

CONSUMERISM IN INDIAN CONSUMER BANKING

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PROLOGUE

In the age of internet, the satellite explosion, globalisation and the turning millennium, consumer movement in India has also built inroads in all walks of human life. It is not only a struggle for protecting consumer rights through legal system but a continuous and broad based social (Kotler 1995), environmental (Barksdale and Darden 1972), international (Schwartz 1977) and countervailing defensive (Bhagwati 1976) and protective action force for both identifying the areas of injustices and its remedy through various forms of organised efforts. Consumerism is deemed as an apparatus, a new social dimension (Poduval 1990) and a protest which aims at unveiling the evil practices of manufacturers and service providers (Buskirk and Rothe 1970) and giving necessary strength to consumers seeking to redress, retribute and remedy for the dissatisfaction caused by products and services not conforming to their expectations (Day and Aaker 1970) and restoring the balance in the buyer-seller relationship (Stanton et al 1994).

In India, the genesis of the consumer movement began during 1940s with few groups in cities like Mumbai, Calcutta, Delhi, Vishakapatnam, Chennai, Hyderabad and Surat (Table 1). The thrust of the consumer groups at this time was consumer education. A major breakthrough for the movement came in 1978, when the Consumer Education Research (CERC) came into being under the leadership of Sh. Manu Bhai Shah. CERC changed the tone of the movement by concentrating primarily on monopolistic trade. Like other areas of service sector in India, Consumer Banking has also started receiving adequate attention of the consumer organisations (Table 2). At present as many as 900 (Girimaji 1999) consumer voluntary organisations are striving for the cause of the consumers of both goods and services. Table 2 indicates awareness among Indian Consumers who got their grievances addressed satisfactorily through CERC.

The Banking Scenario

In banks there is a mismatch between what is expected, what is promised and what is actually given in forms of cost and service (Sanghvi 1989, Sarkar 1989). Until recently, relations between banks and customers operated within an untidy but practical system of implied contract, developing case law and a minimal statutory framework. This has been radically transformed by technological changes and services which made the consumer protection aspects of current banking law and practice anachronistic and out-of-date. There are no freely negotiated contracts between parties of roughly equal bargaining strength. The consumer has to accept the terms and conditions laid down by the banks or do without the service. There is no possibility to ensure a reasonable degree of fairness and equity in the relationship between the bank and the customer (Mitchell 1990).

Ever since major banks were nationalised on July 19th, 1969 and April 15th, 1980, the banking system has been in the limelight for its reorientation and changing banking culture. In the case of

Table 1: List of Early Consumer Groups

Name of the Consumer Associations in India	Year in which Established	Place of Origin	Prominent Activists
Consumer Protection Council	1949	Chennai	Sh. S.C. Rajagopalachari
Consumer Guidance Society of India	1956	Mumbai	Nine housewives and Social Workers
National Consumer Service	1963	Delhi	–
Price Rise Resistance Movement	1964	Delhi	–
National Consumer Council of India	1968	Delhi	–
Indian Consumers Union	1977	New Delhi	–
Consumers Education and Research Centre	1979	Ahmedabad	Sh. Manubhai Shah
Consumer Committee of Bombay Rotary Club	After 1986-87	Mumbai	–
Mahila Dakshta Samiti		Mumbai, Ahmedabad, Delhi, Calcutta	–
Voice		Delhi	–
Karnataka Consumer Service Society		Karnataka	–
Jagrata Grahak		Baroda	–
Madras Provincial Consumer Association		Chennai	–
Consumer Unity and Trust Society		Calcutta	–
Consumer Education Centre		Hyderabad	–
All India Depositors Association	1969	Mumbai	M.R. Pai

a service industry like banking, where services are rendered and intangibles are dealt with, consumerism assumes a wider dimension. The winds of change were blowing in India also even before the Narasimhan Committee. The Ghosh Committee Report on new formats (1985), the Sukhumoy Committee Report on Monetary System (1985), the Vaghul Committee Report on Money Market (1987), the establishment of Discount and Finance House of India (1988), the series of Two Year Action Plan started in 1985 to improve the operational efficiency and financial viability of banks (Kurup 1996). As competition became global and risks of transactions increased, it becomes pertinent to establish a level playing field.

