INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

IJRCM

IJRCM

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories
Indexed & Listed at:
Ulrich's Periodicals Directory ©, ProQuest, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,
Indian Citation Index (ICI), J-Gage, India [link of the same is duly available at Inflibnet of University Grants Commission (U.G.C.)],
Index Copernicus Publishers Panel, Poland with IC Value of 5.09 (2012) & number of libraries all around the world.
Circulated all over the world & Google has verified that scholars of more than **6408 Cities** in **196 countries/territories** are visiting our journal on regular basis.
Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA
http://ijrcm.org.in/

CONTENTS

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography: Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** ***anytime*** in ***M.S. Word format*** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website (***FOR ONLINE SUBMISSION, CLICK HERE***).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____________

THE EDITOR

IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF ____.**

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled '____' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR	:
Designation/Post*	:
Institution/College/University with full address & Pin Code	:
Residential address with Pin Code	:
Mobile Number (s) with country ISD code	:
Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)	:
Landline Number (s) with country ISD code	:
E-mail Address	:
Alternate E-mail Address	:
Nationality	:

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc**. ***The qualification of author is not acceptable for the purpose***.

NOTES:

a) The whole manuscript has to be in ***ONE MS WORD FILE*** only, which will start from the covering letter, inside the manuscript. ***pdf. version* is liable to be rejected without any consideration**.

b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail**:

New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.

d) The total size of the file containing the manuscript is expected to be below **1000 KB**.

e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.

f) ***The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours*** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.

g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.

2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters**, **centered** and **fully capitalised**.
3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name**, **designation**, **affiliation** (s), **address**, **mobile/landline number** (s), and **email/alternate email address** should be given underneath the title.
4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
5. **ABSTRACT:** Abstract should be in **fully Italic printing**, ranging between **150** to **300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. ***Abbreviations must be mentioned in full***.
6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aeaweb.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.
8. **MANUSCRIPT:** Manuscript must be in ***BRITISH ENGLISH*** prepared on a standard A4 size ***PORTRAIT SETTING PAPER***. *It should be free from any errors i.e.* ***grammatical, spelling*** *or* ***punctuation.*** *It must be thoroughly edited at your end*.
9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:

INTRODUCTION

REVIEW OF LITERATURE

NEED/IMPORTANCE OF THE STUDY

STATEMENT OF THE PROBLEM

OBJECTIVES

HYPOTHESIS (ES)

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

LIMITATIONS

SCOPE FOR FURTHER RESEARCH

REFERENCES

APPENDIX/ANNEXURE

The manuscript should preferably be in ***2000 to 5000 WORDS***, But the limits can vary depending on the nature of the manuscript.

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR**, **centered**, **separately numbered** & self-explained, and the **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. *It should be ensured that the tables/figures are referred to from the main text*.

13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.

14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.

15. **REFERENCES:** The list of all references should be alphabetically arranged. ***The author (s) should mention only the actually utilised references in the preparation of manuscript*** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parenthesis.
- ***Headers, footers, endnotes*** *and* ***footnotes*** *should* ***not be used*** *in the document****.*** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

FINANCIAL LITERACY, FINANCIAL INCLUSION AND CUSTOMER PROTECTION: A CASE STUDY

SWATI PANDEY
Ph. D. RESEARCH SCHOLAR
Dr. C. V. RAMAN UNIVERSITY
BILASPUR

PREM SHANKAR DWIVEDI
ASST. PROFESSOR
Dr. C. V. RAMAN UNIVERSITY
BILASPUR

ABSTRACT

This article knows about financial literacy, financial inclusion, and customer protection. Globally, the triad of financial literacy, financial inclusion, and customer protection has been recognized as intertwining threads in pursuit of financial stability. For any kind of stability, whether economic, financial, political or social, inclusive growth is an essential prerequisite. Inclusive growth, in turn, is largely driven by financial inclusion and an inclusive financial system. Financial literacy and financial inclusion are complementary to each other. For emerging market economics, ensuring adequate access to financial products and services is more important at this stage but financial literacy create demand for these products/services. In advanced economies, the access is not that important an issue. Thus, it is a global problem with global dimensions.

