

THE IMPACT OF BANKING OMBUDSMAN SCHEME ON INDIAN BANKING INDUSTRY

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ABSTRACT

Customer service has been the challenging job in Indian banking industry, specifically, after the financial sector reforms and implementation of new age technology. Providing prompt and efficient service is on the top agenda of commercial banks to attract and retain the new customers.. Providing efficient and hassle-free banking services has been one of the important priorities pursued by the Reserve Bank. A separate full-fledged Customer Service Department was set up within the Reserve Bank in July 2006 to oversee the grievance redressal mechanism of various banks and to enhance the pace and quality of provision of customer services, while providing customers a forum for redressal of their grievances. AS a result the Reserve Bank has institutionalized and administered the Banking Ombudsman (BO) scheme to provide an expeditious and inexpensive forum to bank customers for resolution of their complaints relating to deficiency in banking services. The present paper aims to study and analyze the impact of Banking Ombudsman Scheme on Banking Industry provided by bank group wise in general and selected categories in particular. For this purpose Ranking and CAGR have been employed. The period of the study is for seven years i.e. from 2007-2013 and the data for the study is collected from secondary sources. The study indicates that the number of complaints against banking institutions has been increasing under the Banking Ombudsman Scheme. No doubt, the scheme will gain more popularity in future and its impacts on service quality by banks will be positive

KEYWORDS: Banks, Complaints, Grievances, Ombudsman, Redress, Public Sector Banks (PSB)

INTRODUCTION

Customer satisfaction is an integral element in inculcating trust among the common people on the banking sector. In the present scenario of competitive banking, excellence in customer service is the most important tool for sustained business growth. Customer service has been the challenging job in the banking industry, specifically, after the financial sector reforms and implementation of new age technology. Providing prompt and efficient service is on the top agenda of commercial banks to attract and retain the new customers. Understanding the importance of customer service in banking, the Banking Ombudsman Scheme has been introduced under Section 35A of the Banking Regulation Act, 1949 by the Reserve Bank of India with effect from 1995 with (BO) offices in 15 major banking centres. All Scheduled Commercial Banks, Regional Rural Banks and Scheduled Primary Co-operative Banks are covered under the Scheme and the Banking Ombudsman can receive and consider any complaint relating to deficiency in banking services. One can file a complaint before the Banking Ombudsman if a reply is not received from the bank within a period of one month after the bank concerned has received one's representation, or the bank rejects the complaint, or if the complainant is not satisfied

with the reply given by the bank. If one is not satisfied with the decision passed by the Banking Ombudsman, one can approach the appellate authority against the Banking Ombudsmen's decision. Appellate authority is vested with a Deputy Governor of the RBI. Since its inception, BO has been an effective forum for redressing complaints received from customer. Banking Ombudsman (BO) offices receive the complaints from general public relating to their grievances against commercial banks, regional rural banks and scheduled primary co-operative banks. Complainants have the facility to send the complaints by email, online or by post. These complaints are tracked by BO offices by means of a complaint tracking software.

NEED FOR THE STUDY

Customer complaints are part of the business life of any corporate entity. This is more so for banks because they are service organizations. In the present scenario of competitive banking, excellence in customer service is the most important tool for sustained business growth. Making banks more customer-friendly has also been high on the agenda of the Reserve Bank of India. It is the result of RBI's initiatives that today all commercial banks have their own grievance redressal cells to handle the grievances of their customers. However, sometimes, customers' complaints are not handled properly by banks, which may result in dissatisfaction to the customers. At this point of time customer is in a dilemma about where to file a complaint against the deficiency in services rendered by the banks. Courts may not be the right choice because of long time involved in settling of cases and heavy costs. Here, Reserve Bank of India has provided an alternative mechanism to handle the customers' grievances by setting up of Bank Ombudsman in India. The prime objective behind the setting up of Bank Ombudsman was to provide an expeditious and inexpensive forum to bank customers for resolution of their complaints relating to deficiency in banking services. Keeping in mind the two important aspects of Bank Ombudsman the present study has been designed. Firstly, it is important to understand the impact of banking ombudsmen on the banking industry and secondly, it is also important to evaluate the performance of bank ombudsman for the last seven years on the basis of selected parameters.

