

Annual Report 2009



Banking Mohtasib Pakistan بینکنگ محاسب پاکستان



Our Aim

“To resolve all disputes amicably through an informal and friendly process of reconciliation rather than a formal adversarial procedure. We can not take sides.”

Mission Statement

As an independent statutory body established to resolve disputes between consumers and banks, it is our commitment to deliver free of cost, speedy solutions for all disputes referred to us, in a manner that is impartial, fair and equitable to all parties.

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Message From Banking Mohtasib



I had assumed the charge of the post of Banking Mohtasib Pakistan on 2nd May, 2009 exactly one year after the departure of my predecessor. My first priority, therefore, was to clear the huge back log of 1843 complaints pertaining to last four years. By the grace of Allah and with the support and cooperation of my colleagues I was able to clear the back log except for a few complaints in which only formal Orders are to be issued.

I have also reviewed the entire working of the office in consultation with the Advisors and have also taken a feedback from the other staff. A series of meetings were held with the Key Contact Persons of the Banks to improve the response time. On the basis of my observations and the feedback I have taken certain initiatives which, inter-alia, include reorganization of the Secretariat, revamping of the electronic complaint tracking system and the complaint resolution process, introduction of initiation of reply to the Complainants from rural areas in Urdu, printing of mounted posters and complaint forms in Urdu and a gradual reduction in the processing and disposal time of the complaints.

Based on the practical difficulties faced during the process of resolving complaints over the last more than four years certain amendments in Chapter IV-A of the Banking Companies Ordinance have been proposed to the State Bank of Pakistan. It is hoped that with the promulgation of the amendments in the law the complaint resolution mechanism will become speedier and more responsive.

A further step forward has been towards providing solutions, as far as possible, at the door step of the Complainant. The proposal to open another Regional Office has been approved by SBP. It has also been decided to hear complaints even at towns/cities where BMP does not have an Office. This initiative will achieve the objective to provide justice 'at the door step' of the aggrieved complainants.

During our investigations, we have received many complaints regarding wrong commitments made by the Marketing staff of banks. These have been brought to the notice of concerned banks.

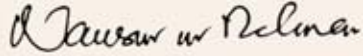
There have been a number of complaints about faulty ATMs unable to either dispense cash or the Transaction Slips to the customers. More serious than the complaints is the behavior of the concerned staff member who could not guide the aggrieved Complainants properly on such occasions ostensibly due to lack of training. In such cases the top management of the concerned Banks have been enjoined to take appropriate measures to address such grievances.

During investigations of frauds in Branches, reported to us by the Complainants, we have come across many cases of frauds through parallel banking which could have been avoided, had proper and effective internal controls were in place.

Customers who availed auto finances from Banks are facing hardships in getting Original File of vehicles even after the loan is fully adjusted and NOC issued by the Bank. The reason for such complaints is the absence of or defects in the procedure for safe custody of such documents. This is a vital issue and recommendations have been made to SBP in this behalf.

A number of suggestions, based on the experience learnt from the cases, have been made to the State Bank of Pakistan, some of which has already been agreed to and notified by the State Bank of Pakistan.

I am pleased to report that we have secured the membership of the Asian Ombudsman Association. We are also at an advance stage in the process of securing membership of other international organizations. It is hoped that increased interaction at the international level will enhance the performance of the BMP Secretariat through adoption of International best practices.



MANSUR UR REHMAN KHAN
Banking Mohtasib Pakistan
March 2010

Core Values



We function as a closely-knit team and take collective responsibility for individual decision-making. We have full ownership of our Core Values and firmly believe that by abiding these values, both in our professional and personal lives, we can make a difference.

Responsive

We receive a large number of disputes daily. We use a practical and rational approach to find fair and amicable outcomes in a manner that is informal and speedy.

Compassionate

Disputes, howsoever petty, cause unnecessary pain and stress. We analyze each dispute with an open mind and if necessary listen to parties concerned, patiently and sympathetically, so as to find a practical and equitable solution.

Flexible

We believe that most disputes can be resolved in a friendly and amicable manner. We do not allow rigidity to dictate the dispute resolution process. Instead, we endeavor to create an environment where all concerned are encouraged to be reasonable and conciliatory.

Trustworthy

We treat all those we meet with respect, courtesy and compassion because only by doing so, we gain their confidence and trust.

Transparent

We are neither consumer champions nor advocates. Neutrality and openness underpin our deliberations. Our service is free of charge. We respect confidentiality in all disputes and institute a process of conciliation that is acceptable to both parties. Decisions taken by us are consistent, clear and balanced so that any rational mind can appreciate the reasoning behind our findings.

Jurisdiction

In relation to all commercial banks operating in Pakistan, Banking Mohtasib has been empowered to entertain all complaints relating to banking services and products.

Banking Mohtasib has been given adequate powers to call for such information as would be relevant for the disposal of complaints provided legal banking confidentiality is maintained.

However, Banking Mohtasib does not have the power to direct banks to grant loans and advances.

Banking Mohtasib has no jurisdiction to consider complaints against a bank's mark-up policies, risk policies or product and service pricing if included in schedule of charges as well as any other policy matter.

Any matter which is sub-judice or has been decided upon by a court of law or by SBP is outside the purview of the Banking Mohtasib.

Grievances of bank employees or ex employees pertaining to terms and conditions of their service fall outside the jurisdiction of the Banking Mohtasib.

Advertising and Publicity

Amended Complaint Forms, Frequently Asked Questions (FAQs) Leaflets and Posters titled "Banking Mohtasib and You" both in English and Urdu were sent to branches of all scheduled banks for awareness of bank customers about Banking Mohtasib's functions.

The Banking Mohtasib website is regularly updated and carries annual reports and samples of case studies of significant decisions.

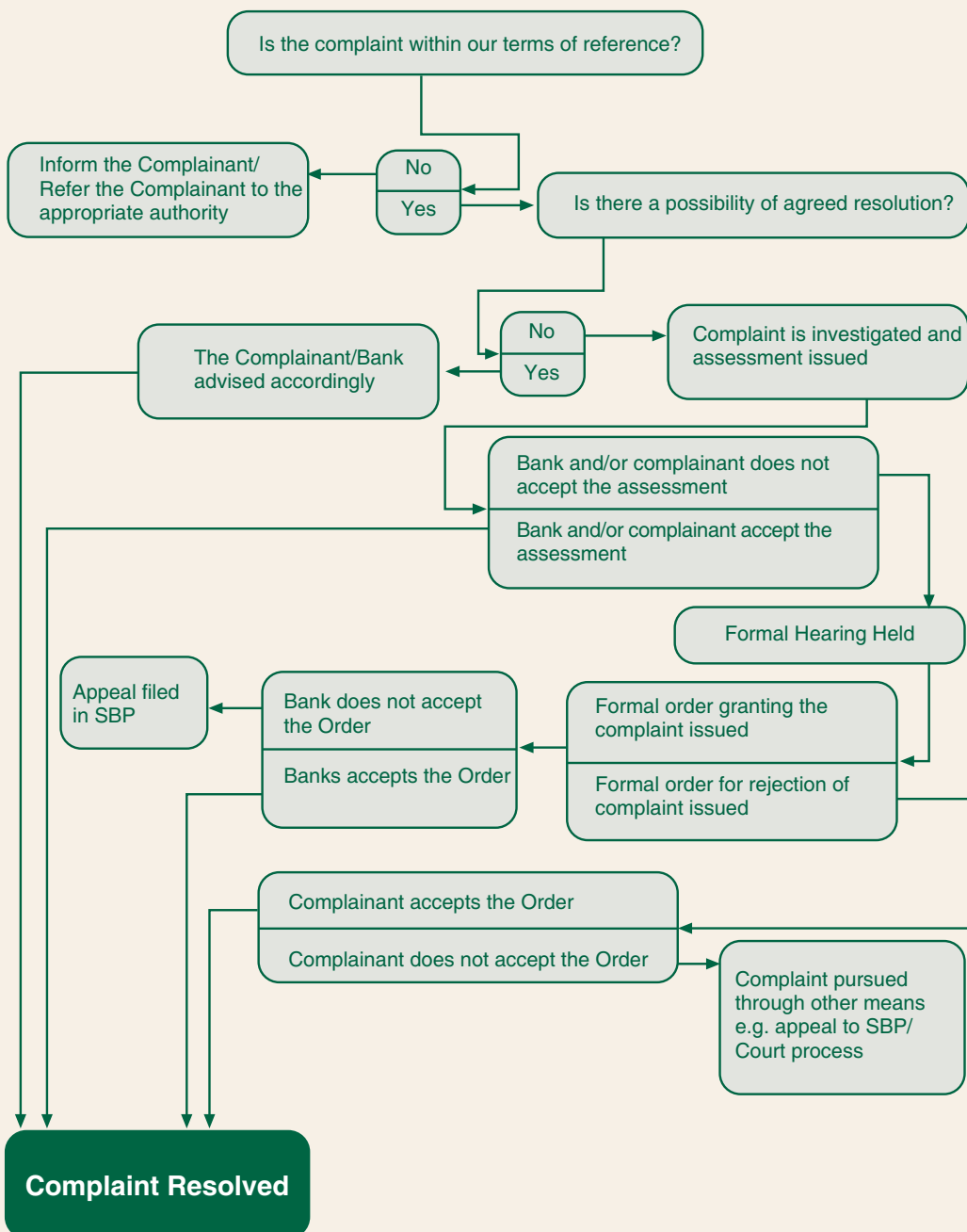
Administrative Expenses

Administrative expenses incurred during the year were Rs. 47,567,285/-. All expenses are charged proportionately to banks. Apart from rent and salaries, major items of expenditure were:

Rs. 254,050/--	advertising and publicity
Rs. 1,150,394/--	travel
Rs. 2,296,433/--	utilities
Rs. 608,101/--	telephone and internet
Rs. 1,189,148/--	security and janitorial services
Rs. 2,142,556/--	general repair and computer maintenance contracts
Rs. 580,617/--	printing and stationery
Rs. 1,301,373/--	other expenses

Process Flow for Handling Complaints at BMP

Complaint Flow Chart



Types of Complaints

a) Informal Complaints:

Complaints that relate to trivial matter and are not submitted by adopting the procedure as laid down in the Law.

Upon receipt of informal complaints, procedural guidance is provided to complainants and where warranted, banks are informally asked to resolve the issue. No correspondence ensues between banks and the Banking Mohtasib in such cases. During the year 1615 such complaints were received and suitably addressed. This compares with 2544 informal complaints received during 2008.

Further breakup of informal complaints is given below:

Informal Services provided to walk in complainants by our Officers	302
Complaints made in writing but without completing prescribed legal requirements	676
Complaints received via email	637
Total	1615

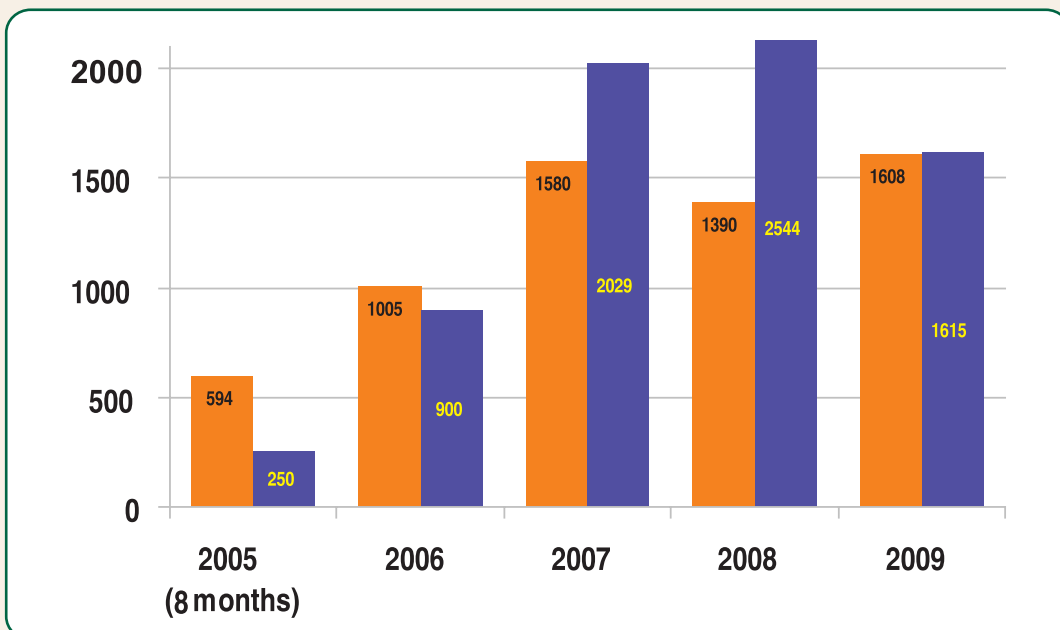
b) Formal Complaints:

Complaints which are submitted in writing and in accordance with the procedure prescribed under Banking Companies Ordinance 1962 i.e the complaint should be duly attested by an Oath Commissioner and a prior notice has been served upon bank.

