

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**RAJYA SABHA**

**STARRED QUESTION NO. \*75**

TO BE ANSWERED ON THE 08<sup>th</sup> FEBRUARY, 2022 / 19 MAGHA, 1943 (SAKA)

**‘Complaints about online transactions’**

**\*75. SHRI Y. S. CHOWDARY:**

Will the Minister of **FINANCE** be pleased to state:

- (a) the number of complaints which Reserve Bank of India has received under the various Ombudsman schemes in various categories, in the last two years, in the country;
- (b) whether there is a rise in complaints related to debit and credit card transactions and online banking; and
- (c) if so, the steps taken to address those complaints and to ensure that additional safeguards are provided in the transactions through debit card, credit card and online banking, the details thereof?

**ANSWER**

THE FINANCE MINISTER  
(SMT. NIRMALA SITHARAMAN)

**(a) to (c):** A Statement is laid on the Table of the House.

**Statement as referred to in reply to Rajya Sabha Starred Question No. \*75 for answer on 08<sup>th</sup> February, 2022 regarding “Complaints about online transactions” by Shri Y. S. Chowdary, Hon’ble Member of Parliament.**

**(a):** Reserve Bank of India (RBI) has informed that three Ombudsman Schemes of RBI, viz., Banking Ombudsman Scheme (BOS), 2006,(as amended upto July 01, 2017), Ombudsman Scheme for Non-Banking Financial Companies (OSNBFCs), 2018 and Ombudsman Scheme for Digital Transactions (OSDT),2019, were in force until November 11, 2021, for enabling resolution of complaints relating to services rendered by Regulated Entities. On November 12, 2021, the ‘Reserve Bank – Integrated Ombudsman Scheme (RB-IOS), 2021’ has been launched which integrates the erstwhile three Ombudsman Schemes of RBI viz., BOS, OSNBFC and OSDT. Complaints not covered under the erstwhile Ombudsman Schemes/RB-IOS, 2021 were/are handled by the Consumer Education and Protection Cells (CEPCs) of RBI across the country. The number of complaints received under various categories in the erstwhile three Ombudsman Schemes for the last two years and under RB-IOS, 2021 since its implementation is at **Annexure**.

**(b) & (c):** RBI has informed that on comparing the complaints against ATM/Debit Cards, Credit Cards and Mobile/Electronic Banking during the period from 2019-20 to 2020-21, there is a decline of 13.01% with regard to complaints in ATM/Debit Cards and there is an increase of 12.01% and 52.99% with regard to complaints in Mobile/Electronic Banking and Credit Card respectively. The details are as below:

<b>Complaint categories</b>	<b>April 1, 2019 to March 31, 2020</b>	<b>April 01, 2020 to March 31, 2021</b>	<b>Percentage increase/decrease</b>
ATM/ Debit Cards	69,205	60,203	-13.01%
Mobile/Electronic Banking	39,627	44,385	12.01%
Credit Cards	26,616	40,721	52.99%
<b>TOTAL</b>	<b>135,448</b>	<b>145,309</b>	

RBI, vide its circular dated 6<sup>th</sup> July, 2017, has issued guidelines for safeguarding the customers from unauthorized electronic banking transactions, which inter-alia, include steps to address such complaints. The guidelines include the following:

- (i) Strengthening of systems and procedures
- (ii) Reporting of unauthorized transactions by customers to banks.
- (iii) Limited liability of a customer.
- (iv) Reversal timeline for zero liability/limited liability of customer.
- (v) Board approved policy for customer protection.
- (vi) Burden of proof on banks.
- (vii) Reporting and monitoring requirements.

RBI has also issued a circular on Strengthening of Grievance Redress Mechanism in Banks on January 27, 2021, regarding strengthening and improving the efficacy of the grievance redress mechanism of banks and for facilitating better customer service.