KEYWORDS

financial literacy, financial inclusion, customer protection.

JEL CODE

D18

1. INTRODUCTION

Financial Inclusion: - Financial inclusion refers to the ability of individuals to access financial products and services in order to meet their needs. The needs that should be met include saving, transacting, making and receiving payments, receiving credit, and insurance. In other words financial inclusion is where individuals and businesses have access to useful and affordable financial products and services that meet their needs that are delivered in a sustainable way.

Customer Protection: - Consumer protection is a group of laws and organizations designed to ensure the rights of consumers as well as fair trade, competition and accurate information in the marketplace. The laws are designed to prevent the businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors. They may also provide additional protection for those most vulnerable in society. Consumer protection laws are a form of government regulation that aim to protect the rights of consumers. For example, a government may require business to disclose detailed information about products-particularly in areas where safety or public health is an issue, such as food. However, as markets mature and more complex products become available, the need for financial literacy would become even more paramount.

Here, we are talking about Consumer protection in banking sectors. Reserve Bank of India (RBI) is the regulator of finance and banking sector in India. The Banking Regulation Act, 1949 and Reserve Bank of India Act, 1934 are the primary legislations that deal with the banking sector. Both these legislations have provisions which aim at protecting the consumers' interests. Apart from these two legislations, RBI has issued various regulations and circulars which specifically deal with the protection of consumers. RBI has also come out with several schemes like Banking Ombudsman scheme which aims at protecting the consumer.

Financial literacy: - financial literacy is the most important for all people. So all people should be financial literate in this modern age. Contrary to popular perception, financial literacy has to be imparted to everyone in the economy viz. users and providers. In the Indian context, the users are broadly the financially excluded resource-poor, the lower and middle income groups and high net worth individuals. Equally important, banks, financial institutions and other market players too need to be literate about their risks and returns framework. Last, but not the least, policy makers including the financial sector regulators must have financial literacy to comprehend and hedge the requirement of the population and financial institutions to drive the agenda. But, naturally, the message to be conveyed, the method of communication, the language of communication, the complexity of subjects etc. would have to be tailored to suit the target audience. Illustratively, what are the basic/simple messages that we are trying to get across.

2. OBJECTIVES

1. To know about Financial Inclusion, Financial Literacy and Customer Protection in banking sector.
2. To see the relationship between financial inclusion and financial literacy.
3. To analysis that how do customer protection in banking sectors.

3. REVIEW OF LITERATURE

Although financial literacy as a construct is a fairly recent development, financial education as an antidote to poor financial decision making is not. ―Financial literacy‖ as a construct was first championed by the Jumpstart Coalition for Personal Financial Literacy in its inaugural 1997 study Jumpstart Survey of Financial Literacy among High School Students. In this study, Jumpstart defined "financial literacy" as "the ability to use knowledge and skills to manage one's financial resources effectively for lifetime financial security".

A few studies have shown that Americans have inadequate knowledge of personal finances (EBRI, 1995: KPMG, 1995; PSRA, 1996/1997; Oppenheimer Funds/Girls Inc., 1997; Vanguard Group/Money Magazine, 1997). They fail to make correct decisions because they have not received a sound personal finance education (HSR, 1993; Hira, 1993; O'Neill, 1993).

According to Sinclair (2001), financial exclusion means the inability to access necessary financial services in an appropriate form. Financial inclusion covers various services such as savings, credit, insurance, payments and remittance facilities, etc. by the formal financial system to those who tend to be excluded.

The Government of India's Committee on Financial Inclusion in India begins its report by defining financial inclusion as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as the weaker sections and low income groups at an affordable cost (Rangarajan Committee 2008).

One of the approaches to customer protection in UK financial Services which used the literature on Behavioral economics and Psychology as the basis for a critique shows that, contrary to the belief, in neo-classical economics, that people make rational choices, individuals in fact do not always make rational choices. Approximately one in four adults in Britain does not have a private or occupational pension. This is most common for lower income groups, women and minority ethnic group employees.

