

ICICI BANK CUSTOMER FIRST SERIES

A consumer education initiative

Deposit Series: Article 1 of 10

TIMES BUSINESS ASSOCIATE COMMUNICATION

One Too Many?



Arvind has changed five jobs and lived across four cities in the last eight years. His resume boasts about his management capabilities. What it does not tell is that Arvind holds ten bank accounts. There is money remaining unused in some; some have bill payments linked; and none of them have been updated for his current address. If you have been taking your bank accounts for granted, read on.

Multiple Accounts



Multiple bank accounts are fine, as long as you can maintain them. It is wise to decide on the basis of needs, and close inactive accounts – something that Arvind should have done. Opening or closing a bank account is a simple process and quite standardized across banks.

Terms



Opening an account begins a relationship with a bank, the terms of which are in the account-opening form. If Arvind had read them, he would have known that his salary account can have a zero balance only as long as he is employed with the company through whom he opened it. His inactive accounts could be levied penalties that he never knew existed, e.g. for non-maintenance of minimum balance.

Charges



A savings bank account should enable customers to access their funds during banking hours, at no additional cost. A simple withdrawal slip can fulfil this requirement. A technology-driven bank may provide 24-hour access through ATMs. Banks can charge for such add-on

facilities. Arvind should look up the service charges to know the costs.

Choice



Savings accounts can vary in their features and facilities. A no-frills account comes with basic features; a salary account does not impose minimum balance requirements; and a preferred account comes with several free services. The choice of account type should depend on the customer's need, after understanding what is free and what is charged.

Transactions



The primary purpose of a savings bank account is to enable the conduct of routine transactions easily. Arvind gets his salary into the bank account and makes his payments by cheque. He can also instruct his bank to pay his bills, credit card dues and systematic investments. The choice of account and facilities will have to depend on the types and number of transactions he expects to conduct.

Stay Connected



Arvind has to notify his bank about changes in his address. This will ensure timely communication of his account



Panditji, stop this marriage immediately. 'KYC' check of the groom has come negative.

SMS CONTEST

Question

To the bank, the basic source of information about its customer is _____.

Answer

- A. the account-opening form
- B. the customer's tax returns
- C. the customer's bank account

To answer, SMS DISHA A, B or C to 53030 and win a 2N 3D holiday.* Contest open for the day of publication.

*Terms and conditions apply. Visit www.dishafc.org for details and winners.

balance and other notifications from the bank.

We will read in the next part of this series, much more about the rights of bank account holders.

Center for Investment Education and Learning

DID YOU KNOW?

Bank deposits are insured up to a maximum of Rs. 1,00,000 (principal and interest) for every depositor by the DICGC (Deposit Insurance and Credit Guarantee Corporation).

FAQs

What is KYC? Why is it needed?

KYC stands for 'Know your customer'. To open a bank account, KYC requirements are mandatory. This is to ensure that the bank knows and has verified every customer it deals with. The primary purpose is to prevent identity frauds. Proof of identity (such as passport, PAN card, voter's identity card, or driving licence) and proof of address (such as telephone bill, bank account statement, or electricity bill) are part of the KYC requirements.

When I opened an account, all I did was sign the account-opening form. The agent offered to fill the details. Is this fine?

It is best that customers fill up the account opening form themselves, selecting only the options that they need, since they may be charged for the services they choose. Taking care of hygiene factors such as accurate contact information ensures that the account runs smoothly.

We welcome your questions, suggestions and feedback on this column. Please use the 'Email Us' link at www.icicibank.com or send us an SMS to 53030. Please include your full name, address and phone number. Your comments may be edited for clarity and space.

EASY BANKING

Stay connected.



Always update your latest contact details to avoid missing out on important communication.

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