OBJECTIVES OF THE STUDY

- To study the Region-wise Complaints received at Banking Ombudsman Offices
- To study Category -wise Complaints received at Banking Ombudsman Offices
- To study Bank Group wise Complaints received at Banking Ombudsman Offices

REVIEW OF LITERATURE

- Singh (2006) found that majority of respondents (63%) surveyed had no knowledge about the bank ombudsman scheme of their banks and none of the surveyed respondents had ever filed a complaint with bank ombudsman
- Chatterjee (2007) critically evaluated various schemes of banking ombudsman schemes in operation from time to time.
- Khan (2010) suggested that attempts should be made to increase the instances of disputes being resolved by mediation/conciliation rather than by awards. Further, in the event, if ombudsman has to give an award; it must be made final and binding on the parties with only single appeal allowed to a higher court of law.

RESEARCH METHODOLOGY

The present study is based on secondary data. The secondary data were collected from articles, previous studies, committee reports, Indian Banks Association Bulletin (IBI) bulletins, RBI India website and from 'The Banking Ombudsman Scheme--Annual report', which is published by Reserve Bank of India every year.

Period of the study

The period of study pertains to seven years i.e from 2006-07 to 2012-13 '.

Tools Applied for Data Analysis

For analysis purpose, statistics tools such as percentages and Ranks have been used.

Limitations and Scope of the Study

- The study is confined to the period of seven years only
- Only few parameters were selected for the study

Data Analysis

Table 1: Trends in Region-Wise Complaints Received at Banking Ombudsman Offices During 2007 to 2013

| Regions | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | CAGR (%) | Ranking |
|--------------------|------------------------|------------------------|------------------------|------------------------|-------------------|------------------------|--------------------|----------|---------|
| Ahmedabad | 2107 (5.45) | 2855 (5.96) | 3732 (5.40) | 4149 (5.23) | 5190 (7.28) | 4590 (6.30) | 4838(6.86) | 12.61 | 13 |
| Bangalore | 2406 (6.23) | 2975 (6.21) | 3255 (4.71) | 3854 (4.86) | 3470 (4.87) | 3486 (4.78) | 3318(4.70) | 4.7 | 3 |
| Bhopal | 2731 (7.07) | 3405 (7.11) | 3375 (4.88) | 3873 (4.89) | 5210 (7.31) | 5953 (8.17) | 4920(6.97) | 8.77 | 8 |
| Bhubaneswar | 689 (1.78) | 998 (2.08) | 1159 (1.68) | 1219 (1.54) | 1124 (1.58) | 1826 (2.51) | 1523(2.16) | 12 | 12 |
| Chandigarh | 2006 (5.19) | 2331 (4.87) | 2634 (3.81) | 3234 (4.08) | 3559 (4.99) | 3521 (4.83) | 3094(4.39) | 6.39 | 4 |
| Chennai | 2387 (6.18) | 4545 (9.50) | 10381 (15.01) | 12727 (16.06) | 7668 (10.76) | 6614 (9.07) | 7255(10.28) | 17.21 | 14 |
| Guwahati | 170 (0.44) | 282 (0.59) | 455 (0.66) | 528 (0.67) | 584 (0.81) | 708 (0.97) | 807(1.14) | 24.92 | 15 |
| Hyderabad | 2767 (7.16) | 2843 (5.94) | 3961 (5.73) | 5622 (7.09) | 5012 (7.03) | 5167 (7.09) | 4303(6.10) | 6.51 | 5 |
| Jaipur | 2976 (7.70) | 3369 (7.03) | 3688 (5.34) | 4560 (5.75) | 3512 (4.93) | 4209 (5.77) | 4099(5.81) | 4.68 | 2 |
| Kanpur | 4321 (11.18) | 5340 (11.15) | 7776 (11.25) | 7832 (9.88) | 8319 (11.67) | 9633 (13.22) | 9012(12.78) | 11.07 | 10 |
| Kolkata | 2011 (5.2) | 2815 (5.88) | 3671 (5.31) | 5326 (6.72) | 5192 (7.28) | 4838 (6.64) | 4388(6.22) | 11.79 | 11 |
| Mumbai | 5525 (14.30) | 6070 (12.67) | 9631 (13.93) | 10058 (12.69) | 7566 (10.62) | 7905 (10.85) | 8607(12.20) | 6.54 | 6 |
| New Delhi | 5481 (14.19) | 6742 (14.08) | 10473 (15.15) | 12045 (15.20) | 10508 (14.74) | 9180 (12.59) | 9444(13.39) | 8.08 | 7 |
| Patna | 1481 (3.83) | 1480 (3.09) | 2110 (3.05) | 1707 (2.15) | 2283 (3.20) | 2718 (3.73) | 2785(3.95) | 9.44 | 9 |
| Thiruvananthapuram | 1580 (4.09) | 1840 (3.84) | 2816 (4.07) | 2532 (3.19) | 2077 (2.91) | 2541 (3.49) | 2148(3.05) | 4.48 | 1 |
| Total | 38638 (100) | 47890 (100) | 69117 (100) | 79266 (100) | 71274(100) | 72889 (100) | 70541 (100) | | |