During the 1980's, banking in the major developing countries underwent revolutionary changes like technological changes in computers (Saha 1986) and telecommunications. There were measures for strengthening banks by way of transparency in the financial statements of banks,

Table 2: Cases of Consumer Grievances Solved by CERC, Ahmedabad

The total number of complaints solved in the selected months? areas?	March-April 1996	Sept-Oct 1996	March-June 1997	Nov. 1997	Jan-Feb 1998	March-April 1998	May-July 1998	Nov-Dec 1998	Jan-Feb 1999	March-April 1999
Banking	4	7	4	3	2	1	3	2	-	5
Airlines	-	-	3	-	-	-	-	-	-	1
Housing Board	-	-	1	-	-	2	-	2	1	2
Education	-	1	-	-	-	1	-	1	1	1
Dairy	1	-	-	-	1	-	-	-	-	-
Food other than Dairy	-	-	1	-	-	1	2	2	1	-
Finance	105	48	65	15	18	20	30	49	30	48
Gas	-	2	-	-	1	1	2	-	2	-
Gen. Insurance	1	-	1	1	-	2	1	1	-	5
LIC	-	-	-	-	-	1	1	2	-	2
Elect. Appliances	5	-	6	1	2	-	3	3	5	5
Electricity Board	-	-	1	-	-	-	1	1	-	5
Press	1	-	-	-	-	-	-	-	1	-
Telephones	1	4	6	5	2	3	4	4	3	3
Vehicles	3	1	6	4	-	3	3	1	3	1
Textiles	4	6	8	1	-	-	-	1	-	2
Govt. Services	-	-	-	-	-	2	-	-	1	2
Transport	-	-	-	-	-	1	-	-	-	-
Railways	-	-	-	-	-	-	1	-	-	1
Postal	-	-	-	-	-	-	-	-	-	2
Misleading Advertisement	-	-	-	-	-	-	-	-	-	1
General	-	-	-	-	2	2	2	1	1	4
Total	125	69	102	30	28	40	53	70	49	90

computerisation of banking transactions, reorganisation of individual institutions to enhance competitive capabilities and to facilitate provision of better services to customers and machinery for customer grievances redressal.

There has also been spurt in social action litigation on behalf of consumers by consumer activists, voluntary consumer associations and other social action groups. There is a considerable amount of literature. (Saraf 1990; Singh 1993; Bhattacharyay 1989, 1990) on Consumerism in Indian Consumer Banking. Two specialist law reports viz., Consumer Protection Judgements (CPJ) and Consumer Protection Reporter (CPR) provide abundant evidence of the successful complaints (S. Pushparanam & others. The General Manager and others II 1991 CPJ 64) filed especially by the voluntary consumer associations against banks (Singh 1993).

The Consumer Protection Act, 1986 (Act 68 of 1986) was passed to provide with the major objective of promoting and protecting consumer interests and consolidating the newly emerging consumer jurisprudence in India. It is a beneficent piece of socio-economic revolutionary law ever passed by the legislature in India to provide an effective and speedy remedy to the aggrieved consumers by way of an alternative to the time consuming and expensive process of civil litigation. The unique three-tier quasi-judicial machinery and speedy consumer disputes redressal mechanisms envisaged and established under the Act have significantly increased the chances of dispensing consumer justice to a maximum number of people. The consumer forums have been established, by and large, throughout the country (Table 3) and they are now functioning actively. These forums do battle even with the most powerful state run agencies and win on many occasions. (Singh 1993) Large number of consumers are approaching the Forums to seek quick redressal for their grievances. These forums and voluntary organisations occasionally conduct Seminars, National Conventions to inculcate awareness among customers. The era of punitive damages has finally dawned in the field of consumer protection in India (Sethi and Seetharaman 1994; Bimal, Banerjee and Mahurkar 1992) since consumers are becoming more aware, more sophisticated, more demanding, better educated, more unwilling to be treated generically. So improvement in the quality and commitment of people responsible for creation of banking services as well as simplicity and operational ease of the procedures relating to the delivery of the banking services, is the crying need of the hour. By introduction of reform measures, the Indian banking system has witnessed a significant change in 1992-93 by acquiring the distinction of being a watershed year for the banking industry.