The use of heuristics results in cognitive weaknesses in individual's decision-making, leading them to make inferior decisions with regard to their welfare. This suggests that interventionist approaches to customer protection are preferable to non-interventionist ones, because they take into account the fact that individuals " decisions are not always rational or in their best interests.

In one of reviews the literature describing the value added from professional advice. The potential welfare gain from increased reliance on expert financial advice is significant, and there is some evidence that financial advisers help households make better financial decisions. However, the results are generally mixed and the outcome is often worse when there are conflicts of interest resulting from adviser compensation incentives.

4. RESEARCH METHODOLOGY

The study has conducted with reference to the data related to customer Finance Literacy, Customer Protection, and Finance Inclusion.

A. TYPE OF RESEARCH

Descriptive research used in this study in order to identify the customer finance literacy, customer protection and financial inclusion and determining customer's level of satisfaction in India.

B. COLLECTION OF DATA

SECONDARY DATA – Our research has completed only based on secondary data.

a). Manual of instructions of customer protection on online banking.

b). Report by RBI

c). Articles and Research Papers

d). Internet

C. SAMPLING UNIT

The Study population includes the customers' of bank in India and Sampling Unit for Study has not decided because we used only secondary data.

5. FINANCIAL INCLUSION AND LITERACY

Financial Inclusion and Education are two important elements in the Reserve Bank of India's developmental role. Towards this, it has created critical volume of literature and has uploaded on its website in 13 languages for banks and other stakeholders to download and use. The aim of this initiative is to create awareness about financial products and services, good financial practices, going digital and consumer protection.

The Financial Literacy Week is an initiative by RBI to promote awareness on key topics every year through a focused campaign.

Financial Literacy Week 2019 will be observed from June 3-7 on the theme of "Farmers" and how they benefit by being a part of the formal banking system. The messages disseminated during the week will focus on Responsible Borrowing (poster)/(video) & Agricultural Finance (poster)/(video). The promotional material for the Financial Literacy Week has been uploaded in the 'Downloads' tab under the heading "Financial Literacy Week 2019" and the 'Films' tab.

The booklet FAME (Financial Awareness Messages) provides basic financial literacy messages for the information of general public. It contains eleven institution/product neutral financial awareness messages, such as, documents to be submitted while opening a bank account (KYC), importance of budgeting, saving and responsible borrowing, maintaining a good credit score by repaying loans on time, banking at doorstep or at vicinity, knowing how to lodge complaints at the bank and the Banking Ombudsman, usage of electronic remittances, investing money only in registered entities, etc.

The RBI has developed tailored financial literacy content for five target groups' viz. Farmers, Small entrepreneurs, School children, Self Help Groups and Senior Citizens that can be used by the trainers in financial literacy programmer. These are fallowing financial awareness massages for target groups.

FARMERS

1. Kisan credit cards scheme primarily for crop loan requirement and partly for consumption purposes.
2. Prompt repayment of crop loan has several benefits interest subvention scheme.
3. Avoid distress sale of farm produce-use post-harvest financing against warehouse receipts.
4. Do not loss hope even if you lose your crop during natural calamities, inform your bank of the extent of crop loss and seek assistance from the bank in the farm of restructuring.
5. Insure your crop and safeguard yourself – crop insurance throu Pradhan Mantri Fasal Bima Yojna (PMFBY).

SMALL ENTREPRENEURS - Credit Guarantee Trust

1. A joint initiative of the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India, and the Small Industries Development Bank of India (SIDBI) with an objective to provide credit to the MSE sector without the need for collateral and third party guarantee.
2. The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) would provide cover facility of up to Rs. 200 lakhs.
3. Guarantee and annual fees charged by CGTMSE are to be borne by the borrower or member lending institution.
4. Instructions from the RBI to all banks not to accept collateral security for loans up to Rs. 10 lakhs provided to the MSE sector.