Formal complaints received during the period were 1608, a monthly average of over 134 which reflects a 15 % increase over the monthly average of 116 complaints during 2008.

The annual traffic of formal complaints (orange bar) and informal complaints (blue bar) since inception of the Banking Mohtasib function is illustrated below:

Complaints Traffic Since Inception



Volume of Complaints

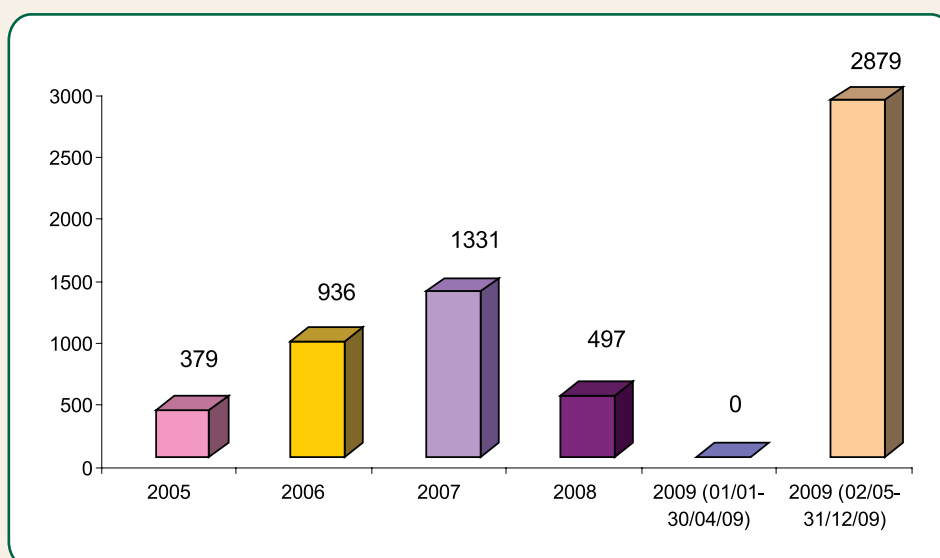
The office of Banking Mohtasib remained vacant for a full year i.e. from May 2, 2008 to April 30, 2009 due to which 1559 formal complaints pertaining to that period were pending. In addition to this, another 284 formal complaints pertaining to the years 2005, 2006 and 2007 were also pending decision. Thus a total of 1843 formal complaints were lying undecided as on 2nd May, 2009 when the present incumbent assumed charge as Banking Mohtasib. Breakup of these complaints is as under:

Year	No. of undecided complaints
2005-2007	284
2008	1144
2009 (Jan 1 – April 30, 2009)	415

The first priority, therefore, was to clear this backlog. Owing to efforts of the staff of Banking Mohtasib Pakistan we were able to decide 1816 of these complaints leaving only 27 in which hearing have been conducted and orders thereon are being finalized. Besides another 1193 formal complaints were received during the period from 2nd May, 2009 to 31st December 2009. Out of these 3036 complaints, 2879 complaints were decided leaving a balance of 157.

It may not be out of place to mention that the number of complaints decided during the last eight months was 91.6% of total complaint disposed off in the last 4 years as can be seen from the following table.

Year	2005	2006	2007	2008	2009 (01/01 -30/04/09)	Sub Total	2009 (02/05 -31/12/09)	Total
Total cases decided	379	936	1331	497	0	3143	2879	6022



Formal Orders Passed

Simple cases are decided on the basis of comments received from banks, while in respect of complicated cases a detailed Order is drawn after hearing the case which contains the summary of the complaint, detail of investigation, proceedings of hearing, findings, and the reasoning on which the Order is based.

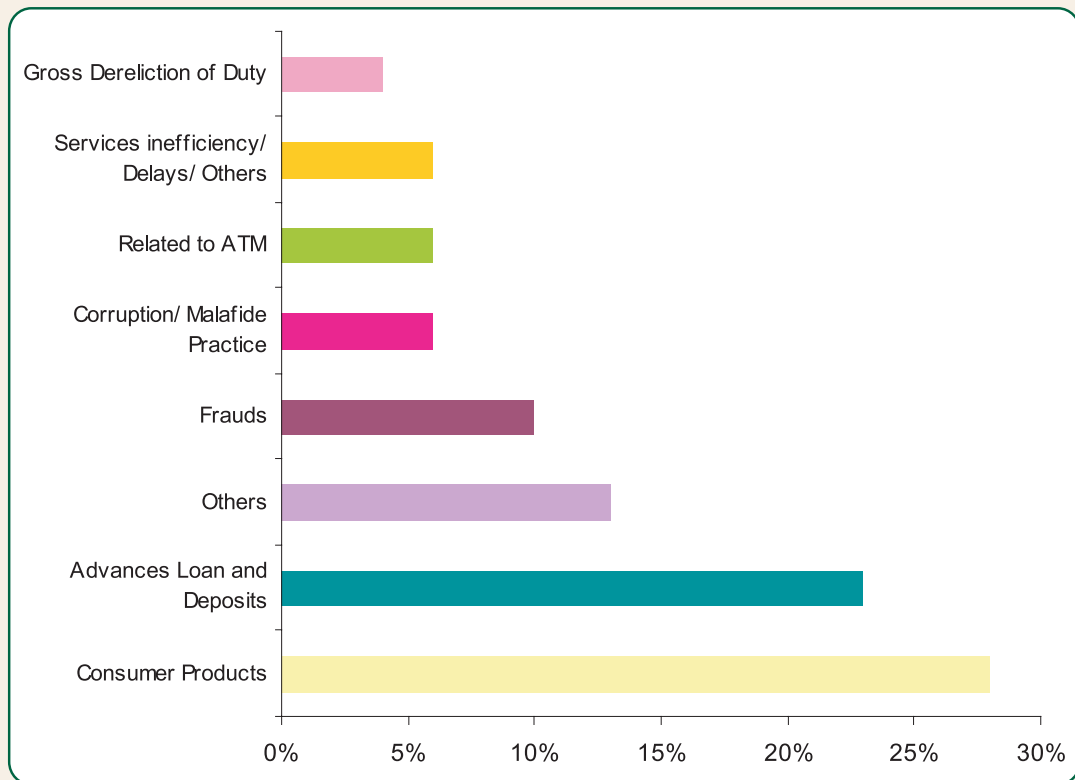
From May 2, 2005 – April 30, 2009, 164 Orders were passed as per details given below.

Year	No. of Orders Passed
May 2, 2005- December 31, 2005	2
2006	52
2007	63
January 1, 2008 to April 30, 2009	47

During the eight months period from May 2, 2009 to December 31, 2009, 62 formal detailed Orders were passed.

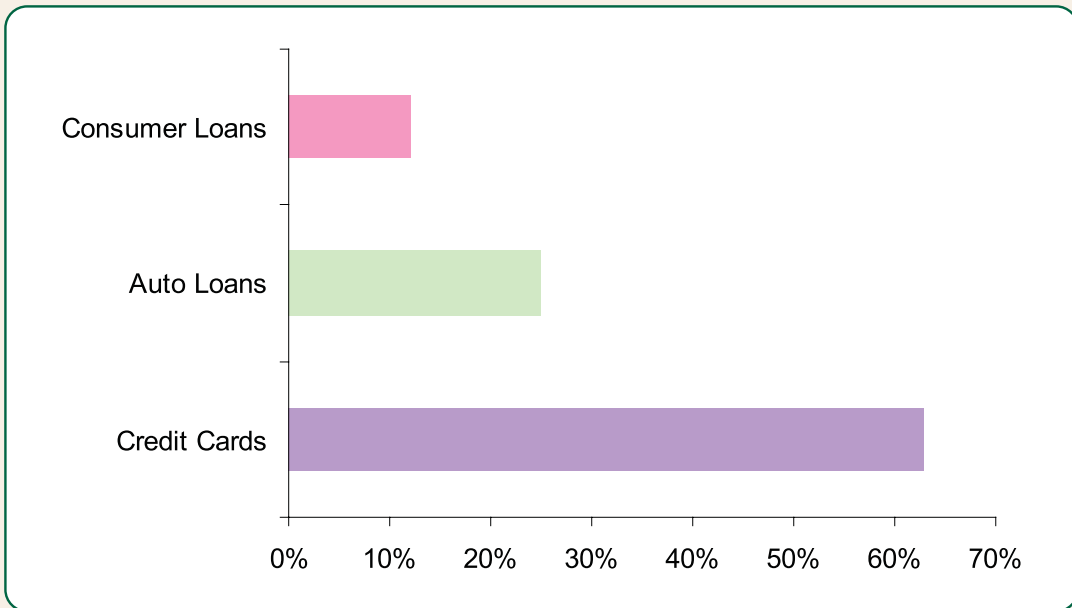
Catagories of Complaints Received

Complaints received during the period fall in the following broad categories:



In line with previous years, a large proportion of complaints received related to consumer products.

Consumer products complaints can be further broken down in the following major categories.



Credit Card complaints represented 63% of complaints in the consumer products category.

Following chart tabulates disposal of complaints brought forward from last four years and received during the year.

Bank	Total	Rejected	Declined	Granted	Amount claimed(Rs)	Amount granted(Rs)	Pending 31-12-09
1 Albaraka Islamic Bank B.S.C. (E.C.)	2	1	0	1	350,000	350,000	0
2 Allied Bank of Pakistan	173	60	52	41	18,145,430	17,689,494	20
3 Askari Bank Limited	89	21	29	35	1,122,636	974,142	4
4 Atlas Bank Limited	6	5	0	1	61,000	60,678	0
5 Bank Al Habib Limited	13	8	1	3	58,450	31,451	1
6 Bank Alfalah Limited	235	80	108	39	14,574,000	2,009,785	8
7 Bank Islami Pakistan Limited	6	2	2	2	758,219	758,219	0
8 Barclays Bank	1	1	0	0	0	0	0
9 Citibank N.A.	157	30	69	55	2,534,470	1,734,936	3
10 Dubai Islamic Bank Pakistan Limited	6	1	4	1	0	0	0
11 Emirates Global Islamic Bank Limited	1	1	0	0	0	0	0
12 Faysal Bank Limited	35	10	19	4	192,840	139,674	2
13 First Women Bank Limited	9	4	1	2	980,000	980,000	2
14 Habib Bank Limited	244	111	76	36	14,398,701	13,801,663	21
15 Habib Metropolitan	8	5	3	0	0	0	0
16 HSBC Bank Middle East Limited	8	6	1	1	26,186	26,186	0
17 Industrial Development Bank of Pakistan	1	1	0	0	0	0	0
18 JS Bank Limited	1	0	0	1	263,280	189,780	0
19 KASB Bank Limited	7	3	2	2	9,468	8,997	0
20 MCB Bank Ltd.	241	110	57	61	12,606,893	5,110,246	13
21 Meezan Bank Limited	13	8	2	2	40,000	40,000	1
22 Mybank Limited	6	1	4	1	175,000	168,718	0
23 National Bank of Pakistan	334	154	63	99	4,647,051	1,249,247	18
24 NIB Bank Limited	75	31	29	14	5,736,406	5,622,852	1
25 Oman International Bank S.A.O.G	1	0	0	1	102,082	102,082	0
26 Samba Bank Limited	4	1	1	2	45,000	17,526	0
27 *Silk Bank Limited	6	4	0	2	219,865	117,432	0
28 SME Bank Limited	17	4	6	6	1,333,872	1,333,872	1
29 Soneri Bank Limited	9	4	2	3	1,378,743	177,440	0
30 Standard Chartered Bank	404	73	130	182	26,662,574	20,534,100	19
31 The Bank of Khyber	4	2	0	1	0	0	1
32 The Bank of Punjab	65	45	12	7	471,101	270,443	1
33 The Punjab Provincial Cooperative Bank Ltd	29	20	1	7	284,044	129,556	1
34 The Royal Bank of Scotland	168	40	54	71	2,912,101	2,912,101	3
35 United Bank Limited	422	145	122	122	19,224,720	7,685,144	33
36 Zarai Taraqiati Bank	178	58	75	41	2,346,850	2,346,850	4
37 Institutions other than banks	58	53	5	0	0	0	0
Total	3036	1103	930	846	131,660,982	86,572,614	157