Source: Report on Trend and progress of Reserve Bank of India 2007 -2013

The above table shows the increasing trend in the complaints. In the year 2007, Region-wise, the highest number of complaints at Banking Ombudsman offices were received in Mumbai (5,525), which was closely followed by New Delhi (5,481) and Kanpur (4,321). Guwahati (170) and Bhubaneswar (689) offices received the least number of complaints. During 2007-08, 47,890 complaints were received by 15 BO offices as against 38,638 complaints received during 2006-07. Region-wise, the maximum complaints, during 2007-08 were received at New Delhi, thereby surpassing Mumbai and Kanpur as the centre with the largest number of complaints. The number of complaints received in Chennai, Guwahati, Bhubaneswar, Kolkata and Ahmedabad also increased sharply during 2007 -2008. During 2008-09, 69,117 complaints were received by 15 BO offices as against 47,890 complaints received during the previous year. BO offices at New Delhi, Chennai, and Mumbai together accounted for 44.1 per cent of the total complaints received during 2008-09 as compared to 36.3 per cent during the previous year. The forum of redressal of consumers' grievances about banking, the Banking Ombudsman (BO), received 79,266 complaints at its 15 offices in 2009-10 contributed largely by the complaints received at the offices of the three major metropolises of Mumbai, New Delhi and Chennai. These three offices together accounted for almost half of the total complaints (34,830 complaints accounting for 43.9 per cent of the total) in 2009-10. In 2010-11, there was a decline in the number of complaints received by the BO offices across the country. The decline was particularly visible in metropolitan regions, viz., New Delhi, Mumbai and Chennai. However, in the midst of general declining trend, there were some centres, viz., Bhopal, Patna, Ahmedabad, Chandigarh and Guwahati, which reported an increase in the number of complaints. According to the category-wise data on complaints sourced from all 15 BO offices, in the year 2011 -12, The major metropolitan centres, i.e., New Delhi, Mumbai, Kolkata, and Chennai accounted for almost 40 per cent of the total number of complaints received across the country. In the year 2012 -13 also almost the same centres complaints were dominating and in added to that the Kanpur centre also showed the highest complaints. But in case CAGR which is calculated for seven years i.e., from 2007 – 2013, it is witnessed that Guwahati is at the highest and which showed last ranking i.e. 15th rank when it comes to ranking and which is followed by Chennai .Kanpur and Kolkata were almost same at 11%. The two metropolitan cities i.e Mumbai and Delhi which showed high complaints every year shows the CAGR less and indicated 6th and 7th rank respectively. Throughout the 7 years period of the study Thiruvananthapuram BO offices had received least amount of complaints