SCHOOL CHILDREN

1. **Savings and Current Accounts -** Provide facilities like Cheque Book, Funds Transfer, Debit Card, and Unified Payments Facility.
2. Bank, Financial institutions which accept deposits like recurring deposit and fixed deposit and provide loans like personal loan, vehicle loan, education loan, house loan etc.
3. Basic knowledge about investment, insurance and pension scheme, stock and mutual funds, growth /Equty oriented scheme, income / debt oriented scheme. etc.

SELF HELP GROUP

1. KYC for SHG saving bank accounts - You should be aware that the KYC verification of all the members of the SHG need not be done while opening the savings bank account of the SHG. The KYC verification of all the office-bearers would suffice. However, resolution of SHG indicating the name of office-bearers authorized to open the account on behalf of the SHG is required to be submitted.
2. Margin and security norms - The bank may sanction your SHG, a loan based on your total corpus. Suppose your SHG has a corpus of Rs. 10,000 (in the form of cash balance with the SHG + savings account balance with bank + amount lent to members), the loan amount may vary from Rs. 10,000 to Rs. 40,000.
   Loan amount of more than four times of the corpus is possible if:
   - SHGs are functioning successfully for many years.
   - The SHGs have repaid past loans on time.
   - The SHGs have used the credit facility responsibly.
3. Voluntary saving - Generally, as a member of an SHG, you would contribute a fixed amount as compulsory savings in weekly/ fortnightly/monthly SHG meetings. Your capacity to earn and capacity to save would increase substantially over time and it may be different from the other members of the group. You may voluntarily contribute more than the fixed amount of savings that the other members contribute.
   An individual member of a group can have two savings contributions, one fixed by the group and the second voluntary.
4. Good Principles of SHGs, Part I: Periodic Meetings, Periodic Savings & Regular Internal Lending
5. Good Principles of SHGs, Part II: Regular Repayment and bookkeeping.

SENIOR CITIZEN

Dedicated Counters/ Preference to Senior Citizens, Differently Abled Persons -

Banks have been advised to provide a clearly identifiable dedicated counter or a counter which provides priority to senior citizens and people who are differently abled including visually impaired persons.

1. **Ease of Submitting Life Certificate**

In addition to the facility of Digital Life Certificate under 'Jeevan Praman' Scheme, pensioners can submit physical Life Certificate form at any branch of the pension-paying bank. Receiving Banks should promptly update the same in the Core Banking Solution (CBS) system to avoid any delay in credit of pension.

2. **Automatic Conversion of Account Status**

KYC-compliant accounts would automatically be converted into 'Senior Citizen Accounts' on the basis of date of birth maintained in the bank's records.

3. **Ease of Filing Form 15G/H**

Banks are advised to provide senior citizens and differently abled persons Form 15G/H once in a year (preferably in April) to enable them to submit the same, where applicable, within the stipulated time.

4. **Doorstep Banking**

Banks are advised to make a concerted effort to provide basic banking facilities, such as pick up of cash and instruments against receipt, delivery of cash against withdrawal from account, delivery of demand drafts, submission of Know Your Customer (KYC) documents and Life certificate at the premises/residence of such customers.

So that RBI has other way of financial literate to all people like Audio Visuals, Posters, and booklets.

Audio visuals - Audio visuals have been designed for the benefit of general public on topics relating to Financial Literacy. These Audio visuals are on **"Basic Financial Literacy", "Unified Payments Interface"** and **"Going Digital"**

Posters - Two posters - **UPI (Unified Payment Interface)** and **(Unstructured Supplementary Service Data)** - explained these new concepts in digital payments space.