Areas of Unrest in Indian Consumer Banking

Just as the Indian Banking painfully limps towards the new millennium, sooth sayers feel that this could be the end of the road of poor Banking Services. No industry in the service sector can afford to ignore its customers. Banks in the nationalised, private, cooperative and multinational sectors vie with each other for attention of the customers who are becoming increasingly discerning as well as demanding. (Bhattacharyay 1989)

As service industries continue to grow in importance, while at the same time service quality is generally perceived to be declining (Koepp 1987). If one were to go by the experiences of customers in their daily interactions with banks or by the impressionistic accounts given by the media, there appears to be little choice except to agree that the customer orientation (Bhattacharyay 1990) of the banking industry falls far short of rising customer expectations. The observable symptom of customer unrest is decreasing quality in what has been termed the "Service Encounter" or the moment of interaction between the customer and the firm (Czepiel, Solomon and Surprenant 1985; Lovelock 1988; Shostack 1985; Solomon et al 1985; Suprenant and Solomon 1987). Many times that interaction is the service from the customer's point of view (Cronin and Taylor 1992), yet frontline employees are not trained to understand customers and do not have the freedom and discretion needed to relate to customers in ways that ensure effective service (Bitner, Booms and Tetreault 1990).

Table 3: Major Consumer Organisation

Name of the Organisation	Address
1. Binty	193/2 (F.F.) Mehrauli, New Delhi-110030
2. CAGE TARBHA	District Bolangir, Orissa-767016
3. Citizen's Voice Club	62, Gokhale Street, Ramnagar, Coimbatore-9
4. Confederation of Indian Consumer Organisation (CICO)	F-102, Bhagwan Nagar, New Delhi-110004
5. Consumer Action Group	44, Venkita Krishna Iyer Road, Mandavelli-600028
6. Consumer's Association	Kovvur W.G. Distt. (A.P.)
7. Consumer Awareness and Research Centre (CARC)	Post Box No. 3, Khairatabad, HPO, Hyderabad-500004
8. Consumer Care	B-11, Mahaveer Colony, Locoshed Road, Jodhpur-1
9. Common Cause	4/20, Asaf Ali Road, New Delhi
10. Consumer Centre	Pocket B 34/B, Sidhartha Extn, New Delhi-110014
11. Consumer Guidance Society of Jamshedpur	Main Road, Bistupur, Jamshedpur-1
12. Consumer Guidance Society of India (CGSI)	Hutment J Mahapalika Marg, Mumbai
13. Consumer Education Centre	3-6-293, Hyderguda, Hyderabad-500029
14. Consumer Education and Research Centre	Suraksha Sankool, Thaltej, Ahmedabad-380054
15. Consumer Education Trust	Microwave Station Road, Mangalore-575006
16. Consumer Protection Cell	Nayagarh-750270
17. Consumer's Protection Association	Rly Qtr. 173/F, S.N. Colony Guntur (A.P.)
18. Consumer Service Society	Hunsur Avoka Farm Neralakupee, Hunsur-571105
19. Consumer Service and Education Society	Mohammadabad-387130
20. Consumer Service Society	148, Jor Bagh, New Delhi
21. Consumer's Society	High School Bldgs Nidubrolu-522123 (AP)
22. Consumer Unity & Trust Society (CUTS)	3B, Camac Street, Calcutta-700016

