BANKING SANS UNDERSTANDING: A LEGAL ANALYSIS OF LINGUISTIC INACCESSIBILITY

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ABSTRACT

India's achievement of financial inclusion has observed significant growth in recent years, but linguistic inaccessibility in most parts of India continues to hinder development in the Banking Sector in India. This paper examines how the limited use of regional languages, especially in rural or semi-urban areas in the Banking sector in India, impedes financial inclusion and indirectly violates constitutional and consumer rights.

The study also seeks to trace developments that have been made in the direction of addressing the limited use of regional languages, where the predominance of the English language and neglect of regional languages restrict access to banking services in India. This paper further analyses the shortcomings in the current legal framework and the economic and social consequences of language exclusion.

A limited comparative analysis of two countries, such as the United States and Nigeria, shows how a multilingual framework and localised financial technology (Fintech) could ameliorate the issue of language exclusion in the Banking Sector in India

Overall, this research work involves a comparative analysis of different countries that helps identify the lack of regional language awareness in the banking sector, its impact on financial inclusion, gaps in the Indian banking sector and related legal provisions.

Keywords: Linguistic Inaccessibility, Financial Inclusion, Constitutional provision, Banking regulations, Linguistic rights.

1. Introduction

India is one of the world's most diverse nations in terms of language diversity, with 22 official languages under its Eighth Schedule and more than 19,500 dialects (Census 2011). The banking sector uses the English language as a lingua franca due to the development and daily use of the Internet, which presents a problem for non-native English-speaking people. In the past few years, the Government of India and the Reserve Bank of India (RBI) have taken significant measures to promote financial inclusion, with an emphasis on guaranteeing that all individuals have access to formal banking services. More than 53.13 crore bank accounts have been opened by schemes such as PMJDY as of August 2024[1]. Also, digital payment systems and banks are working on assisting customers in regional languages. As of February 2026, RBI is collaborating with the Digital India BHASHINI Division to develop a banking-specific language model to enhance multilingual access to digital services. However, access to banking services, let alone, does not fully ensure meaningful participation. Linguistic inaccessibility is often an overlooked challenge in achieving financial inclusion. For millions of people, especially in rural and suburban areas, not capable of understanding banking procedures, documentation, and digital interfaces confines their ability to access financial services on their own. This creates a conundrum in which individuals are formally included in the banking system but remain pragmatically excluded. The supremacy of the English language in the banking system not only limits ease of use, but also increases dependency on intermediaries and exposes users to the risk of disinformation, fraud and exploitation. From a legal arena, language inaccessibility poses questions regarding the protection of constitutional rights and consumer rights. Whilst there is no explicit constitutional obligation mentioned to provide banking services in regional languages, the impact of language barriers can indirectly violate rights such as equality before the law, informed consent, and dignified access to basic services. Although the Consumer Protection Act, 2019, and various RBI guidelines mandate transparency and accessibility through digital and technological inclusion, their implementation often fails to meaningfully address language inclusivity. The objective of this study is to analyse the issue of language inaccessibility in the Indian banking sector through a legal and socio-economic viewpoint. Examining the developments of the USA and Nigeria's banking systems, exploring their impact on financial inclusion and assessing the extent to which they lead to indirect rights violations. This study further explores the practical

[1] http://pmjdy.gov.in.

challenges faced by non-native English speakers and provides comparative analysis across countries to identify best practices. It also assesses recent technological and policy developments aimed at eliminating the language gap. By situating linguistic inclusion within the broader frameworks of financial inclusion and human rights discourses, this article contends that linguistic inclusion is not merely an inconvenience but essential to ensuring equal access to financial services. Attaining genuine financial inclusion in India demands a transition from a solely infrastructure-focused strategy to one that emphasises user-friendliness, comprehension, inclusivity, and the democratisation of the Indian banking system.

2. Literature Review

Language has become so important in the Indian banking industry that, although developments have been made to include regional languages in the delivery of banking services, the basic reality remains unquestioned and poorly understood. Language inaccessibility in the banking sector directly questions financial inclusion, although the issue, barriers, achievements, and initiatives related to financial inclusion have been widely discussed in academia. However, the inaccessibility of language in the banking infrastructure and its legal consequences have not been explored to a great extent. This part of the paper reviews important studies, which will provide basic knowledge and understanding about language inclusivity, multilingual banking services, and digital financial inclusion.

"The Long, Last Mile: Linguistic Minority Barriers to Financial Inclusion in India", ***Kushal Mital, The Public Sphere, 2024***

This study discusses how linguistic minority communities are excluded from meaningful participation in the banking system, mainly because of a linguistic barrier. The study argues that even when basic account access is attained, true financial inclusion remains inaccessible because complex services such as insurance, credit, and mobile banking depend upon financial parlance that is indecipherable without precise, context-appropriate translation into a known language — a chasm that undermines trust, opens the door to fraud, and leads to account dormancy. Mital defines this as the "last mile" challenge of India's financial inclusion. While Current innovations like Bhaashini, a government-led initiative, Jugalbandi and UPI Lite X with voice verification AI NLP (Natural Language Processing) Model, have been made to improve customer experience in the process of financial onboarding, policies need to be made more visible and aware of linguistic exclusion.

"Breaking Language Barriers: How Multilingual Banking Services Are Revolutionising Customer Experience in India", ***White Globe Group, 2024***[2]

This article argues that India's language diversity makes the banking sector's traditional one-size-fits-all, English-medium approach both insufficient and discriminatory. This article contends that a multilingual banking system is not only a corporate social effort but a strategic corporate requirement in the banking industry, which enhance customer satisfaction and promotes financial inclusion in its true sense. Technology, especially AI, machine learning, mobile banking or internet banking, is recognised as a major contributor to this transformation. The path towards eliminating language barriers requires attention from all stakeholders in the banking sector.

"Breaking Language Barriers in Indian Banking: How Conversational AI Drives Financial Inclusion" ***Oriserve (ORI), 2026***[3]

This article contends that, notwithstanding the rapid expansion of formal banking services, language inaccessibility remains the most critical persistent challenge in the banking sector, hindering financial inclusion, particularly in rural areas where English-based financial interfaces are difficult for users to navigate. This article points out three different challenges: language segregation, deficiencies in digital literacy that make voice interaction systems more feasible for rural and Tier-3 users than conventional text interfaces and the statutory necessity of maintaining multilingual audit records. Against this backdrop, it presents Conversational AI as a conclusive remedy: real-time multilingual voice responses with minimal delay, speech recognition technology designed to accommodate varied Indian accents, dialects, and code-switched communication, and human-centric voice interactions using regionally appropriate idioms to enhance user confidence. The article concludes that recognising local-language voice technology not only as a customer service advancement but also as a critical business imperative

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[2] *Breaking Language Barriers: How Multilingual Banking Services Are Revolutionizing Customer Experience In India*, https://www.whiteglobe.co.in/blog/industry-verticals/banking-industries/multilingual-banking-services-are-revolutionizing-customer-experience-in-india.

[3] Ori, *Breaking Language Barriers in Indian Banking: How Conversational AI Drives Financial Inclusion*, Oriserve (Mar. 3, 2025), https://oriserve.com/blog/breaking-language-barriers-in-indian-banking-how-conversational-ai-drives-financial-inclusion.

"Banking For All – Critical For India's Growth" ***Process9, August 2022***[4]

This blog argues that multilingual banking has become indispensable for India's ongoing economic progress. Financial institutions must intentionally redevelop multilingual functionality across their digital systems, not merely as a corporate social responsibility initiative, but as a strategic business requirement to effectively engage the large population of Indians who are not native English speakers. It briefly discusses comparative international approaches to universal banking services and concludes that multilingual digital services constitute the most critical mechanism for converting India's economic growth into meaningful financial inclusion for all citizens.

