of complaints. The objective of case research was to understand in toto the qualitative aspects of complaints and complaining behaviour of customers of banks. As promised to respondents, their names as well as the banks' names were camouflaged in the case studies.

While collecting data for seven cases as initially planned, it was observed that a few customers had made other complaints with the public sector commercial banks. The details about the additional complaints were also collected.
Dishonour of Cheque

Customer's Version

On 2.6.1989, Suresh Bhende opened an account in Western Bank in Panaji in the name of "Sheetal Metal Industries" [SMI] of which he was one of the partners. As the Managing Director of the firm, Bhende used to take all decisions pertaining to its operation. The firm was set up with the assistance of loans from a finance corporation in Panaji. Bhende opened the account in the bank, though it was 10 kms. away from his residence, because he thought it would reduce the delay in repayment of loan as the finance corporation also had an account in the same branch.

Once Bhende deposited a cheque for Rs. 50,000/- to be credited to SMI's account. The clerk, who made the entry, wrongly credited it to some other account. Bhende had left his pass book in the bank itself. Hence, he could not verify the entry in the pass book. A second cheque deposited in favour of SMI's Account was also credited wrongly to some other account. Bhende did not check the balance in his account.
Some days later, Bhende issued a cheque in favour of the finance corporation towards repayment of the loan taken by SMI. When the finance corporation presented the cheque for payment, the bank returned the cheque without honouring it on the ground that SMI's account did not have sufficient balance. The bank neither referred to Bhende about inadequate balance nor verified the entries in the account to know the correct balance.

When Bhende visited the finance corporation, the officer told Bhende that the cheque issued by him towards repayment of loan was dishonoured. Shocked by hearing such a thing, Bhende replied, "Impossible". For Bhende, dishonour of cheque not only meant monetary loss due to normal and penal interests charged by the finance corporation, but also loss of credibility which, he said, he never allowed to occur.

Bhende enquired about the balance with the clerk who made entries in the account. The clerk maintained that the balance in his account was insufficient to honour the cheque. Bhende being quite sure, told the clerk, "Look, I had deposited two cheques much before I
issued the cheque to the finance corporation. Hence, the balance in my account has to be sufficient to honour the cheque. The finance corporation charged me penal interest from the date the installment was due for payment. This has to be reimbursed to me by the bank because it was due to the negligence of the bank that the cheque was dishonoured.

The clerk reported the matter to the branch manager. The branch manager, in turn, called Bhende for discussion. Bhende reiterated his claim for compensation of loss by the bank. The branch manager advised Bhende not to pursue for compensation. Bhende further explained to the manager that the installment of loan due for payment in July, 1989 was outstanding till September, 1989. He had suffered monetary loss as well as loss of credibility. Hence, he said he was justified in claiming the monetary loss from the bank. He told the manager, "I will write to higher authorities of your bank and also to the Customer Service Centre, if you do not redress my grievance". The branch manager further advised Bhende not to do so. Bhende shouted at the manager, "Who are you to tell me as to what I should do? If that is the case, you compensate the loss."
Then, I will not write. Bhende felt that the manager was adamant and insensitive to his problems. Finally, Bhende told the manager, "I will show you what I can do". and he came out.

Next day, Bhende asked his clerk to make a letter to the customer Service Centre. The contents of the letter were as follows:

1. The dishonour of cheque was a clear case of negligence of duty by the branch. It was not understandable as to how the branch can dishonour the cheque on the grounds of insufficient balance, when the balance was more than the value of the cheque.

2. The finance corporation charged normal interest as well as penal interest for delay in payment of installment which, needless to say, was due to dishonour of the cheque.

3. The dishonour of the cheque also caused loss of reputation.

4. Under the circumstances, the bank should pay compensation towards;
   a. the normal interest plus penal interest
charged by the finance corporation.

b. damages of Rs 50,000/- for the loss of credibility

Meanwhile, the then Regional Manager of Western Bank happened to visit Mapusa for mobilising deposits. When the Regional Manager requested one of Bhende's friends (and partner of SMI) for deposits and to patronise the bank, Bhende's friend explained to him about the loss suffered by Bhende. The Regional manager advised him to suggest Bhende to complain to the Customer Service Centre. Bhende's friend suggested Bhende to complain and offered his support in getting the redressal.

The Customer Service Centre had forwarded Bhende's letter to the Regional Office of the bank. The Regional Office had in turn asked for clarification from the branch manager. The branch manager, before replying, wrote to Bhende to meet him for a discussion to sort out the problem. Neither did Bhende reply, nor did he go for discussion. He said, "It is the branch manager's problem as well, let him come. If he thinks he is a manager, I am a business man. I have my sta-
tus. When I met him, his response was not good. I didn't like it. So neither did I go nor did I write."

After some days, the clerk who made entries in the account came to Bhende's residence. Bhende found him very apologetic. The clerk said he was prepared to compensate the monetary loss. Further, he said it is going to be recorded in his confidential report and hence his career will be spoiled. He had come two or three times to Bhende's residence, but Bhende was not available. The clerk told Bhende, "I am sorry for what has happened. I have decided to sort out this problems. I have taken leave exclusively to settle this matter. Kindly withdraw your complaint without insisting for compensation towards defamation and give a letter saying that the matter has been mutually settled".

Bhende told the clerk, "You should have done this earlier. Why did you take the problem to your manager?. He has worsened the situation. You pay the interest and penal interest, I will give a letter".

The loss was compensated. Bhende felt that this was probably paid by the clerk and the officer
together. A letter was given by Bhende as desired by the clerk. Bhende said he did not want to spoil the career of an individual and hence he withdrew his complaint. After the settlement, whenever Bhende deposited any money, he used to humorously tell the clerk, "Please credit it to my account only".

Profile of the Complainant

Bhende, aged around 31 years, was from a family engaged in business. Bhende did B.Com. and joined the family business. His father and all five brothers were looking after one or the other business such as dealership, metal works, etc. His only sister was working as an officer and was married to a government officer in Goa.

Banker's Version (Vinayak's Version)*

Vinayak, the clerk who made entries in the SMI's account admitted his mistake. The entry into the

* The Branch Manager refused to comment on the issue and the officer had already got transferred to Maharashtra. Hence, only the clerk's versions could be obtained.
wrong account took place because of similarity in the names of two accounts. Sheetal Metal Industries' account was opened on a day when Vinayak was on leave. Another account under the name Shitil Metal Industries was in operation for a long time. Since the number of accounts in the branch was limited, all the staff members used to deal with the accounts by name rather than by account number. Unaware of Sheetal Metal Industries' account being opened, Vinayak credited the amount to the account of Shitil Metal Industries. The officer who checked the entries also did not notice the mistake. The mistake came to light only when Bhende complained about the dishonour of cheque.

Vinayak took the customer to the branch manager with the hope that the branch manager would come out with some practicable and mutually acceptable solution. Instead, the branch manager started advising the customer not to complain or insist for compensation for the loss. According to Vinayak, the manager must have felt it was below his dignity to apologize to a customer. Vinayak requested the manager to find out from the Regional Office whether they would permit the branch to compensate the loss to the customer. The Regional
Office replied that it was due to the negligence of the concerned clerk and the officer and, hence, the Regional Office cannot permit the branch to bear the loss. Finally, to settle the matter amicably, Vinayak decided to go to the residence of Bhende. The loss was equally shared by the clerk (Vinayak) and the officer. Subsequently, Bhende gave a letter withdrawing the complaint.

Vinayak suspected that one of Bhende's friends, who was also a friend of the Regional Manager, supported Bhende to complain and pursue it. Vinayak said that after the complaint was redressed, the relationship between Bhende and Vinayak had been quite good.

**Analysis of Customer's Version**

Bhende suffered monetary loss as well as loss of reputation due to dishonour of cheque. Since Bhende knew that the branch was at fault, he made and pursued his complaint strongly. Further, since the attribution of blame was to the branch/branch staff, the customer was feeling humiliated for no fault of his.
Bhende was feeling humiliated as the finance corporation thought that he had issued the cheque without balance in the account.

Therefore, the customer was trying hard to be financially and psychologically relieved by transferring the financial loss and the humiliation to the branch / branch staff. This is clear from the fact that Bhende asked for damages amounting to Rs. 50,000/- against loss of credibility.

Else, Bhende might have asked for damages of Rs. 50,000/- to augment the intensity of complaint by claiming more redress than what he wanted. It could be a strategy of magnification of claim in order to finally recover from the bank at least the monetary loss. Evidence to this can be found in the fact that the settlement was made without insisting for compensation for loss of credibility.

Alternatively, when the attribution of blame for dishonour of cheque was completely accepted by the bank and the finance corporation had the understanding of the situation, Bhende's humiliation was transferred
to the branch/branch staff. Hence, there was no psychological need for compensation of defamation. In addition, the difficulty and uncertainty (such as proving in a court of law) involved in obtaining the compensation for defamation from the bank might have influenced Bhende to be realistic in claiming only monetary loss from the bank.

Bhende reported his grievance first to the branch staff/manager and then to higher level (the Customer Service Centre) and to his friend (the Chartered Account). It could be for the following reasons.

