

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3602

ANSWERED ON:16.12.2005

BANKING CODE

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Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to set up the Banking Code and Standard Board of India as reported in the Times of India dated the November 30, 2005;

(b) if so, the aim and objectives of the said Board;

(c) the steps taken to provide customer friendly across the country; and

(d) the time by which the said board is likely to start functioning?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)&(b):-In order to ensure that a comprehensive Code of conduct for fair treatment of customers is established, the Committee on Procedures and Performance Audit of Public Services (CPPAPS) constituted by the Reserve Bank in December 2003 had recommended setting up of a Banking Codes and Standards Board of India (BCSBI).

(c):- All commercial banks have been advised by RBI to constitute Ad hoc Committees to undertake procedures and performance audit on public services rendered by them. Banks have been advised by RBI to constitute a Customer Service Committee of the Board with a view to strengthening the corporate governance structure in the banking system and also to bring about ongoing improvements in the quality of customer service provided by the banks. Nationalised Banks have also introduced a lot of measures such as computerization of branches, installation of ATMs, Single Window Concept, time norms, any branch banking, delivery channels etc.

(d):- No final decision has been taken in this regard so far.