* Former Saudi Pak Bank Limited

Following chart tabulates bank wise disposal of complaints received in descending order during 2009:

Bank Bank	Total	Rejected	Declined	Granted	Amount claimed(Rs)	Amount granted(Rs)	Pending 31-12-09
1 United Bank Limited	222	122	37	38	1,648,061	1,648,061	25
2 National Bank of Pakistan	188	118	21	32	1,300,402	815,502	17
3 Standard Chartered Bank	157	64	35	44	6,714,509	586,035	14
4 Habib Bank Limited	145	85	27	13	3,621,100	3,621,100	20
5 MCB Bank Ltd.	143	92	18	22	8,803,858	1,307,211	11
6 Bank Alfalah Limited	132	71	39	15	2,344,377	694,940	7
7 The Royal Bank of Scotland	108	38	23	45	1,459,307	1,459,307	2
8 Allied Bank of Pakistan	84	35	16	16	7,612,836	7,156,900	17
9 Zarai Taraqiati Bank	78	46	20	9	595,000	595,000	3
10 Citibank N.A.	58	28	15	12	1,264,213	1,215,198	3
11 NIB Bank Limited	47	28	12	6	369,955	369,955	1
12 The Bank of Punjab	42	33	6	2	200,000	166,638	1
13 Askari Bank Limited	32	18	8	4	38,717	38,717	2
14 The Punjab Provincial Cooperative Bank Ltd	17	13	1	2	72,000	72,000	1
15 Faysal Bank Limited	16	9	6	1	74,795	24,795	0
16 Bank Al Habib Limited	12	8	1	2	16,000	16,000	1
17 Meezan Bank Limited	11	8	1	1	36,000	36,000	1
18 SME Bank Limited	9	4	2	2	112,735	112,735	1
19 Habib Metropolitan	7	5	2	0	0	0	0
20 HSBC Bank Middle East Limited	7	5	1	1	26,186	26,186	0
21 First Women Bank Limited	6	3	0	1	500,000	500,000	2
22 KASB Bank Limited	6	312	9,468	8,997	0	0	0
23 *Silk Bank Limited	5	4	0	1	204,865	102,432	0
24 Soneri Bank Limited	5	3	1	1	331,000	0	0
25 Bank Islami Pakistan limited	4	2	2	0	0	0	0
26 Dubai Islamic Bank Pakistan Limited	4	1	2	1	0	0	0
27 Mybank Limited	4	1	2	1	175,000	168,718	0
28 The Bank of Khyber	4	2	0	1	0	0	1
29 Atlas Bank Limited	3	2	0	1	61,000	60,678	0
30 Samba Bank Limited	3	1	0	2	45,000	17,526	0
31 Albaraka Islamic Bank B.S.C. (E.C.)	2	1	0	1	350,000	350,000	0
32 Barclays Bank	1	1	0	0	0	0	0
33 Emirates Global Islamic Bank Limited	1	1	0	0	0	0	0
34 Industrial Development Bank of Pakistan	1	1	0	0	0	0	0
35 JS Bank Limited	1	0	0	1	263,280	189,780	0
36 Oman International Bank S.A.O.G	1	0	0	1	102,082	102,082	0
37 Institutions other than bank	42	38	4	0	0	0	0
Total	1608	894	303	281	38,351,746	21,462,493	130

* Former Saudi Pak Bank Limited

Following chart tabulates bank wise disposal of complaints brought forward from the previous years.

Bank	Total	Rejected	Declined	Granted	Amount claimed(Rs)	Amount granted(Rs)	Pending 31-12-09
1 Albaraka Islamic Bank B.S.C. (E.C.)	0	0	0	0	0	0	0
2 Allied Bank of Pakistan	89	25	36	25	10,532,594	10,532,594	3
3 Askari Bank Limited	57	3	21	31	1,083,919	935,425	2
4 Atlas Bank Limited	3	3	0	0	0	0	0
5 Bank Al Habib Limited	1	0	0	1	42,450	15,451	0
6 Bank Alfalah Limited	103	9	69	24	12,229,623	1,314,845	1
7 Bank Islami Pakistan limited	2	0	0	2	758,219	758,219	0
8 Barclays Bank	0	0	0	0	0	0	0
9 Citibank N.A.	99	2	54	43	1,270,257	519,738	0
10 Dubai Islamic Bank Pakistan Limited	2	0	2	0	0	0	0
11 Emirates Global Islamic Bank Limited	0	0	0	0	0	0	0
12 Faysal Bank Limited	19	1	13	3	118,045	114,879	2
13 First Women Bank Limited	3	1	1	1	480,000	480,000	0
14 Habib Bank Limited	99	26	49	23	10,777,601	10,180,563	1
15 Habib Metropolitan	1	0	1	0	0	0	0
16 HSBC Bank Middle East Limited	1	1	0	0	0	0	0
17 Industrial Development Bank of Pakistan	0	0	0	0	0	0	0
18 JS Bank Limited	0	0	0	0	0	0	0
19 KASB Bank Limited	1	0	1	0	0	0	0
20 MCB Bank Ltd.	98	18	39	39	3,803,035	3,803,035	2
21 Meezan Bank Limited	2	0	1	1	4,000	4,000	0
22 Mybank Limited	2	0	2	0	0	0	0
23 National Bank of Pakistan	146	36	42	67	3,346,649	433,745	1
24 NIB Bank Limited	28	3	17	8	5,366,45	5,252,897	0
25 Oman International Bank S.A.O.G	0	0	0	0	0	0	0
26 Samba Bank Limited	1	0	1	0	0	0	0
27 *Silk Bank Limited	1	0	0	1	15,000	15,000	0
28 SME Bank Limited	8	0	4	4	1,221,137	1,221,137	0
29 Soneri Bank Limited	4	1	1	2	1,047,743	177,440	0
30 Standard Chartered Bank	247	9	95	138	19,948,065	19,948,065	5
31 The Bank of Khyber	0	0	0	0	0	0	0
32 The Bank of Punjab	23	12	6	5	271,101	103,805	0
33 The Punjab Provincial Cooperative Bank Ltd	12	7	0	5	212,044	57,556	0
34 The Royal Bank of Scotland	60	2	31	26	1,452,794	1,452,794	1
35 United Bank Limited	200	23	85	84	17,576,659	6,037,083	8
36 Zarai Taraqiati Bank	100	12	55	32	1,751,850	1,751,850	1
37 Institutions other than banks	16	15	1	0	0	0	0
Total	1428	209	627	565	93,309,236	65,110,121	27

* Former Saudi Pak Bank Limited

Complaints Per Branch

There are 40 banks operating in the system which are under the jurisdiction of Banking Mohtasib. Out of these 40 banks, no formal complaint has been received against the following four banks during the year 2009.

1.	Arif Habib Bank Limited	2.	Deutsche Bank AG
3.	Dawood Islamic Bank	4.	The Bank of Tokyo-Mitsubishi UFJ Ltd.

The following table reflects the number of complaints received during the year against each bank according to bank size in terms of its branches.

	Name of Bank	Complaints received	Branches	Complaints per branch
1	Citibank N.A.	58	21	2.76
2	The Royal Bank of Scotland	108	79	1.37
3	Standard Chartered Bank	157	162	0.97
5	SME Bank Limited	9	13	0.69
4	HSBC Bank Middle East Limited	7	12	0.58
6	Bank Alfalah Limited	132	313	0.42
7	Oman International Bank S.A.O.G	1	3	0.33
8	Zarai Taraqiati Bank Limited	78	348	0.22
9	NIB Bank Limited	47	223	0.21
10	United Bank Limited	222	1115	0.20
11	First Women Bank Limited	6	38	0.16
12	The Bank of Punjab	42	272	0.15
13	National Bank of Pakistan	188	1265	0.15
14	Askari Bank Limited	32	226	0.14
15	MCB Bank Ltd.	143	1060	0.13
16	Faysal Bank Limited	16	136	0.12
17	Dubai Islamic Bank Pakistan Limited	4	36	0.11
18	Allied Bank of Pakistan	84	779	0.11
19	Samba Bank Limited	3	28	0.11
27	The Punjab Provincial Cooperative Bank	17	159	0.11
20	Habib Bank Limited	145	1454	0.10
21	The Bank of Khyber	4	43	0.09
22	Atlas Bank Limited	3	40	0.08
23	Albaraka Islamic Bank B.S.C. (E.C.)	2	29	0.07
24	Barclays Bank	1	15	0.07
25	*Silkbank Limited	5	82	0.06
26	KASB Bank Limited	6	100	0.06
28	Industrial Development Bank of Pakistan	1	17	0.06
29	Habib Metropolitan	7	122	0.06
30	Meezan Bank Limited	11	201	0.05
31	Mybank Limited	4	80	0.05
32	Bank Al Habib Limited	12	255	0.05
33	Bank Islami Pakistan limited	4	102	0.04
34	Soneri Bank Limited	5	154	0.03
35	Emirates Global Islamic Bank Limited	1	60	0.02
36	JS Bank Limited	1	101	0.01
37	Institutions other than banks	42	0	-
	Total	1608	9143	

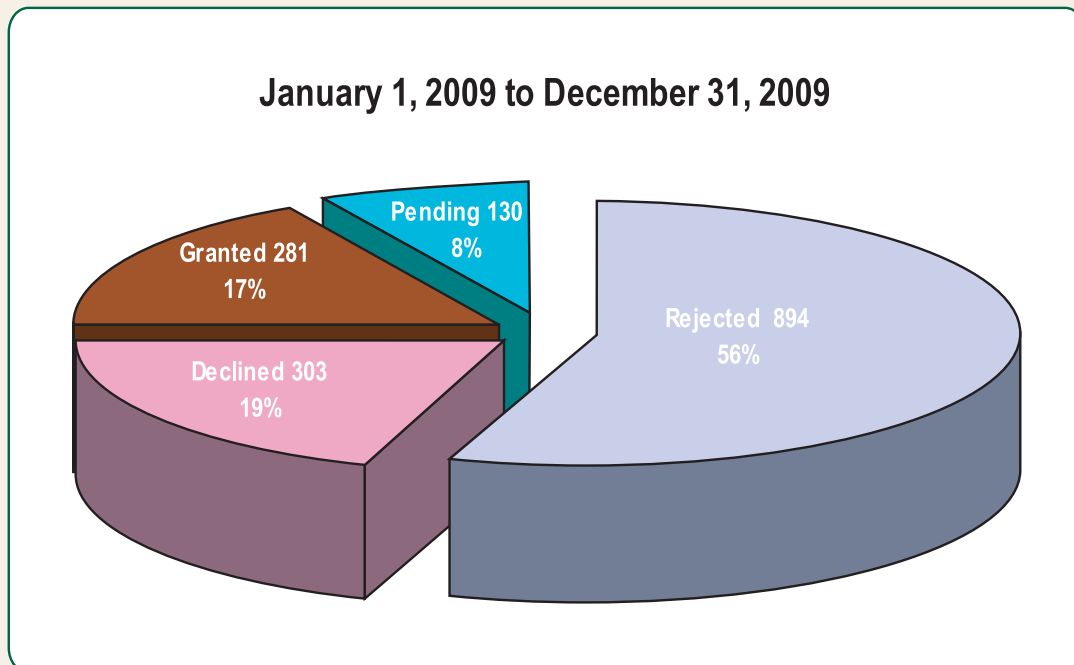
* Former Saudi Pak Bank Limited

It is accepted that the complaints data as presented, may still not project a fair reflection of a bank's service quality because of the large number of consumer products e.g. credit cards, auto loans etc. on their books.