23. Delhi Upbhogta Sangathan	F-102, Bhagwan Nagar, New Delhi-110014
24. Consumer's Society	Ponnur, Guntur Distt-522124 (AP)
25. Grahak Suraksha Mandal	Himathagar-383001
26. Gramin Upbhokta Sangh	Topokharia, Kalibari Road, Muzaffarpur, Bihar 84001
27. Greater Visakha Consumer's Association	40-50-I, Abid Nagar, Vishakhapatnam-530006 (AP)
28. Indian Federation of Consumer Organisation (IFCO)	231, Jor Bagh, New Delhi
29. Jagriti	College of Vocational Studies, New Delhi
30. Karnataka Consumer Service Society	32/A Benson Cross Road, Bangalore-47
31. Kota Consumer Education Residence Society	16-B, Civil Lines, Kota-323001
32. Mahila Raksha Samiti	19, Fire Brigade Lane, New Delhi
33. Maitri Bihar Association	Puri (Orissa)
34. Pidugarulla Consumer Society	Pisdugarulla-520010 (AP)
35. Pramesh Consumer Cell	Faculty of Law, Delhi University, Delhi-110007
36. PTP Consumer Welfare Association	Andhra Pradesh
37. Rajasthan Society for Consumer Education and Research	Adarsh Raj Colony, D-63, C-Scheme, Jaipur-302001
38. SASWAT	Jana Hospital Road, Behrampur, Orissa-760002
39. Universal Consumer's Association	9-Bahadurshah Zafar Marg, New Delhi-110002
40. Upbhokta Seva Sangh	Kampit Trishul Mandir Lane, Purani Bazar, Muzaffarpur, Bihar-842001
41. Vasu Sastra Parishodhna Kendra	38-5-7, Vajayana Pantali Street, Vijayawada-50010 (AP)
42. Upbhokta Adhikar Raksha Samiti	1006 Purani Abadi, Ward No. 38, Sriganganagar, Rajasthan-335001
43. Vijaywada Consumer Assistance Society	29 Ranganagar, Vijawada-520010 (AP)
44. Voluntary Health Association of India (VHAI)	Public Policy Division, 40, Institutional Area, Near Qutab Hotel, New Delhi-110016.

Source: National Consumer Disputes Redressal Commission (NCDRC), New Delhi.

The complaint of poor customer service is not the voice of a few disgruntled critics (Pai 1984) but a sense of dissatisfaction with banking services in general is prevalent alround (Bhattacharyay 1990). Mr Pranab Mukherjee, the then Finance Minister of India castigated the banks in 1984 in the following terms: "Unsatisfactory recovery, deteriorating quality of customer service, sluggish flow of information from field levels and the increasing number of bank frauds were the problems that should be effectively contained by the senior managers of the banks." The increasing number of bank frauds (Table 4) depicts the ineffectiveness and negligence of bank management in protecting and monitoring customer interest.

Table 4: Number of Fraudulent Cases and Amount Involved in Indian Banking Industry During 1978-1984

S.No.	Year	Number of Cases	Amount (Rs in Crores)
1.	1978	1422	7.38
2.	1979	1400	15.44
3.	1982	2065	19.53
4.	1983	2343	33.39
5.	1984	2339	40.25

Source: Customers Service Booklet (1989), All India Depositors Association, Mumbai.

The various areas of unrest among consumer banking customers regarding deficient banking service supported with appropriate cases are discussed as under:

Deterioration in Counter Service

Bank employees as a class have developed an image of a rude lot, unpleasant to deal with. The rudeness is not confined to the counters, but it erupts in correspondence also, thus underlining the complete lack of customer consciousness. (Rajendra and Brothers vs Bank of India (1991) 1CPR 450 S.C., Orissa).

Opening Accounts for a Notice - A Hard Task

It is essential for a bank to get an introduction to protect its interests in the eyes of law, to show that it has taken adequate care before banking facilities are made available. The prospective depositor, without any acquaintance acceptable to the bank who can introduce him, does not understand this legal requirement. Intricacies in filling up forms are not well explained by employees and difficulties are not also entertained by them in light of such public dealings.