Booklets - Earlier, the Reserve Bank had published a series of pictorial booklets. Under the **'Raju'** title, it created literature on the habit of savings and banking concepts. The **'Money Kumar'** series simultaneously explained the role and functions of the Reserve Bank

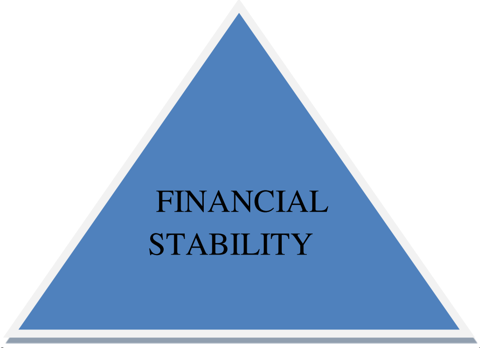
As a complement to Financial Inclusion, Financial Literacy aims to build peoples capability to use the financial products and services. As the first stage of literacy is to create demand, all institutions involved in delivery of financial products and services are contributing to our financial literacy agenda. This entails devising appropriate products and services, pricing them reasonably, understanding the risk, communicating it to customers and protecting the customers. The Central Bank has taken a lead role in spreading financial inclusion and financial literacy. Both in terms of creating an enabling policy environment and providing institutional support, the Reserve Bank of India is actively contributing towards the goal of universal financial inclusion in the country. FSDC has constituted a Sub-Committee to focus solely on Financial Inclusion and Literacy.

It is well recognized that to be effective financial literacy initiatives should ideally commence at school level although even at a later stage adult education would provide substantial benefits. Realizing this, in India, we have engaged the curriculum setting bodies like National Council of Educational Research and Training (NCERT), Education Boards like Central Board for Secondary Education (CBSE), Central and State Governments, in the FSDC sub-Committee on FI and FL. A large number of other players are involved. All other financial sector regulators, Reserve bank of India, IRDA, SEBI and NABARD are actively engaged in this process. Thus, our basic and other members of the civil society are actively engaged in this process. Thus, our basic approach could be described as a central bank led multi-agency approach.

FINANCIAL INCLUSION

CHART 1: CUSTOMER PROTECTION FINANCIAL LITERACY

FINANCIAL INCLUSION



CUSTOMER PROTECTION **FINANCIAL LITERACY**

6. CUSTOMER PROTECTION

Reserve Bank of India (RBI) is the regulator of finance and banking sector in India. The Banking Regulation Act, 1949 and Reserve Bank of India Act, 1934 are the primary legislations that deal with the banking sector. Both these legislations have provisions which aim at protecting the consumers' interests. Apart from these two legislations, RBI has issued various regulations and circulars which specifically deal with the protection of consumers. RBI has also come out with several schemes like Banking Ombudsman scheme which aims at protecting the consumer.

BANKING OMBUDSMAN SCHEME

The banking ombudsman scheme has been introduced to resolve the disputes between the customers and the bank with respect to the services provided by the bank. It was introduced in the year 1995, at present the Banking Ombudsman scheme 2006 (As amended up to 31st of January 2019). The banking ombudsman follows a strict protocol while disposing a complaint

Ombudsman Scheme for Digital Transactions, 2019

The Scheme is introduced with the object to facilitate the satisfaction or settlement of complaints regarding digital transactions undertaken by customers of System Participants1 as defined under the Scheme.

In this Scheme unless there is anything repugnant in the subject or content:

Authorized Representative' means a person (other than an advocate) duly appointed and authorized by a complainant to act on his / her behalf and represent him / her in the proceedings under the Scheme before the Ombudsman as well as Appellate Authority for consideration of his / her complaint.

'Complaint' means any representation in writing or through electronic means containing grievance/s alleging deficiency in service by the System Participants as mentioned in Clause 8 of the Scheme.

'Digital Transaction' means a payment transaction in a seamless system effected without the need for cash at least in one of the two legs, if not in both. This includes transactions made through digital / electronic modes wherein both the originator and the beneficiary use digital / electronic medium to send or receive money.

'Ombudsman for Digital Transactions' means any officer of the Reserve Bank appointed under Clause 4 of the Scheme.