A realistic measure of bank efficiency could be to measure complaints against the number of customers at each bank but this too would not serve the purpose because that would not take into account the sizeable number of utility bills accepted by some banks which puts pressure on those banks and also generates complaints against them. Thus, how best to present complaints data is an endless debate.

We expect readers to keep the foregoing in mind when making comparisons.

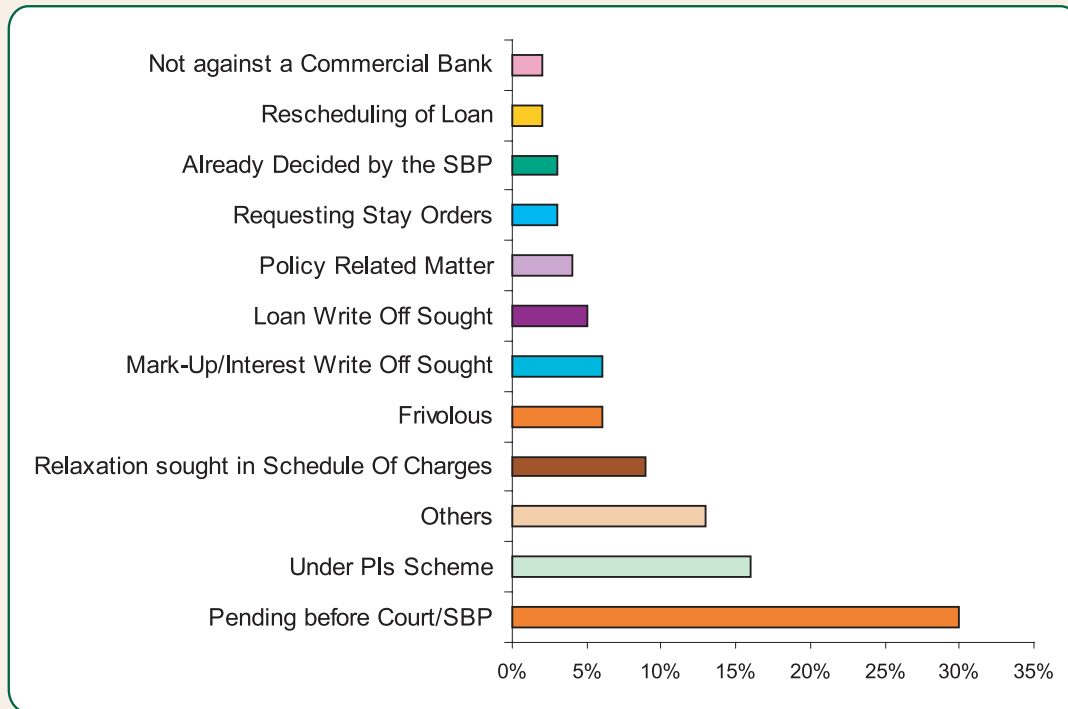
The diagram below shows the disposal status of the 1608 complaints during the period:



894 complaints were rejected outright out of which 537 complaints were those where the Complainants did not comply with the mandatory legal requirement of serving a notice to the bank. In such cases the Complainants were suitably advised to revert to us after complying with the legal requirements.

Remaining 357 complaints were related to policy matters such as schedule of charges, loan markup rates, loan write off requests, low profit rates on deposits, staff employment disputes etc. which we are not empowered to entertain by the Law.

The following chart illustrates the rejection pattern of complaints by major categories:



Observations on Service Culture

While reviewing the complaints lodged with us during the period under review, we have observed that service oriented mind-set is lacking in some banks. The lower management tries to delay the action on complaint in which the banks' fault is evident. This will be clear from the incident given below:

On December 27, 2007 an account holder deposited Rs. 100,000/- in his account during Evening Banking hours. Unfortunately the Branch was burnt during riots. The amount was not credited to the Depositor's Account though valid deposit slip was available with the Complainant and despite approaches made at all levels of the Bank's management from Branch to its Head Office.

The customer was informed by Head Office through a letter signed by an Executive no less than a Vice President that the matter was being investigated but the outcome of the enquiry was never conveyed to him for over 18 months. The complaint was escalated to us on August, 25, 2009. On our pointation the Bank accepted their fault and credited Rs. 100,000/- to the Complainant's account.

It has also been seen that when a complaint is referred by the Complainants to the line management of banks, at times, the stance is defended by them on unsustainable grounds.

There are other incidents of this nature which show that banks have still not accepted the basic principle that mistakes do happen but these are to be accepted in good grace.

Analysis of Systemic Issues and Some Recommendations

During investigation of complaints we occasionally come across systemic deficiencies and control weaknesses within banks. Such weaknesses are brought to the attention of senior bank management. For issues of a serious nature, a report is submitted to SBP for such action as it may consider appropriate.

During the course of investigations we have observed some poor banking practices and cases of non compliance of SBP's instructions. This section brings some of these issues which are being brought to the attention of SBP so that appropriate regulatory intervention can be made.

1. Wrong Application of Exchange Conversion Rate

We have come across several complaints from different quarters in which the complainants have brought to our notice instances of applying incorrect rates of exchange on conversion of currencies while receiving/remitting foreign exchange.

For example, a complaint was received by us where the Complainant requested the Bank for transfer of AUS \$ 14,000 in the name of his son who was studying in Australia from his account. When he obtained the Bank statement, he came to know that a sum of EURO 280/- had been deducted in excess from his account. There were three foreign currencies involved in this particular case. On our intervention, the Bank accepted its mistake and refunded the amount to the Complainant.

Similarly in another instance, two remittances for NOK 621,384/- and NOK 5,378,616/- were received by an NGO through a bank. The beneficiary felt that the rate of exchange applied by the Bank was lower on the relevant dates and pointed out the discrepancy but the Bank failed to provide them relief. The Bank on our intervention accepted its fault and paid a difference of USD 67,998/85 to the Complainant.

We strongly believe that the practice on the part of bank branches in applying wrong conversion rates is clearly to the disadvantage of its clients.

2. Counting of Cheque Leaves

During the course of investigation of complaints, we came across situations where complainants alleged that they receive their cheque book from the Banks in good faith without counting the leaves but later found that one or more cheque leaves were missing from the cheque book issued to them. The Complainants further alleged that these missing cheques were presented to banks and paid notwithstanding their forged signatures.

During the hearings we examined the cheque book and it became difficult to ascertain the stage at which the cheque leaves were removed i.e. whether before or after the cheque books were received by the clients. This has rendered the process of adjudication difficult.

In order to prevent such controversies we suggested that the State Bank of Pakistan may direct the banks to display a sign board at the cheque book issuing counter to caution the customers to carefully count the cheque leaves before signing a receipt for the cheque book.

3. Unpaid Cheques

Complaints have been received where the cheques returned unpaid are not returned to depositors promptly contrary to provisions in Negotiable Instrument Act. In some cases the original instruments are even lost by Banks/their couriers/correspondents. This results in loss of remedy under Section 489F of Pakistan Penal Code and of a summary suit in civil proceedings.

The details of such cases were provided to the State Bank of Pakistan for necessary action.

4. Insurance Coverage

We have observed during the course of investigations that, where banks obtain Insurance Cover by charging the customer to insure assets financed by them, complete terms/ Insurance Policy are not usually provided to borrower or are provided later. The Bank also refuses to provide assistance to the borrower in obtaining settlement of claims from the Insurance companies.

This has been duly conveyed to State Bank of Pakistan.

5. Banks to Advise Complainant to Lodge FIR Against Payee when Forged Cheque is Paid

Instances have been observed where the complainant alleges that his cheque has been paid under forged signatures and insist the Bank to compensate him for loss suffered but does not file an FIR for the theft of cheque etc. We believe that in such cases, the Bank should advise the Complainants to lodge FIR against the person receiving the payment.

6. Payment of Cash Cheques

A suggestion was made to State Bank of Pakistan that the payment of cheques under forged signatures could be contained if the Banks obtain copies of Computerized National Identity Card (CNIC) from payees who are not their customers and where cash amount is beyond a certain limit say Rs. 100,000/-

7. Preservation of Record of Disputed Transactions

There is no standard period of preservation of recording of transaction on CCTV about a withdrawal from ATM or cash withdrawal through cheques. It has been observed during the course of investigation of complaints of frauds that banks usually take refuge under the plea that retention period of CCTV recording has expired despite a complaint having been filed with the Bank by the Complainant soon after the incident.

We have recommended to the State Bank of Pakistan that a standard period of preservation should be prescribed and in case of disputed transactions the record should be preserved till the settlement of the issue.

8. Credit Cards

Complaints regarding loss and misuse of credit cards have mushroomed. To deal with this growing problem the following suggestions were made to State Bank of Pakistan.

Specimen signatures of card holders should be obtained at the space provided for the purpose in the Credit Card at the time of issuance of credit card by the Bank.

Or

The Photograph of Credit Cardholder and/or his signature are printed on one side of credit card to enable the merchants to verify the signatures and photograph of presenter.

Or

The Merchants are made to accept Credit Cards only if photocopies of CNIC duly crossed with date, purpose, and name of merchants are obtained in addition in cases of all purchases beyond a certain amount as considered appropriate.

9. Adequate Compensation in Case of Loss of Pledged Gold Ornaments

Whenever pledged gold ornaments are lost by the Bank due to theft or dacoity, the pledgor/borrower are compensated to the extent of net value of gold contents. This places the borrower/pledgor in a disadvantageous position as he is otherwise entitled to get his pledged security in original form on payment of loan.

It was proposed to the State Bank of Pakistan that at the time of extending a loan against gold ornaments, shroffs should be asked to evaluate the value of stones and "making charges" to enable the Bank to compensate pledgor for these items also.

10. Amendments to the Banking Companies Ordinance 1962

The law enacting Banking Mohtasib requires changes to accurately record jurisdiction and responsibilities of the Banking Mohtasib. A set of proposed amendments to remove deficiencies and for speedy processing of complaints has been forwarded to the State Bank of Pakistan.

Initiatives

1. Speedy Disposal of Complaints

In line with the objective of the institution to provide speedy justice to Complainants, intensive efforts are being made to resolve complaints within 90 days. However, for some complaints which are complicated and require detailed investigation involving complex issues, more time is taken.

2. Revamping of Complaint Resolution Process

In order to revamp the complaint resolution process, a series of meetings were held with the designated Key Contact Persons of banks where a large number of complaints were received.

During the meetings, the banks representatives were apprised of the rationale behind serving of prior notice as prescribed in the BCO. Banks get a maximum of 45 days, within which to coordinate with the concerned Department/branch of the Bank and to settle the issue or to firm up its stance on the complaint and to communicate it to the Complainant. If done properly this should enable the bank to be ready with its response when Banking Mohtasib Pakistan refers a complaint to the Bank concerned, and would result into expeditious resolution.

Emphasis was made on the speedy resolution of complaints in the light of State Bank's BPD Circular No. 17 dated June 7, 2004 which states that

"The Complaints must be responded within a period of 10 working days. Where a complaint requires further investigation, an interim reply must be sent indicating the reasons for the time to be taken and expected date of action/response. However, in any case, the final reply may be sent within a period not exceeding 45 working days, barring cases where reasonable grounds exist on record for not complying within the prescribed time period."