Dishonour of Bank Draft

Dishonouring a bank draft causes lot of problems to both drawer and the payees. Bank drafts may not be honoured at the destination on account of different reasons. [Bhupendra Kumar Rajguru vs State Bank of India (1993) CCJ, 28 (Guj)] the consequences are borne by bank customers and mistake is generally committed by bank officers [State Bank of India vs N. Ravendran Nair (1992) 2 CPR 400 (NC)]. Similar recklessness is quite often observed in issuing bank draft [Vasudev Bhai vs Bank of Baroda (1993) 2 CPR 421 Guj] where heedful behaviour and dutiful nature need to be cultivated among bankers.

Fallacy in the Maintenance and Operation of Lockers

Once Bank customers hired the locker services of bank for the safety of their ornaments purchased from hard-earned money and due to banks negligence they lost some ornaments. (K.B. Shetty, Mumbai vs Punjab National Bank, Goregaon (West, Mumbai, 1991) 1CPR, 125 (S.C.) Maharashtra). It was sad to note that there was negligence on the part of the Bank to render necessary services to safeguard complainant.

Payment of Cheque Despite Stop Notice

Under banking regulation it is the duty of the banker to take all steps to stop the payment of a cheque if the drawer's notice in this regard has reached the bank on time (Bank of India vs. Dr. Mukesh K. Shukla (1993) CCJ 472 MP).

Forgery of Signature

Encashment of forged cheques is a deficiency in the service on the part of a banker and therefore his liability. He cannot debit the customer's account for withdrawals on forged cheques. The complainant would have to prove by his documents, such as deposit receipts as to what his balance should have been. Bank customer suffers because he had no other documentary evidence except pass book. [Filmalaya Pvt Ltd. vs Corporation Bank (1992) 1 CPR 445 NC].

Security

Once security of the depositor is assured, he also expects as high a rate of return as possible. It is this search for maximum return which turns people to quixotic schemes which offer commercially untenable rates and result in duping people of their hardearned savings. There are complaints that even the six monthly interest is not being credited on time. This is a failure of a fundamental obligation of the banking industry.

Illegible Bank Statements in Passbooks

Several depositor complaints pertain to passbooks or bank statements. Routinel entries are not made and if made, seems a mere scrawling which becomes unreadable which causes difficulty for customers for future budgeting, saving and investment. It is difficult to understand why good handwriting is not made a basic qualification for a bank job.

Problems Related to Cheques

A cheque represents to many depositors the symbol of his link with the bank. There are three specific problems pertaining to cheques. First, the delay involved in issuing cheque books. Second, the latest MICR cheque books are non-functional.

Third, the delays in cheque clearance have assumed such scandalous proportions that even the authorities have been led to give attention to complaints from the banking public. The virtual breakdown of the cheque clearance is an indicator that banks had not measured up managerially to the challenge of change brought about by the effort to convert class banking into mass banking.

Negligence

Losses to depositors through cheque frauds are becoming frequent, as a result of negligence by banks. What is more galling to the hapless depositors is the humiliating treatment given to them when they discover and report the fraud (Table 4). They are made to run around, as if they are the culprits who have put the bank into trouble. A sad commentary on the lack of

responsibility of banks is the line used by some banks in their communication that the bank is not liable for any losses to the customer in the event of non-compliance of instructions such as stop payment. This is certainly a deficiency in banking services.

Methodology of Consumerism for Indian Consumer Banking

As a result of the enactment and implementation of the CPA 1986, there has been an increased amount of pressure from various groups and self-regulation by the public as well as by the banks in India. The mounting pressure by consumer organisations, government, media, consumer activists, consumers and the growing number of cases filed by consumers before the three tier quasi-judicial consumer disputes Redressal Agencies (Table 5) have propelled the corporate sector, sellers, bankers to become more socially accountable than ever before (Singh 1993).