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**Annexure****(i) Complaints received under the erstwhile BOS, 2006 from April 01, 2019 to November 11, 2021**

<b>Complaint Categories</b>	<b>April 01, 2019 to March 31, 2020</b>	<b>April 01, 2020 to March 31, 2021</b>	<b>April 01, 2021 to November 11, 2021</b>
ATM/ Debit Cards	69,205	60,203	30,472
Mobile/Electronic Banking	39,627	44,385	28,262
Credit Cards	26,616	40,721	24,678
Failure to Meet Commitments	22,758	35,999	22,076
Non-observance of Fair Practice Code	40,124	33,898	24,478
Levy of Charges without Prior Notice	17,268	20,949	12,732
Loans and Advances	14,731	20,218	11,282
Non-adherence to BCSBI Codes	11,758	14,490	4,646
Deposit Accounts	10,188	8,580	6,137
Pension Payments	6,884	4,966	4,262
Remittances	4,130	3,394	2,149
DSAs and Recovery Agents	1,474	2,440	1,622
Para-Banking	1,134	1,236	761
Notes and Coins	551	332	189
Others	30,844	39,686	26,448
Out of Purview of BO Scheme	9,412	10,250	6,397
<b>Total</b>	<b>3,06,704</b>	<b>3,41,747</b>	<b>2,06,591</b>

**(ii) Complaints received under the erstwhile OSNBFCs, 2018 from July 01, 2019 to November 11, 2021**

<b>Complaint Categories</b>	<b>July 01, 2019 to March 31, 2020</b>	<b>April 01, 2020 to March 31, 2021</b>	<b>April 01, 2021 to November 11, 2021</b>
Non-adherence to FPC	4,516	17,915	12,339
Non-observance of RBI directions	841	6,114	1,876
Levy of charges without prior notice	1,053	3,189	1,673
Non-transparency in contract/ loan	1,285	1,833	509
Delay in repayment of deposits	269	536	317

Delay in release of securities/ documents	206	417	282
No communication about loan sanctioned	342	375	263
Delay in payment of interest	105	386	181
Non-understandable or no adequate notice on terms and conditions	52	145	89
Non-understandable or non-issuance of sanction letter/ terms	31	85	46
Not covered under Clause 8 of the Scheme	292	1,169	1,573
Others	1,939	4,787	855
<b>Total</b>	<b>10,931</b>	<b>36,951</b>	<b>20,003</b>

\*The Complaint Management System (CMS) of RBI has been launched on June 24, 2019. Hence, data on complaints prior to July 01, 2019 is not available.

**(iii) Complaints received under the erstwhile OSDT, 2019 from July 01, 2019 to November 11, 2021**

<b>Complaint Categories</b>	<b>July 01, 2019 to March 31, 2020</b>	<b>April 01, 2020 to March 31, 2021</b>	<b>April 01, 2021 to November 11, 2021</b>
Fund Transfers/ UPI/ BBPS/ Bharat QR Code	827	1,775	1,020
Mobile/Electronic Fund Transfers / Mobile/Electronic Banking	440	824	522
Non-reversal of Funds due to Wrong Beneficiary Transfer by System Participant	170	291	191
Prepaid Payment Instruments (PPI)	148	253	222
Violation of RBI Directives in relation to Fees/Charges	29	100	67
Out of Subject	52	57	28
Others	184	294	223
<b>Total</b>	<b>1,850</b>	<b>3,594</b>	<b>2,273</b>

\*The Complaint Management System (CMS) of RBI has been launched on June 24, 2019. Hence, data on complaints prior to July 01, 2019 is not available.

(iv) **Complaints received under the RB-IOS, 2021 from November 12, 2021 to December 31, 2021.**

<b>Complaint Categories</b>	<b>November 12, 2021 to December 31, 2021</b>
Non-Adherence to Fair Practices Code	902
Loans and Advances	806
Mobile/Electronic Banking	441
Non-adherence to BCSBI Code	402
ATM/CDM/Debit card	362
Deposit account related	286
Failure on commitments	228
Credit Card	193
Pension	116
Levy of Charges without prior notice	92
Para-Banking	47
Remittance related	31
Others	837
<b>Total</b>	<b>4,743</b>

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