1. He did not like to complain to distant persons or entities as it would spoil his relation with the branch. He was interested in achieving redressal rather than in the act of complaining to higher levels.

2. It was easier to complain to the contact persons (branch level staff) due to accessibility and familiarity.

Bhende said he did not want to spoil the career of the employee. Bhende had expected the manager
to redress the complaint and also please his ego. When the manager started advising, Bhende's ego was hurt. This is clear from the fact that Bhende did not respond to the manager's letter nor did he meet him, when the manager told him to do so. Instead, he expected the manager to meet him.

When Vinayak, the bank clerk requested Bhende to withdraw his complaint and save his (Vinayak's) career, Bhende agreed to do so without insisting upon compensation for defamation. Possibly, when the clerk came to Bhende's residence to request for withdrawal of complaint, Bhende's ego was also satisfied. Moreover, the clerk compensated the monetary losses. Bhende might have even projected that he was strong enough to pursue the case to the extent it would harm the individual employee. Again, Bhende was driven by his ego. Else, the clerk might have brought in the issue of his career to create sympathy in Bhende's mind.

The cause of Bhende's complaint was monetary loss. It was intensified by the manager's reaction. Bhende was provoked to complain to higher levels, also because of the manager's behaviour which
Bhende considered as rude. Again, it was the clerk's behaviour which influenced Bhende to withdraw the complaint.

A satisfactory redressal seems to have influenced Bhende to improve his relations with the branch staff than earlier or to project it as better. May be to overcome traces of feelings of guilt associated with complaining. After redressal of complaint, Bhende used to humourously tell the branch staff, "Please credit into my account only". Humour seems to be used as an instrument for mitigating the ill feelings of the unpleasant past encounter.

To sum up, Bhende wanted to recover only the monetary loss and did not want to profit from complaining. When he did not get the reimbursement and moreover found the behaviour of the manager as rude, he complained to higher levels. Similarly, when the loss was compensated and the behaviour of the clerk became polite, he withdrew his complaint. Though monetary loss was the main cause, behaviour of the staff was instrumental in aggravating and subsequently in resolving the complaint. Bhende was firm about obtaining monetary loss
because he knew that his attribution of blame on the branch/branch staff was right. Still, Bhende ultimately restricted his claim to the nominal loss i.e. the monetary loss.

Analysis of Banker's Version

The branch manager's reaction to Bhende's complaint enhanced the urge to complain. Bhende obtained the support of his business partner whom he considered as strong in achieving the redressal due to his acquaintance with the Regional Manager. The need for complaining to higher levels was created by the branch. It was made stronger by the rude reaction of the manager as well as the support of the partner.

The clerk's act of explaining the difficulties personally seems to have elicited favourable response from Bhende. Probably the clerk approaching Bhende at his residence, requesting to save his career by withdrawing the complaint and explaining that he had taken leave exclusively to resolve the matter have influenced Bhende to reframe the problem as a personal
problem of the clerk. Possibly, this influenced Bhende to become considerate.

It could be even interpreted that Bhende wanted to give a hint to the branch manager that he had more respect for the clerk's words. We could also observe that Bhende did not reply to the manager's letter nor did he meet him. Further, when the clerk visited Bhende's residence to request him to accept compensation for the monetary loss and withdraw the complaint, Bhende told the clerk, "You could have done this before, why did you take the matter to the branch manager?"

Rental Charges

Customer's Version

In 1977, Raghunath Desai, hired safe deposit lockers in Dhanya Bank, in Panaji in the names of two of his daughters, Kalpa and Neetal. He hired the lockers in their names because he was to visit USA and UK, and no other male member was at home to operate the lock-
ers. While entering into agreement, the rental charges quoted by the branch were as follows:

1. Rs. 93/- for three years
2. Rs. 66/- for two years
3. Rs. 35/- for one year.

Raghunath had accepted those rental charges. However, according to Raghunath, it was mentioned in the agreement that the rental charges would not be revised during the currency of the agreement. It could be revised, if the bank so desired, only while renewing the agreement.

For safety of the jewelry as well as to have the facility of operating the locker whenever his daughters desired, Raghunath hired the locker facility in the names of his daughters. Raghunath returned from abroad after two years. But the lockers continued to be operated by his daughters.

On 9.8.90, the bank asked the customers (Kalpa and Neetal) to pay the rental charges at the revised rates as follows.
1. Rs. 200 for two years
2. Rs. 100 for one year.

Raghunath was not told the reason for revising the rates. However, he paid the revised rental charges under protest and complained in writing to the manager of the bank on exhorbitant rental charges. Raghunath's letter contained the following points:

1. Why should the rental charges be revised upwards by almost three fold at a time?
2. Shouldn't the bank inform customers before increasing the rental charges? The bank did not even write a letter about the proposed revision in rental charges.
3. On what basis the rental charges were fixed and revised? Was it based on 'cost plus profit'? If so, how could cost go up suddenly once in thirteen years, from 1977 to 1990. Or else, was the bank planning to make unduly high profit on its locker services? The bank did not explain to the customers the reason for the revision in rental charges.
The bank did not reply to the letter. After a month, Raghunath wrote another letter in his letterhead, the letterhead of an advocate, to the manager with a copy to the Customer Service Centre. Raghunath said that his intention was not to write to the manager as his daughters' lawyer.

On receipt of the complaint (in Raghunath's letterhead) the bank replied through their lawyer. It was stated in the letter that the relationship between a bank and a locker-hirer was not like that between a bank and a customer. The bank revised the charges in accordance with its policies. Under the circumstances, the bank demanded the complaint to be withdrawn immediately on receipt of their letter, failing which they would take appropriate action.

The Bank's letter, specially the language, irritated Raghunath. At one point of time, he also thought of filing a complaint with Consumers' Disputes and Redressal Forum. But he was not sure of winning his case. Moreover, he felt that it might take a long time to get his complaint redressed. He enquired with another bank, a co-operative bank, about the availability of
safe deposit locker. But they were all hired cut and hence were not available. Hence, Raghunath had no other alternative but to continue with the bank.

Further, Raghunath did not follow up with the Customer Service Centre as he thought it would require a lot of time and effort and that too without any foreseeable benefit. At the same time, Raghunath did not withdraw the complaint, but neither the bank nor Raghunath pursued it further.

Profile of the Complainant

Raghunath Desai did his graduation in science and arts under the Portuguese system of education. Further, he did graduation in law. After his education, he served for six years, in a high school as a teacher. Raghunath belonged to a middle class family. His father was a landlord. He served government of Goa as an officer for 28 years till 1979. He had the opportunity

Even though, Kalpa and Neetal, Raghunath's daughters, were the customers, the decision to complain and pursue it was taken by Raghunath. Hence, only the profile of Raghunath Desai is given here. Kalpa and Neetal also said they would not have complained, but for the support of their father.
to work in various posts from the level of an officer to that of a Deputy Secretary. In 1979, he retired from service. At the time of retirement, his monthly pension was around Rs.2,000/-. Since retirement, he had been practicing as lawyer in District Court, Panaji.

Banker's Version (Suman's Version)

Suman was the manager of Bhunya Bank, Panaji during the time Raghunath made his complaint. Before commenting specifically on Raghunath's complaint, he gave his views on increased rental charges.

Previously, the bank had a policy of providing locker services at nominal rental charges, because it was considered as an additional service to attract rich customers who gave bulk of the business to the banks. Later on, when there was a shift in policy from 'Class Banking' to 'Mass Banking', the pricing policy of locker service also changed. In 1989-90, the bank started following discriminatory pricing policy - the policy of charging relatively higher price for locker service as it was availed generally by rich people.
Moreover, the cost of locker service had gone up tremendously. Therefore, the bank revised rental charges substantially. Of course, it could have revised gradually in which case the customers probably would not have felt the impact.

"When Raghunath sent his complaint to me on plain paper", the manager said, "I explained to him the reasons for the increase in rental charges. Even then, Raghunath kept questioning the rationale. What can I say?"

The manager said, "The only argument of Raghunath was the sudden increase in price threefold. My explanation was not acceptable to him."

Raghunath wrote a letter, in his letterhead, to the Customer Service Centre. The Customer Service Centre forwarded the letter to the Regional Office. The Regional Office sent it to the branch with an instruction to process the complaint. Raghunath might have written the letter in his capacity as the father of those who hired the locker service, but the bank interpreted it as a threatening letter from a lawyer. Hence
the bank replied through its lawyer. The language of a letter, through a lawyer, had to be formal and legall-
tic.

Besides, the rental charges were not fixed for the rental period. The charges were subject to revision from time to time. Raghunath probably had the incorrect notion that the locker charges were unchange-
able during the rental period. All those who hired the lockers, without any exception, were charged the same rentals.

For some time, Raghunath looked a bit pertu-
turbed and his interaction with the staff was limited. Subsequently his behaviour with the staff became normal. Raghunath continued to be a customer of the bank even after the complaint and exchange of such letters.

**Analysis of Customer’s Version**

The decision to hire locker in the bank was taken by Raghunath on behalf of his daughters. When a dissatisfying situation occurred, Raghunath felt the need to complain as he was the one who decided to hire
the locker.