"Why Language Localisation is Key for Digital Financial Inclusion" ***Vidushi Kapoor, YourStory, July 2023***[5]

This opinion paper argues that India's move toward digital banking cannot achieve meaningful success without a parallel emphasis on multilingual accessibility. The government's efforts towards digital banking infrastructure are largely progressive in intent, yet it remains accessible mainly to individuals who are capable of understanding English-language-centric platforms, resulting in the exclusion of economically weaker rural communities and non-native English-speaking populations. The article highlights the viral movement #serveinmylanguage to demonstrate growing public demand for language-inclusive services and argues that localisation requires more than direct linguistic translation; it necessitates culturally aware language systems that can be effectively deployed across all regional languages. The partnership between the RBI and IIT Madras for developing multilingual voice banking technology is highlighted as a promising initiative.

3. Research Methodology

The present research is based on a doctrinal and analytical methodology to study language barriers within the Indian banking system and their legal consequences.

The study focuses on assessing the effect of language barriers on access to financial services, which leads to indirect infringements of constitutional and consumer rights. The research is

[4] *Why Banks Must Become Multilingual - Critical for India's Growth*, Process Nine Technologies Pvt. Ltd. (Aug. 30, 2022), https://process9.com/why-banks-must-become-multilingual/.
[5] *Just a moment...*, https://yourstory.com/2023/06/why-language-localisation-key-for-digital-financial-inclusion.

conducted using secondary sources, including academic writings, journals, government reports, RBI guidelines, policies, documents, committee reports and academic data available online. The study further analyses constitutional provisions, statutory measures, and judicial interpretations to understand the legal consequences of language accessibility in the banking sector. The research incorporates reports addressing financial inclusion, digital banking initiatives, and multilingual communication to assess ground-level implementation challenges and policy developments in India.

The study employs an analytical approach to assess the relationship between language-related obstacles and financial exclusion. The study shows the dominance of English in the banking sector, which poses a challenge for non-English speakers, especially those residing in rural and semi-urban areas. The study also analyses the impact of this exclusion on rights concerning equality, access to information, informed consent, and meaningful economic participation.

Furthermore, this research presents a comparative analysis of different countries to understand the approaches and methods used with respect to multilingual banking inclusion and inclusive financial institutions. This comparison is intended to identify the best practices used across countries and their relevance in providing multilingual banking services

Additionally, the study incorporates legal and societal perspectives by analysing real-world challenges and conditions faced by banking users. It examines the real- world difficulties faced in both conventional and digital banking systems, including challenges related to bank document comprehension, operating digital banking platforms, and obtaining customer support and services in regional languages.

This research is, however, limited to the Indian Banking System, but it does a very definite comparison of countries like the USA and Nigeria, covering both traditional and digital banking services. Although this study evaluates technological developments, it does not address real-world challenges in implementing banking services related to multilingual banking systems. Instead, the focus is on financial inclusion and financial access.

The methodology aims to provide a thorough understanding of linguistic inaccessibility in the Indian banking system through both legal and socio-economic lenses, thereby enabling a detailed evaluation of existing frameworks related to the multilingual banking system and suggesting policy changes for a more equitable and broadly accessible financial system in

India

4. Conceptual Framework: Language, Law and Banking

Interpretation of Linguistic Inaccessibility

The phrase "linguistic inaccessibility" describes the ability of certain individuals' access to services being hampered by a language barrier. Concerning banking services, one could deem it linguistically inaccessible if their banking communication, documentation, digital interfaces, and customer support services are disseminated in languages that banking service users are unable to comprehend. In a country like India, where most of the population communicates in regional languages as compared to English, language barriers become a substantial challenge to meaningful participation in financial systems.

This concern goes beyond translation. The services offered by banks must also be sufficiently accessible to ensure that users are able to understand and interpret the information. If users are not able to understand the information, and therefore are unable to interpret loan agreements, the terms of various accounts, insurance and digital payments, and also how to file a complaint, they are unable to engage in the various financial activities, other than banking themselves. This is the classic case of 'functional exclusion' where an individual or customer/customer is the owner of the bank account, but is unable to use the account.

The phenomenon of linguistic inaccessibility can be most clearly observed in digital banking. Mobile banking apps, internet banking, ATMs, and FinTech apps all have quite limited support for many of the regional languages. Users with low English proficiency become dependent on agents, relatives, or local intermediaries, thereby exposing themselves to misinformation, fraud and financial abuse.

Therefore, linguistic accessibility in banking must go beyond the convenience of customers and considerations of what customers prefer. It must be viewed as an indispensable dimension of fair and equitable access to financial services and inclusive economic engagement.

Legal Provisions Governing Linguistic Rights in India

India's constitutional structure acknowledges the country's linguistic diversity and offers several protections for linguistic rights. While there is no specific law focused solely on language accessibility in banking services, various constitutional provisions, legal protections, and policy frameworks indirectly promote the idea of language inclusion.

(A) Constitutional Provisions

Linguistic plurality is recognised by the Constitution of India through the inclusion of numerous official languages in the Eighth Schedule. Article 343 of the Indian Constitution declares Hindi in the Devanagari script as the official language of the Union and allows the continued use of English for official purposes. This article plays a vital role in addressing India's linguistic diversity, particularly between Hindi-speaking and non-Hindi-speaking regions. It also safeguards regional language identities and encourages fair treatment of language communities.

Article 14 of the Indian Constitution guarantees "equality before law" and "equal protection of the laws." In the banking sector, exclusion based on regional languages primarily results from policy and operational choices, in which banking services, application forms, examinations, and digital systems function predominantly in Hindi and English. This leads to linguistic barriers for speakers of other regional languages, especially those residing in rural regions

Critics contend that such practices infringe Article 14 by creating an arbitrary distinction between Hindi/English speakers and speakers of regional languages, thereby leading to unequal access to banking services and employment opportunities. The lack of local-language communication also hinders customers from properly understanding banking processes, thereby weakening effective access to financial services. Accordingly, courts have examined whether these linguistic policies satisfy the constitutional test of "reasonable classification" under Article 14. Overall, Article 14 plays a crucial role in promoting equal linguistic treatment and financial inclusion in the Indian banking framework. Additionally, the exclusion leads to economic and digital disparities, as well as discrimination during recruitment in public sector banks. This assertion is supported by Article 16, which states equality of opportunity in matters of public employment.

The guarantee of freedom of speech and expression under Article 19(1)(a) also extends to the right to receive and understand information. Meaningful participation in economic and social life depends upon effective communication. The judiciary has interpreted Article 21 broadly to include not only life and personal liberty but also dignity, livelihood, and meaningful access to basic services.

(B) Consumer Protection Framework

The Consumer Protection Act, 2019, emphasises consumers' right to access clear information about the quality and nature of services. Obtaining informed consent becomes challenging if financial details are provided in a language the consumer cannot understand. Consequently, language-related obstacles can adversely affect transparency and equitable practices in banking operations.

(C) RBI Policies and Financial Inclusion Measures

According to the Reserve Bank of India (RBI), meaningful financial inclusion is not possible when customers cannot comprehend banking services. The RBI has adopted measures to strengthen linguistic accessibility, mandating banks to offer forms, display boards, passbooks, and customer services in English, Hindi, and regional languages. The RBI has further emphasised the integration of regional language support within digital banking services, ATM services, SMS alerts, and consumer grievance mechanisms.

However, notwithstanding these measures, no comprehensive legal mandates are ensuring that all banking and digital financial services are fully available in regional languages at the ground level. The absence of binding and clear regulations has resulted in unequal implementation of linguistic accessibility within the Indian banking system.

The Role of Language in Financial Inclusion

Effective financial inclusion depends significantly on language accessibility, since banking services are meaningful only when comprehensible to people, particularly vulnerable and marginalised communities. Regional-language accessibility in banking forms, digital banking services, loan agreements, and grievance redressal frameworks allows users to engage with financial services more effectively and independently. Conversely, an exclusive dependence on Hindi and English contributes to linguistic barriers for rural populations, senior citizens, and individuals unfamiliar with English, thereby contributing to exclusion and misunderstanding. A large number of users avoid digital banking platforms due to fear of mistakes and difficulties in comprehending transaction procedures. Consequently, such individuals often remain dependent on informal lending systems, moneylenders, and cash transactions, thereby failing to meet the goals and objectives of financial inclusion. Financial inclusion extends beyond merely opening bank accounts or establishing banking infrastructure, so language inclusion must be seen as a tool to achieve true financial inclusion.

In recent times, technology has helped to narrow this gap through innovations like multilingual interface, speech-enabled banking, conversational AI, and regional languages customer service. This shows that language inclusivity can be achieved and is necessary in increasing involvement in the banking industry.

Thus, language should be regarded as an important factor in financial inclusion instead of being considered as an optional feature. If the banking sector does not cater to different languages, it could perpetuate socio-economic discrimination and exclude many people from the process of financial inclusion.

5. Overview of the Indian Banking Sector

Indian Banking Structure and Regulatory Mechanisms

The Indian banking system is governed through a comprehensive institutional structure involving multiple regulatory and supervisory bodies comprising the Reserve Bank of India (RBI), public and private sector banks, regional rural banks, cooperative banks, small finance banks, payment banks, and Business Correspondents (BCs).

The Reserve Bank of India (RBI), functioning as the central bank of the nation, occupies the apex position within the banking system came into existence in April 1935 pursuant to the recommendations of the Hilton Young Commission and the enactment of the Reserve Bank of India Act, 1934. It covers essential central banking functions, including monetary policy administration across India, regulation and supervision of banks, management of foreign exchange, oversight of payment systems, and development of financial markets. To promote language accessibility, the RBI has directed banks to provide multilingual customer services in English, Hindi, and regional languages. The directives cover areas such as trilingual forms, multilingual banking interfaces, and customer communication strategies intended to enhance financial inclusion.

The classification of banks in India into scheduled and non-scheduled banks is determined by their inclusion in the Second Schedule of the RBI Act, 1934. The category of scheduled banks is further subdivided into:

(a) Public Sector Banks

The Indian banking industry is predominantly led by Public Sector Banks (PSBs), including State Bank of India, Punjab National Bank, and Bank of Baroda, which play an essential role in welfare scheme implementation, DBT operations, and rural banking services. PSBs, as institutions functioning within the Union Government framework, often rely on the constitutional provisions relating to language under Article 343. However, these institutions remain governed by the constitutional mandates of Articles 14 and 21, in addition to RBI directives promoting linguistic accessibility and non-discriminatory banking practices.

(b) Private Sector Banks

Private sector banks, including HDFC Bank, ICICI Bank, Axis Bank, and Kotak Mahindra Bank, are known for their technology-oriented banking systems and strong presence in urban markets. Despite being privately governed, these institutions are also required to comply with RBI regulatory standards concerning consumer protection, multilingual communication requirements, and accessibility obligations across both traditional and digital banking systems.

(c) Regional Rural Banks (RRBs)

Regional Rural Banks (RRBs) enjoy an entirely unique place in the hierarchy of banks due to the region-specific and rural-based nature of their operations. As organisations mainly formed to cater to the credit and financial needs of the rural sector, they exhibit a stronger inclination towards the use of regional languages compared to other banks in terms of communication. This linguistic orientation corresponds with the constitutional principle embodied in Article 345, under which states may adopt their own official languages for administrative use.

(d) Cooperative Banks

Cooperative banks, especially urban cooperative banks and state cooperative banks, operate in a community environment and thus have a higher degree of regional language use in banking transactions. Due to their closeness to local communities, they tend to be more familiar with languages other than Hindi and English.

(e) Small Finance Banks and Payments Banks

The rise of small finance banks, including AU Small Finance Bank and Equitas Small Finance Bank, along with payment banks such as Paytm Payments Bank, has played a significant role in advancing last-mile financial inclusion. Owing to their reliance on digital banking systems, these institutions increasingly depend upon multilingual technologies to facilitate accessible banking services.

Apart from institutional frameworks, the Indian banking system is also regulated through various mechanisms aimed at promoting linguistic inclusivity. Under the RBI's Master Circular on Customer Service (2014), customer-facing documents and materials, including forms, passbooks, and display boards, must be made accessible in English, Hindi, and regional languages. Moreover, the Fair Practices Code mandates banks and financial institutions to communicate the terms relating to financial products in a language that customers can clearly understand, thus reinforcing consumer rights and the principle of informed consent.

Additionally, the Department of Financial Services (DFS), functioning under the Ministry of Finance, plays a role in language regulation through administrative and recruitment-related measures. Subsequent to judicial examination and public discourse on linguistic exclusion in banking recruitment examinations, public sector banks introduced local language proficiency requirements within their clerical recruitment processes. These measures were intended to enhance communication between banking personnel and regional customers while promoting equitable employment opportunities.

Overall, the institutional and regulatory framework governing the Indian banking sector indicate an increasing acknowledgement that language accessibility forms an integral part of financial inclusion. The increasing adoption of regional languages in banking services, recruitment frameworks, operational banking systems, and digital interfaces indicates a broader constitutional and policy-oriented effort to ensure fair participation in the formal banking and financial system across diverse linguistic groups in India

Customer Demographics and Linguistic Profiles

The population of India is marked by significant linguistic, cultural, and socio-economic heterogeneity. According to the Census of India, the country recognises 22 official languages under the Eighth Schedule, together with hundreds of vernacular languages and dialects prevalent across diverse states and social groups. This diversity plays an important role in determining how accessible and user-friendly banking services are.

A significant proportion of India's population, mainly in rural and semi-urban regions, is more comfortable communicating in regional languages rather than in Hindi or English. Despite the widespread use of English in administrative and corporate settings, fluency in English remains restricted among substantial sections of society. Consequently, the extensive use of English in banking services acts as a barrier for a large number of customers. The customer demographic of Indian banks comprises rural communities, agricultural labourers, small-scale traders and daily wage earners, elderly citizens, migrant workers, women from economically weaker sections, and Individuals with limited digital literacy. Such populations often experience difficulties in understanding financial terminology, legal documentation, and digital banking procedures. Customers often rely on banking personnel or external individuals to understand financial information and complete transactions, thereby weakening autonomous participation and leading to arbitrariness.

The growth of digital banking has further exposed linguistic inequalities. However, many banking applications and digital payment platforms still offer inadequate or inaccurately translated regional-language support. Furthermore, educational attainment and literacy levels also play an important role in determining banking accessibility. People with lower levels of formal education often struggle with both English language comprehension and complicated financial terminology. thus rendering simplified multilingual communication indispensable to financial inclusion.

Existing Communication Practices in Banks

Banking communication systems are vital for enabling customer engagement, conveying financial information, and promoting transparency in banking processes. Such systems operate through both traditional and digital communication channels. Nevertheless, the efficiency of such systems is significantly influenced by the extent of language accessibility they provide.

(a) Traditional Communication Systems

Traditional banking communication primarily includes:

- banking forms and official documentation
- account passbooks and financial statements
- loan contracts and policy documents
- direct customer interaction within branch premises
- official notices, circulars, and informational displays

Many banks, especially those operating in urban areas and the private sector, offer such communications that are largely available in English, with inadequate provision for regional-language accessibility. Despite the availability of bilingual forms and notices in certain public sector banks, variations in translation quality and consistency are common.

(b) Digital Communication Systems

Contemporary banking systems increasingly depend upon digital communication channels, including:

- Mobile banking applications
- Internet banking portals
- Automated Teller Machines (ATMs)
- SMS and email alert systems
- Chatbots and virtual assistance platforms
- Customer care and telephonic support services

Digital banking involves carrying out banking transactions and services electronically without the use of conventional paperwork like cheques, pay-in slips, and demand drafts. It facilitates round-the-clock access to digital banking services, including fund transfers, account maintenance, loan applications, and investment transactions. Applications such as HDFC Bank Mobile Banking and PayZapp provide diverse financial and banking services, with some functionalities available even in the absence of internet connectivity.

In India, voice-enabled banking systems employ AI and NLP technologies to allow users to conduct banking transactions through simple spoken instructions. Digital payment platforms including UPI 123Pay, Hello! UPI, and Bhashini have introduced support for multilingual and voice-assisted banking services. Several banks, such as Axis Bank, HDFC Bank, State Bank of India, and ICICI Bank, utilise AI-powered voice assistance systems for customer banking services. These systems maintain security through voice recognition technologies, one-time passwords (OTPs), and Voice PIN authentication. Nonetheless, disparities persist in the adoption and implementation of these advancements throughout the banking sector.

(c) Communication Gaps and Challenges

Current banking communication systems encounter several challenges, including:

- Excessive reliance on English terminology
- Inadequate translation into regional languages
- Shortage of trained multilingual banking staff
- Use of complex financial terminology and legal jargon
- Limited accessibility for digitally inexperienced users

Such barriers in communication significantly influence customers' trust and participation in banking services. Customers who cannot effectively comprehend financial procedures may withdraw from formal banking participation or face a higher risk of exploitation and fraud.

From a legal and constitutional standpoint, consumer protection in banking must be viewed as an aspect of communicative justice. Where consumers are unable to understand financial terms and procedures, informed consent cannot be considered genuine, thereby undermining the legitimacy and fairness of the banking relationship. Linguistic accessibility should therefore be recognised as a substantive requirement of equitable and lawful banking practices rather than a mere drafting preference. In this respect, meaningful consumer protection begins not only through legal remedies after harm occurs, but through the use of clear, accessible, and understandable language in banking communication.

6. Legal Analysis of Linguistic Inaccessibility in Indian Banking Sector

Constitutional provisions and language policies

The constitutional language framework of India endorses multilingual governance, yet it does not, by itself, establish definitive and enforceable linguistic entitlements within the banking sector for ordinary customers. Scholarly literature emphasises that India's language policy is inherently multilingual, with official-language provisions coexisting alongside English and regional languages within a complex, layered regulatory structure. Legally, this framework provides constitutional support for claims relating to language accessibility; however, it also leaves substantial scope for administrative discretion, resulting in inconsistent implementation and unequal access across banking institutions. Although there is no explicit constitutional provision concerning linguistic accessibility in the banking sector, several constitutional provisions lay down principles that indirectly support multilingual accessibility in essential services, including the banking sector.

(a) Equality under Article 14

The constitutional guarantee of equality under Article 14 provides a significant foundation for linguistic-access arguments within the banking sector. Formal equality loses substantive meaning when banking services are practically usable only by individuals proficient in dominant languages. Scholars of language rights argue that linguistic exclusion constitutes discriminatory denial of access to essential public services when language functions as an institutional filter rather than a neutral tool of communication. In this context, Article 14 functions as a constitutional basis for ensuring equal access and preventing discriminatory banking practices against speakers of non-dominant languages.

(b) Freedom of Speech and Expression under Article 19(1)(a)

Existing language-rights literature recognises that the ability to communicate and access information in one's own language is intrinsically linked to effective participation in public and economic life, thereby strengthening an Article 19(1)(a) based argument for linguistic accessibility in banking. When banking forms, disclosures, grievance mechanisms, and digital financial interfaces remain comprehensible only in English or a narrow range of dominant languages, the customer's capacity to receive and process information is materially impaired. Scholarship relating to plain-language drafting is particularly significant in this context, as it establishes that clarity and comprehensibility are not matters of stylistic preference, but substantive prerequisites for informed consent, legal understanding, and participatory decision-making.

(c) Right to Life and Dignity under Article 21

Article 21 may be regarded as the most significant constitutional foundation for a dignity-based approach to linguistic accessibility in banking. In present-day India, access to banking has become intrinsically connected to welfare delivery, economic participation, financial security, and basic subsistence. Scholarship on financial exclusion indicates that marginalised groups already face significant barriers arising from low levels of financial literacy, procedural complexity, documentation requirements, and mistrust of formal institutions. These structural exclusions are aggravated by linguistic inaccessibility, which limits customers' ability to effectively comprehend banking procedures, contractual obligations, legal rights, and grievance redressal mechanisms. Scholarship on language rights further supports the view that denial of access in one's own language adversely affects dignity, equality, and substantive citizenship by limiting meaningful participation in public and economic institutions.

d) Constitutional recognition of linguistic diversity

India's constitutional language regime is fundamentally multilingual in character and does not endorse a singular linguistic model for governance or public interaction. Academic literature emphasises that English, Hindi, and regional languages each perform distinct socio-political and administrative roles within this constitutional framework. This has important implications for the banking sector because a multilingual constitutional order undermines the assumption that one dominant language can adequately serve all users within public-facing financial systems. Consequently, constitutional protections relating to linguistic minorities must be understood not merely as symbolic recognition, but as expressions of a broader constitutional commitment to linguistic plurality, equal accessibility, and meaningful participation in public life.

(e) Official Language Policies

India's official-language regime does not establish a uniform legal standard governing the language of banking services, but it nonetheless provides substantial policy support for regional-language accessibility. Scholarship on Indian language policy demonstrates that formal language regulations and actual linguistic practices often diverge, with English, Hindi, and regional languages occupying complementary yet hierarchically unequal roles within institutional settings. Within the banking sector, this framework creates an expectation of multilingual service provision without imposing sufficiently clear and enforceable obligations. The practical consequence is the emergence of a regulatory disconnect between the constitutional commitment to multilingual governance and the realities of customer-facing banking communication, where accessibility continues to depend largely upon administrative discretion and institutional practice.

Banking Regulations and Guidelines on Language

Existing banking-law scholarship appears significantly more developed in areas such as financial inclusion, digital banking regulation, privacy, and institutional oversight than in relation to linguistic accessibility. One study examining banking documentation demonstrates how financial institutions rely heavily on dense, technical forms and disclosures that are difficult for ordinary consumers to comprehend, a concern directly relevant to linguistic inaccessibility despite the study's non-Indian context. Similarly, scholarship on Indian banking regulation characterises the principal policy challenge as reconciling continued liberalisation with broader financial inclusion objectives. However, such literature does not establish that current banking regulations impose explicit obligations requiring multilingual communication or plain-language drafting in customer-facing banking services. Consequently, the available evidence suggests that while the regulatory framework addresses financial access and inclusion in broad terms, it falls short of creating robust and enforceable language-access duties for banking institutions.

Judicial Pronouncements on Language Rights

(a) Recognition of Linguistic Rights

The available material supports the broader conclusion that India's constitutional and legal structure recognises linguistic diversity as a significant public-law principle. At the same time, the retrieved literature does not reveal the development of a distinct banking-specific jurisprudence relating to language rights. Comparative and constitutional scholarship provides the strongest analytical support by demonstrating that multilingual federations frequently conceptualise language as integral to legal identity, democratic participation, equal citizenship, and political inclusion. However, none of the available studies identifies a definitive Indian banking judgment that expressly imposes a legally enforceable duty upon banking institutions to provide multilingual services, disclosures, or customer communication mechanisms.

(b) Consumer Awareness and Informed Consent

The most judicially significant principle identifiable within the retrieved material is the recognition that intelligibility constitutes a necessary condition for valid legal consent, especially where ordinary users encounter dense, technical, and inaccessible documentation. Scholarship on banking documents highlights the manner in which customers are routinely confronted with lengthy contractual forms, fine print, and obscured essential terms that substantially impair awareness and meaningful understanding. In parallel, literature concerning plain-language drafting establishes that legal comprehensibility is intrinsically connected to rule-of-law values, informed participation, and the protection of vulnerable individuals. Although this scholarship is not specifically directed toward banking litigation, its underlying principles are directly applicable to banking disclosures and customer communication systems. Accordingly, while the normative and legal basis for informed consent in banking appears compelling, the jurisprudence specifically addressing banking-related linguistic accessibility remains limited and insufficiently developed.

(c) Access to Justice and Accessibility

Meaningful access to justice is closely dependent upon the comprehensibility of legal and administrative systems, while linguistic barriers may substantially impair the effective exercise of legal rights. Within the Indian context, the judiciary's transition toward digital administration illustrates how procedural access increasingly relies upon intelligible and user-accessible legal communication. This logic carries direct relevance for the banking sector, where modern banking practices depend extensively upon digital platforms, standardised disclosures, electronic agreements, and remote consent procedures. In circumstances where such systems operate in inaccessible languages, customers may be effectively excluded from meaningful participation in financial processes. However, despite these broader constitutional and access-to-justice principles, the available sources do not identify a developed judicial doctrine specifically transforming linguistic accessibility in banking into a recognised access-to-justice claim.

(d) Judicial Limitations

The primary limitation emerging from the available material is both evidentiary and doctrinal. Although the retrieved sources contain extensive policy discussion and scholarly analysis concerning transparency, financial inclusion, consumer protection, and digital governance, they provide limited direct judicial authority specifically addressing language rights in banking services. As a result, arguments relying upon judicial reasoning must proceed cautiously by distinguishing general constitutional principles from enforceable banking-specific obligations. Furthermore, the available scholarship tends to conceptualise language barriers indirectly through concerns relating to accessibility, inclusion, and transparency, rather than recognising linguistic inaccessibility as an independent legal wrong in itself. Therefore, the strongest conclusion supported by the present material is that Indian law offers a normative and constitutional basis for language-access claims, even though courts do not yet appear to have comprehensively developed or operationalised those rights within banking jurisprudence.

Gaps in the Current Legal Framework

Although the Constitution recognises linguistic diversity and several policy initiatives promote financial inclusion, the legal framework governing language accessibility in banking continues to exhibit significant shortcomings.

(a) Absence of Specific Legislation

The most significant structural gap within India's legal architecture lies in the absence of a dedicated statutory regime governing linguistic accessibility in banking services. The existing framework of financial legislation — comprising the Banking Regulation Act, the Reserve Bank of India Act, the Consumer Protection Act, and the Information Technology Act — addresses concerns relating to financial inclusion, consumer rights, privacy, and cybersecurity. Nevertheless, these enactments do not establish any positive and enforceable duty requiring banking institutions to provide communication in customers' preferred or regional languages. Language governance is really important when it comes to laws about language. What we learn from studying this is that strong laws to protect languages usually come from rules made by lawmakers not just from general promises in a countrys constitution or from decisions made by government officials. So when we look at banks, in India we see that making sure people can understand the language used is mostly a guideline and something the country wants to achieve it is not a law that people can take to court and get help with. Indian banking still does not have laws to make sure people can really understand the language used. Language is a part of this and we need to think about language when we talk about Indian banking.

(b) Advisory Nature of Guidelines

Despite the RBI's efforts to promote consumer awareness and accessible communication through circulars and regulatory directions, these measures function mainly as recommendatory compliance tools rather than enforceable rights-based protections. Existing academic literature on banking disclosure further establishes that disclosure obligations derive practical authority from explicit legislative mandates and state-supported regulatory structures associated with the financial safety-net framework. Without explicit statutory incorporation, these obligations remain subject to uneven enforcement and discretionary institutional implementation. Additionally, RBI guidelines do not carry the same binding legal status as parliamentary legislation and may consequently be amended, weakened, or selectively applied without meaningful democratic or legislative accountability. Practically speaking, customers provided with banking documentation only in English or in complex technical language lack a definite and actionable legal remedy within the existing guidelines regime. In a country characterised by immense linguistic diversity, including twenty-two scheduled languages and numerous dialects, the advisory status of these norms renders consistent voluntary compliance across public, private, and foreign banks highly unlikely.

(c) Digital Exclusion

The rapid expansion of digital banking has deepened existing problems of linguistic inaccessibility rather than eliminating them, while the accompanying legal framework has not developed correspondingly. Empirical studies conducted across rural regions in seven Indian states demonstrate that financial literacy and digital connectivity remain the strongest predictors of participation in digital banking systems. Significantly, villages designated as "cashless" showed little measurable improvement in substantive financial inclusion when compared with control villages, indicating that digital infrastructure alone cannot address barriers created by language and literacy exclusion. Contemporary digital banking ecosystems — including mobile banking applications, digital payment platforms, and UPI-based interfaces

— continue to operate predominantly through English-language structures or provide accessibility only within a limited subset of regional languages. Despite the unprecedented expansion and institutional dependence upon digital banking systems, the contemporary legal and regulatory framework does not impose enforceable obligations concerning multilingual accessibility, comprehensible error communication, or accessible customer-support mechanisms within digital financial services. Existing scholarship on the digital divide further conceptualises linguistic exclusion, digital illiteracy, and socio-cultural marginalisation as mutually reinforcing structural barriers that collectively inhibit vulnerable populations from meaningfully engaging with digital financial systems. Simultaneously, the extraordinary expansion of mobile banking transactions illustrates that technological development is advancing substantially faster than the evolution of legal and regulatory protections for linguistically excluded users. As a result, a significant regulatory deficiency persists because neither the Information Technology Act, the RBI's Digital Lending Guidelines, nor emerging open-banking regulatory structures impose enforceable language-accessibility obligations upon digital financial platforms.

(d) Lack of Uniform Standards

The absence of uniform and enforceable standards concerning language accessibility within the banking sector has generated a fragmented and unpredictable regulatory environment. Comparative scholarship examining open-banking frameworks in the United Kingdom, Australia, and Canada demonstrates that inclusive financial systems depend fundamentally upon coordinated legal rules, industry-wide technical standards, and harmonised regulatory frameworks capable of accommodating linguistically diverse populations. India's open-banking trajectory, particularly through the India Stack ecosystem, has largely prioritised interoperability, payments infrastructure, and digital governance efficiencies while failing to integrate mandatory multilingual standards into the architecture of public digital finance. As a result, linguistic accessibility remains institutionally uneven and dependent upon individual banking practices rather than enforceable legal obligations. Public sector banking institutions may provide varying and inconsistent degrees of regional-language support, whereas private and foreign banks frequently continue to operate through predominantly English-centric communication structures, without the existence of any regulatory mechanism capable of harmonising linguistic-accessibility practices across the banking sector. Comparative scholarship on banking digitalisation further conceptualises regulatory incoherence and fragmented technological standards as systemic barriers to inclusive financial participation. Within the Indian context, these institutional deficiencies are compounded by the absence of a uniform cross-sector linguistic-accessibility baseline capable of prescribing minimum enforceable standards for multilingual banking communication. As a result, in the absence of binding regulatory obligations concerning multilingual account opening, loan agreements, grievance redressal systems, and digital financial interfaces, language-inclusive banking continues to exist as an uneven and insufficiently enforceable practice across the banking framework.

7. Comparative Study of Language Accessibility in Banking

International Best Practices in Multilingual Banking

(a) Nigeria

Nigeria serves as a significant comparative model closely paralleling India's challenges relating to linguistic accessibility in banking and public institutions. Although the country is home to nearly 500 indigenous languages, English retains its position as the principal language of administration, financial regulation, and institutional communication due to the continuing influence of colonial legal structures and governance systems. Nigerian language policy formally accommodates three major indigenous languages within educational and governmental frameworks; however, the vast majority of minority languages remain institutionally marginalised and without meaningful protection. This produces structural consequences strikingly similar to those observable in India's banking system: English operates as the de facto language of financial regulation, contractual documentation, and banking communication, thereby creating an exclusionary institutional environment for indigenous-language speakers and linguistically marginalised populations.

Comparative research on language governance in India, Nigeria, and UNESCO policy frameworks demonstrates that both jurisdictions experience persistent structural contradictions between formal constitutional commitments to multilingualism and effective institutional implementation. Such tensions are reinforced by colonial-era institutional inertia, inadequate enforcement structures, and ongoing disconnections between top-down policy formulation and the linguistic realities of local communities.. Importantly, Nigerian financial regulators — similar to regulatory authorities in India — have not established binding legal obligations requiring banking institutions to provide multilingual communication or services. Consequently, language accessibility within the financial sector remains contingent upon institutional choice and administrative discretion rather than enforceable regulatory standards.

A comparative security-and-governance study of Nigeria, India, and Switzerland further illustrates the cost of this omission: in both Nigeria and India, the dominance of English in public institutions marginalizes indigenous languages, exacerbates socio-economic disparities, and contributes to governance legitimacy deficits, whereas Switzerland's constitutionally embedded multilingual institutional model demonstrates how inclusive language policy actively promotes social cohesion and equitable access

(b)The United States

A more developed but still incomplete model of language accessibility within the financial sector is provided by the US. In this context, the Consumer Financial Protection Bureau (CFPB), established as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act 2010, represents the most important institution (Kennedy, 2014). The CFPB website provides information in both English and Spanish, while the Bureau has introduced supervisory guidelines stipulating the inclusion of LEP consumers in considerations by covered financial organisations (Kennedy, 2014). This model presents a more structurally advanced approach compared to that of the Indian RBI guidelines since the US institution has a legal mandate, quasi-judicial powers of enforcement, and a consumer protection mission related to language accessibility.

Overall, the U.S. legal regime on language access issues, including Executive Order 13166 on language access to federal programs and the Civil Rights Act Title VI ban on discrimination based on national origin, provides a minimum standard of regulation, beneath which federally funded organisations, such as participating banks, cannot go. Among the best practices emerging from this regime include: language access professional training, development of performance indicators measuring the quality of language services provided, and identification of gaps between the current level of compliance with the CLAS standards and the desired one. In the United States, the enforcement power of language access issues lies in their connection to anti-discrimination laws, not consumer protection policies alone.

Even the American approach has its limitations because it works best with federally funded and federally regulated organisations, and it does not require that full multilingual services be delivered by all private banking firms. Ultimately, the American financial system remains an English-language system within which non-English-speaking and limited English proficiency groups need to make demands on their own terms.

Case Studies from Other Developing Nations

(a) Kenya

Mobile banking services like M-Pesa are famous throughout Kenya for their successful implementation. Mobile financial service implementation in Kenya has also been due to the provision of simple communication tools and language localisation. The financial institutions in Kenya have used such mobile financial service features as User-friendly mobile user interfaces, Simple transaction processes Language localizing communications tools Voice banking services Such practices have allowed people lacking formal education and poor English skills to easily interact with the digital finance services.

(b) Bangladesh

Financial literacy and rural banking have been highly prioritised in Bangladesh. MFIs and digital banks commonly employ local language messaging in order to increase accessibility for poor and rural populations. Financial awareness campaigns often take place through community events, educational resources in the local language, and regional media outlets. It has helped to increase financial inclusion.

Lessons Learned for India

Cross-jurisdictional analysis identifies five major lessons that are particularly relevant to India’s banking and regulatory system:

To begin with, statutory anchoring is mandatory. The United States case shows how language accessibility in financial services can only be made enforceable by virtue of it being embedded in statutes, which include not only discrimination laws but also consumer protection acts. India too must make a statutory enactment, either by amending the Banking Regulation Act or enacting an independent financial accessibility act.

Secondly, both mandates and institutionally embedded practices are needed. The Luxembourg model of banking clearly indicates that mere formalisation of policy does not ensure multilingual accessibility, but needs to be backed up by institutionalised practices of multilingual recruitment, training of employees, and customer communication policies. RBI Circular without any follow-up institutional practice would result in the same advisory approach being replicated that was seen in Nigeria, Ghana, Pakistan, and even in the present Indian scenario.

Thirdly, EU consumer legislation serves as a template for drafting legislation. Multilingualism in EU consumer legislation research reveals how language requirements can be categorised and included in legislation across various sectors like financial services, with language requirements having specific objectives defined that create obligations for service providers proportional to their scope. Indian legislative drafters should also consider such a categorisation exercise, where language requirements can be separately categorised into those related to account opening documents, loan agreements, redressal of grievances, and online portals.

Fourth, digital accessibility needs to be addressed via regulation on its own. In light of the India digital banking case study, it can be argued that expanding digital banking without addressing the language barrier further exacerbates the problem of exclusion instead of solving it. The possibility of developing voice banking technology that uses multilingual code-mixed speech and regional language natural language processing technology is technologically feasible, but not required by law at this time. It is evident that neither the Information Technology Act nor existing RBI guidelines presently contain mandatory provisions requiring such regulatory safeguards.

Lastly, there are interpreter banks for public services. Comparative studies have been conducted that highlight the importance of public services interpretation, comparing Barcelona and Montreal and suggesting that the Montreal model of the interpreter bank be used as a replicable model for accessing justice in public services. The idea can also be applied to the banking sector in terms of creating an interpreted-bank registry regulated by the RBI and accessible to the banks and their customers.

8. Findings and Discussion

Prevalence of Language Inaccessibility in Indian Banks

Lack of language access in Indian banks is one problem that is widespread but not well reported. The documents used in banks are often highly complex; they are filled with lengthy text and vital information that is hidden between unnecessary content, necessitating the signing of several forms, which may even include annexures. With over 700 languages being spoken in India, the use of English (and occasionally Hindi) in official banking communication automatically excludes many people from bank services.[6]

This issue is particularly evident in rural areas. A study conducted across seven states in India discovered that financial inclusion through digital banking is either not happening or is limited to none in rural areas, where financial literacy and internet accessibility become strong determinants of involvement with banking. [7]Mother-tongue-appropriate delivery modes for banking like ATMs, mobile banking services, and regional language-based passbook options are yet to be implemented. Studies have shown that unawareness of the process, lack of trust in banks, and communication barriers are some of the issues faced by people, especially those living in poor states like Bihar.

Legal Compliance and Gaps

While the language rights of India are formally guaranteed by its legal system, their implementation continues to be spotty at best. Linguistic minority rights are constitutionally guaranteed in Articles 29 and 350A, and RBI directives have sometimes instructed banks to engage with locals in local languages.

Despite all efforts, major compliance issues persist in the Indian banking system, posing a challenge to the realisation of linguistic accessibility and financial inclusiveness. The passbooks and banking instruments that are used within the banking framework are mostly available only in English or Hindi, in contrast to the provisions of the Official Languages Act

[6] *Just a moment...*, https://www.academia.edu/43115428/Minority_Languages_in_India_An_appraisal_of_the_linguistic_rights_of_minorities_in_India.

[7] *Financial inclusion in the digital banking age: Lessons from rural India | Journal of Social Policy*, Cambridge Core (Dec. 7, 2021), https://www.cambridge.org/core/journals/journal-of-social-policy/article/abs/financial-inclusion-in-the-digital-banking-age-lessons-from-rural-india/ABE6F79F511DFC98B7E8ED2C3B75626A.

and RBI regulations encouraging the use of regional languages in this respect. Despite the BC initiative meant for overcoming such communication gaps, its effectiveness is hindered by the lack of proper local language education for BCs as well as by the scarcity of relevant multilingual materials. Also, the digital banking tools – such as mobile and Internet banking – are predominantly available in English, with very little or no support of Hindi and other scheduled languages.

A significant lesson from comparative scholarship is that language-assistance obligations become inconsistently enforced when institutions themselves determine the scope of compliance.

Observed Impacts on Financial Inclusion

The effects of inaccessibility of language in the banking system are far-reaching and can be quantified along several fronts related to financial inclusion. While schemes like the PMJDY have been successful in increasing bank account penetration rates, the vast majority of accounts stay inactive due to the customer's inability to comprehend the documents of the banks and the scheme terms in their native language. Information asymmetry arising from complex loan documents and insurance product terms is another problem that makes people with low literacy levels and non-English speaking individuals avoid credit institutions and insurance services. This problem is particularly pronounced among women, rural population, older persons, and less educated individuals who face socioeconomic challenges in engaging in digital finance. Lack of understanding of the content displayed in online banking portals due to language barriers and inadequate training of banking personnel in using these interfaces leads to higher levels of digital and linguistic exclusion. Consequently, many people prefer to use alternative means such as money lenders and credit unions, which, although convenient, are more costly and risky. International research shows that information barriers are among the major obstacles to effective banking.

Perceptions of Bank Officials and Customers

Bankers usually perceive problems associated with inaccessibility of the language as a matter related to literacy. Research on both public and private banks indicates that whereas bankers emphasise trust, awareness, expansion of technology, and network expansion as measures for financial inclusion, linguistic inclusion is not seen as a significant strategy for banks. As such, customers, especially those who come from poor socio-economic backgrounds and are from rural areas, become confused, suspicious and disoriented upon being presented with financial documents in a language that they do not understand. This situation leaves customers either uninformed or unwilling to give their consent, thereby having to rely on family members, agents or BCs for financial interpretation. Customers' understanding of the formal bank as socially discriminatory and "not for us" has been exacerbated by the language problem in addition to other factors, including social discrimination against the Scheduled Castes, Scheduled Tribes and linguistically minority groups in India. The language problem is compounded by poor financial literacy in the country because it worsens the already large knowledge gap. However, customer satisfaction literature emphasises empathy and responsiveness as key elements in building trust and customer loyalty; without communication, this can hardly be achieved.

9. Recommendations

Policy Recommendations for Enhanced Language Accessibility

An effective regulatory framework for language accessibility in the Indian banking sector requires a shift from advisory principles to binding and enforceable standards. The following recommendations are proposed:

Mandatory multilingual service standards: The RBI must define minimum accessibility standards in terms of language, mandating all scheduled commercial banks to provide their core banking services, i.e., account opening, loan processing, insurance schemes, and customer grievance redressal, in the language(s) officially spoken in the state in which the branch functions. Such an approach can ensure that the philosophy of Article 29 and 350A of the Constitution is implemented in the banking sector. Experiences in Bihar show that despite the National Strategy for Financial Inclusion (NSFI) 2019-2024, ignorance, mistrust, and difficulties with documentation continue to prevail.

Embedding language-based financial inclusion targets: While traditional financial inclusion measurements include things like bank account penetration and the ratio of loans per deposits, language accessibility measurements can and should be incorporated as well. The discovery that linguistic division has led to an important reduction in the possession of bank accounts and savings usage serves as a solid starting point.

Inclusive design requirements for the BC model: In policy guidelines for BCs, it is required that proficiency in the local language be an initial prerequisite, which includes mandatory issuance of passbooks, micro-insurance pamphlets, and scheme outlines in the local language. Research conducted in seven Indian states found that digital financial inclusion in the rural sector is still quite limited owing to the mismatch between communication channels and linguistic needs.

Integration with the India Stack: The India Stack—comprising digital public infrastructure like Aadhaar, UPI, and account aggregators—constitutes a unique policy opportunity for India. By designing interface requirements across languages at the foundational level of the India Stack itself, any subsequent applications based on the platform will automatically incorporate language access provisions as well (Carrière-Swallow et al., 2021). The experience of emerging economies suggests that an infrastructure-first strategy leads to inclusion more quickly than an institution-by-institution approach.

Technological Solutions and Innovations

Technological innovation offers the greatest potential for scalable language accessibility, so long as linguistic diversity is incorporated as a core design principle rather than an afterthought.

AI that can operate multilingually and Large Language Models (LLMs) for financial services: AI-driven advisory and customer care systems trained in Indian scheduled languages could be very useful in minimising the communication gap between banks and their non-English-speaking clients. An innovative concept of a Financial Advisory LLM model combining legal, financial, and cultural knowledge within the Indian environment has been suggested for providing customised financial advice through an LLM. Such systems can be used in BC networks and mobile banking platforms.

Machine learning and NLP for document simplification: The nature of banking documents such as loan agreements, scheme brochures, and KYC forms is inherently complicated. These can be simplified using machine learning techniques to create summaries in different Indian languages based on regular banking documents, which would lessen the load on people with poor literacy skills.

Digital banking accessibility interface: In a study conducted among 103 BFIs in India, it was found that only 26% of domestic BFI websites had any content in local vernacular languages, while only seven websites were able to pass the test for markup validation. This is a basic digital accessibility issue. The development of web and mobile interfaces that comply with the WCAG and include voice navigation is imperative.

Mobile banking as a language-enabling channel: The power of mobile banking to serve as a language-enabling channel is evident when looking at the ability of voice interfaces and regional-language applications to connect rural populations in India through language barriers. Tools using storylines that have context and meaning in the Indian rural landscape, such as the "Banking 101" mobile financial literacy application, highlight the power of narrative and local languages in reaching those not reached through written bank communications.

Use of Fintech as an inclusion lever through language: Digital banks and alternative lending systems leveraging ML and LLM technology have shown their ability to overcome existing obstacles to financial inclusion for those who lack access. Financial inclusion efforts need to be directed towards creating vernacular-language products within policy-driven regulatory sandboxes.

Capacity Building and Training Initiatives

The effectiveness of policy and technological reforms ultimately depends upon the presence of a well-trained human infrastructure comprising both banking employees and customers.

Training of attitudes and language skills among bank employees: An innovative applied study conducted in Madhya Pradesh revealed that there was a marked improvement in the attitude of rural bank managers towards poor customers following the implementation of structured training programs, which included behavioural and social changes. There is no doubt that such an observation justifies the need for training programmes which tackle issues related to attitudinal obstacles like condescension and gatekeeping, as well as those associated with language barriers.

Mother tongue-based financial literacy programs: Language and financial literacy are interdependent; programs that aim to enhance the financial literacy of individuals who do not speak the language used will be futile, and financial services that individuals are unable to communicate with cannot be said to develop financial literacy. It has been found that the financial illiteracy levels of India amount to about 76% among its population of adults (Verma, 2017). This makes it imperative to conduct mother tongue-based programs

Digital financial literacy as an important aspect: From the research conducted in the rural area of Aligarh district, it was found that economic and socio-economic variables such as age, gender, income, social category, and education have a significant impact on the level of digital financial literacy of the people, whereby the rural populace is at a disadvantage.

Financial education through BCs at the community level: BCs are well-positioned in terms of their trust and language abilities, which enable them to conduct home visits for financial literacy workshops. Enhanced training of BCs regarding products and language skills will turn the BC model into an effective avenue for building financial capability.

Banking and Language Collaboration with the Central Institute of Indian Languages (CIIL): As an organisation founded by the Government of India that seeks to regulate language development across the country, the CIIL presents an untapped source in making the banking sector linguistically accessible. Such collaboration between the RBI, CIIL, and the scheduled commercial banks would result in high-quality glossaries and educational material in all 22 scheduled languages.

Legal Reforms and Enforcement

The absence of enforceable obligations and meaningful supervision risks reducing policy commitments and technological measures to uneven and discretionary institutional practices.

Codification of language rights in the banking sector: The current legal regime in India, which includes the Official Languages Act, the IT Act 2000, and the specific RBI guidelines in the financial sector, does not fully enshrine the linguistic rights of consumers to receive banking services in their scheduled language. An express provision in the Banking Regulation Act, or an independent act on Language Accessibility in Financial Services, would make this a justiciable right rather than a mere discretion. Legal systems around the world indicate that language accessibility rights can be exercised only when such rights are justiciable and actionable via statutory complaints mechanisms.

RBI regulatory regime strengthened: The RBI regulatory regime has a significant influence on digital banking development, consumer confidence, and market structures. The introduction of language accessibility requirements within the supervisory assessment of the RBI, similar to the data privacy, cybersecurity, and consumer protection requirements, will mean that language is mainstreamed into the RBI regulatory regime. The recommendation for mobile banking policies recognises that clear regulatory frameworks are essential for building consumer confidence

Language accessibility audits: The banking sector needs an annual mandatory audit by the bank itself on their language access policy implementation, the results of which will then need to be submitted to the RBI. Systematically important banks would also require independent audits, which would increase their credibility. This can also work as an example for other auditing processes that are used in other fields of regulation.

Consumer grievances regarding language accessibility: The Banking Ombudsman Scheme needs to be clearly extended to address grievances concerning the problem of language accessibility; the Ombudsman's office should itself receive and process such grievances through all the scheduled languages. At present, the lack of any separate grievance system regarding language access makes it impossible for the consumer not conversant with English to voice his grievance.

Enhancing the regulatory system of informal financing: When conventional banking systems falter in their communications, people tend to rely on informal money lenders and rotating savings groups (Dar & Ahmed, 2020). Legal reform thus needs to take place concurrently: stricter regulation of informal financing services alongside enhanced linguistic clarity in formal banking communications would prevent such exploitation.

10. Conclusion

Summary of Key Findings

The purpose of this research was to understand the nature, scale, and effects of language barriers in banking in India, as well as their significance for financial inclusion. The body of evidence amassed from an empirical, legal, and comparative perspective points towards a common conclusion.

Firstly, lack of language accessibility is an intrinsic part of the Indian banking system rather than being peripheral or incidental. Bank documents are inherently complicated, digital interfaces favour English or Hindi at the expense of over 700 spoken languages, and the shift from cash-based banking in rural communities reveals that inclusion through digital banking was virtually zero. The disconnect between inclusion indicators like the number of accounts, density of branches, and use of PMJDY, and language accessibility is stark.

Second, the implications of such inaccessibility for financial engagement can be measured. In particular, linguistic segregation results in a considerable drop in bank account usage, especially when compared to borrowing behaviour, which is most significantly observed among savings (Ghosh, 2022). Empirical data from other nations indicates that language diversity affects the inter-temporal nature of financial decisions and that even the structure of a majority language contributes to the outcomes of financial inclusion (Dar & Sahu, 2022). More specifically, in the Indian context, the interaction of linguistic, gender, educational, and geographic barriers reinforces each other, making women-led families 8% less likely to engage with formal finance

Thirdly, although India's legal framework appears to be an enabling one due to provisions like Constitutional Articles 29 and 350A and the Reserve Bank of India guidelines on languages, it has failed to become a source of enforceable guidelines regarding the matter at hand. The lack of any mandatory linguistic audit for financial inclusion as well as a specific channel for grievances is a significant loophole within the existing system.

Fourth, there are significant differences in perceptions between the bank officials and the customers. On the one hand, the bank officials are likely to perceive the inclusion gap in terms of low literacy rates and a need for technological assistance, while the customers are likely to express themselves in terms of being lost, mistrustful, and reliant on others when faced with foreign-language documentation.

Fifthly, there are also technological and infrastructural possibilities, which have been largely unexploited. Just 26% of domestic banking/financial institutions' websites provided any information in vernacular languages, while mobile banking apps, which provide the most scalable mode of delivering multilingual services, continue to be primarily in English. There is also a game-changing policy opportunity, in the form of India's digital public infrastructure, such as UPI, which remains untapped.

Implications for Policy and Practice

These results have direct and immediate implications for regulatory agencies and the banking sector.

For regulators, the key implication here is that financial inclusion is not simply a function of availability alone. The data showing how language polarisation severely constrains the use of bank accounts and savings, and the fact that language accessibility and financial literacy are the key determinants of digital banking participation, suggests that language accessibility must be regarded as a primary policy factor, on par with branch availability, credit availability, and digital infrastructure. For a country that is well on its way to becoming one of the largest economies in the world by 2050, language infrastructure will be as essential as physical infrastructure.

From the perspective of the RBI, the result points to regulation – language accessibility should form part of their existing supervision framework as opposed to being viewed simply as a cultural initiative. The finding that financial exclusion results from low income levels, gender inequalities, poor financial awareness, geographical distance, and cultural differences, where language cuts across all these elements, provides more justification for the former than the latter.

In the case of banks, the implication is not simply an issue of adaptation but of restructuring altogether. The concept of financial inclusion is far more complicated than people think, as it involves not merely opening up an account but also ensuring the active usage of financial tools. Banks that measure the success of their inclusion efforts based on enrolment numbers but provide services in hard-to-access languages are creating sleeping financial users rather than active ones. Training programs that have been shown to alter employee perceptions about disadvantaged groups are some of the best bets for banks in multilingual environments.

The implication for the fintech industry is that it represents an opportunity as well as a social responsibility. Digital banks and fintech platforms powered by artificial intelligence have already shown that it is possible to extend services to underbanked communities; designing services with language access as a primary criterion will tap into both the business and regulatory advantage of an increasingly regulated market.

Future Research Directions

However, the current body of knowledge, although rich, does not answer some key questions that help identify a clear-cut research agenda for the future.

Measurement of causality in relation to language inaccessibility in the context of banked status: Current literature provides evidence on the correlation between language diversity and financial inclusion; however, causal studies involving quasi-experimental methods such as the difference-in-differences approach in relation to language policies need to be done.

Disaggregated State Analysis: The linguistic diversity of India is uneven in the sense that the difference in usage of English and Hindi against regional languages varies significantly among different states. Future analysis needs to generate indices regarding language access at the level of the state in order to facilitate policies more effectively.

Evaluations of multilingual intervention programs: Findings concerning BC network training and the attitudinal training of bank managers in rural areas are encouraging but constrained by scope and scale. Impact evaluations of financial literacy programs offered in multilingual formats, pilot projects for vernacular mobile banking services, and BC rollouts in local languages are needed to build an evidence base.

Comparative Institutional Analysis: The literature on language policies in multilingual banking systems, including the Luxembourg model, which showed significant differences between the language policies as defined officially and those practised in reality, provides an approach for use in the Indian context. Comparative analysis that looks at the institutionalisation of linguistic access in finance in other jurisdictions can inform policy formulation in India.

Digital language accessibility audits: With only 26% of banking websites in India providing vernacular language options, periodic audits of language accessibility for digital banking through channels such as websites, mobile applications, ATMs, and call centres would create the necessary data infrastructure, which is currently missing from financial inclusion efforts.

Intersection between Language, Gender and Caste: The intersectional effect between inaccessibility to language and other sources of marginalisation like gender, scheduled caste and scheduled tribe identity, and remoteness in northeastern states of India has been highlighted in the academic discourse. But no study has empirically addressed this complex interaction between all these factors through a systematic theoretical framework.