

CONSUMER PROTECTION AND THE BANKING SERVICES – AN INDIAN PERSPECTIVE

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ABSTRACT

Protection of the consumers is an issue of paramount consideration in the modern economic world order. With globalization having permeated into all strata of the society, lending a make over to the concepts of trade and business, the face of consumerism too has undergone a substantial change. It can be adduced without any hint of doubt that consumers are the real driving force of the economy and thus the sustenance of the present economic order relies, to a large extent, upon the adequate protection and welfare of the consumers. However, it has been noted time and again that although consumer is portrayed as the cornerstone of a successful economy, there have been oft repeated incidents of exploitation of the consumers, leading to a constant urge of a panacea.. Consumer protection laws are designed to ensure fair competition and the free flow of truthful information in the marketplace. The laws are designed to prevent businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors and may provide additional protection for the weak and those unable to take care of themselves. Consumer Protection laws are a form of government regulation which protects the interests of consumers. Regulatory reform in the banking sector is facilitating greater competition, particularly in light of the abolition of the last remaining Interest. Increased competition strengthens safety and soundness, but it can also bring disruption and anxiety to consumers. More attention needs to be paid to the question of banking consumer protection. This paper studies the consumer protection in service sector with reference to banking sector in India.

KEY WORDS: Consumers, banking services, consumer laws. Unfair trade practices,

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