Involving himself in the act of complaining was considered essential by Raghunath. It was also expected by his daughters. Probably, the role and relationship as father were the reasons for his involvement. Raghunath felt that it would be difficult for women (his daughters) to complain and pursue the complaint. Hence, according to him, his intervention/decision was appropriate.

Raghunath complained on sudden changes, as they were disadvantageous to him. Raghunath also mentioned absence of communication to the customers prior to the revision as a justification to his complaint. Further, to show that the bank's action was unfair and he was right, Raghunath stressed that rental charges were not supposed to be increased during the rental period without the consent of the customers. Raghunath expected (or post facto he behaved as though he expected) certain socially desirable conduct from the bank. The bank's failure to do so was pointed out by Raghunath to give strength to his complaint.
Raghunath failed in achieving the desired result. Consequently, he was looking for locker services in other banks. In other words, he had expected to resolve his grievance through 'voice action'. When failed, he tried to discontinue (exit) the relationship with the bank.

Therefore, it may be said that Raghunath's intention was to achieve redressal for 'self' rather than to improve the system to benefit every customer. Given a choice, he would have withdrawn from the complaint situation to achieve the desired result than facing it. It may be said that Raghunath was reluctantly resorting to complaining.

Raghunath made his complaint first to the contact persons (branch staff/manager) possibly due to: (a) the easy accessibility to contact persons; (b) the perception that the contact persons, the immediate service providers, are responsible for the occurrence of dissatisfaction and hence they should take responsibility to resolve it and/or (c) the desire to begin with the mildest possible voice action. It could also be observed that Raghunath moved from mild voice action to
strong voice action.

Raghunath drew the attention to his personal strength as a lawyer by writing in his letterhead. Thereby he implicitly warned the branch (complainees) about the chances of their losing the game. At the same time, he did not want to give an impression that he wrote it in the capacity as a lawyer. This position was taken probably to blame the branch in replying through a lawyer. Alternatively, he wanted to achieve redressal without any complication of legal actions.

The bank's reply through lawyer might have intensified Raghunath's dissatisfaction as no redressal was likely if a legalistic approach was taken by the branch. Due to this and also due to the distasteful language of the letter, Raghunath wanted to withdraw from the complaint situation by stopping to avail the services of the branch. Raghunath might have evaluated the cost and benefit of lodging the complaint with the Consumer Disputes Redressal Forum or with the court of law and might have found it inattactive.

Raghunath's propensity to complain was
possibly influenced by his knowledge of, and desire in law. His act of writing in his lawyer's letterhead also provides an indication that he wanted to convey this to the branch. Raghunath was a retired person. Availability of time coupled with need for recognition prompted him to complain. His age and experience might also have influenced Raghunath to complain. Proving others wrong would give him an opportunity to project his wisdom attained through age and experience.

Analysis of Banker's Version

The branch manager seemed to have viewed the complaint written in plain paper lightly, and the complaint written in the letterhead more seriously than Raghunath intended. As a result, the former did not elicit a reply, while the latter prompted a very strong reply. Further, since the letter was forwarded by the Regional Office, the branch manager had to take it seriously.

The change in the policy of the bank, from class banking to mass banking, might have given con-
idence to the branch manager to be legitimate in his reply. In addition, generally locker service is scarce in supply and therefore, the branch manager might have felt it would not be difficult to get those who want to hire lockers.

Moreover, Raghunath’s complaint in his letterhead, despite the branch manager’s explaining the rationale could have been considered as an attempt towards legal action. Also, the branch manager might have been using his reply through lawyer as a strategy to silence the customer.

However, sudden and significant revision in rental charges appears to need prior communication to the customers. Though increase in cost of service was the cause of the complaint, the scope for lodging the complaint was created because of absence of communication before such revision.
Transfer of Recurring Deposit Account

Customer's Version

Vasan wanted to transfer his Recurring Deposit (RD) Account from Rajya Bank, Kanpur branch to an Extension Counter of Bambolim (Goa) branch in August 1990. Accordingly, he gave his application to the Officer (In charge) of the Extension Counter. Subsequently, he sent three reminders in October, November and December, 1990 to the In charge. He was not prepared to lose interest due to delay in remittance of monthly installments in his RD Account. Therefore, he wanted to get his account transferred at the earliest. Whenever he enquired, the In charge used to say, "We have forwarded your application to our main branch (Bambolim). Now it is up to them to process. You can follow up with them". Vasan was of the view that since he was a customer of the Extension Counter and not of the main branch, it was the responsibility of the Extension Counter to expedite the matter and get the account transferred. He questioned, "Why should I go to the main branch? It was the duty of the Extension Counter. Hence, though the main branch was only three
kilometres away from the Extension Counter, I did not do for any follow up".

Sometime in December, 1990, Vasen happened to visit the main branch for some other work. During his conversation, Vasen asked the branch manager about transfer of his RD Account. The manager replied that it was yet to be transferred.

Meanwhile, Vasen had also written to his friend in Kanpur to follow up the matter with the Kanpur branch. His friend intimated that the account had already been transferred. Some time later, Vasen again enquired with the branch manager. The manager found that the papers regarding transfer of account were already received by the branch but by mistake they were sent to another Extension Counter attached to the same branch. The branch manager rectified the mistake and apologised to Vasen.

Banker's Version (Vernekar's Version)

Vernekar was the in charge of the Extension Counter of Rajya Bank. He was later transferred to its
Panaji branch. He was the one who forwarded Vasan's application for transfer of RD Account to the main branch.

There were frequent enquiries from Vasan about transfer of RD Account. The application for transfer of RD Account was forwarded to the main branch, what happened thereafter was not known to Vernekar. The extension counter does not do any correspondence. "Under these circumstances", Vernekar justified, "I had to tell Vasan to go to the main branch, because I did not want to mislead him". He further said," Vasan might not have liked it, but I could not help it. He always used to shout. At times, I too must have raised my voice!"

Banker's Version (Hemant's Version)

Hemant was the manager of the main branch to which the Extension Counter was attached. The reminders of Vasan were not sent to Kanpur branch for the reason that the branch was unable to find out whether transfer of the Account was already effected. The branch had
another Extension Counter where another account holder having the same name was operating an account. By oversight, the branch transferred the account to that extension counter. The manager wanted to check this possibility before forwarding the reminders to Kanpur and hence the delay.

The manager, very politely described the problem to Vasan. He apologised for the delay in forwarding the reminders. Hemant did not find Vasan aggressive. Vasan did not make any written complaint. Hemant admitted the fact that there was inordinate delay in the transfer of account. He personally felt that the in charge of the Extension Counter was not right in telling the customer to visit the main branch to follow up the matter. The account was subsequently transferred to the right Extension Counter.

Issue of Demand Drafts

Customer's Version

In January, 1991, Vasan wanted to send Rs.1200/- to his friend through demand draft. Commis-
sion-wise, it was beneficial to send three drafts of Rs.400/- each, than one draft of Rs.1200/-. Vasan requested the in charge of the Extension Counter to issue three drafts in favour of same party. The in charge refused. Vasan questioned the in charge, "How can you refuse? Give it in writing. If you refuse to issue all the three drafts on one day, I will buy one everyday for three days. If you refuse to issue all the three drafts to me, I will buy one and ask two of my friends to buy the remaining. I have my way out, but you cannot refuse". The in charge reluctantly issued all three drafts on the same day to Vasan.

Banker's Version (Vernekar's Version)

Since Vasan deliberately tried to avoid paying commission, Vernekar said he tried to dissuade him from doing it. It was also difficult to issue three drafts due to limited staff. When Vasan asked Vernekar to give in writing as to why Vasan cannot buy three drafts, Vernekar said there is no reason why the bank should issue three drafts when one draft will do. When Vasan insisted, Vernekar issued the three demand drafts.
Dishonour of Cheque Drawn on Self

Customer's Version

In February, 1990, Vasan sent to the Extension Counter a cheque in favour of "self" through his office peon. The cheque was not honoured on the ground that the account did not have adequate balance. Vasan got wild. He took it as a prestige issue. He went to the Extension Counter immediately. He asked the in charge to check the balance in his account. Some of the credit entries had to be made in the account. He told the in charge, "Why did you dishonour the cheque before ascertaining the balance? It is a matter of prestige to me. In addition, you are talking rudely to me. I will complain against you".

Vasan complained orally on the rude behaviour of the in charge in December, 1990, and in writing in February, 1991. Within a short period, the in charge got transferred to some other branch. According to Vasan, the transfer did not have anything to do with his complaint.
Banker's Version (Vernekar's Version)

According to Vernekar, the dishonour of the cheque happened because the transaction of the previous day were entered in the account due to shortage of staff. Consequently, the cheque was sent back. Later on, when Vasan contacted personally, with his cheque all vouchers were verified and the cheque was honoured. Vernekar remarked, "It was our mistake, but there was no need for Vasan to take it as a prestige issue and shout at us. When Vasan was vociferous and the language became unpleasant, Vernekar told him, "This has happened by oversight, if you want, you complain to the branch manager".