Table: 2: Trends in Categor-Wise Complaints received at Banking Ombudsman Offices during 2007 to 2013

| Name of the Bank | Deposits | Loans and Advances | Pension | Total Complaints |
|----------------------------|-------------|--------------------|-------------|------------------|
| 2007 | | | | |
| Public Sector Banks | 3664(46.32) | 3208(40.55) | 1039(13.13) | 7911(100) |
| Private Sector Banks | 1591(55.17) | 1279 (44.35) | 14(0.49) | 2884(100) |
| Foreign Banks | 323(49.16) | 331(50.38) | 3(0.46) | 657(100) |
| Scheduled Commercial Banks | 5578(48.69) | 4818(42.05) | 1056(9.22) | 11457(100) |
| 2008 | | | | |
| Public Sector Banks | 2866(35.27) | 3740(46.03) | 1519(18.70) | 8125(100) |
| Private Sector Banks | 2113(56.98) | 1550(41.80) | 45(1.21) | 3708(100) |
| Foreign Banks | 521(51.43) | 483(47.68) | 9(0.89) | 1013(100) |
| Scheduled Commercial Banks | 5500(42.81) | 5773(44.94) | 1573(12.25) | 12846(100) |
| 2009 | | | | |
| Public Sector Banks | 3353(32.19) | 4201(40.33) | 2862(27.48) | 10416(100) |
| Private Sector Banks | 2470(47.80) | 2666(51.60) | 31(0.60) | 5167(100) |
| Foreign Banks | 727(41.90) | 996(57.41) | 12(0.69) | 1735(100) |

Table 2: Contd.,

| | | | | |
|----------------------------|-------------|-------------|-------------|------------|
| Scheduled Commercial Banks | 6550(37.82) | 7863(45.40) | 2905(16.77) | 17318(100) |
| 2010 | | | | |
| Public Sector Banks | 1946(18.30) | 4109(38.65) | 4577(43.05) | 10632(100) |
| Private Sector Banks | 1165(40.40) | 1652(57.28) | 67(2.32) | 2884(100) |
| Foreign Banks | 454(49.67) | 395(43.22) | 65(7.11) | 914(100) |
| Scheduled Commercial Banks | 3565(24.71) | 6156(42.66) | 4709(32.63) | 14430(100) |
| 2011 | | | | |
| Public Sector Banks | 726(7.46) | 3262(33.51) | 5746(59.03) | 9734(100) |
| Private Sector Banks | 641(42.28) | 832(54.88) | 43(2.84) | 1516(100) |
| Foreign Banks | 293(57.12) | 199(38.79) | 21(4.09) | 513(100) |
| Scheduled Commercial Banks | 1660(14.11) | 4293(36.50) | 5810(49.39) | 11763(100) |
| 2012 | | | | |
| Public Sector Banks | 5742(37.11) | 3937(25.45) | 5793(37.44) | 15472(100) |
| Private Sector Banks | 1894(58.08) | 1328(40.72) | 39(1.20) | 3261(100) |
| Foreign Banks | 506(59.67) | 329(38.80) | 13(1.53) | 848(100) |
| Scheduled Commercial Banks | 8142(41.58) | 5594(28.57) | 5845(29.85) | 19581(100) |
| 2013 | | | | |
| Public Sector Banks | 2628(21.20) | 4152(33.50) | 5614(45.30) | 12394(100) |
| Private Sector Banks | 929(43.70) | 1167(54.89) | 30(1.41) | 2126(100) |
| Foreign Banks | 159(48.48) | 167(50.91) | 2(0.61) | 328(100) |
| Scheduled Commercial Banks | 3716(25.03) | 5486(36.95) | 5646(38.03) | 14848(100) |

Source: Report on Trend and progress of Reserve Bank of India **2007 -2013**

The maximum number of complaints received pertaining to Deposits and advances. It indicates that Bankers are not able to resolve the issues at their levels. It may be observed from above table ,the private sector banks and public sector Group have larger share in the number of complaints than in the total number of deposit and loan accounts.

Table 3: Trends in Bank Group Wise Complaints Received at Banking Ombudsman Offices during 2007 -2013