The various steps being taken at both institutional and individual levels for protecting the interest of the bank customers are discussed as under:

Customer Awareness through Press

Bank customers learn a lot about their rights regarding bank services from the articles, editorials and other forms of consumer columns in the leading newspapers and magazines. The consumer activists and consumer organisations find the press to be the most effective method for strengthening the consumer movement. To inculcate consciousness among customers towards the rules, procedures, rights to file complaints, consumer columns and reports are published. These press releases have given a headstart to the concept of consumerism in consumer banking. Emphasizing upon the mass awareness about redressal procedure and judgements of consumer courts on some complaints, consumer activists and voluntary organisations are striving for the process of mass banking instead of just only class banking culture (Table 6).

Table 6: Bi-monthly Consumer Magazine-Insight Shows Publications of Bank Cases Solved by the Effort of CERC

S.No.	Bi-monthly Edition	Year of Publication	Complaint Solved in Months	Page No. on which Published	Solved Bank Cases (In Fig.)
1.	May-August	1996	Mar.-Apr. 1996	24	4
2.	Nov.-Dec.	1996	Sept.-Oct. 1996	24	7
3.	May-Aug.	1997	Mar.-June 1997	27	4
4.	Jan.-Feb.	1998	November 1997	32	3
5.	May-June	1998	Jan.-Feb. 1998	34	2
6.	July-Aug.	1998	Mar.-Apr. 1998	34	1
7.	Sept.-Oct.	1998	May-July 1998	34	3
8.	Jan.-Feb.	1999	Nov.-Dec. 1998	32	2
9.	Mar.-April	1999	Jan.-Feb. 1999	34	0
10.	May-June	1999	Mar.-Apr. 1999	34	5

Table 5: Statewise No. of Disposal and Pending Consumer Complaints and Appeals Filed before the State Commission

State/UT	No. of Complaints			No. of Appeals			Total				
	filed since inception	Disposed since inception	% Disposal	Pending cases	filed since inception	Disposed since inception	% Disposal	Pending cases	filed since inception	Disposed since inception	Pending cases
Andhra Pradesh	1214	490	40.36	724	5047	4313	85.46	734	6261	4803	1458
Arunachal Pradesh	7	0	0.00	7	4	0	0.00	4	11	0	11
Assam	378	156	41.27	222	235	87	37.02	148	613	243	370
Bihar	770	496	64.42	274	2023	834	41.23	1189	2793	1330	1463
Goa	138	117	84.78	21	255	217	85.10	38	393	334	59
Gujarat	1746	1305	74.74	441	2097	1682	80.21	415	3843	2987	856
Haryana	301	237	78.74	64	2974	1803	60.63	1171	3275	2040	1235
Himachal Pradesh	258	100	38.75	158	900	633	70.33	267	1158	733	425
Jammu and Kashmir	41	9	21.95	32	10	0	0.00	10	51	9	42
Karnataka	1181	814	68.92	367	2457	1490	60.64	967	3638	2304	1334
Kerala	1312	1031	78.53	281	4908	3426	69.80	1482	6220	4057	1763
Madhya Pradesh	468	363	77.55	105	2675	1891	70.69	784	3143	2254	889
Maharashtra	2337	1461	62.52	876	5344	2730	51.09	2614	7681	4191	3490
Manipur	4	4	100.00	0	29	14	48.28	15	33	18	15
Meghalaya	17	8	47.06	9	10	3	30.00	7	27	11	16
Mizoram	1	1	100.00	0	0	0	0.00	0	1	1	0
Nagaland	4	0	0.00	4	0	0	0.00	0	4	0	4