Banker's Version (Hemant's Version)

The manager of the main branch the got the following clarifications from the in charge and communicated them to Vasan.
1. Though initially Vasan was advised to buy only one demand draft, three demand drafts were issued later on, as desired by him.

2. Dishonour of cheque happened by oversight as posting the ledger could not be done on the same day due to shortage of staff.

3. With regard to rude behaviour, Vernekar said, "Vasan demanded everything in writing. In response, I told him to complain."

Profile of the Complainant

Vasan was from a middle class family. His father was a clerk in Indian Railways and had retired. Vasan did his M.Sc. from Hyderabad and Ph.D. from Indian Institute of Technology, Kanpur. In August 1990, he joined as lecturer in an academic institution in Goa.

Vasan strongly believed in complaining in getting work done. He felt that in India, nothing moves unless one complains: whether it was in banks, insurance, railways, post office or elsewhere for that matter. If one complains, his/her work will be done.
He considered the behaviour of the in charge of the Extension Counter as too rude. He said, "On the one hand my work was not done and on the other he was rude to me. Who will tolerate"? He did not feel that all bankers were so.

Analysis of Customer's Version

Vasan's behaviour appears to be a result of his attitude towards quality of banking services and towards complaining. He felt that the quality of service in banks was poor, but one can obtain better service by complaining. He demanded service as a matter of right. He considered providing service to customers was a duty of the banks. Therefore, he was unwilling to go to the main branch enquiring about transfer of RD account. His desire for getting the account transferred at the earliest possible, his writing three consecutive letters to the bank, and writing letter to his friend at Kanpur and also subsequently enquiring with the main branch could be interpreted as result-orientation or result oriented behaviour. Though Vasan argued with the in charge that it was the duty of the Extension Counter,
he still wrote a letter to his friend and also enquired with the main branch. This shows that he was concerned about the result while demanding it as a matter of right.

Vasan's positive attitude towards complaining and potential of complaints as in achieving the results could have been the outcomes of his approach towards services. On the one hand he considered the services in banks as poor and on the other he felt the customers would not get better service unless they complain. He was feeling that service institutions including banks in India were not proactive in rendering service to their customers. They will provide good service only reactively - they respond when customers complain.

Vasan's objective in complaining were:

1. to avoid monetary losses. (ref. Transfer of RD Account and Issue of Demand Drafts)

2. to prove to the bankers that they were at fault and hence to make them admit their mistakes. (ref. Dishonour of Cheque Issue of Demand Drafts and Transfer of RD Account)
When both these expectations were not met by the in charge, Vasan met the manager of the main branch. The manager apologised to Vasan. Though not the first objective, at least the second objective was fulfilled. Therefore, Vasan did not complain against the in charge at that time. Meanwhile, the transfer of RD Account also came through.

Vasan could not take to complaining in the case of Transfer of RD Account because he felt the in charge was not fully responsible for it. Moreover, the branch manager was apologetic about the delay. Later on, when there were incidents clearly attributable to the in charge, Vasan took to complaining. So, given a dissatisfying experience, a customer could take to complaining if the banker's reaction is rude and not likely to do so if it is not.

Analysis of Vernekar's Version

Vernekar appeared to be casual towards Vasan's complaints. Probably, Vernekar did not feel very much involved in the problem of the customer. Evidence to this can be found in Vernekar telling Vasan to go to
the main branch, in not agreeing to issue the three
demand drafts and in expecting Vasan not to take the
wrongful dishonour of cheque seriously.

Vasan expected from the in charge, if not
redressal at least a polite response. The in charge
felt that as the Extension Counter was attached to the
main branch, the main branch should take care of the
grievances. Further, the in charge seemed to expect that
a customer should not take a banker's lapse very
seriously. For instance, he said the dishonour of cheque
should not have been a matter of prestige for Vasan.
Thus, there were mismatches in each other's concep-
tions.

Vernekar seemed to consider the complaints
from his or the bank's point of view rather than from
the customer's point of view. He refused to issue the
three DD's because the bank would lose commission and
the staff had to do more work. In the case of RD Ac-
count, he did not take interest to find out the reason
for the delay. In the case of dishonour of cheque, the
in charge was at fault.
Analysis of Hemant's Version

Vasan's dissatisfaction was triggered Vernekar's reaction. They were also overcome by Hemant's reaction. It may be said that banker-customer interactions and relationships are factors mediating intensity of dissatisfaction and complaints.

Realisation of Cheque Amount

Customer's Version

In 1989, Parki presented two cheques to Vanijya Bank, Mapusa for collection. He had a savings bank account with them. Parki had received the cheques from a publisher towards royalty for six books he had authored. Even after a month, the amounts were not realised.

After another fifteen days, Parki came to know from the branch manager that the amounts were still not realised. After discussing with the manager,
Parki proposed to complain on the inordinate delay in the realisation of the cheque amount. "That time," Parki said, "the branch manager also suggested me to complain in writing". The complaint was addressed to the branch manager and a copy was sent to the Customer Service Centre, Panaji. The branch manager forwarded the complaint to their Bombay Office for quick clearance of the cheques. Within a few days, Parki's account was credited with the amount. The Bombay Office sent a letter of apology to Parki. The Customer Service Centre responded to Parki, saying that his complaint was forwarded to the Regional Office of the bank for needful action. Since the amount was already credited to his account, Parki did not pursue the matter.

Parki felt that the service at Mapusa Branch was good. He also felt that they gave him a special treatment probably because he was physically handicapped. He continued to avail the services of the bank as before.
Satare was the manager of Vanijya Bank in Mapusa. He admitted that until two-three years ago, before banks started using courier services, there used to be inordinate delay in realisation of cutstation cheques. He further said, "There was no mistake on the part of my branch in realising Parki's cheque amounts. Probably, our office at Bombay was overloaded with excessive work of cheque clearance. Hence, there was inordinate delay both due to excessive transit time and clearance time at Bombay. Later on, situation improved and it used to take around fourteen days". The manager however clarified that it was not true that he suggested to Parki to complain. Satare said, "No prudent manager will suggest to his customer to complain. However a professional manager has to accept complaints in good spirit and should try to redress them. Parki's cheque amount was subsequently realised, though a little later, and hence he did not pursue his complaint".

There was no bitterness left after the complaint was redressed, because both customer and banker knew the spirit with which the complaint was
made. There was no reflection of the past event in their behaviour. The manager expressed that there was lot of publicity in the newspaper in the recent past about opportunities for customers to express their grievances. This must have prompted Parki too, to lodge his complaint in writing.

According to Satara, his branch had very few complaints as it was a small branch. He remarked that in small branches complaints are less because customers and employees knew each other personally.

**Replacement of Soiled Notes**

**Customer’s Version**

In 1981, Parki received a bundle of notes of Rs.5000/- in denomination of Rs.20/- from Bharat Bank, Mapusa. In good faith, neither did he count nor did he check the condition of the notes. Parki said, "In Goa such checking and counting are considered as acts of mistrust. People in Goa generally do not like it".
Hence, in order not to displease the cashier, Parki did not count or check whether the notes were in an acceptable condition.

Parki went home and gave the bundle of notes to his wife. His wife, while taking out the notes realised that five to six notes were mutilated/soiled to such an extent that nobody would accept them. Next day, Parki went to the branch and requested the cashier to replace the notes. The cashier started arguing that Parki should have checked the notes before leaving the cash counter.

Irritated by the reaction of the cashier, Parki questioned him, "Do you mean to say that because I did not check the notes yesterday, you can't replace them? I am your customer, if you have faith in me, you should believe my words and replace the notes". Even then the cashier refused to replace the notes. Parki approached the branch manager for getting his grievance redressed. The branch manager also gave a negative reply. However, the branch manager suggested to him to give the notes to the Branch with an application for replacing them. The notes had to be sent to the Reserve
Bank of India for replacement. Left with no alternative, Parki submitted the notes to the branch. The replacement was done after five-six months.

Parki commented that the staff of the branch (and all banks in general), during those days, had very scant respect for teachers. The reason he attributed was the low salary of teachers. Parki said, "The staff, I have seen, used to replace notes immediately for their friends, relatives and other customers, whom they considered important. Parki did not like the attitude of the staff and hence closed his account with the bank.

Banker's Version

Viegas was the Chief Manager of Bharat Bank Nalusa. Viegas was unable to say anything specifically about the complaint of Parki. Parki complained in 1986 whereas Viegas took over as chief manager in 1990. However, Viegas commented on the rules of replacement of notes.
1. If a customer demands replacement of soiled or mutilated notes, at the time of receiving them, it is obligatory for banks to replace them.

2. Similarly, in a bundle if some notes are to be replaced the customer has to return the bundle without opening it. If the bundle is not opened the bank has all the proof for having issued them. Once the bundle is opened, the bank does not have any proof that it had issued the notes.

3. If a customer wants replacement of notes for which the bank does not have proof that it had issued them, the notes have to be sent to the RBI for replacement. Then customer has to wait for such replacement to come through.

Viegas felt that probably Parki had opened the bundle and hence the bank could not replace the soiled notes immediately.