| Name of the Bank | Deposits | Loans and Advances | Pension | Total Complaints |
|----------------------------|-------------|--------------------|-------------|------------------|
| 2007 | | | | |
| Public Sector Banks | 3664(65.69) | 3208(66.58) | 1039(98.39) | 7911(69.04) |
| Private Sector Banks | 1591(28.52) | 1279(26.55) | 14(1.33) | 2884(25.17) |
| Foreign Banks | 323(5.79) | 331(6.87) | 3(0.003) | 657(5.73) |
| Scheduled Commercial Banks | 5578(100) | 4818(100) | 1056(100) | 11457(100) |
| 2008 | | | | |
| Public Sector Banks | 2866(52.11) | 3740(64.78) | 1519(96.57) | 8125(63.25) |
| Private Sector Banks | 2113(38.42) | 1550(26.85) | 45(2.86) | 3708(28.87) |
| Foreign Banks | 521(9.47) | 483(8.37) | 9(0.57) | 1013(7.89) |
| Scheduled Commercial Banks | 5500(100) | 5773(100) | 1573(100) | 12846(100) |
| 2009 | | | | |
| Public Sector Banks | 3353(51.19) | 4201(53.43) | 2862(98.52) | 10416(60.15) |
| Private Sector Banks | 2470(37.71) | 2666(33.91) | 31(1.07) | 5167(29.84) |
| Foreign Banks | 727(11.10) | 996(12.67) | 12(0.41) | 1735(10.02) |
| Scheduled Commercial Banks | 6550(100) | 7863(100) | 2905(100) | 17318(100) |

Table 3: Contd.,

| 2010 | | | | |
|----------------------------|-------------|-------------|-------------|--------------|
| Public Sector Banks | 1946(54.59) | 4109(66.75) | 4577(97.20) | 10632(73.68) |
| Private Sector Banks | 1165(32.68) | 1652(26.84) | 67(1.42) | 2884(19.99) |
| Foreign Banks | 454(12.73) | 395(6.42) | 65(1.38) | 914(6.33) |
| Scheduled Commercial Banks | 3565(100) | 6156(100) | 4709(100) | 14430(100) |
| 2011 | | | | |
| Public Sector Banks | 726(43.75) | 3262(75.98) | 5746(98.90) | 9734(82.75) |
| Private Sector Banks | 641(38.61) | 832(19.38) | 43(0.74) | 1516(12.89) |
| Foreign Banks | 293(17.65) | 199(4.64) | 21(0.36) | 513(4.36) |
| Scheduled Commercial Banks | 1660(100) | 4293(100) | 5810(100) | 11763(100) |
| 2012 | | | | |
| Public Sector Banks | 5742(70.52) | 3937(70.38) | 5793(99.11) | 15472(79.02) |
| Private Sector Banks | 1894(23.26) | 1328(23.74) | 39(0.67) | 3261(16.65) |
| Foreign Banks | 506(6.21) | 329(5.88) | 13(0.22) | 848(4.33) |
| Scheduled Commercial Banks | 8142(100) | 5594(100) | 5845(100) | 19581(100) |
| 2013 | | | | |
| Public Sector Banks | 2628(70.72) | 4152(75.68) | 5614(99.43) | 12394(83.47) |
| Private Sector Banks | 929(25) | 1167(21.27) | 30(0.53) | 2126(14.32) |
| Foreign Banks | 159(4.23) | 167(3.05) | 2(0.04) | 328(2.21) |
| Scheduled Commercial Banks | 3716(100) | 5486(100) | 5646(100) | 14848(100) |

Source: Report on Trend and progress of Reserve Bank of India **2007 -2013**

The share of complaints received against foreign banks and private sector banks, which had been on a rapid increase up to 2010, showed signs of slowing down, in contrast to PSB. Among bank groups, Private sector banks and Public sector banks number of deposits and loan accounts have accounted for 80 – 90 % of the aggregate number of complaints received during the year which is disproportionately higher. On the contrary foreign banks got only 10 -20 % of the aggregate number of complaints.

Table: 4: Trends in Bank Group Wise Complaints on Pension Received at Banking Ombudsman Offices during 2007 -2013

| Name of the Bank | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | CAGR (%) |
|-----------------------------------|--------------|--------------|--------------|-----------|-----------|-------------|-------------|--------------|
| Nationalised Banks | 523 | 599 | 842 | 1294 | 1746 | 1975 | 2018 | 21.28 |
| State Bank Group | 516 | 920 | 2020 | 3283 | 4000 | 3818 | 3596 | 31.96 |
| Public Sector Banks | 1,039 | 1,519 | 2,862 | 4577 | 5746 | 5793 | 5614 | 27.25 |
| Old Private Sector Banks | 6 | 3 | 4 | 2 | 1 | 1 | 13 | 11.68 |
| New Private Sector Banks | 8 | 42 | 27 | 65 | 42 | 38 | 17 | 11.37 |
| Private Sector Banks | 14 | 45 | 31 | 67 | 43 | 39 | 30 | 11.5 |
| Foreign Banks | 3 | 9 | 12 | 65 | 21 | 13 | 2 | -5.63 |
| Scheduled Commercial Banks | 1056 | 1,573 | 2,905 | 4709 | 5810 | 5845 | 5646 | 27.06 |