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	filed since inception	Disposed since inception	% Disposal	Pending cases	filed since inception	Disposed since inception	% Disposal	Pending cases	filed since inception	Disposed since inception	% Disposal	Pending cases	Disposed since inception
Orissa	1434	865	60.32	569	1848	730	39.50	1118	3282	1595	1687		
Punjab	382	262	68.59	120	410	403	98.29	7	792	665	127		
Rajasthan	4184	1129	26.98	3055	5214	2132	40.89	3082	9398	3261	6137		
Sikkim	0	0	0.00	0	7	0	0.00	7	7	0	7		
Tamil Nadu	1824	1535	84.15	289	4080	3192	78.24	888	5904	4727	1177		
Tripura	63	46	73.02	17	119	66	55.46	53	182	112	70		
Uttar Pradesh	1554	704	45.30	850	8627	2401	27.83	6226	10181	3105	7076		
West Bengal	2910	762	26.19	2148	780	507	65.00	273	3690	1269	2421		
Andaman & Nikobar	11	5	45.45	6	9	4	44.44	5	20	9	11		
Chandigarh	555	392	70.63	163	350	293	83.71	57	905	685	220		
D&N Haveli	0	0	0.00	0	0	0	0.00	0	0	0	0		
Daman & Div	0	0	0.00	0	0	0	0.00	0	0	0	0		
Delhi	2587	1622	62.70	965	2790	1637	58.67	1153	5377	3259	2118		
Lakshdweep	1	0	0.00	1	3	1	33.33	2	4	1	3		
Pondichery	48	43	89.58	5	200	185	92.50	15	248	228	20		

Source: Upbhokta Jagran Jan-Feb, 1996

Legal Method

The main role of the government, both central and state in protecting the consumer is obviously the enacting of suitable laws and enforcing them effectively. The government can act as a role model for bankers to emulate efficiently banking services conforming to the rules and regulations since government is the largest producer of consumer services. In a country of India's size and still with an explosive rate of population growth and chronic shortages, the running and maintenance of services with a minimum of satisfaction is indeed a Herculean task (Pylee 1990). The Consumer Protection Act, 1986, a benevolent piece of socio-economic legislation, was passed primarily to provide better protection for the interests of consumers (Dilip Madhukar Kambli vs Nilesh Vasant Borkar 1991 I CPR 571 SC Mah). The Act, seeks, inter alia, to promote and protect the six basic rights of consumers: a) the right to be protected against the marketing of goods which are hazardous to life and property; b) the right to be informed about the quality, quantity, potency, purity, standard and price of goods to protect the consumer against unfair trade practices; c) the right to be assured, wherever possible, for access to a variety of goods at competitive prices; d) the right to be heard and to be assured that consumer's interests will receive due consideration at appropriate forums; e) the right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers and f) the right to consumer education (Singh 1995).

One of the salient characteristics of the 1986 Act is that it applies to all goods and services. A complaint in relation to any of these can be filed by a) the consumer to whom such goods are sold or delivered or such services provided; b) any recognised consumer association, whether the aggrieved consumer is a member of such association or not or; c) the central or the state government (section 12) (Santosh Sharma and others vs State Bank of India and others 1991 I CPR 103 N.C.).

In banking industry voluntary groups (Table 6) have been able to highlight consumer's grievances (The Federal Bank Bistupur Vs Bijon Mishra 1991 I CPJ 16 NC), the appellant in his capacity as the Managing Trustee of the Consumer Guidance Society of Jamshedpur, a voluntary consumer's association had demanded a sum of Rs 155,000 as compensation for the damages of goodwill, financial loss and also welfare of consumers.

Many times a drastic stand [Consumer Unity and Trust Society, Calcutta vs Chairman, Bank of Baroda, 1991(1) CPR 263 (NC)] taken by consumer forums give solace to aggrieved consumers.

The Banking Regulations Act 1949 is the most comprehensive legislation for regulation of Banking business in India. The Companies Act has recently been amended to give authority to the Company Law Board to entertain complaints against all the financial institutions which fail to repay fixed deposits on maturity. (Reserve Bank of India vs Peerless General Finance and Investment Ltd 1987 I SCC 424).

National Conventions, Conferences, Seminars and Workshops

Personifying the concept of consumerism in Indian Banking Services through conferences and seminars is one of the best options to educate bank customers. There has been bulging of demand to infuse total customer awareness for better services and that could be spurred up by organising seminars, conventions and conferences. Since 1970, attempts have been made to unite the efforts of voluntary organisations through formation of consumer federation groups throughout the country. National conventions were organised by states who were active in this regard, viz., in Cochin in September 1990. During the Second National convention held in New Delhi in February 1991, Confederation of Indian Consumers Organisation (CICO) was formed. Thus, it was for the first time that most of the consumer organisations all over

the country joined together to form a National Consumer Organisation. Then in November 1991 in Calcutta another National Convention was held. The latest and the fourth National Convention of Consumer Activists was organised by CICO in New Delhi in 1993 (Sethi and Seetharaman 1994).