The Banks were advised to revamp their internal system of communication and coordination between the Group Heads and Complaint Management Unit to facilitate speedy resolution of complaints.

A detailed guideline on the subject was also provided to the banks subsequent to the meeting. The exercise has been proved useful and the banks are generally found responding to Banking Mohtasib Pakistan references reasonably faster.

3. Implementation of Orders passed by Banking Mohtasib Pakistan

A mechanism is now in place whereby the implementation status or otherwise of Orders passed by the Banking Mohtasib is ascertained periodically. This has resulted in faster relief being provided to the complainants by the banks.

4. Preparation of Letters, Complaint Forms and Mounted Posters in Urdu

A large number of complaints are received in the Secretariat in Urdu language. In order to facilitate this segment of complaints, Complaint Forms, Mounted Posters and FAQs have been introduced in Urdu during the year. Arrangements have also been made to correspond, as far as possible, in Urdu with such complainants.

5. Justice at the Door Steps of Complainants

a. Opening of Regional Office at Multan

Complaints from Multan and its adjoining districts constitute around 30% of the total complaints emanating from the province of Punjab. These complainants have to incur unnecessary expenses and suffer inconvenience of traveling to Lahore for the hearing of their complaints. We are in the process of opening a Regional Office at Multan which is expected to be operational in the second quarter of the current year.

b. Provision of Facility of Hearing at Certain SBP BSC (Bank)'s Offices

Arrangements have been made in consultation with SBP BSC (Bank) to have the facility of hearing at Hyderabad, Sukkur, Faisalabad, Sialkot and Gujranwala offices of the SBP BSC (Bank).

This would result in saving time and money.

6. Upgradation of Complaint Tracking System

All complaints received in Banking Mohtasib Pakistan Secretariat are entered and processed on a system called Banking Ombudsman Complaint Tracking System (BOCTS). During the year under review the system was reviewed and several additions were made to ensure further ease in monitoring and processing of complaints as well as enhancing its controls.

7. Re-Organization of BMP Office

At present HR related matters are dealt by the Banking Mohtasib and one of the Advisors while Administrative matters are handled by the Manager Accounts & Admin under the supervision of an Advisor.

It is felt that for the smooth running of the organization, investigation work should be separate from administration and therefore new positions have been created which would relieve the present Advisor of his additional responsibilities and enable him to focus on complaint resolution process.

8. Membership for Asian Ombudsman Association

As part of our strategy to have better and closer cooperation with sister organization in the region, we have obtained membership of Asian Ombudsman Association which provides platform to interact and exchange experience with other peers and similar institutions of accountability and grievance redressal in Asia.

Case Studies

Case Study No. 1

The Complainant was issued two Demand Drafts (DDs) crossed "Payees Account Only" for a total sum of Rs 2.5 million by two issuing banks. One of the DDs was payable to the Collector of Customs, Lahore while the payee of the second draft was Assistant Collector of Customs, Lahore. Both the DDs were lost and after frantically searching for them, the Complainant asked the issuing banks to stop payment of these DDs. He was then told by the issuing banks that both the DDs had been collected by a Bank in Lahore.

Preliminary investigation of the complaint revealed that the DDs had been collected by the Bank and credited to the account of one of its account holders on the basis of endorsements of the said Custom's Officials. The matter was taken up with the Bank. The Bank in its defence stated that; a) the DDs had been endorsed in favour of its account holder and it omitted to notice that the endorsements were forged, b) the Complainant reported the loss of the DDs to the issuing banks after a delay of five days, c) the Bank had registered an FIR against the account holder, and d) the Complainant may well have been involved in the wrongful payment of the DDs.

It was found that clearly the Bank had contravened the provision of Section 123A read with Section 131A of the Negotiable Instruments Act, by crediting the account of an individual with the proceeds of the two DDs which were crossed "account payee" and were payable to the Collector of Customs/Assistant Collector of Customs, Lahore. The Collecting Bank was, therefore, ordered to issue two fresh demand drafts, "crossed account payee", for the above amount and to send them to the aforementioned Custom's Officials under intimation to the Complainant.

The Bank complied.

Case Study No. 2

The Complainant, an employee of the PTCL, was granted a loan by the Bank against a written assurance given by the PTCL that the borrower was its employee and his salary would be credited to his account as and when it fell due.

The Complainant chose to avail of the benefits of a Voluntary Separation Scheme. The emoluments received were credited to the account of the Complainant. On receipt of funds the Bank immediately adjusted the outstanding loan of Rs 218,945/- of the Complainant and also deducted from the Customer's account a sum of Rs 11,494/- by way of a 'pre-payment penalty'.

The Complainant protested that the Bank ought not to have imposed the pre-payment penalty because at no time he had asked the Bank to be allowed to pre-pay the loan. The Bank, on the other hand, was of the view that the loan had been granted to the Complainant only because he was an employee of the PTCL and when he ceased to be such an employee, the Bank was entitled to adjust the loan then outstanding and to deduct all admissible charges.

The Banking Mohtasib held that since the Bank had fully pre-paid the loan of its own accord to protect its own interest and not at the behest or with the consent of the Complainant, the Bank was not entitled to charge any sum by way of a pre payment penalty. Accordingly, the Bank was directed to pay to the Complainant the sum of Rs. 11,494/- which it had charged as pre-payment penalty and to value date the refund.

The Bank paid the amount to the Complainant.

Case Study No. 3

The Complainant held a credit card issued by the bank in the year 2004 and had accepted an offer from the bank regarding protection thus: "in the unfortunate event of terminal illness, permanent disability or death, your entire outstanding balance amount on yourCredit Card account will be waived without causing any inconvenience to your dear ones. Additionally, all supplementary credit card balances will also be waived. No worry- just peace of mind". The complainant duly paid the "credit shield premium" with every bill.

The Complainant was then struck down with cancer and was unable to keep up with the payments due on his credit card which by the 3rd April 2008 had accumulated to Rs 211,628/- . He applied to the Bank for a waiver of the outstanding liability on the basis of the insurance clause quoted above but his claim was turned down on the ground that he had fallen ill on the 1st August, 2007 when the credit shield premium had not been charged in his bill.

Upon enquiry, it transpired that in purported compliance of the State Bank Circular No BPD 11 of 2006, the Bank had cancelled his enrolment of the credit shield cover upon the ground that it had been unable to obtain his express consent for the continuance of the cover. The cover was revived, according to the Bank, when the Complainant telephoned the Bank requesting for it on the 9th February, 2008. However, from the recording of the telephone conversation of the Complainant with the Bank on that date, it seemed clear to the Banking Mohtasib that the Complainant was making enquiries as to how he must go about availing of the cover. Furthermore, the Bank was unable to produce any evidence that the Complainant had declined the cover at any previous time when it was discontinued. The Bank had records only to show the names of those who had expressly accepted the continuance of the cover.

The Banking Mohtasib held that the acceptance by the Complainant of the offer at the very inception of the card account as evidenced by his paying the premiums charged in the card bills, constituted a contract in the nature of an insurance contract, and could not be lawfully varied or terminated without the express consent of the Complainant. It must therefore be deemed to have remained in force at all times when the Complainant paid for it with his bills.

Accordingly, the Bank was asked to deal with the Complainant as if the shield cover contract was in force throughout the period. The Bank, thereupon, wrote off the total outstanding sum of Rs. 327,289/- which it had hitherto been demanding.

Case Study No. 4

The Complainant tried to draw cash from his bank account through an ATM machine of the Bank but was unsuccessful due to blockage of his account even having sufficient balance. Upon his protest that he had been wrongfully inconvenienced and humiliated, the Bank at first declared that a technical malfunction in the machine had caused the incident. However, when the Complainant made a formal complaint to the Banking Mohtasib Pakistan, the Bank took the plea a) that it had the right to block the operation of any account for security reasons and, b) that one of the Complainant's ATM withdrawals for a sum of Rs.15,000/- had somehow not been debited to his account so the Bank had blocked the account for a day only to look into the problem. The case was heard. The Banking Mohtasib held that if that was the case, the Bank would be justified in blocking a sum of Rs. 15,000/- only and could not, in fairness, block the entire balance in the Complainant's account. By blocking the account in its entirety, the Bank had violated the mandate of its customer and was bound to make amends to him. Bank's senior officials called on the Complainant to regret for the inconvenience caused to him.

The Bank as directed by Banking Mohtasib Pakistan also issued instructions to all its branches that on such occasions in future only the disputed amount should be marked with caution and in no case should the entire account of a customer be blocked.

The Complainant expressed satisfaction.

Case Study No. 5

The Settler of a well known religious and charitable Trust in Lahore managed the Trust along with co-trustees in accordance with the terms of a registered Trust Deed. The Trust Deed, inter alia provided, that upon the death of any of the co-trustees the remaining trustees on the board would co-opt a person as a trustee in place of the deceased. However, in the event of the death of the Settler all the co-trustees on the Board shall cease to hold office and the persons named in her last "WILL" shall be the Managing Trustee and the Trustees of the Trust.

The Settler died and thereupon a new Managing Trustee and Trustees named in the WILL assumed office of the Trust in accordance with the WILL.

The Trust had a bank account where considerable sums of the Trust funds were invested. However, when the new Managing Trustee apprised the Bank of the death of the Settler/Managing Trustee, of her last WILL, and the Resolutions of the new Trustees in pursuance thereof, the Bank chose to "freeze" the Trust accounts and required the new Trustees to obtain either a succession certificate of the Settler, or a probate of the WILL left by her, or declaratory decree from a civil court, to reactivate the account. The Trustees then lodged a complaint with Banking Mohtasib.

The attention of the Bank was drawn to the well settled provision of Muslim law that "Mohammedan Will" may, after due proof, be admitted in evidence even though no probate has been obtained. It was found that the Will in question was adequately proved. The Bank was advised that a Succession Certificate was required where succession to the property and assets of the deceased among his or her heirs was to be determined. The question of succession of the property of a perpetual trust did not arise and the provisions of the Succession Act were not attracted. The Bank was also advised that a suit for a declaration by a civil court would also not serve any useful purpose in the given circumstances.

The Bank then accepted the above position, and agreed to allow the new Managing Trustee along with the Trustees to manage the assets of the Trust.

Case Study No. 6

The Complainant stated that he met with a car accident and resultantly became unconscious. A single cheque was somehow stolen from his cheque book lying in his brief case. The cheque bearing his forged signature was paid by the Bank at the counter on 12th September, 2008 in a sum of Rs. 450,000/- by debit to his account. The Complainant claimed that the Bank had no right to debit his account with the amount as his purported signatures on the cheque were forged. Upon refusal by the Bank he lodged a formal complaint with Banking Mohtasib.

In its defence the Bank adduced evidence that when the disputed cheque was presented, an officer of the Bank had telephoned the Complainant to ascertain if the Complainant had in fact issued the cheque. Only after receiving the Complainant's verbal assurance the cheque was paid and copy of the Payee's Computerized National Identity Card was retained.

The Bank also pointed out that although the Complainant continually and frequently operated his account after the date of the payment of the disputed cheque, he never raised any query about such a large sum having been debited to his account. The Bank maintained that both the officers of the Bank and the Complainant knew who the payee of the cheque was and where he lived and yet the Complainant had taken no action against that person.

The case was heard and on the basis of proceedings and circumstantial evidence, the Complainant was advised that unless he lodged an FIR against the person who had taken away the money against the forged cheque it will not be possible to proceed further with the case. The Complainant despite reminders refused to lodge the FIR.

In the circumstances, the Complaint was declined on the grounds of adoption and estoppels arising from the conduct of the Complainant.

Case Study No. 7

It was claimed by a Complainant that on 29th March 2007, he deposited a cheque for Rs. 394,450/- in his account with a bank in Islamabad. On May 02, 2007 he was informed on telephone by an official of the Bank that the cheque was returned unpaid and was wrongly delivered by a courier company to another address. Eventually, on 8th May, 2007 he received a letter from the Bank telling him that the cheque had been returned unpaid and had been lost by the courier company in the process of delivery to the Complainant.