Profile of the Complainant

Parki came from a humble family. His family was involved in hand loom and power loom work. He was
the first member of the family to have education and go for service, a significant departure from the traditional family occupation. Educated throughout on scholarship, Parki took his M.Com. in 1968 from Karnataka University, Dharwad. He passed his M.Com.in first class with a record score of 96% in 'Costing' which, he suspected, was yet to be broken. He had expected first rank in M.Com. but he did not get. He considered it was unfair. Immediately after M.Com., he had offers from companies like Glaxo (now Glindin). Since he loved teaching, he joined a college as lecturer. He served the college from 1968 to 1977 and earned a good deal of appreciation for his teaching and other contributions.

In 1977, Centre for Post Graduate Instruction and Research (CPIR) of Bombay University at Panji was badly on the look out for a qualified teacher. He was appointed by a college, but had to teach at CPIR also. The pay scale was same as that of a university lecturer. "Like this", Parki said, "I was never after jobs, jobs were after me". He used to teach both college students as well as post graduate students from 1977 to 1982.
In 1982, he decided to proceed on study leave to complete his Ph.D. work. The Director of CPIR requested him to take classes for post graduate students even during the time when Parki was on study leave. In 1987, Parki was awarded Ph.D. by Bombay University. Parki became a Reader and he was also a U.G.C. recognised Scholar. He authored many books and earned royalty. He bought a flat in Mapusa. He lost his leg in an accident a couple of years ago but he had been performing his duties regularly and efficiently. He had no regrets for having chosen the profession of teaching.

**Analysis of Customer’s Version**

Parki’s introduction of himself gave the indication that he had a sense of high achievement in life. Parki was explaining that he was a bright student, successful teacher and eminent scholar. Further, he also was feeling that he was financially sound. In brief, his description of personal profile indicated that he was considering his achievement as high and thereby, feeling proud of it. This very feeling seemed to give a sense of ego and hence high expectation that
bankers should receive and redress his complaints without questioning them.

Parki was expecting prompt realisation of cheque amounts. When it was delayed, he wanted to complain. The attribution of blame was on either the clearing branch or the postal system. Further, his relation with the branch was good. Hence, he waited for some time in order not to spoil his relation with the branch. However, when the realisation of cheque amounts was further delayed, he had to complain though he was not very much willing. While Parki said the branch manager suggested to complain. The branch manager denied having done so. Either Parki wanted to claim he had the sanction of the branch manager (in view of his good relation with him) or the branch manager really suggested (in view of his good relation with Parki), but disowned to avoid the impression of having acted against the interests of the bank. In the situations of good banker - customer relationship, if a complaint is to be warranted either banker and customer act together or the customer tends to tacit sanction of the banker.

Parki's post-complaint relation with the
banker continued to be good primarily due to two reasons. One, the redressal was satisfactory. Two, he felt his complaint was not against the interests of the branch. Therefore, the post-redressal relationship between banker and customer is likely to be unaffected by the complaint situation, if the redressal is satisfactory and banker does not have any objection to the complaint and/or redressal.

In the case of replacement of soiled notes, Parki had expectation that it would be done immediately. In order to justify his expectation, he was referring to the issue of Goan culture. He said, "In Goa, such counting of notes would be considered as lack of trust in the banker". He started blaming the branch for not replacing the notes immediately. He also claimed to have seen the bankers doing so for a few customers who were their friends, relatives or those who gave high volume of business to the branch. He attributed the reason for the bankers' behaviour to his income being low.

It may be inferred that either the branch was discriminating against customers who had low income or Parki perceived so for his satisfaction, to justify his
action of not having checked the notes while he received them.

In both the cases, it was monetary loss which was the cause of complaint. In delay in realisation of cheque amounts, the relation with the bank, both during and after the complaint, was good. In the case of replacement of soiled notes, relation between banker and customer was affected. This in turn affected the complaint redressal. Parki demanded the banking services irrespective of rules. For him, existence of rules did not matter. If his complaint was redressed, he would consider it as due to his personal strength and if it was not redressed, he would consider it as bank's deliberate attempt to play down his strengths.

Parki's appeared to use his personal strengths for achievement of redressal. He considered his personal strengths as the means for obtaining redressal. His sense of high achievement coupled with ego seemed to influence his complaining as well as pursuing those complaints.
Analysis of Satare's Version

Bankers appear to be with customers in a complaint situation, if relation is good. They might not admit it as they are part of the system. Relation of employees with organisation is formal and impersonal and relation with individual customer is likely to informal and personal. Hence the bankers could sympathise with customers in a complaint situation but do not own it because they are a part of the system.

Analysis of Viegas' Version

Viegas' version gives information in general about replacement of soiled notes. Viegas was not the branch manager when Parki made his complaint. It could be inferred that Parki was briefed by the then branch manager on the rules regarding replacement of soiled notes. Parki did not reveal this possibly to justify his complaint.
Interest on Loan against National Savings Certificate

Customer's Version

Raikar had been a customer of Sahara Bank, Santa Cruz branch for the last several years. In 1987-88 he received a form from the Divisional Office of the bank in connection with a survey on customer service in Sahara Bank in Goa. Raikar remembered that he had expressed good opinion about various aspects of customer service such as attitude of staff, promptness of service, etc. of Santa Cruz branch. In all, he found that the service of the branch was better than that in other banks.

During 1989, Raikar wanted a loan from the bank. He decided to raise the loan against his National Savings Certificate (NSC) as he thought the rate of interest would be lower than that on over draft. Raikar said he was not informed at the time of raising the loan that the rate of interest on loan was 18%. He could not understand as to why he was kept in dark about the rate of interest. He said that he would not have availed loan, if he were informed. If the rate of
interest was the same for both loan against security and over draft, why should one pledge instruments like NSC? He was not able to understand and tolerate the "hypocrisy" of the bank staff. He considered it hypocritical as on the one hand they did not inform him the rate of interest and on the other, they charged him 18% interest. Meanwhile he enquired and came to know from one of his relatives, who was an employee of a public sector commercial bank, that the rate of interest on loan was lesser than 18%.

Raikar complained on the high rate of interest charged, i.e. 18%, to the branch manager, Sequeira. He also complained on not informing about it at the time of raising the loan. The branch manager had put the blame for the latter on the clerk/officer concerned, but nobody in the bank was prepared to admit the mistake. Raikar's grievance remained unredressed.

On 18.9.1989, Raikar wrote a letter to the Divisional Office of the bank, with a copy to the Customer Service Centre indicating the following grievances.

1. The branch charged 18% interest on loan against
the security of NSC. What was the rate of interest under the rules of Reserve Bank of India?

2. The branch charged commission for canceling a demand draft and re-validating it. Was it proper to charge commission for this? If so, how much?

3. The branch charged for duplicate pass book. Was it justified?

On 21.09.1989, the Customer Service Centre replied saying that his letter has been sent to the Divisional Office of the bank for processing the grievances. Meanwhile, Santa Cruz branch continued to charge 18% interest. No redressal seemed to be coming through from the Divisional Office. Raikar paid back the loan and saved the burden of further interest.

Raikar said, "I closed my loan account not because I was not informed about the rate of interest at the time of raising the loan, but because the rate was high". After clearing the loan, Raikar did not pursue his complaint. He said, "The purpose for which I wrote the letter to the Customer Service Centre no longer existed". Also, he strongly suspected that there would have been some adverse effect on the career of the
concerned clerk who prepared the loan application, if he had pursued his complaint. He said he sensed that the Divisional Office was trying to record the mistake committed by the concerned employee in his confidential report. Raikar said he had the principle that the career of a person should not be spoiled even if he/she commits a mistake. Hence he did not insist for any redressal. Instead, he gave a letter to the branch manager to consider the matter as closed.

Profile of the Complainant

Raikar came from a middle class family. His father was a social worker and he used to help those who were in distress. His father was the founder of a cooperative society in Margao, Director of Cooperative Bank, Margao and freelance writer for a newspaper. Raikar said he learned a lot from his father on hard work, sincerity and the realities of life. Raikar's brothers and sisters were all well settled. One of his brothers-in-law was working in a public sector bank.

Raikar, aged around 42, had been working as
headmaster in a High School for the last 15 years. He hailed from Margao. He also worked in Indian Navy for six years as Lieutenant. He left that job and joined as Head Master. He had been working for the past fifteen years as Head Master. He did M.A., B. Ed. and LL.B. His income was in the range of Rs. 4500-5000/- p.m.

**Banker's Version**

It was Usgaonkar who prepared processed the loan application of Raikar. He commented on Raikar's complaint as under:

1. Loans against the security of NSC had different rates of interest. For instance, if the loan was raised for financing primary sector, retail trade, export oriented units, etc. (priority sectors), the rate of interest was low.

2. If the loan was raised for personal reasons the rate of interest was 18%. The purpose of the loan is ascertained from the information provided in the loan application.

3. Raikar wanted loan for personal reasons. Hence, as per the rules, the rate of interest was 18% and
the loan limit was 75% of the face value of NSC's pledged.

4. Raikar availed the loan knowing fully well about the rate of interest.

Usgaonkar said, "We followed the rules and regulations. But, Raikar got annoyed. What can we do? We didn't get annoyed from his reactions." The relationship of the bank staff with Raikar continued to be good as before.