GROUNDS OF COMPLAINT

Any person may file a complaint free of cost with the Ombudsman for Digital Transactions having jurisdiction on any one of the following grounds alleging deficiency in service:

1. **Prepaid Payment Instruments:** Non-adherence to the instructions of Reserve Bank by System Participants about Prepaid Payment Instruments3 on any of the following:
   a) Failure in crediting merchant's account within reasonable time;
   b) Failure to load funds within reasonable time in wallets / cards;
   c) Unauthorized electronic fund transfer;
   d) Non-Transfer / Refusal to transfer/ failure to transfer within reasonable time, the balance in the Prepaid Payment Instruments to the holder's 'own' bank account or back to source at the time of closure, expiry of validity period etc., of the Prepaid Payment Instrument;
   e) Failure to refund within reasonable time / refusal to refund in case of unsuccessful / returned / rejected / cancelled / transactions;
   f) Non-credit / delay in crediting the account of the Prepaid Payment Instrument holder as per the terms and conditions of the promotion offer(s) from time to time, if any;
   g) Non-adherence to any other instruction of the Reserve Bank on Prepaid Payment Instruments.
2. **Mobile / Electronic Fund Transfers:** Non-adherence to the instructions of the Reserve Bank on Mobile / Electronic fund transfers by System Participants on any of the following:
   a) Failure to effect online payment / fund transfer within reasonable time;
   b) Unauthorized electronic fund transfer;
   c) Failure to act upon stop-payment instructions within the time frame and under the circumstances notified to the customers within prescribed timeline;
   d) Failure to reverse the amount debited from customer account in cases of failed payment transactions within prescribed timeline;
   e) Non-adherence to any other instruction of the Reserve Bank on Mobile / Electronic fund transfers.
3. Non-adherence to instructions of Reserve Bank / respective System Provider to System Participants, on payment transactions through Unified Payments Interface (UPI) / Bharat Bill Payment System (BBPS) / Bharat QR Code / UPI QR Code on the following grounds:
   a) Failure in crediting funds to the beneficiaries' account;
   b) Failure to return within reasonable time the payment to the originating member in case of failure to credit the fu
   c) nds to the beneficiary's account;
   d) Failure to / delay in refund of money back to account in case of transaction failure or declined transactions (i.e. failed transactions);
   e) Non-adherence to any other instruction of the Reserve Bank on payment transactions / through Unified Payments Interface (UPI) / Bharat Bill Payment System (BBPS)/ Bharat QR Code / UPI QR Code.
4. Non-reversal / failure to reverse within reasonable time, funds wrongly transferred to the beneficiary account due to lapse at the end of System Participant.
5. Any other matter relating to the violation of the directives including on fees / charges,4 if any, issued by the Reserve Bank in relation to digital transactions.

POWERS AND JURISDICTION

The Banking Ombudsman shall receive and consider complaints relating to the deficiencies in banking or other services filed on the grounds mentioned in clause 8 **irrespective of the pecuniary value of the deficiency in service complained**. They can pass awards up to 2 million rupees but won't be able to pass awards more than the losses incurred by the complainant. The ombudsman have the power to issue additional amount up to 0.1 million with the compensation by taking the mental agony and harassment suffered by the complainant.

PROCEDURE FOR FILING A COMPLAINT

If an individual has any one of the grievance mentioned under Section 8 of the scheme, they can file a complaint by filing the complaint form with the requisite details.

1. The name and the address of the complainant
2. The name and address of the branch or office of the bank against which the complaint is made
3. The facts giving rise to the complaint,
4. The nature and extent of the loss caused to the complainant, and
5. The relief sought for.

COMPLAINT FORM

The below mentioned link would direct the user to complaint form which is to be filed before the ombudsman.

https://www.rbi.org.in/Upload/Publications/PDFs/BOL.pdf

ADDRESS & CONTACT INFORMATION:

The below mentioned link directs the user to the contact information of the banking ombudsman.

https://www.rbi.org.in/commonman/English/scripts/againstbankabo.aspx

STATISTICS OF COMPLAINTS DISPOSED BY THE BANKING OMBUDSMAN

TABLE 1

NO. OF COMPLAINTS	YEAR		
	2014 - 15	**2015 - 16**	**2016 - 17**
Received during the year	85131	102894	130987
Brought forward from previous year	3307	3778	5524
Handled during the year	88438	106672	136511
Disposed during the year	84660	101148	125319
Rate of disposal (%)	96%	95%	92%
Carried forward to the next year	3778	5524	11192

INTERPRETATION

In this table, data of three years take for analysis. In which we are being knowledge from this statistical table that fraud is being continuously growing. Thus banking complaint are being also growing but percentage of complaint disposal are being seen to decrease.