The Complainant claimed that by that time the drawer of the cheque had left Pakistan permanently to live in the UK and that, therefore, the Complainant had no means of recovering the amount from him.

In its defence, the Bank maintained that the cheque in question had been returned dishonoured, and had been promptly dispatched to the Complainant together with a cheque return memo through courier company. The courier company admitted that it had failed to deliver the dishonoured cheque and return memo because it had lost these in transit.

The Banking Mohtasib observed that under the Negotiable Instruments Act the Bank, as the collecting bank, was bound to serve upon the Complainant a notice of dishonour of the cheque and to have done so within a reasonable time which the Bank did after thirty four days which period was much more than what is legally considered 'reasonable'.

The Bank was, therefore ordered to pay to the Complainant the loss sustained by him i.e Rs. 394,450/- as a result of the Bank's failure to abide by the law. The Bank complied with the Mohtasib's directive.

Case Study No. 8

A complaint was received that the Bank with whom the complainant had a cash line facility, received a phone call that the facility would be increased if the Complainant would agree to sign some documents which would be delivered to his house by a dispatch rider and return those signed documents together with the last paid bill and his cheque book. The Complainant did so but omitted to send the cheque book asked for. He then received another phone call purportedly from the Bank that the Complainant must send his cheque book also and the dispatch rider will collect it from him. A dispatch rider approached the Complainant and he duly handed over his cheque book containing two unutilized leaves.

The Complainant then discovered to his dismay that a sum of Rs 170,000/- had been withdrawn from his account with the Bank using one of the leaves of the cheque book he had parted with. His signatures on the cheque were visibly forged. He made a complaint to the Bank.

In response, the Bank carried out an enquiry and established that the phone calls made to the Complainant had not been made either from the Bank's call centres or from any of its official telephones. The Bank also stressed in its defence that the Complainant's falling for such an obvious fraud and handing over blank cheque leaves without canceling them first amounted to such gross contributory negligence that the bank should not be held liable for the reimbursement of the amount of forged cheque.

While there could be no denying the fact that the complainant had been negligent in the whole affair, the Banking Mohtasib observed that the trail of the event had led the customer to believe that he was actually dealing with the Bank as the calls made to the Complainant can only be made when the caller has the knowledge of the confidential record of the Complainant available with the Bank. Nevertheless, the forgery on the cheque was apparent, attracting the provisions of Section 29B of the Negotiable Instruments Act and the decisions of the Superior Courts in Pakistan, India and UK.

It was, therefore, decided that the Bank was not entitled to recover the amount of Rs. 170,000/- fraudulently withdrawn from the account of the Complainant and any mark up accrued thereon. Since the Complainant had repaid a portion of the aforesaid loan in installments including the accrued mark up, the Bank was advised to refund all the payments made by the Complainant in respect of the aforementioned amount of Rs. 170,000/-.

The Bank complied.

Case Study No. 9

A foreign currency credit card holder of a bank paid his bill of USD 14,700/ well in time. The Bank, however, delayed encashment of the customer's cheque until the Government of Pakistan froze all FCY accounts in Pakistan. After negotiations, the bank finally agreed to accept a lump sum of Rs. 500,000/- in full and final settlement of all the customer's credit card dues. The customer promptly paid the sum.

Inexplicably, the Bank not only continued to treat the customer as a defaulter but also reported his name in the defaulters list of Credit Bureaus.

The customer then lodged a complaint with the Banking Mohtasib. By the time the complainant's credit card dues had not only increased to USD 19,574/36 from the original claim of USD 14,700/-, but also did not account for the sum of Rs 500,000/- paid under an agreement in settlement of all the outstanding.

Upon the intervention of the Banking Mohtasib the Bank admitted its mistakes, reversed the charges of USD 19,574/36 (Rs.1,174,080/=) and caused the name of the customer to be removed from the defaulter lists of Credit Bureaus.

Case Study No. 10

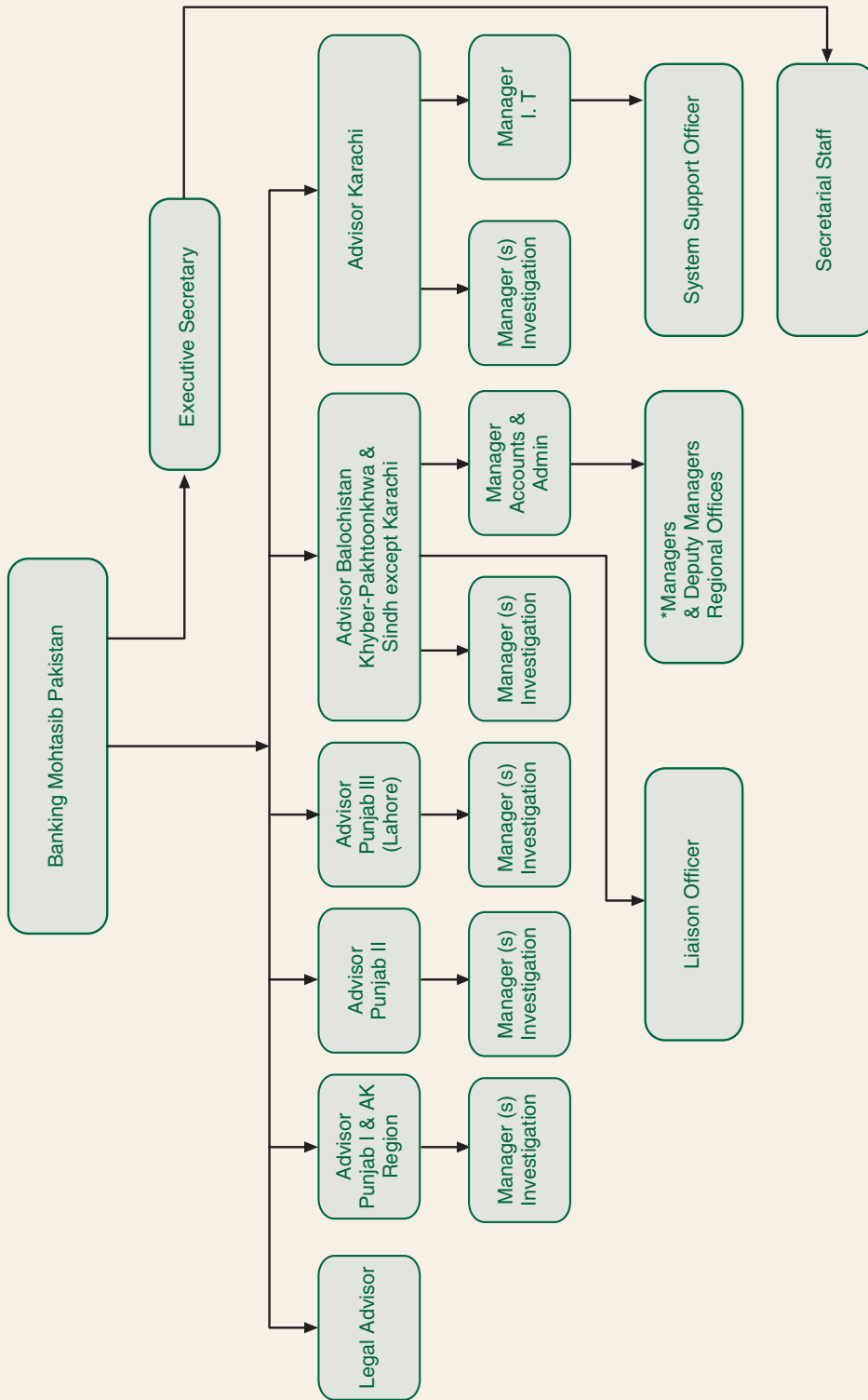
The Complainant lodged a complaint that her locker in a bank in Abbottabad was broken into and gold ornaments worth about Rs. 2.5 million was taken away by dacoits. She claimed that sum from the Bank.

In its defence the Bank cited a clause in the contract for the rent of the locker which the complainant had signed and which provided that the Bank would not be liable for any loss of the contents of the locker for any reason including theft, dacoity, fire or accident.

The Bank admitted that the security guard employed by the Bank had carried out the dacoity in connivance with others. The Banking Mohtasib held that such a clause would afford protection to a bank when adequate security arrangements were in place and the act of theft/dacoity has been committed from quarters not associated with Bank where as in the instant cases the loss to the contents of the locker was caused by the security guard employed by the Bank. Since the incident occurred prior to notification of instruction by State Bank of Pakistan regarding fixing of insurance limits on lockers, therefore, the Bank was, advised to amicably settle the complaint.

The Bank complied with the Order.

Organizational Chart



*For Operational purpose Managers and Deputy Managers report to Advisor of the area concerned.

Team of Advisors

Aamer Aziz Saiyid



A civil and commercial lawyer with 45 years experience at the Bar. Practiced law in the High Court of Sind and the Lahore High Court until the year 1985. Joined Unilever Pakistan that year and retired in 2002 as Company Secretary, General Counsel, and Head of Legal. Practiced law until made Legal Advisor of the Banking Mohtasib Pakistan in 2005.

Akbar Ali Habib



Over 40 years of varied banking experience of which 36 years with United Bank. After retirement in 2002 as EVP was part of the core team which established the First Micro Finance Bank. Had a short stint as a consultant to the State Bank of Pakistan in the area of Banking Supervision. Has also served on State Bank of Pakistan committees on Complaints Handling and Revival of Sick Units. Has been involved in an honorary capacity in the fields of education, social and economic development of the Aga Khan's Development network. Joined Banking Mohtasib Pakistan in 2005.

Ashraf Ahsan Mozaffar



Joined Habib Bank Stood First in 1964 Batch of Probationary Officers. Retired as EVP after 41 years. Rehired for a period of 3 years. Member Task Force set up by the Board of Directors. Assisted in formulation of various policies. Headed different major divisions in bank. Introduced Lockers Insurance as a first time initiative by any bank in Pakistan. As Incharge Complaints, Pakistan Banking Council handled complaints from general public, federal ombudsman, FIA, ministry of finance, Trade Bodies etc against Five Nationalized Commercial Banks. As Key Contact Person of Bank in addition to other duties also handled complaints referred by Banking Mohtasib Pakistan. Joined Banking Mohtasib Pakistan as Advisor in 2008.

Farhat Saeed



A Central Banker having served the State Bank of Pakistan in various capacities for about 37 years. Holds Master's degree in political science, DAIBP and a degree in Law. Retired as Executive Director in 2006. Joined Banking Mohtasib Pakistan in April 2008.

Muhammad Ainuddin



A Central banker having served the State Bank of Pakistan for 36 years. Remained associated with Banking Supervision and Inspection for the greater part of his career. International exposure includes a secondment with the Maldives Monetary Authority. Retired in 2000 as Executive Director. Joined Banking Mohtasib Pakistan at the time of its inception.

