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**A CRITICAL REVIEW OF PERFORMANCE OF BANKING  
OMBUDSMAN SCHEME IN INDIA**

**Harinakshi Suvarna\***; **Dr. Narayan Kayarkatte\*\***

\*Lecturer,

Faculty, College of Management & Commerce,  
Srinivas University, Mangaluru, Karnataka, INDIA

Email id: harinakshisuvarna02@gmail.com

\*\*Professor,

Research Guidance, Srinivas University, Mangaluru, Karnataka, INDIA

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**ABSTRACT**

*In an age of increasing competition to provide quality service to its customers, the Banking sector in India emphasizes on gratification of service and customer satisfaction. Where the customer is not happy with the services rendered by the bank, the customer shall be entitled to lodge a complaint with the grievance cell of the bank. Every year, banks get in to many lawsuits, several of which go beyond the years. This shows the incompetence of the banks' grievance resolution system in solving all customer complaints. When customers feel that Grievance Cell of the Bank is ineffective in solving the customers' problem, they have the option to knock the doors of Banking Ombudsman. In 1995, India launched the Banking Ombudsman Scheme to resolve customer complaints effectively, quickly and impartially and to prevent deficiencies and delay in existing legal protection mechanisms. Although the number of complaints received over this platform has recently amplified, a major concern has been the lack of awareness among customers. With some constructive steps of RBI and the Banking Ombudsman's popularity drives, the situation now appears far better. This study is an attempt to explore the role of Banking Ombudsman in addressing grievances filed by customers of various banks. Data was obtained from RBI bulletins for the purpose of the research. The study may help to understand the Banking Ombudsman Scheme with regard to the reception and dissemination of grievances, the type and mode of grievances received the area-wise coverage of complaints and the trend of decline of complaints.*

**KEYWORDS:** *Banking Ombudsman, Customer, Complaint, Grievances, RBI, Redressal Measures.*

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