**Analysis of Customer's Version**

Raikar using his own logic found the rate of interest high. He said that if the rate interest was same for overdraft and on loan against security of NSC, why should one pledge NSC? To support his argument, he claimed he got it confirmed from a relative of his, who was working in a bank. (According to bankers all banks had the same rate of interest)

Subsequent to raising the loan, he must have felt that the rate of interest was high compared to tax
relief due to savings.

Raikar knew his complaint was weak to fetch any redressal. He had complained only to convey his grievances to the bank. Since he knew that his complaint was weak, he had included the other grievances such as charges for issue of demand draft and for issue of duplicate pass book. This was possibly done to augment the intensity of grievances as a whole.

Since Raikar was probably not hopeful of getting redressal, he did not have any interest in pursuing the complaint. Further, he closed the loan account to save on the interest. He also said that he closed the account not because the branch staff did not inform him about the rate of interest prior to availing the loan.

**Analysis of Banker's Version**

Usgoankar did not seem to have taken the complaint at personal level. He appeared to have responded objectively to Raikar's complaint. He claimed he
informed Raikar about the rate of interest prior to raising the loan. So the main charge made by Raikar was denied by him. Probably as Raikar's complaint was not a valid complaint, the branch did not take it seriously. They just informed him about the varying rates of interest for loans raised for different purposes.

Deposit to the Public Provident Fund Account by Cheque

Customer's Version

Dave received a treasury cheque towards salary arrears from the Government of Goa in December, 1987. In January, he asked the Panaji branch of Rajya bank to accept the cheque and credit the same to his PPF A/C. His objectives were:

1. To avail income tax concession by saving in PPF Account.

2. To avoid delay in crediting the Account which would have occurred had he presented the cheque for collection in his account and then deposited cash or cheque to the PPF Account.
The bank was paying interest on the balance maintained from 5th day through end of the month. Usually, the salary arrears cheque used to be received on first day of the month. Hence, most of the times, interest for the whole month was to be lost. In addition, if the cheque was deposited to his personal account and then cash or cheque was deposited to PPF Account, cheque collection charges had to be paid by Dave. The time involved in cheque collection involved loss of interest on Rs.3000/- (approximately) for one month and the cheque collection charges. Dave considered these as significant.

The bank, however, declined to accept the cheque for the reason that the rules did not permit it. Hence, Dave had to present the cheque for collection and draw a separate cheque in favour of PPF Account, as he had no other alternative. He continued to do this from January, 1988 to January, 1989. During this period, he observed that some of his friends also faced the same problem. During this period, he again approached the bank with a request for accepting such cheques. The bank gave the same reply. Dave said, "I had to accept what the bank said because it was not possible for them
to accept my request due to the constraint of rules. If rules do not permit what can be done?". Dave stopped pursuing the matter as he thought it was not permissible under rules.

In mid 1989, the Customer Service Centre, Panaji had issued an advertisement in leading dailies in Goa, asking customers to write to them expressing their grievances and also suggestions, if any. Dave saw this advertisement. He wrote a complaint letter on 6.11.1989 on the non-acceptance of treasury cheques by Rajya Bank, Panaji for direct deposit to PPF Account. He quoted in his letter the reply he received from the bank that the rules did not permit acceptance of such cheques. He sought for modification in the rules, if necessary, and requested to direct the branch to accept such cheques, under intimation to him.

On 8.11.1989, "Quite fast", Dave said, "the Customer Service Centre replied stating that cheques were acceptable if they were in multiples of Rs.5/-.. If they were not in multiples of Rs.5/-, balance should be paid in cash. A copy of the letter was sent to the concerned branch. Next day, Dave enquired with the
branch and came to know that the rules were changed and they would accept such cheques. Dave found the branch staff as well as the manager quite courteous. His grievance was fully redressed.

Profile of the Complainant

Dave was son of an army employee. He did his B.Sc. in occupational therapy. He travelled widely and stayed in many places during his childhood as his father was transferred frequently from one place to another. Aged around 41, Dave was working in a Government Hospital. He had been in the service of the Govt. of Goa for fifteen years. Before joining the present job, Dave worked in Aurangabad for four and half years as Occupational Therapist. He came to Goa on a higher level job. Dave belonged to middle class family. Dave said, "If customers are conscious of their rights, many improvements such as demanding better quality goods and services, revision in rules with regard to sale and consumption of goods and services and so on can be brought about. If customers are conscious, manufacturers and marketers of goods and services are compelled
to be cautious”. According to him, customers should become conscious first, to make others conscious. He was of the view that statutory bodies such as Consumer Disputes Redressal Forum can not protect the interests of the consumers so long as consumers are not alert.

Banker’s Version (Surlekar’s Version)

Surlekar was the clerk in the branch where Dave wanted the cheque to be deposited to his PPF account. Surlekar commented as follows.

1. Cheques were accepted even if they were not in multiples of Rs.5/- . However the deposit had to be in multiples of Rs.5/- and to comply with this condition, customers had to pay the balance in cash.

2. This had been in practice for quite a long time. It was not understandable why Dave’s cheque was not accepted. There could be some other problems which Dave might have concealed.

Surlekar was of the opinion that customers
misunderstand staff for no reason. He gave an example where his friend in Mapusa branch addressed an elderly lady, as 'aunty'. The lady shouted at Surlekar's friend, "How dare you call me aunty. Do you know the meaning of aunty". Surlekar's friend was shocked to hear the reaction of the lady. Surlekar said that aunty was a simple and common form of address in Maharashtra which probably the lady did not know, her reaction was unexpected. "This is how" Surlekar said, "people misunderstand and get into complaining".

Banker's Version (Dasan's Version)

Dasan was the manager of the branch. However, Dasan was posted to the branch as manager subsequent to Dave's complaint. Dasan was unable to comment as he was not aware of it. He said he can only speak about the rules. It was the same as what Surlekar said.

Dasan held the opinion that bankers should not be taken aback by customers' complaints. The bank should work within their capabilities and constraints. He said the number of customers was increasing every
year but the staff strength is not increasing at the same rate. He asked, "How is it possible to provide same quality of service to increasing number customers, when staff-customer ratio is reducing"? He further substantiated his approach towards customer complaints. For example, the rate of interest on loans and collection charges were considered high by customers. There was a large number of complaints on this. Customers may not be knowing that the banks' overheads going up and hence these charges were necessary to meet expenses. The service charges were decided jointly by the Indian Banks Association and the Reserve Bank of India. He said the bankers in such cases had to ignore customers' complaints.

**Analysis of Customer's Version**

Dave wanted to deposit directly to PPF Account for monetary considerations. It is clear from his version of the case that he wanted to save collection charges and loss of interest. Dave had accepted the rules of the bank (as informed by the branch) and suffered the loss, but did not question the rules at the
branch level.

Dave was conscious of the loss he was suffering. He was waiting for the right opportunity. He complained to the Customer Service Centre when it invited complaints suggestions from the customers. Dave’s complaining behaviour appears to be rule accepting and result oriented. He reported the complaint and the response of the branch rightly and sought for changes in rules if necessary. Dave’s complaint was not at personal level. He was particular in getting redressal and was objective in his approach.

Analysis of Bankers' Version

There was consistency in the opinions of Suriekar and Dasan. They felt that there might have been some other reason for not accepting the cheques and the customer might be now concealing it.

Both were of the opinion that complaints arise out of ignorance and some times out of reasons beyond control of the bankers. They also seemed to be
indifferent to such complaints.

Premature Withdrawal of Time Deposit

Customer's Version

Victor Gonsalves had a Non-Resident External (N.R.E.) Account in Kendriya Bank, Panaji. Since 1973, he had maintained a deposit of over Rs. 2,00,000/- under this Time Deposit Scheme called Money Multiplier Deposit Scheme. Under the scheme the deposit was supposed to kept for a relatively long time and the interest was also high. Victor said, as per the scheme, if the deposit was withdrawn prematurely, the rate interest would be lower by one or two percent and it depended on the time period left for the deposit. According to Victor, the bank, in any case, can not deny or delay premature withdrawal.

Victor had an urgent need for money for his house construction as well as for investment in real estate. When he approached the branch manager, a loan of Rs.1,41,000/- was sanctioned against the security of
his Money Multiplier Deposit Certificate (MMDC). Victor paid back the loan in time.

Subsequently in April, 1990, Victor badly wanted money to pay capitation fee for his son's admission for engineering in Bangalore. This time, Victor wanted to withdraw the deposit prematurely instead of raising a loan. Victor explained the purpose of withdrawal of deposit. The branch manager agreed to allow premature withdrawal. He asked Victor visit him the next day for payment. The manager had informed Victor on the interest to be foregone premature withdrawal. In other words the exchange of information between Victor and the branch manager was complete. All that Victor was to do was to surrender his MMDC and submit an application for the premature withdrawal.