S. Faheemuddin Ahmed

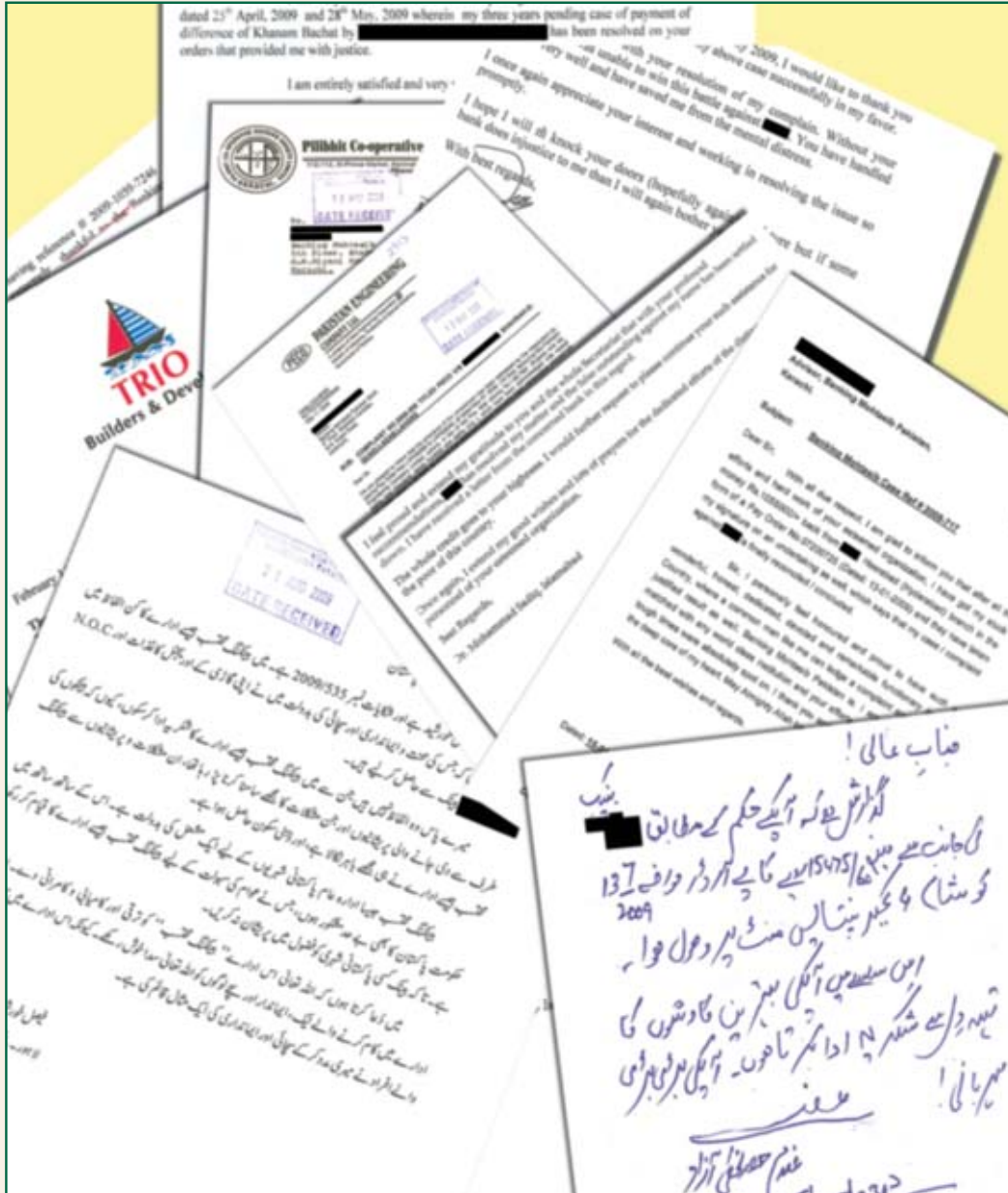


Has 36 years banking experience with Habib Bank. His last assignment was SVP and General Manager (Service & Internal Control) Retail Banking. He was Habib Bank's nominee as principal officer and key contact person for handling customer complaints received through the Wafaqi Mohtasib, State Bank of Pakistan and other agencies. Has been associated with Banking Mohtasib since its inception in 2005.

Our Team



What the Complainants Say About Us



Many Complainants from all walks of life write to us when their grievance is mitigated. From a large number of such letters, we have selected a few. These letters are a source of motivation and strength to us.



Builders & Developers



February 14, 2009

The Honorable Banking Ombudsman
Pak Sectt, 5th Floor
Shaheen Complex
M.A.Kayani Road
Karachi. P.O.Box No.604

OUR COMPLAINT AGAINST █████ GULSHAN-E-IQBAL (II) BRANCH

Respected Sir,

In reference to your letter No.2009-66, dated February 4, 2009, we would like to confirm that our grievance has been resolved by the bank and you may close the case.

We would like to take this opportunity to thank you for taking our case with the said bank and forcing them to resolved the complaint, otherwise which would not had been possible without you help.

Thanking you.

Yours truly,

Aftab Ali
Partner

F1.2, First Floor, Zohra Plaza, SB-34, Block 13-C,
(Opp. Urdu University) University Road, Gulshan-e-Iqbal, Karachi,
Tel: 4814834 - 4826074 - 4980464 Fax: 4987107

To,
The Banking Mohtasib,
Pakistan Secretariat,
5th Floor, Shaheen Complex,
MR Kiyani Rd,
Karachi.



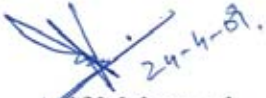
SUB: THANK YOU VERY MUCH FOR YOUR SUPPORT AND ACTION(Ref:2009-59).

Dear Sir,

I am very much obliged for your support provided to me against the [REDACTED] of [REDACTED] regarding refunding of insurance premium on credit card [REDACTED]. The bank on your intervention has refunded me Rs: 7525.

I am very much thankful to your office and I am confident that in the presence of the efficient staff of Banking Mohtasib the customers of all the Banks operating in Pakistan feel safe and secure.

Thanking you


24-4-09.

Asif Mehmood,
Sanofi Aventis Pak LTD,
6th Floor State Life Building,
Liaquat Road,
Faisalabad.
Cell# 0321-6656047.

Dated: April 24, 2009

[REDACTED]

From: Dr Sadiq [dr.sadiq@hq.pnra.org]
Sent: Thursday, May 07, 2009 4:25 PM
To: [REDACTED]
Subject: Complaint against [REDACTED]
Importance: High

Dear [REDACTED]

Assalamu Alaikum

This is with reference to my complaint against [REDACTED] to Banking Mohtasib Pakistan Secretariat, Karachi on April 10, 2009.

I feel proud and extend my gratitude to you and the whole Secretariat that with your profound recommendations, [REDACTED] has resolved my matter and the false outstanding against my name has been settled down. I have received a letter from the concerned bank in this regard.

The whole credit goes to your highness. I would further request to please continue your such assistance for the poor of this country.

Once again, I extend my good wishes and lots of prayers for the dedicated efforts of the distinguished personnel of your esteemed organization.

Best Regards,

Dr. Mohammad Sadiq, Islamabad



5753

بخدمت جناب بینکنگ محتسب پاکستان

میرا نام فیصل خورشید ہے اور شکایات نمبر 2009/535 ہے۔ میں بینکنگ محتسب جیسے ادارے کا کن الفاظ میں شکریہ ادا کروں کہ جس کی محنت و ایمانداری اور سچائی کی بدولت میں نے اپنی گاڑی کے اور بجیل کاغذات اور N.O.C بینک سے حاصل کر لیے ہیں۔

میرے پاس وہ الفاظ نہیں ہیں جن سے میں بینکنگ محتسب جیسے ادارے کا شکریہ ادا کر سکوں، کیوں کہ بینکوں کی طرف سے دی جانے والی پریشانیوں اور جن مشکلات کا مجھے سامنا کرنا پڑ رہا تھا، ان مشکلات و پریشانیوں سے بینکنگ محتسب جیسے ادارے نے ہی مجھے باہر نکالا ہے، اور ذہنی سکون حاصل ہوا ہے۔

بینکنگ محتسب جیسا ادارہ عام پاکستانی شہریوں کے لیے ایک مشعل کی بدولت ہے۔ اس کے ساتھ ساتھ میں حکومت پاکستان کا بھی بے حد مشکور ہوں، جس نے عوام کی سہولت کے لیے بینکنگ محتسب جیسے ادارے کا قیام کر رکھا ہے۔ تاکہ بینک کسی پاکستانی شہری کو فضول میں پریشان نہ کریں۔

میں دُعا کرتا ہوں کہ اللہ تعالیٰ اس ادارے ”بینکنگ محتسب“ کو ترقی اور کامیابی و کامرانی دے۔ اور اس ادارے میں کام کرنے والے نیک، ایماندار اور سچے لوگوں کو اللہ تعالیٰ سدا خوش رکھے۔ کیونکہ اس ادارے میں کام کرنے والے افراد نے میری مدد کر کے سچائی اور ایمانداری کی ایک مثال قائم کی ہے۔

فیصل خورشید

لاہور۔ پاکستان

4750

بجٹ شاہ جیلانی

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

الحی خیر گردانی

Ghulam Mustafa Azad
Naqibee House

Railway Housing Sachem
Behind Lyallpur Cotton Mills Fsd.
Cell: 0345-7927388

غلام مصطفیٰ آزاد

نقیبہی ہاؤس

B-280 ریلوے ہاؤسنگ سکیم

عقب لائل پور کاشن ملز فیصل آباد

Date: 19-7-2009

Ref #

مخدوم جناب بنائب محاسب پالستان کراچی

عنوان :- [REDACTED] بینک کی جانب سے مینہ 15475/60 روپے

کا بے آر ڈر مل گیا ہے۔

بحوالہ: 13/2/2008 حوالہ 02 جو 12/7/2009

جناب عالی!

بینک

گزارش ہو کہ آپ کے حکم کے مطابق [REDACTED]

کی جانب سے مینہ 15475/60 روپے کا بے آر ڈر حوالہ 13/2/2009

کو مشاہدہ 4 یکم اپریل 2009 میں منٹ پر وصول ہوا۔

اس سلسلے میں آپ کی بہترین کاوشوں کا

تہہ دل سے شکر و ادائگی ہوا ہے۔ آپ کی ہر فری ہر فری

صفیہ

مہربانی!

غلام مصطفیٰ آزاد

Ghulam Mustafa Azad

2913



**PAKISTAN ENGINEERING
COMPANY Ltd.**

A company of State Engineering Corporation
Ministry of Industries, Production & Special Initiatives,
Government of Pakistan

THRU COURIER
No.PECO/HRM/2009
May 11, 2009

██████████
Advisor,
Banking Mohtasib Pakistan Sectt.
5th Floor, Shaheen Complex,
M.R. Kiyani Road,
KARACHI.



**SUB: COMPLAINT NO.2009-255 TITLED PECO V/S ██████████ SHAHRAH-E-
QUAID-I-AZAM,LAHORE**

Dear Sir,

We are pleased to inform that the grievance of the complainant has been redressed by the respondent by issuing Pay Order Nos LHP002885 to LHP002900, all dated May 07, 2009 (16 Nos), favouring M/s Pakistan Engineering Company Limited, Lahore, in lieu of lost Pos, total valuing Rs.1,89,780/- (Rupees one lac, eighty nine thousand, seven hundred and eighty only), which have been acknowledged vide receipt No.120491 dated 11.05.2009, as a full & final settlement against claimant's claim, photocopies whereof are annexed hereto for ready reference.

Please accept our heartiest regards for the sincerest efforts made by the Institution for the realization of complainant Company's longstanding refund claim from the respondent with promptitude.