Consumer organisations are making efforts to include consumer education topics in the primary stages of education, through workshops, seminars etc. as part of informal education as well as through inclusion of consumer education topics in the curricula of educational institutions. Consumer education is expected to take an important place in higher education as well and before long may even be a specialisation in its own right.

The CERC, Ahmedabad and the Consumer Guidance Society, Mumbai held a number of national and international conferences and seminars, under their auspices and have been serving consumers by publishing reports and providing information about the existing consumer protection laws and directly taking up complaints of bank customers about the deficiencies in services. Even All India Bankers Association organise seminars at state level to maintain the faith and loyalty of their bank customers since customer service cell is mandatory to be formed in each bank. Trend of banks to organise seminars to arouse the dying interest of customers helped in the growth of consumer movement.

Publication of Leaflets

Several sorts of publications in the consumer education series is a continuing effort, which bring together many factors regarding consumer rights, redressal procedure, research findings, government laws and litigations which are of seminal importance to the consumer who is the a *raison d'être* of this whole effort. CERC published many hand books, leaflets written by renowned consumer activists, lawyers, journalists like Manubhai Shah, M.R. Pai, H.D. Shourie, Rani Advani, Pushpa Girimaji, Audrey Rebellow.

All India Depositors Association, Mumbai publishes leaflets on customer service, bank customer's problems on counter service, illegible bank statements in passbooks, information regarding opening accounts, security, negligence on bank employees, forgery of signature, delay in issuing duplicate bank draft, maintenance and operation of locker, dishonour of bank draft, depositor's rights, coin shortage and soiled notes and bank strikes and public interest.

Even government handouts released by Ministry of Civil Supplies, Government of India, Department of Consumer Affairs and PDS (Consumer Protection Unit) provide complete information regarding consumer rights and consumer associations.

Publication of Research Articles and Survey Reports

Research articles, as a part of consumer education programmes, are persistently finding an eminent place in consumer magazines like 'Insight', CERC and 'Keemat', CGS. International and National journals like Consumer Protection Judgements, Consumer Protection Reports, Journal of consumer Affairs, Journal of Consumer Policy, Journal of Marketing, Journal of Consumer Research, Vikalpa, Pranjan etc. are paving the way for strengthening the consumer movement by publishing consumer related problems, research findings and reports.

It was found in the Report on Currency and Finance, 1985-86 released by Reserve Bank of India in 1987 which, inter alia, says, "Based on the findings of an impressionistic survey carried out by the Reserve Bank during July/August 1985 to gauge the quality of customer service rendered by public sector banks, banks have been asked to submit quarterly reports

indicating the follow-up action taken by them in this regard.” According to Trend and Progress of Banking in India, 1985-86, released by the RBI, both the Central Government and the RBI had been receiving a large number of complaints from bank customers and others with regard to services rendered by banks.

Even National Institute of Bank Management, Pune has conducted several surveys (especially conducted in the years 1974 and 1984) on deteriorating customer service in the Indian Banking Industry and published survey reports.

Epilogue

The Indian banking industry stands at the cross roads today. The declining quality of service has also come in for sharp criticism by the customers, consumer activists, consumer voluntary organisations, media and press. This calls for a reorientation towards promoting services and bestowing improved customer service in each speck of banking industry. There is an urgent need for professionalism and customer-oriented banking in India. Pressures of consumerism should be implied on banking industry constructively that require a new culture: a disciplined, professional and committed manpower, proper development of human resources, reservoir of educated young clerical staff, employees trained for specialised services, specialised branches, strong marketing organisation in different banks, aggressive selling with a promise of efficient service, meeting new customer's expectations and cost-effective and satiated customers. The present unhealthy situation can be cured only if the malady is properly diagnosed and cured.

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