Source: Report on Trend and progress of Reserve Bank of India **2007 -2013**

The above table shows that in case of complaints from pensioners received by public sector banks accounted for bulk (27.25 CAGR). Within public sector banks, the State Bank group accounted for 31.96 CAGR. Group-wise, the majority of the complaints pertain to the State Bank Group followed by the Nationalized Banks. As a result, over the years, the percentage of complaints against public sector banks, showed highest CAGR as compared to the number of complaints received against private sector banks. If we analyse the above table that is related to bank group wise Complaints relating

to pensions, the CAGR for Scheduled commercial banks witnessed 27.06 this may be due to delay in payment of pension, pension arrears / wrong pension calculations etc

Table: 5: Trends in Bank Group Wise Complaints on Loans and Advances Received at Banking Ombudsman Offices during 2007 -2013

| Name of the Bank | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | CAGR (%) |
|-----------------------------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|
| Nationalised Banks | 1,826 | 2,147 | 2536 | 2322 | 1891 | 2086 | 2292 | 3.30 |
| State Bank Group | 1382 | 1,593 | 1665 | 1787 | 1371 | 1851 | 1,860 | 4.33 |
| Public Sector Banks | 3,208 | 3,740 | 4201 | 4109 | 3,262 | 3,937 | 4,152 | 3.75 |
| Old Private Sector Banks | 172 | 154 | 204 | 319 | 185 | 335 | 238 | 4.75 |
| New Private Sector Banks | 1107 | 1396 | 2462 | 1333 | 647 | 993 | 929 | -2.47 |
| Private Sector Banks | 1279 | 1550 | 2666 | 1652 | 832 | 1,328 | 1,167 | -1.3 |
| Foreign Banks | 331 | 483 | 996 | 395 | 199 | 329 | 167 | -9.31 |
| Scheduled Commercial Banks | 4,818 | 5,773 | 7863 | 6156 | 4,293 | 5,594 | 5,486 | 1.87 |

Source: Report on Trend and progress of Reserve Bank of India 2007 -2013

The above table reveals that in case of Loans and Advances complaints received by Public sector banks accounted to CAGR of 3.75. The reason in the reduction of overall CAGR for scheduled commercial banks is the contribution that has been made by private sector banks and in particular new private sector banks and foreign banks. The majority of the complaints pertain to the State Bank Group followed by the, old private sector banks. However, the percentage of complaints against private sector banks, showed a decline vis-à-vis the number of complaints received against private sector banks and foreign banks. Complaints relating to loans and advances may mainly pertained to educational loans and MSME (Micro small and Medium Enterprises) loans, delay in payment or collection of cheques, drafts, bills and delayed payment of remittances, home loans, etc In complaints relating to home loans, a good number of complaints were regarding foreclosure charges on home loans. With release of regulatory guidelines on foreclosure charges on home loans at floating rate, the complaints on this ground have substantially gone down. This may be one of the reason for new private sector banks to show declining trend. Non - sanction/delay in sanction of educational loan, charging of excessive rate of interest, non-return of Registration Certificate in case of vehicle loans, non-issuance of No-Due Certificate, non-return of title deeds of properties pledged, wrong reporting to CIBIL, etc. may be some other reasons for increasing trend of loans and advances complaints.