With regards,

Encl: As above

Yours truly,
Pakistan Engineering Company Limited,

(M. IMTIAZ-UR-RAHEEM)
Managing Director/Complainant

CC:

- ██████████
- ██████████
- ██████████

6/7, Sir Ganga Ram Trust Building,
Shahrah-e-Quaid-e-Azam, Lahore-54000 - Pakistan
Phones: (+92-42) 7320225 (3lines), 7325073, 7324544, 7324152
Fax: (+92-42) 7323108 E-mail: peco@lhr.paknet.com.pk



2032

BANKING MOHTASIB PAKISTAN
SECRETARIAT KARACHI
14 APR 2009
DATE RECEIVED

مذکورہ [Redacted] ایڈوائزرز کو منسلک محاسب راجی

جناب عالی۔

گزارش کے لیے تیرا ایک ایس برخلاف

نمبر 1242-2008 درج 1/09ء۔ اب حفر کے زیر سماعت ہے۔ جیسا کہ ٹیلی فون پر آپ سے بات ہوئی۔ بنک عملہ درج 4/09ء سے سیرے کو آیا۔ ان لوگوں نے اپنے منطقی تسلیم کی۔ تو اچل بنک سرچیزٹ نے متنازع رقم سے منافع بنک درج 05/09ء کو واپس کرنے کا تحریری وعدہ لیا۔ بنک عملے نے تحریر پر اپنے دستخط کر لئے۔

جناب عالی۔ بنک عملے کے معذرت خواہانہ رویے اور سیرے کو چل کر آنے پر میں نے ان لوگوں کو معاف کر دیا۔ جان بخشی کی تحریر پر دے دی۔

جناب عالی۔ میں ادارہ منگل محاسب، انڈیان، دیگہ عملے کا بنیاد شکر ہوں۔ لہذا اب حفرٹ الٹی ضد تمہیں ہیں۔ کہ وجودہ معاشرتی ہے یعنی کی صورت حال میں بھی عاقل اندیشہ و بلا لائق العاف جیسا کر رہے ہیں۔

میں ادارہ اور خاکی کاف لیلہ دعا گو ہوں کہ آپ بلا خوف و خطر اب العاف کا علم بلند کریں۔ اللہ تعالیٰ آپ کی سزید طاقت اور لائق بخشہ۔ آمین

افسوس تین العاف کا ذکر کروں گا۔

”العاف زندہ باد“

دعا گو

نبک انشیاق حسین

بک ایم 3053 قتل لاہور الی۔ دبائی
E.D

[Handwritten Signature]
09/04/09

Dated: 10/08/2009

██████████
Advisor,
Banking Mohtasib Pakistan,
5th Floor, Shaheen Complex,
P.O. BOX no 604,
MR Kiyani Road,
Karachi.



Subject: CASE NO: 2009-354

Dear Sir,


With reference to your letter dated 31st July 2009, I would like to thank you for putting great efforts to resolve my above case successfully in my favor.

I am really satisfied with your resolution of my complain. Without your interference I was unable to win this battle against ██████████. You have handled the case very well and have saved me from the mental distress.

I once again appreciate your interest and working in resolving the issue so promptly.

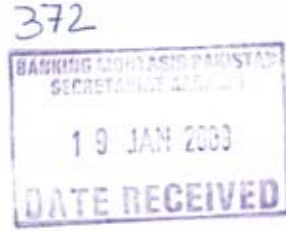
I hope I will not knock your doors (hopefully again) in future but if some bank does injustice to me than I will again bother you.

With best regards,



Mir Zeeshan Khawar

██████████
██████████
██████████
██████████
██████████



██████████
Advisor, Banking Mohtasib Pakistan,
Karachi.

Subject: Banking Mohtasib Case Ref # 2008-717

Dear Sir,

With all due respect, I am glad to inform you that after all the efforts and hard work of your esteemed organization, I have got my stuck money Rs.1055000/= back from ██████████ Heerabad (Hyderabad) branch in the form of a Pay Order No.07200725 (Dated: 13-01-2009) and they have taken my signature on an undertaking as well, which says that my case / complaint against ██████████ is finally reconciled / concluded.

Sir, I personally feel honoured and proud to have such a wonderful, honest, dedicated, devoted and remarkable functionary in our Country, where a common man like me can ledge a complaint and get fully justified result as well. Banking Mohtasib Pakistan is. I am sure, can be matched with any world class institution and your efforts especially in these tough times were absolutely spot on. I thank you and your organization from the deep core of my heart. May Almighty Allah bless you all always.

With all the best wishes and regards.

Yours sincerely,

MIRZA EJAZ BAIG
House No. 2-E/5E,
Janat-ul- Barakat Model
Colony, Karachi.
Cell No. 0321-8966799

Dated: 15-01-2009

Copies enclosed: ██████████ P.O Copy
My undertaking copy.



Ref: 2009-140
March 15, 2009

Attention: Advisor, [REDACTED]
Karachi, Secretariat


From: Architect Muhammad Arif, [REDACTED] Credit Card holder (But de-activated)
342-A/1, Punjab Govt. Society, phase-1, College Road, Township, Lahore
Contact Nos.: 042-5180366 Cell: 03084505990
Credit Card No.: [REDACTED]

Dear Sir,

Asslam-o-Alaikum

Subject: Complaint against [REDACTED] *Cancellation of All rounder Policy*, which has been resolved by your fair and quick decision.

I am very thankful to you for resolving the issue which was imposed on me without my consent. I think if such type of decisions shall be done, no one in our country shall dare to deceive some one. Hoping May Allah bless you, and give you more prosperity authority and success in this and the next world too.


Architect Muhammad Arif
Credit card No. [REDACTED]
Date: March 15, 2009

To

The Hon'ble Banking Mohtasib Pakistan
Karachi




Reference to my Complaint No.2008-386

An agonizing era was ended by the grace of Banking Mohtasib's intervention, being a last resort, while I was crippled in a fraudulent case manoeuvred by the cyber robbers. A case was lodged vide Application No.2008-386 which was disposed off (*copy attached*) by resolving 100% of my grouse. **This process of resolving the case is the best-of-best in Pakistan, in a short span of time also appreciable throughout.** The cooperation was also lovely.

Some of my suggestions are as under :-

- (i) The terms and conditions of any bank's introductory paper for adopting or having a Credit Card should be in **URDU** and not in **English** because of lack of education and other technicalities to avoid cyber-cum-financial crimes.
- (ii) Cyber crime is a reality. Those involved in crimes of stealing codes and misusing online data or hacking can be punished for rigorous imprisonment if found guilty by special tribunals. In cases where the gross negligence of the account holders was not involved, banks must bear the full loss incurred. Otherwise, it may undermine customer's confidence in the use of ATMs & Credit Cards. It is in the interest of banks to prevent frauds and bear the losses where the clients are not responsible for any negligence. There is also a need to take precautionary measures for giving greater protection to ATMs and Credit Cards, particularly those located in less secure areas. It is, of course, for the individual banks, exercising their own judgement, to determine the precautionary measures needed. The **security features** of ATMs and Credit Cards can be ensured by monitoring these machines continuously after installing closed-circuit television; implementing a mechanism that records relevant information on ATM cards or credit cards so that banks can determine whether an unauthorised ATMs and Credit Cards transaction is carried out through a counterfeit card; patrolling ATMs and Credit Cards more frequently during and after office hours; encouraging customers to report any suspicious devices detected on ATMs and proving them with the relevant telephone number to do so at the ATMs; and alerting customers if any unusual transaction patterns are noted.


(NAVEED IKRAM) 18-6-2009
Lahore

Date: December 23, 2009,

7790



The Advisor
Banking Mohtasib of Pakistan Secretariat,
5th Floor, Shaheen Complex,
M R Kiyani Road,
P O Box No 604
Karachi

Subject: **ACKNOWLEDGEMENT REGARDING REVERSAL OF LATE PAYMENT CHARGES BY [REDACTED]**

Sir,

With reference to your letter dated December 16, 2009 having reference # 2009-1039-7246 regarding the above mentioned charges reversal, I am extremely ~~thankful to the~~ Banking Mohtasib Pakistan.

I would ~~like to extend~~ my heartiest and special thanks to [REDACTED] who ensured me that if my case would be genuine then it would be treated on merit basis and ~~not only~~ he also ensured me that if the bank has covered these charges by ~~mistakenly~~, then he would take this matter seriously to settle this issue. Later he proofed all this by his efforts and commitments.

I would also like to express my opinion that this reversal case not only gave me a financial benefit but it ~~gave~~ us a message that there is an independent authority which deals such cases on merit and justice to safeguard the public interest.

Regards,

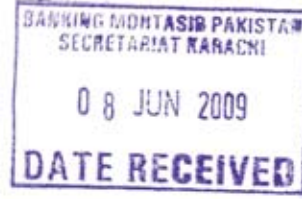
رشد نادیم

Rashid Nadim
Ph # 041-2634830 Fax # 041-2649942
Cell #0321-6676116
82-X-11, Madina Town,
Faisalabad.

Cc: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]



3521



8th June, 2009

The Banking Mohtasib Secretariat,
5th floor, Shaheen Complex,
M.R Kiyani Road,
P.O Box No. 04,
Karachi,

Honorable Sir,

With great respect and honor I have received your office order Ref, 2009-197 dated 01st June 2009 (copy attach), whereby your honor has given me the hope hat the concerned bank namely, M/s [REDACTED] Bank Karachi, would certainly consider my claim just and fair "a compensation within the specified contract and commitment.

I do not find most suitable words to thank your honor since your learned order to Bank has convinced to listen me in favor.

Finally I must acclaimed that justice I receive is most valuable, without spending a penny on one hand and no hustle in persuading the case on the other .May Almighty God bless you

Kindest Regards,

Yours Faithfully,

Siddiq Hasan Siddiqui,
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

3819



To,

The Honorable Banking Mohtasib,
Karachi.

Subject:- **BREACH OF CONTRACTUAL OBLIGATION** [REDACTED]
BY [REDACTED] **BANK LIMITED.**

The Honorable Lordship,

I am very much thankful to refer to your good office letter No. 2009-367 dated 25th April, 2009 and 28th May, 2009 wherein my three years pending case of payment [REDACTED] has been resolved on your orders that provided me with justice.

I am entirely satisfied and very much thankful to you.

Yours Obediently,

(Syed Ishrat Ali Rizvi)

Deputy Director,

Bureau of Emigration & Overseas Employment,

Protector of Emigrants, Quarry Road, Quetta,

Telephone # 081-9202436.



Pilibhit Co-operative Housing Society Ltd.

112-113, Al-Prince Market, Karimabad Chowrangi, Federal 'B' Area, Karachi.
Phone No. 6320129

Mob:0321-2499156



Karachi, the 11th May, 2009

To,

██████████ 3074

Banking Mohtasib Pakistan Sectt.,
5th Floor, Shaheen Complex,
M.R.Kiyani Road,
Karachi.

Sub: Our complaint against M/s ██████████
Bank dt. 27.4.09.

Your Ref: No. 2009-394 and letter dated
7.5.09.

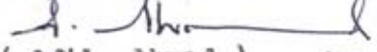
Sir,

We are extremely thankful to you and your system of resolving complaint against Banks. The said bank has credited Rs. 1,02,082/19 in our account as a profit on our deposits to the tune of Million.

Now we have no grievences against them as such our complaint may be filed.

Thanking you, Sir,

Yours faithfully,
For Pilibhit Coop. Housing Society Ltd.,


(Adil Ahmed)
Hon. Secretary.

Copy to:

M/s ██████████ Bank , ██████████
I.I.Chundrigar Road, Karachi with reference
to their letter to Banking Mohtasib and copy
to this Society.

(Adil Ahmed)
Hon. Secretary.

Contact

All complaints will be addressed to the Karachi Secretariat where the complaints handling process has been centralized.

Should you require information or have any enquires please email us at info@bankingmohtasib.gov.pk

You may also write to us at the Karachi Secretariat for information or queries.

Detailed information is also available at our website: www.bankingmohtasib.gov.pk

Addresses and contact numbers of all our offices are given below:

Karachi Secretariat

Banking Mohtasib Pakistan Secretariat
5th Floor, Shaheen Complex
M.R. Kiyani Road
P.O. box 604
Karachi

Telephone : 99217334 to 39 (6 lines)
Fax : 99217375
Email : info@bankingmohtasib.gov.pk
Website : www.bankingmohtasib.gov.pk

Lahore Regional Office

Office of the Banking Mohtasib Pakistan
C/o SBP Banking Services Corporation
Shahrah-e-Quaid-e-Azam
Lahore

Telephone : 99210444
Fax : 99210421

Peshawar Regional Office

Office of the Banking Mohtasib Pakistan
C/o SBP Banking Services Corporation
Saddar Road
Peshawar

Telephone : 9213438
Fax : 9213439

Quetta Regional Office

Office of the Banking Mohtasib Pakistan
C/o SBP Banking Services Corporation
Shahrah-e-Abbas Ali
Quetta

Telephone : 9203144
Fax : 9203145

Rawalpindi Office

Office of the Banking Mohtasib Pakistan
C/o SBP Banking Services Corporation
The Mall
Rawalpindi

Telephone : 9273252
Fax : 9273253



بینکنگ محاسب پاکستان

Banking Mohtasib Pakistan