Next day, a Saturday, Victor found the branch manager to be on leave. The manager in-charge of the bank asked Victor to fill a form, which was not given to him the previous day. Surprisingly, Victor was also asked to wait for the permission of the Zonal Office for withdrawal the deposit. Moreover, the In charge asked Victor to meet the Regional Manager with the applica-
tion, in case he wanted the money immediately. Victor said he was unable to understand the following:

1. Why should a depositor wait for the permission of the Zonal Office to get back his deposit?

2. Why should a customer go to the Regional Office, when his business is only with the branch and not with the Regional Office? Was it not the duty of the branch to send the application to the Regional Office, or wherever required and get it approved?

3. Why was he not told at the time of depositing that premature withdrawal needed the approval of the Zonal Office?

In principle, Victor was unwilling to go to the Regional Office. Still, in order to get the money fast, he met the Regional Manager with his application. Moreover, he wanted to know from the Regional Manager whether the approval of the Zonal Office was really necessary for a withdrawal of over Rs. 2 lakhs. Obviously, Victor met the Regional Manager with the hope to get the money faster.
The Regional manager accepted Victor's application and asked him to meet him after seven or eight days. While Victor was in the Regional office, the Regional Manager consulted a colleague of his, who once happened to shout at Victor in Mapusa branch. Victor said, "I suspect the colleague must have informed the Regional manager something bad about me". The Regional Manager did not inform Victor as to what his colleague told him.

After seven days, Victor called on the Regional manager to enquire about the approval of the Zonal Office. The approval hadn't reached. The Regional Manager replied, "We have sent your application to the Zonal Office. Now it is up to them to decide". Every time Victor met the Regional Manager, he got the same reply. During these days, Victor was also meeting the in-charge of the branch. (The branch manager was still on leave). In the beginning the in-charge had told Victor that they had sent the papers to the Zonal Office. After a fortnight he started telling that the papers were sent to the Central Office. Victor came to know from some reliable source that no permission either from the Zonal Office or from the Central Office was
necessary for such premature withdrawal. After a month, Victor wrote to the following authorities his grievance:

1. The Reserve Bank of India, Panaji.
2. The Customer Service Centre, Panaji.
3. The then Finance Minister, Prof. Madhu Dandavate.

The responses were as follows:

1. The Reserve Bank of India, Panaji replied after two months suggesting that the matter could be raised in the next Customer Relations Meeting of the Customer Service Center.

2. The Customer Service Centre replied starting that they have directed the complaint to the Regional Office of the concerned bank for needful action.

3. There was no response from the Ministry of Finance. Victor assumed that no one took interest in replying as Prof. Dandavate went out of office shortly after is writing.

Finally after months, the bank made the payment. Even otherwise, the deposit would have matured
in another four months. The Customer Service Centre wrote another letter to Victor regretting all lapses and inconveniences and with a request to consider the matter as closed.

Profile of the Complainant

Till 1968, Victor was working in the recovery section of the Department of Income Tax, Government of India at Bombay. In 1968, he went to Dubai, where he worked in the Health Department, looking after the administration of a hospital. In Dubai, he had his account with the Jersey Branch of Chartered bank (an island between UK and U.S.A).

The bank suggested the he keep his deposits with the Jersey branch as the interest was higher in Jersey. During his days in Dubai, he observed that the service organisations there responded promptly to customers' letters. They would always try to accede to customers' requests. "This", Victor said, "was an indication of their sense of responsibility".
Victor worked in Dubai till 1982 and then came back and settled in Goa. In 1982 when he came back, he did not have a house of his own. He was staying in Mapusa, maintaining his accounts with Kendriya Bank, Mapusa Branch. Later, when he moved to his own house in Panaji he started operating an account with the Panaji branch of the same bank. Victor commented, "I never found a sense of customer service among the staff of the bank either in Mapusa or in Panaji". He further said, "This must be the case with the employees of all public sector banks in India. They do not treat customers as V.I.P.s. They feel they are obliging customers without realising that customers are the ones who give revenue to the bank". Accordingly to Victor the quality of service in banks is too inferior to deserve any patronage by Non Resident Indians. He said, "I advise my friends and relatives who stay abroad to invest in foreign banks rather than in Indian banks". Indian banks, according to Victor are rampant with red tapism, corruption, and favouritism. This was true for not only banks, but also the Government. He cited an example of a subsidy for converting his residence into a small hotel, which he did not get for a long time. One of his acquaintances suggested bribing the concerned official
which he was not prepared to do. He became totally frustrated with the kind of situation he was experiencing in every walk of life including banking services.

**Banker's Version**: (Galgali's Version)

Galgali was the branch manager of Kendriya bank, Panji when Victor approached for premature withdrawal of MMD. Gulgali said, "I asked Victor to come the next day, but unfortunately, I had to take leave as I was not well. The In-charge asked Victor to meet the Regional manager with the application. That was how the complaint started".

The MMD was in the name of Victor's minor son. Since the deposit holder was a minor, the premature withdrawal needed an undertaking and declaration by the guardian that the money was required, and would be utilised fully, for the welfare of the minor. Further, the withdrawal needed the approval of the Central Office.

In order to avoid delay, Gulgali, in an earlier instance had suggested that the loan be raised
against the security of MMD. Accordingly, Victor availed of the loan.

After some period Victor was again in need of money, this time for renovation and extension of his house as well as his hotel. He did not reveal the purpose. Instead, he said it was required for his son's education so that he could withdraw the deposit. Galgal-li said "I knew that the purpose stated by Victor was not the right one. Yet, why should I hold back the customer's money if he wanted it ".

The in-charge asked Victor to fill the necessary form and requested him to meet the Regional manager. The in-charge was not prepared to take risk, and felt it was not within his powers to sanction such withdrawal. The Regional Manager sent Victor's application to the Zonal Office as the amount was much higher than he was allowed to approve.

The Zonal Office sent it to the Central Office. As a result, it got delayed for two to three months. By then, Victor had written to R.B.I., Panaji, the Ministry of Finance and the Customer Service Centre
for redressal of his grievance. Galgali felt that if he were in the office on the day when Victor came for withdrawal he could have avoided the complaint. He also felt that the chances of a complaint increased due to excessive complaint time taken by the Central Office to process the application.

Banker's Version (Patil's Version).

Patil was the Regional manager whom Victor met with his application. Patil said, "Victor wanted to invest his money in some venture. He stated the reason as his son's education as premature withdrawal of deposit was permissible only for the welfare of the minor. Victor claimed income tax exemption on account of MMD in the bank. Hence when he wanted his deposit back, it could not be given without following the procedures as per the rules. In view of all this, I did not want to take any decision which was not within my powers'.

According to Patil, customer complaints are caused by two factors. They are: (1) ignorance of rules and regulations; and (2) malafide intentions.
He referred to the principle adopted banks that whenever a customer comes in a hurry the banker has to be cautious. The customer might pretend to be in a hurry to confuse the banker or his pretention could be the outcome of fear. For example, in a hurry a bearer cheque might get encashed to a non-genuine beneficiary. The banker also will be in problem in such cases. In order to avoid such problems, the banker is advised to check whether the customer is prepared to wait for some time.

In the case of premature withdrawal by Victor, a bond was to be signed by him (the minor's guardian) as well as by some sureties. The customer may demanded his money back but the bank had procedures to follow.

After submitting his application, Victor telephoned too many times and asked about the approval. "Then", Patil justified, "I had to say that the papers were sent to the Zonal Office and the approval was awaited". Patil also came to know from the Zonal Office that the papers were sent by them to the Central Office. Victor was informed about it. When Victor questioned, "
Why did you not send my papers directly to the Central Office?”, Patil quipped, “I know where I should send my office papers. Who are you to advise me? The decision of the Central Office is yet to come. You have to wait”. Patil refused consulting a colleague of his as suspected by Victor.

Analysis of Customer's Version

Victor seemed to have high expectations about banking services. His exposure to better banking services abroad and/or privileged treatment promised by banks to NRI customers could have influenced his expectations. On the contrary, his experience with various services, was frustrating. Hence, the expectations and/or the frustrations would have resulted in his dissatisfaction.

Victor's complaint originated from monetary reasons and his intention to complain strengthened due to delay and behaviour of the staff. It could be inferred that Victor's behaviour was rule-questioning but result oriented. In the absence of appropriate responses from bank staff in terms of fulfilling customer's
needs or at least in terms of explaining the difficulty convincingly, such rule questioning behaviour is likely to lead to complaint situations and spoiling of relations.

Victor's behaviour was both ego-centric and result oriented. He was eager to achieve results and hence he complained to different authorities simultaneously. Probably, he wanted to achieve results by his might than by requesting the regional manager.

Analysis of Bankers' Version

This case highlights how inconsistency in responses could lead to complaint situations. Galgali said he could have avoided the complaint. The in charge of the branch did not take responsibility to meet the customer's needs. The regional manager viewed the purpose suspiciously thereby aggravating the situation.

Galgali's behaviour of sanctioning loan against MMD and promising premature withdrawal of the deposit had created expectation that the bank would
deliver the service. On the contrary, not only the customer was asked to meet the Regional Manager, much against his wishes, but also the service was not delivered. The case reflects how creation of expectation and non-delivery of service leads to a complaint.

The Bank did not seem to have consensus on a norm for withdrawal of MMD. Further, there was no coordination among bank staff in handling the situation.

**Tentative Proposition**

The case studies dealt with the cause of dissatisfying experiences,* the process of complaining, the process of pursuing the complaint and the post-redressal/non-redressal relationship with the branch.

While collecting data for case studies, it was observed that the customers did not consider their experiences as dissatisfaction. In their view, dissatisfaction occurs when a customer experiences a number of situations of poor quality service with the branch. Therefore, in this dissertation, the term 'dissatisfying experience' rather than 'dissatisfaction' (which is used in studies abroad) is used, as it is felt to be more appropriate.
Causes of Dissatisfying Experiences

In majority of the cases, monetary loss was evident as one of the causes of the complaint. An exception was in the case of Dishonour of Cheque Drawn on Self. Hence, to convert a dissatisfying experience into a complaint, there seems to be the necessity of a tangible loss.

Process of Complaining

Customers initially make their complaints to customer contact persons at branch level, orally and/or in writing. If satisfactory redressal is not obtained, they tend to complain in writing to higher levels. This was observed in all the ten case studies.

If the customer's relation with the branch is good, complaining to higher level is avoided. the customer would wait for a period of time before complaining to higher levels. In such situations, the customers either seek the sanction of the branch for complaining or post facto claim to have sought such sanction. On the
contrary, if the relation with the branch is not good, complaining to higher levels is resorted to even without such sanction. Therefore, a branch can facilitate or inhibit complaints to higher levels. This was observed in the case studies of Dishonour of Cheque Drawn on Self, Realisation of Cheque Amount, Transfer of RD Account, Premature Withdrawal of Time Deposit and Interest on Loan against National Savings Certificate.

Customers hesitate to complain to higher levels, especially when their relation with the branch is good. This indicates that complaining is considered as unpleasant and hence avoided, as far as possible, in fear of straining the relationship.

Customers' tendency to pursue complaints depends on possibilities of redressal. The possibilities of redressal are considered as good, when complaints are perceived valid as per the rules.

Customers have high tendency to complain on situations for which the attribution of blame is on the branch/branch staff, they tend to report their grievances to higher levels in such a way as to make the blame
attributable to the branch. This behaviour could be observed in the case studies of Rental Charges, Loan against National Savings Certificates, Deposit to PPF Account by Cheque and Replacement of Soiled Notes. In any case the target of complaint is branch/branch staff.

Customers' desire to pursue complaints made to higher levels varies by degree of attribution of blame to the branch/branch staff. Validity of complaints as per the rules determines the attribution of blame to branch/branch staff and thereby the possibilities of pursuing complaints. We find strong desire to pursue complaints in case studies on Dishonour of Cheque, Issue of Demand Draft, and withdrawing from complaints in case studies on Rental Charges and Loan against National Savings Certificate.

If customers feel that they cannot attribute blame to branch/branch staff, they tend to add other grievances while complaining, for which attribution of blame is on branch/branch staff. This is possibly done to augment the strength of complaints.
Customers tend to exhibit two kinds of complaining behaviour:

1. Rule-accepting behaviour
2. Rule-questioning behaviour

While both types of behaviour primarily originate with a desire to obtain redressal, the former accepts the rules but seeks redressal when there is opportunity to do so (ref. Deposit to Public Provident Fund Account by Cheque and Issue of Soiled Notes) and the latter questions the rationale for rules (ref. Issue of Demand Draft, Premature Withdrawal of Time Deposit, Rental Charges and Loan against Security of National Savings Certificate).

In pursuing their complaints customers follow two types of approach:

1. Ego-maintenance approach
2. Problem-solving approach

In ego-maintenance approach, customers demand redressal without much of efforts and requests from their side. In problem-solving approach customers are prepared to put effort to achieve redressal. However,
even customers having ego-maintenance approach would be reluctantly putting effort to obtain redressal. (ref. Transfer of RD Account and Premature Withdrawal of Time Deposit) Usually, rule-accepting customers follow problem solving approach and rule-questioning customers follow ego-maintenance approach.

Rude reactions of customer contact persons to complaints will intensify the customers' tendency to complain/pursue the complaints more aggressively. Bankers' indifference customers' needs has high potential to generate complaints (ref. Dishonour of Cheque, Dishonour of Cheque Drawn on Self, Issue of Demand Draft and Premature Withdrawal of Time Deposit).

**Process of Redressal**

Customers expect redressal at branch level. If the branch is unable to provide the redressal, they expect the branch to support and sympathise with them. This expectation is high when the branch and the customer is good. Further, when prior information in changes in the terms and conditions of banking services is
likely to reduce the possibility of complaints, proper
information on the process of redressal is likely to
avoid the possibility of intensification of pursuing of
complaints.

If the redressal is not obtained, they would
either withdraw from pursuing the complaint or discon-
tinue the services of the branch. While the former is a
possibility when the response of the bank/branch is
pleasant, the latter is a possibility when the response
is unpleasant. When the response is unpleasant the
consider complaining to third parties (Ed. Consumer
Disputes Redressal Forum) subject to cost and benefit of
such complaining (ref. case studies on Interest on
against NSC, Rental Charges and Replacement of Soiled
Notes).

When customers withdraw complaints or decide
not pursue it, they express one of the reasons as the
concern over the career of the employees at the branch
level (ref. case studies on Dishonour Cheque and Interest
on Loan against NSC).

Customers complain not to profit from com-
plaining. So, the findings of the research conducted abroad (Jacob and Jaccard, 1981) that there are professional complainers who would like to profit from complaining would not be applicable customers of public sector commercial banks in Goa. They also do not show intention to get damages beyond the monetary loss suffered by them. Hence, the categorisation of complaints, Basic and Involved, (ref. Chapter II, Section on Definition of Complaint) suggested by Jacoby and Jaccard is not relevant to complaints on public sector commercial banks in Goa. Complaining as a mechanism of getting the required service is a new phenomenon in public sector banks which were largely operating in seller's market till now. Banks started encouraging and soliciting complaints only recently. Customers are educated and exposed to complaining when banks started encouraging complaints. Therefore, the categorisation of complaints as involved where customers seek damages beyond monetary loss is not valid. Hence, so far as public sector banks in Goa are concerned, complaints may be said to be only basic where customers seek only the actual loss suffered by them.

Further, in none of the case studies we find
that the customer has approached third party entities for redressal. Therefore, the classification by Singh (1988) as third party response (ref. Chapter II, Section on Typology of Consumer Complaint) is not valid. Even in US and Europe there is tendency to avoid third party action such as seeking redress through legal action. In the present study third party action could be absent because it is largely limited to filing a case in a court of law and/or seeking redress through Consumer Disputes Redressal Forum. Since majority of customers do not have adequate resources such as knowledge of law, time and money and the expected benefit could be lower compared to the cost, seeking redress through third party action could be absent.

The relation between banker and customer at the branch level after redressal/non redressal of the complaints will continue to be good or both the parties will project it that way. This further confirms the notion that complaining is an unpleasant and guilt ridden act.
Customers' Propensity to Complain

Customers with knowledge of law have high propensity to complain. Probably knowledge of law gives them confidence to complain. In two case studies (Rental Charges and Interest on Loan against National Saving Certificate) the customers had degree in law.

Customers who are in service (all case studies except Rental Charges, Premature Withdrawal of Time Deposit and Dishonour of Cheque) and customers who are entrepreneurs (in case studies on Premature Withdrawal of Time Deposit and Dishonour of Cheque) have high propensity to complain.

NRI customers seem to have high propensity to complain due to their exposure with better banking services abroad and due to the expectation created through promises made by the banks in India. In the case study on Premature Withdrawal of Time Deposit the customer referred to better quality services in banks abroad and breach of promise made to him as NRI customer by the bank.
When customers hold a positive attitude on complaining, (ref. case studies on Transfer of Recurring Deposit Account, Deposit into PPF Account and Replacement of Soiled Notes) their tendency to complain is high.

Depositors have higher propensity to complain than borrowers. While the former would feel obliging the bank, the latter would be feeling obliged.

Educated customers seem to be having higher propensity to complain. Education possibly gives a general awareness of banking services and confidence to claim services as a matter of right.

Men seem to be having higher propensity to complain (all case studies). Women seem to need the support of men to complain (case study on Rental Charges).

Broadly, the case studies indicate that complaining behaviour is attributable to potential of a situation to generate complaint and/or to the consumer's propensity to complain.
From the case studies a tentative model on complaining behaviour of customers of public sector banks is developed. The model presents the cause of dissatisfying experience, the process of complaining, the process of pursuing the complaints and the post-redressal/non-redressal relationship between the banker and the customer. (for the Model, refer next page)
Model on Complaining Behaviour

Dissatisfying Experience
(Cause: Monetary loss)

Complain to Branch

Complaint Not Redressed

Desire to Complain to Higher Levels

Good Relation with the Branch

Seeking the Branch's Sanction

Complain to Higher Level

Complaint Valid as per Rules

Problem-solving/
Ego-maintenance Approach

Pursuing for Redressal

Complaint Redressed

Complaint Not Redressed

Rule-accepting/Rule-Questioning Behaviour

Not Pursuing for Redressal

Attemp for Third Party Action/ Exit

If Unsuccessful

Trying to Rebuild the Relation with the Branch