7. SIGNIFICANCE OF THE STUDY

- First, the study helps to people for understand about Financial Inclusion, Financial Literacy and Customer Protection.
- Second, we can see that how did help for improvement in economic growth of India.
- Third, the study will be useful for bank customers' in order to see the impacts of online banking on customers' satisfaction and their protection.
- Fourth, it helps in understanding what attitude customers' have towards online banking and what actions should the banks take in order to benefits from the opportunities and how to overcome the challenges.
- Fifth, the Financial Inclusion of individuals and households would include several conditions, extending from access to specific facilities and resources to much wider capabilities
- Sixth, the study can be used by other researcher as a reference who wants to study further in this or related areas or to serve as a reading material for anyone who is interested. Last but not least this research will alert bankers tomorrow's problems today in order to get the intended customers' satisfaction.

8. LIMITATIONS

1. We have brief study about financial Inclusion, Financial Literacy and Consumer Protection because lake of time.
2. We used of data only reference to consumer protection
3. The study is based on the data of past three years only.

9. CONCLUSION

The last decade for Indian financial sector has witnessed a steady growth in terms of **financial inclusion**. As per world banks published report named" The global index report 2017.There was rapid increase in number of adult account holders in India, It has increased considerably from 35% in 2011, to 53% in 2014 to 80% in 2017. Jan Dhan Yojna was a massive success; more than 31 crores account has been opened under this scheme. Long awaited direct transfer of subsidy can be implemented through this initiative. Although, over 6crore accounts have been marked as dormant which accounts to 19.2% of the total number of accounts opened under the scheme. However, the scheme was successful and brought lot many citizens under the banking net. Thus, the basic structure of financial inclusion has been created. But a lot has to be done so that we can opt fruitful result from this type of initiatives and **Financial Literacy** is "sine qua non" for desired results and letting our country in the path of development. Financial literacy is one of the serious impeding factors that act as a hurdle in development process of LDC's. Hoarding of cash, Investment in unproductive assets like gold jewelry and bullion often makes it difficult for capital deficient country like India to avail adequate capital and funds so that they can increase their productive capacity. In India lot of chit fund companies are fiddling with people's money. Ponzy scheme alluring customer to deposit money with them often results in chaos. They even encourage customer to borrow at low interest rate from banks and deposit them in Ponzy schemes which has resulted in massive NPA's especially in eastern part of the country. Our Judicial system has often proved to be incompetent in suppressing the fraud companies and it can be said that **customer protection** is still at novice stage. Although the regulatory bodies are trying to spread awareness among the common masses as RBI has organized financial awareness week from 4-8th June this year, but such programs have limited coverage. A comprehensive plan is required at country level so that awareness can be reached to every corner of the country.

REFERENCES

1. Dr. K C Chakrabarty, in a panel discussion on "Financial literacy and consumer protection", Washington DC, 22 April 2012.
2. Dr. K C Chakravarty, "Financial Inclusion: Issues in measurement and analysis," IFC Bulletin No.38 (2012).
3. Duvvuri Subbarao, "Financial Inclusion: Challenges and Opportunities" Banker's Club Summit, Kolkata (2009).
4. Radhika Dixit and M. Ghosh (2013), "Financial Inclusion for Inclusive Growth of India – A Study", International Journal of Business Management & Research, Vol.3, Issue 1, pp. 147-156.
5. RBI Report on Financial Inclusion: A Review, EPW,Vol. 49, Issue No. 9, 01 Mar, 2014, R Viswanathan.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as, on the journal as a whole, on our e-mail **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals