



QUARTERLY NEWSLETTER

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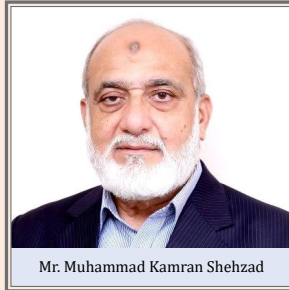
# BANKING MOHTASIB PAKISTAN

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## Change of Incumbency



Mr. Sirajuddin Aziz



Mr. Muhammad Kamran Shehzad

The President of Islamic Republic of Pakistan has appointed Mr. Sirajuddin Aziz as Banking Mohtasib Pakistan in terms of Section 82A of the Banking Companies Ordinance, 1962 read with Section 3 of the Federal Ombudsmen Institutional Reforms Act, 2013, for a period of four years with effect from the date of taking oath of the said Office, according to a notification issued by the Ministry of Law and Justice, Government of Pakistan on 4<sup>th</sup> July, 2023.

President Dr. Arif Alvi will administer the oath to Mr. Sirajuddin Aziz at Aiwan-e-Sadr, Islamabad shortly.

Mr. Sirajuddin Aziz will replace Mr. Muhammad Kamran Shehzad who has completed his four-year term as Banking Ombudsman.

## Banking Mohtasib Provides Rs 330.574 (M) Relief to Banking Customers in Second Quarter

The Banking Mohtasib Pakistan has provided monetary relief amounting to Rs 330.574 million to the banking customers by disposing of 6,426 complaints against commercial banks during the second quarter (April to June, 2023) of the current calendar year.

The Banking Mohtasib has received 7,030 new complaints, including 1,882 from Prime Minister's Portal from 1st April to 30th June, 2023.

With a view to protecting the people from fraudulent activities which are rampant now a days, the Banking Mohtasib Pakistan, Mr. Muhammad Kamran Shehzad has emphasized upon the banking customers not to disclose their personal and financial credentials to any third person. On receipt of suspicious calls they should immediately approach the nearest branch of their bank or contact the helpline of the bank, he added.

## State Bank of Pakistan is 75 years Old



The Governor, State Bank of Pakistan, Mr. Jameel Ahmad unveiled a Rs. 75 Commemorative Banknote to mark the 75 years of SBP's Founding in a ceremony held at the SBP Museum, Karachi on July 04, 2023.

The Banknote is predominantly blue which has been chosen to impart a sense of stability associated with a central bank. A distinctive feature of this new banknote is the inclusion of a stylized sketch of the State Bank building by the renowned calligrapher and artist, Sadequain, which shares space with the traditional portrait of the Quaid on the front of the banknote.

The reverse of the banknote is dedicated to the SBP's drive of 'Banking on Equality', represented on the banknote by the portrait of Mohtarma Fatima Jinnah. The reverse also highlights our national commitment to address climate change through depiction of alternative and sustainable energy sources, including wind turbines and solar panels.

## President upholds decisions of Banking Mohtasib Pakistan

President of Islamic Republic of Pakistan, Dr. Arif Alvi has directed two private banks to refund an amount of Rs 564,469 to three victims of bank fraud who were swindled out of their money by fraudsters through online funds transfers and fraudulent ATM transactions.

In one case, the Complainant received a call from a number similar to a commercial bank's helpline and the caller introduced himself as the Bank's representative. The Complainant shared his banking information with the caller, after which, a sum total of Rs 348,500 was deducted from his account.

Similarly, another Complainant lost Rs 170,969 to some unknown person using a commercial bank's Digital App even though he had neither requested for Electronic Funds Transfer (EFT) Facility nor had he ever used it.

Yet another Complainant lost Rs 45,000 when his card was captured by an ATM machine and some fraudsters got hold of his card through deception, conducted ATM transactions, and withdrew funds from his account unauthorizedly.

The Complainants approached the banks for relief but without any result. Later they approached the Banking Mohtasib. In respect of two complainants, Banking Mohta-

sib directed the banks to refund the lost amounts to them whereas in the case of the third Complainant, the Banking Mohtasib directed to close the complaint without any favour to Complainant. Separate representations were later made to the President against the orders of the Banking Mohtasib by the aggrieved parties/ banks.

The President in his decisions observed that in the cases of two Complainants, the respective banks had opened EFT Facility by default without the consent and knowledge of the customers, which was in violation of the State Bank of Pakistan's rules/regulations and the Payment System and Electronic Funds Transfer (EFT) Act, 2007.

He noted that the Complainants had not requested for the opening of such channels and the banks could not produce any evidence with regard to the full disclosure of terms of fund transfer in a clear manner as stipulated in the EFT Act 2007.

As such the decisions of the Banking Mohtasib were upheld as malpractice and maladministration on the part of banks had been established, therefore, the banks were liable to make good the loss of Rs 348,500 and Rs 170,969 to the customers.

In the case of the third complaint, the President observed

that it was proven unambiguously that the card was captured and later on some swindlers got hold of Complainant's card through their sleight of hands/deception from the ATM.

It was added that it was the primary responsibility of the bank to protect the interests of the depositors optimally and recently representations of similar nature filed by banks were rejected, therefore, justice demanded consistency in cases of similar nature.

On this analogy, the President did not agree with the findings of the Banking Mohtasib to close the case without providing any relief to the Complainant and directed the Bank to pay Rs 45,000 to the victim of fraud.

### Banking Customers Beware



"The Bank will never ask for your secure banking information (i.e. username / password/ login ID / PIN / OTP / Card number /CVV / Expiry date via on line phone banking, email, SMS, links or social media) or ask you to login to your account from an email link. Please remain cautious in order to protect yourself from fraudsters as sharing of financial credentials with any third person may cause you financial loss."

## State Bank's Directives to Banks – Improvement In Digital Fraud Protection Control and Processes



### Banks to educate and run Consumer awareness programs

With the increasing adoption and usage of digital banking in Pakistan by a large number of financial services users, fraudsters have been taking advantage of lack of awareness among customers. SBP has been in constant consultation with

### Fraud techniques used by Swindles

Spoofing of Bank's official Helpline numbers. SIM Swap attacks. identity thefts etc.

the banking industry and other stakeholders to devise controls against sophisticated fraud techniques such as spoofing of banks' official helpline numbers, SIM swap attacks, identity theft, false registrations, etc. as well as focusing on consumer awareness program by SBP and banks.

On April 14, 2023, SBP rolled out a detailed set of guidelines on enhancing security of digital banking products and services. These guidelines set out a comprehensive control regime for

banks to implement by December 31, 2023. The new guidelines restrict Financial Institutions (FIs) to Formulate Digital Fraud Prevention Policy to protect their account holders and ensure effective communication of such policy. Accordingly, they will design, review and continuously improve end-to-end processes of digital fraud risk management and customer complaint management in consultation with relevant stakeholders. According to these guidelines, FIs will design the process and application in such a way that the chances of disclosure of customer information - in whole or partially-are eliminated or minimized. Importantly, FIs will realign their processes for fraud risk management and com-

### New guidelines to be implemented by December 31, 2023

plaint management to ensure that the dispute against the fraudulent transactions are immediately raised in Fraudulent Transaction Dispute Handling (FTDH) system.

These guidelines cover areas

including governance & oversight of digital frauds, implementation of international standards and, fraud risk management solutions. This comprehensive control regime will also cover transactional controls such as reasonable and configurable limits, to prevent, trace and stop fraudulent transactions; device registration, monitoring of fraudulent devices, accounts, transactions and incident-related controls such as post-incident follow-ups, handling of disputed transactions, protection of customer data and information such as encryption, etc. In one of the major interventions to restrict fraudulently transferred funds from leaving the banking system, SBP has directed banks offering branchless banking wallets to restrict cash-out, mobile top-up and or other online purchases from incoming fund transfers for two (2) hours. A new liability shift framework is also part of these instructions, where banks are required to compensate the customers due to delay on their part in taking timely remedial and control measures such as delay in blocking digital channels, delay in raising dispute requests, etc.



## Inauguration of Banking Mohtasib's Regional Office at Muzaffarabad



The Managing Director, State Bank of Pakistan Banking Services Corporation, Mr. Muhammad Ashraf Khan formally inaugurated the Regional Office of Banking Mohtasib Pakistan at SBP BSC, Muzaffarabad premises on May 3, 2023.

Speaking on the occasion, he lauded the role of Banking Mohtasib Pakistan in resolving the banking customers' grievances.

Mr. Muhammad Kamran Shehzad, Banking Mohtasib Pakistan briefed the participants in

detail about the complaint resolution statistics and procedure being followed at his institution.

The Office had commenced operation after a soft opening on 1st November, 2022. Now with full-fledged commencement of its operation, this Office would further facilitate the complainants of Muzaffarabad, Azad Jammu & Kashmir and its adjoining areas as earlier the banking customers of these areas had to travel to Rawalpindi for redressal of their grievances. The number of Re-

gional Offices of BMP has now risen to seven, besides the Secretariat in Karachi.

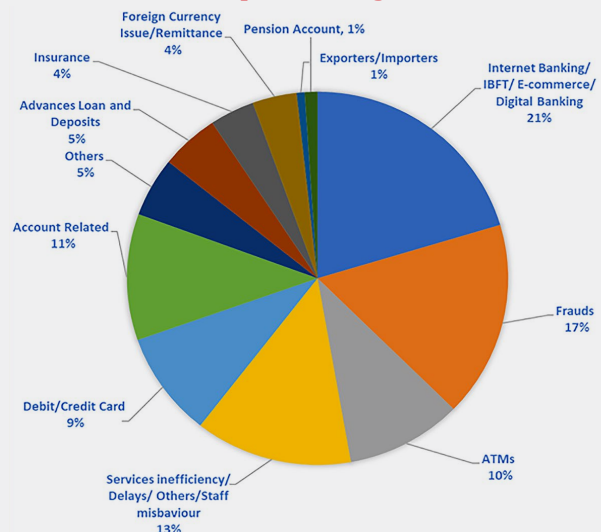
It may be pointed out that the services of Banking Mohtasib are free of cost and the complainants do not need to engage an advocate / legal counsel to plead their cases.

The inauguration ceremony was attended, among others, by representatives from Business Community, Academia, Banking Industry and District Bar Association.

### Complaint Statistics

Complaints carried forward from First Quarter (January - March, 2023)	9851	
New Complaints received	7030	
<b>Total</b>		<b>16881</b>
Total Complaints disposed of		6426
<b>Complaints outstanding</b>		<b>10455</b>
Relief provided to the Complainants	<b>Rs. 330.574 (M)</b>	

### Complaint Categories



## Banking Mohtasib holds First Ever Hearings at Mirpur, AJK



With a view to facilitating the banking customers and resolve their grievances at their door steps, the Banking Mohtasib Pakistan (BMP) held hearings of complaints against commercial banks for the first time at Mirpur, AJK on 22 nd May, 2023.

Although Banking Mohtasib Office has recently been inaugu-

rated at Muzaffarabad (AJK), however, keeping in view the distance and off the route location, arrangements were made for the facilitation of the complainants from Mirpur and its adjoining areas to plead their claims at Mirpur. The complainants presented their arguments in support of their claims before the Banking Ombudsman,

Mr. Muhammad Kamran Shehzad in presence of authorized officials of relevant banks.

It may be added here that grievances of banking customers are heard and resolved by the Banking Mohtasib free of cost and there is no need to engage a legal counsel for pleading their cases.



## Training on Operations and Complaint Management Process

An online training on “Operations and Complaint Management Process” was organized by the Forum of Pakistan Ombudsman at Islamabad on May 16, 2023.

The training session was conducted by Dr. Arslan Subactageen, Advisor (Customs) Federal Tax Ombudsman and attended by Mr. Arif Mahmood Butt, Advisor, Ms. Beenish Khan, Deputy Assistant Director and Ms. Khushbakht Mohsin, Office Assistant.

## Training on “Guidelines for Investigation and Drafting of Recommendations and Orders”

An online training on “Guidelines for Investigation and Drafting of Recommendations and Orders” was organized by the Forum of Pakistan Ombudsman at the Headquarters of Federal Tax Ombudsman Secretariat, Islamabad on June 7, 2023.

The training session was conducted by Mr. Yasin Tahir who has served as Senior Advisor to Federal Tax Ombudsman and held important positions at various government departments. The training was attended by Mr. Yousuf Imran, Advisor and Mr. Muhammad Junaid, Consultant.

## Banking Mohtasib Pakistan, Mr. Muhammad Kamran Shehzad holds hearings at different Regional Offices



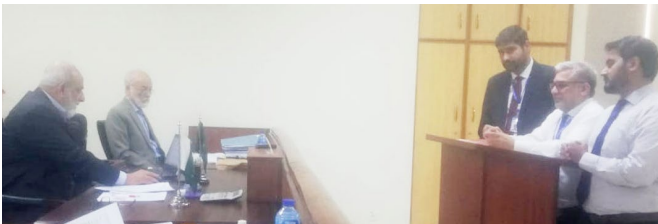
At Peshawar Regional Office



At Faisalabad Regional Office



At Lahore Regional Office



At Multan Regional Office



At Quetta Regional Office

### AOA Webinar on “Informal Resolution of Disputes (IRD): Pakistan’s Experience

A Webinar on “Informal Resolution of Disputes (IRD): Pakistan’s Experience” was organized by the Asian Ombudsman Association on 14 th June, 2023 and hosted by the Federal Ombudsman’s Secretariat, Islamabad.

The Webinar comprised of two sessions.

- i. Alternate Dispute Resolution (ADR): An Overview
- ii. Informal Resolution of Disputes: Pakistan’s Experience

The Webinar was attended by Senior Advisor, Syed Faheemuddin Ahmed, Advisors, Mr. Yousuf Imran and Arif Mahmood Butt.

### Farewell

Mr. Faisal Rasheed, Deputy Director has resigned from the service of Banking Mohtasib Pakistan on 1 st June, 2023. He had joined the BMP on 18 th July, 2016 on contract basis. Mr. Faisal has moved abroad for future prospects.

Ms. Umaina Kiran, Data Entry Operator has resigned from the service of Banking Mohtasib Pakistan on 14 th April, 2023. She had joined the BMP on 11 th October, 2021 and has now moved to the Institute of Bankers Pakistan for her career growth.

### Obituary

Mother-in-law of Mr. Arif Mahmood Butt, Advisor expired in Lahore on 25 th June, 2023.

May God rest the departed soul in eternal peace and give courage and fortitude to the braved family to bear the irreparable loss. Aameen!



## منظف آباد (آزاد کشمیر) میں بینکنگ محتسب کے علاقائی دفتر کا افتتاح

آباد، آزاد جموں کشمیر اور اس کے ملحقہ علاقوں کے شکایت کنندگان کو مزید سہولت ہوگی کیونکہ پہلے ان علاقوں کے بینک صارفین کو اپنی شکایات کے ازالے کے لئے راولپنڈی جانا پڑتا تھا۔ مظفر آباد دفتر کے قیام سے کراچی سیکرٹریٹ کے علاوہ بینکنگ محتسب کے علاقائی دفاتر کی تعداد سات ہو گئی ہے۔

یہاں یہ بات واضح کی جاتی ہے کہ بینکنگ محتسب کی خدمات کیلئے کوئی فیس ادا نہیں کرنا ہوتی اور شکایت کنندگان کو اپنے مقدمات کی پیروی کے لئے کسی وکیل / قانونی مشیر کی ضرورت بھی نہیں ہوتی۔

دفتر کے افتتاح کی پُر وقار تقریب میں تاجر برادری، اکیڈمیا، بینکنگ انڈسٹری، ڈسٹرکٹ بار ایسوسی ایشن اور دیگر شعبہ زندگی کے نمائندوں نے شرکت کی۔



بینکنگ محتسب کے کردار کو سراہا۔ بینکنگ محتسب پاکستان، جناب محمد کامران شہزاد نے اس موقع پر مہمانوں کو شکایات کے حل کے اعداد و شمار اور اپنے ادارے کی کارکردگی کے بارے میں تفصیل سے آگاہ کیا۔

اس سے قبل اس دفتر نے آزمائشی طور پر یکم نومبر ۲۰۲۲ سے شروع کر دیا تھا۔ اب باقاعدہ طور پر کام شروع ہونے پر مظفر

نیبنگ ڈائریکٹر، اسٹیٹ بینک آف پاکستان۔ بینکنگ سروسز کارپوریشن، جناب محمد اشرف خان نے باضابطہ طور پر بینکنگ محتسب پاکستان کے علاقائی دفتر کا افتتاح 3 مئی 2023 اسٹیٹ بینک آف پاکستان، بینکنگ سروسز کارپوریشن بلڈنگ، مظفر آباد میں کیا۔ اس موقع پر انہوں نے اپنے خطاب میں بینکنگ صارفین کی مشکلات کو حل کرنے کے سلسلے میں

## بینکنگ محتسب پاکستان نے دوسری سہ ماہی کے دوران بینک صارفین کو 330.574 ملین روپے کی ادائیگی کے احکامات صادر کیے

صارفین پر زور دیا ہے کہ وہ اپنی ذاتی اور مالی معلومات کسی تیسرے شخص پر ظاہر نہ کریں۔ انہوں نے مزید کہا کہ مشکوک کالز کے موصول ہونے کی صورت میں انہیں فوری طور پر اپنے بینک کی قریبی برانچ یا بینک کی ہیلپ لائن پر رابطہ کرنا چاہیے۔

2023 کے دوران 7,030 نئی شکایات موصول ہوئی ہیں جن میں وزیراعظم کے پورٹل پر درج کرائی گئیں 1,882 شکایات بھی شامل ہیں۔ بینکنگ محتسب پاکستان جناب محمد کامران شہزاد نے عوام کو روز بروز بڑھتی ہوئی دھوکہ دہی کی سرگرمیوں سے بچانے کے لیے بینک

بینکنگ محتسب پاکستان نے رواں سال کی، دوسری سہ ماہی (اپریل تا جون 2023) کے دوران کمرشل بینکوں کے خلاف 6,426 شکایات کا ازالہ کر کے بینک صارفین کو 330.574 ملین روپے کی ادائیگی کے احکامات صادر کیے۔ بینکنگ محتسب کو یکم اپریل سے 30 جون

سہ ماہی نیوز لیٹر اپریل - جون 2023

# بینکنگ محتسب پاکستان

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## اسٹیٹ بینک کی بینکوں کو ڈیجیٹل فراڈ پروٹیکشن کنٹرول اور پراسیسز کو بہتر بنانے کی ہدایت

ہے کہ وہ کیش آؤٹ، موبائل ٹاپ اپ اور یا دیگر آن لائن خریداری کو آنے والے فنڈز کی منتقلی سے دو (2) گھنٹے کے بعد استعمال میں لانے کی پالیسی مرتب کریں۔ ان ہدایات میں بینکوں کی ذمہ داری کے تعین کیلئے ایک نیا فریم ورک بھی شامل ہے جس کے تحت بینکوں کو پابند کیا گیا ہے کہ صارفین کے ساتھ ہونے والے دھوکہ دہی کے واقعات کے بروقت کنٹرول اور تدارک کے اقدامات کئے جائیں مثلاً جیسے ڈیجیٹل چینلز کو بلاک کرنے میں تاخیر کرنے پر اور تنازعات کے معاملے کو حل کرنے میں تاخیر کی وجہ سے صارفین کو معاوضہ ادا کرنا ہوگا۔

پالیسی بنانے میں مدد ملے گی۔ ان ہدایات کے مطابق مالیاتی ادارے اور بینک اپنی پالیسی اس طرح سے مرتب کریں گے کہ صارفین کے اکاؤنٹ کی مکمل یا جزوی معلومات تک کسی دوسرے یا تیسرے شخص کی رسائی نہ ہو سکے۔ اہم بات یہ ہے کہ مالیاتی ادارے صارفین کو دھوکہ دہی کے عفریت سے بچانے اور صارفین کی شکایت کے حل میں بہتری کے لیے اپنی کارکردگی کو بہتر بنانے کے ذمہ دار ہوں گے تاکہ فراڈ ٹرانزیکشن ڈسپوٹ ہینڈلنگ (FTDH) سسٹم میں دھوکہ دہی سے لین دین کے معاملات کا تنازعہ فوری طور پر اٹھایا جاسکے۔

یہ ہدایات ان تمام باتوں کا احاطہ کرتی ہیں جن میں ڈیجیٹل فراڈز کی نگرانی، بین الاقوامی معیار کے نفاذ اور دھوکہ دہی کے خطرات کے انتظام کے حل شامل ہیں۔ اسٹیٹ بینک کی جاری کردہ یہ ہدایات لین دین کے معاملات کا بھی احاطہ کریں گی جیسے کہ مختلف بینکنگ خدمات پر معقول اور قابل عمل حدود اور دھوکہ دہی کے لین دین کو روکنے، فراڈیوں کو بے نقاب اور انہیں روکنے کے لیے ڈیوائس رجسٹریشن، صارفین کی ذاتی اور مالی معلومات وغیرہ کی حفاظت۔ بینکنگ سسٹم سے فراڈ کے ذریعے فنڈز کی منتقلی وغیرہ علاوہ ازیں اسٹیٹ بینک نے برانچ لیس بینکنگ والیٹ Branchless banking wallet کی پیشکش کرنے والے بینکوں کو ہدایت کی

ملک میں تیزی سے بڑھتی ہوئی مالیاتی سرگرمیوں کے پیش نظر صارفین کی ایک بڑی تعداد ڈیجیٹل بینکنگ سے استفادہ کر رہی ہے لیکن اس کے ساتھ ساتھ بعض جعل ساز/دھوکے باز افراد صارفین کی ڈیجیٹل بینکنگ سے متعلق نامکمل معلومات کے باعث ناجائز ہتھکنڈے استعمال کر کے عام صارفین کو نقصان پہنچا رہے ہیں۔ اسٹیٹ بینک آف پاکستان بینکنگ انڈسٹری اور دیگر متعلقہ اداروں کے ساتھ مل کر ان دھوکے باز افراد کی چال بازیوں کی روک تھام کے لئے مسلسل مشاورت کر رہا ہے اور بینکوں کے آفیشل ہیلپ لائن نمبروں کی جعل سازی (spoofing)، سم سوپ اٹیک (Sim swap attack)، جعلی شناخت، جعلی رجسٹریشن وغیرہ پر مسلسل توجہ دے رہا ہے اور ڈیجیٹل بینکنگ کے بارے میں بینکوں کے صارفین کے موثر آگاہی پروگرام کی ضرورت پر بینکوں کی توجہ مبذول کرتا رہتا ہے۔

اسی سلسلے میں اسٹیٹ بینک نے 14 اپریل 2023 کو، ڈیجیٹل بینکنگ اور اس کے استعمال میں تحفظ کے لیے نئی ہدایات جاری کیں۔ بینکوں کو دسمبر 2023 تک ان ہدایات پر عمل درآمد کرنا ہو گا۔ نئی ہدایات کے تحت مالیاتی اداروں کو اپنے کھاتہ داروں کو ڈیجیٹل فراڈ سے بچانے اور ان کی رقم کے تحفظ کے لئے



### بینک صارفین محتاط رہیں

"بینک آن لائن فون بینکنگ، ای میل، ایس ایم ایس، لنکس یا سوشل میڈیا کے ذریعے بینکاری سے متعلق آپ کے ذاتی کوائف مثلاً استعمال کیا جانے والا نام/پاس ورڈ/لاگ ان آئی ڈی/ذاتی شناخت نمبر (PIN)/کارڈ کا OTP/کارڈ نمبر/ CVV/کارڈ کے ختم ہونے کی تاریخ وغیرہ آپ سے کبھی بھی معلوم نہیں کریگا اور نہ ہی ان کی طرف سے آپ کو کسی ای میل لنک کے ذریعے اپنے اکاؤنٹ سے لاگ ان کرنے کی ہدایت کی جائیگی۔ خود کو دھوکہ بازوں کی جعل سازی سے محفوظ رکھنے کے لئے محتاط رہیں اور اپنی ذاتی مالیاتی معلومات کسی بھی غیر متعلقہ فرد کو فراہم نہ کریں کیونکہ اس سے آپ کو مالی نقصان پہنچ سکتا ہے۔"