

Your Rights As A Savings Account Holder



Arvind wanted to open an account in the bank that had opened a branch in his neighbourhood. When he walked in to enquire, he found that there were too many options available for what he thought was a simple account. What are the choices available to him and what are his rights as a customer? Read along to know what to expect when you open a savings bank account.

Information about your Account



Arvind is offered variants of a savings account to choose from. The variants differ in terms of the minimum quarterly average balance requirement; features such as type of debit card with different daily withdrawal limits; type of cheque book, etc.; charges such as demand draft issue charges; and the channels available (the branch, the ATM, Internet banking, phone banking). Arvind is entitled to know what is free and what it is that he will be charged for. He should seek this information from his bank before choosing and opening an account.

No Frills



Arvind was informed about the 'No frills' account. Every bank is required under RBI (Reserve Bank of India) guidelines to offer a no-frills account that has no minimum balance requirement. The objective is to make banking available to the common man. In such accounts,

banks limit the facilities and the number and value of transactions.

Charges



RBI requires banks to indicate the charges for basic services. This information has to be given while opening an account. It has to be displayed prominently on the bank branches' premises and on the bank's website.

Terms and Conditions



The bank will provide the terms and conditions applicable to the product Arvind finally chooses. The terms and conditions set out the rights of the customer with regard to liabilities and obligations clearly. He should go through them carefully.

Changes to Charges/Information



Any change in services, service charges or location of the branch will be notified to Arvind at least 30 days in advance. There will be a

SMS CONTEST

Question

A bank needs to notify its customers of changes in service charges at least _____.

Answer

- A. 90 days in advance
- B. 15 days in advance
- C. 30 days in advance

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.dishalc.org for details and winners.

notification at the branch and on its website. Individual communication to every account holder is not mandatory.

Grievance Redressal



If Arvind has any grievance with his bank, he can seek information from his bank on the grievance redressal process. His bank will tell him how and where to make a complaint, whom to approach for redressal and when to expect a reply. If Arvind is not happy with the resolution offered, he can approach the nodal officer of his bank. Every bank is required to appoint a nodal officer. If yet dissatisfied, Arvind can approach the Banking Ombudsman.

DID YOU KNOW?

Basic services by banks to special categories of individuals (like individuals in rural areas, pensioners and senior citizens) will be rendered on terms more liberal than the terms on which they are rendered to other individuals.

FAQs

Does the RBI regulate the charges for services to savings account holders?

No. RBI stipulates that the service charges must be notified to customers, so that they may make their choices after being fully informed.

Can a bank levy charges for the use of its ATM by its own customer?

RBI has advised banks, in March 2008, to offer ATM services to bank's own customers free of charge.

The details of the Banking Ombudsman scheme and contact addresses are displayed on the notice boards of all bank branches.

Center for Investment Education and Learning

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

SMART
BANKING

Protect
your money.



Ask for the service charges and fees when opening a bank account.