Table: 6: Trends in Bank Group Wise Complaints on Deposit Received at Banking Ombudsman Offices during 2007 -2013

| Name of the Bank | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | CAGR (%) |
|-----------------------------------|--------------|--------------|------|------|--------------|--------------|--------------|----------|
| Nationalised Banks | 2,126 | 1,685 | 1941 | 988 | 379 | 3135 | 1,366 | -6.12 |
| State Bank Group | 1538 | 1,181 | 1412 | 958 | 347 | 2607 | 1262 | -2.79 |
| Public Sector Banks | 3,664 | 2,866 | 3353 | 1946 | 726 | 5742 | 2,628 | -4.64 |
| Old Private Sector Banks | 182 | 140 | 126 | 68 | 50 | 250 | 133 | -4.38 |
| New Private Sector Banks | 1,409 | 1,973 | 2344 | 1097 | 591 | 1644 | 796 | -7.83 |
| Private Sector Banks | 1591 | 2113 | 2470 | 1165 | 641 | 1894 | 929 | -7.4 |
| Foreign Banks | 323 | 521 | 727 | 454 | 293 | 506 | 159 | -9.63 |
| Scheduled Commercial Banks | 5,578 | 5,500 | 6550 | 3565 | 1,660 | 8,142 | 3,716 | -5.64 |

Source: Report on Trend and progress of Reserve Bank of India 2007 -2013

From the above table, it can be inferred that bank group wise deposits complaints received are showing decline trend

In respect of Scheduled commercial banks the CAGR over the Period of study is -5.64. There was a highest fall in case of foreign banks followed by the Private sector banks. The fall in the complaints of deposits in case of public sector banks is majorly contributed by the nationalised banks. Complaints in the category of 'Deposit Accounts' constitute mainly because of Delays in credit, non-credit of proceeds to parties accounts, non-payment of deposit or non-observance of the Reserve Bank directives, if any, applicable to rate of interest on deposits in savings, current or other account maintained with a bank. The decrease in these accounts may be as a result of decrease in these major reasons for complaints in this category.

CONCLUSIONS

The study found that over a period of time, the number of complaints against to deficiency of their services has been tremendously and substantially increased, which shows the increased faith of customers in Bank Ombudsman. It indicates the growing awareness among consumers about grievance redressal, but the increase was particularly rapid at the offices in the two metropolises i.e. Mumbai and Delhi. Among different categories of Complaints, the significant number of complaints are related to pension and Loans and Advances. Private banks and Foreign banks constitute very nominal share in total number of complaints. The share of complaints against public sector banks has been fluctuating, especially for public sector banks. Thus, it can be seen that the Ombudsman scheme is a boon and a very important channel for redressal of grievances by the general public against banks and banking services. It is framed in such a manner that it does not oust the jurisdiction of other courts, and hence, aggrieved people do not hesitate in using the banking ombudsman as a primary forum for resolution of disputes regarding banks.

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Dr. P. Malyadri has got 30 years of experience of Teaching, Research, Administration, Training and consultancy. A prolific writer; Dr. Malyadri has authored 4 Books and 77 Research papers on Banking, Rural and economic development issues in various National and International journals of repute. He has presented several research papers in around 100 National and International seminars and conferences. He is on the International Editorial advisory boards as a Member in 317 International Peer reviewed journals published from *Canada, USA, U K, Taiwan, Czech Republic, Italy, Turkey, Dubai, Philippines, Australia, Bangladesh, Romania, Pakistan, Kenya, Iran, Africa, Nigeria, Berlin, Tunisian Republic, Indonesia, Singapore, Thailand, Iceland, Republic of Lithuania, West Africa, Brasil, Poland, Nepal, VietNam.* and many others including INDIA. Dr. Malyadri carried out two Major Research Projects sponsored by the UGC, New Delhi. He is a recognized Research supervisor to guide M.Phil. and Ph.D. students in the Departments of Commerce and Business Management, Osmania University and was awarded 4 Ph.D.'s and 22 M.Phil.'s under his guidance. He also recognized Research supervisor to guide Ph.D scholars in the Department of Commerce and Management, Bharathiar University, Coimbatore & Kanchi University, Kancheepuram, Tamilnadu. He served as Program officer of the National Service Scheme for 5 years and conducted several programs and received outstanding awards. Presently he is serving as the Principal; Osmania University affiliated Government Degree College for the last 4 years. He received several outstanding awards for his academic achievements. Dr. Malyadri is State level Best Teacher awardees in the year 2008, honored by Government of Andhra Pradesh. His current research interests include CRM, Bank Marketing, and Micro Finance. Rural Development, Human Resource Management, Entrepreneurial development.

