

# Financial Awareness Messages (FAME)

## FIDD, Central Office



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# MESSAGE 1

## DOCUMENTS TO BE SUBMITTED WHILE OPENING A BANK ACCOUNT (KYC)

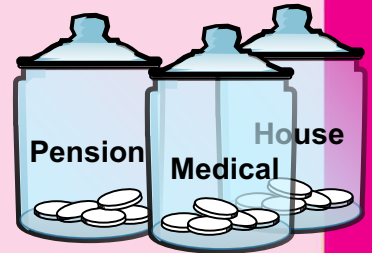
- One 'proof of **Identity**' and 'proof of **address**' and a recent photograph are enough to open a bank account.
- Your Aadhaar Card, Driving License, Voters' Identity Card, Passport or NREGA card-serves as both, proof of identity and proof of address. PAN Card serves only as proof of identity.
- If your current address is not the same as the proof submitted to your bank, a simple declaration of your new address is adequate.
- Even without 'proof of identity and address' open a savings bank 'small account' by submitting a recent photograph and signature. Enjoy account balance of up to ₹50,000, withdrawals of up to ₹ 10,000 per month and total credits of up to ₹ 1 lakh per financial year.



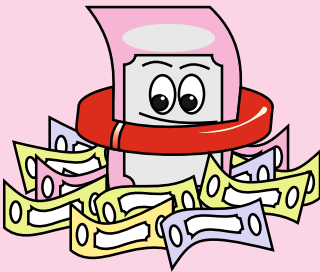
## MESSAGE 2

# IMPORTANCE OF BUDGETING & SAVING AND RESPONSIBLE BORROWING

- **Budgeting and Saving:** A budget is a plan for your future income and expenditures that you can use as a guideline for spending and saving. Every household should make a budget of income and expense and follow it strictly. It is ideal to make monthly budgets and stick to the budgeted expenses. The excess of income over expenses is termed surplus. The surplus needs to be actively saved or invested for any unforeseen events (accidents, natural calamities, loss of job) and important events in life (marriage, education of children, travel to places, buying a home, vehicle). Savings also helps us when we no longer have the ability to earn, for example after retirement.



- **Importance of Savings:** Some portion of our income should be saved before we spend. First of all, your saving should be in safe instruments and institutions. For example, if you put your hard earned money in institutions or instruments that are very risky/ non-regulated, you may lose all your money. So it is important to save money in safe instruments/ institutions. Second, savings is for meeting both planned and unplanned expenditure in the future. Hence it is better to save in those instruments and institutions that enable you to withdraw the money at the needed time. Third, there should be some return on your money so that you are protected from inflation.



- **Borrowing:** One should borrow to invest in assets that create value and not borrow to fund daily expenses. Examples of good borrowing are mortgage loans to buy a house, education loan for funding children's higher education etc.
- **Bank Vs Moneylender:** A bank is always better than a money lender as it is regulated by the Reserve Bank of India. Banks are transparent and do not overcharge like money lenders. There is a system for grievance redress with well documented procedure in place.



## MESSAGE 3

# LEARN MORE ABOUT YOUR DEPOSIT AND YOUR DEPOSIT ACCOUNTS



- Don't just leave your money in savings bank accounts. They don't fetch you good returns. When you get money in lump sum, invest in fixed deposits and when you wish to save regularly, open recurring deposit accounts.
- For your bank accounts and safe custody articles in the bank, nominate a person whom you trust. It is in the interest of your near and dear ones. Fill up nomination form at the time of opening a bank account. Having a nominee helps in fast settlement of claims and reduces hardships for surviving family members. **'Either or survivor'**, **'Former or survivor'**, **'Joint account'** are important operational instructions for banks. Give them carefully.
- To withdraw your fixed/term deposits prematurely in case of need, you have to ensure that you have opted for that facility at the time of making the deposit.



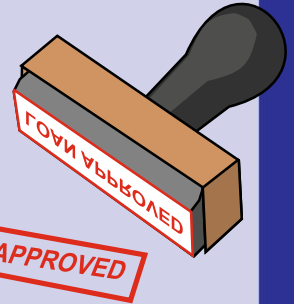
- Pensioners can use their existing savings account for receiving pension. It is advisable to keep a joint account with your spouse and have nomination registered or have **'either or survivor'** or **'former or survivor'** operating instruction in your account. If required, you can transfer your pension account to another branch or another bank
- Do remember to submit your **'Life Certificate'** to your bank branch in November, every year. Instead of physical 'Life Certificate', you can now submit Jeevan Pramaan, a digital life certificate that uses Aadhaar number based biometric authentication. You can visit the website [www.jeevanpramaan.gov.in](http://www.jeevanpramaan.gov.in) and send your life certificate to your bank using your mobile phone



## MESSAGE 4

# MAINTAIN A GOOD CREDIT SCORE BY REPAYING LOANS ON TIME

- Borrow wisely and check if the loan is within your repayment capacity.
- Ensure that you do not miss any repayment installment.
- Banks see your credit score and credit history while giving you another loan.
- Delays in repayment and loan settlement done with banks affects your credit history/ credit score adversely. Inform the banker in case of any delay.
- Repay the loan sooner than later as it creates a good credit history that could help you in taking more loans in future for your personal/business purpose.
- Based on your credit history and other relevant factors, you get a credit score. Higher the score, the more creditworthy and more responsible borrower you are.



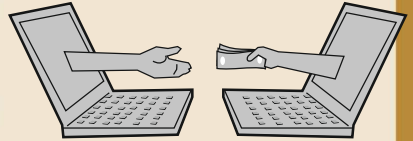
## MESSAGE 5

# SAY GOODBYE TO DEMAND DRAFTS AND CHEQUES AND START TRANSFERRING/ RECEIVING MONEY ELECTRONICALLY

### ➤ NEFT

Transfer money to anyone across the country within a few hours.

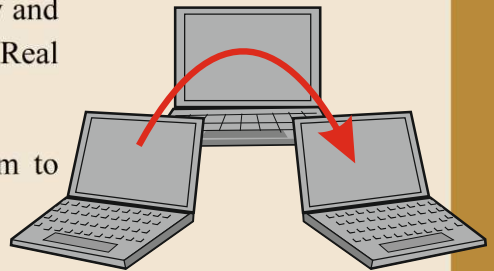
NEFT works from 8:00 am to 7:00 pm on week days and working Saturdays.



### ➤ RTGS

If you need money to be transferred immediately and if the amount is ₹2 lakh or more, you can use Real Time Gross Settlement (RTGS).

For customers, RTGS is available from 8.00 am to 04:30 pm on week days and working Saturdays.



### ➤ IMPS

Use Immediate Payment Service (IMPS) to transfer money immediately. Money can be transferred 24x7 even on bank holidays and Sundays.

NEFT, RTGS and IMPS services can be availed at the branch or through online channels like internet banking, mobile banking, etc. offered by your bank.

### ➤ UPI (Unified Payment Interface)

UPI is a quick and easy way to send and receive money using a virtual payment address (VPA) without entering detailed information like Bank Account number, IFSC, ATM/Debit card number, etc. of the beneficiary.

You can send money 24x7 even on bank holidays and Sundays.

You can also make payments to merchants who accept UPI as a payment option.

You have to download the UPI application on your smart phone to be able to use it.

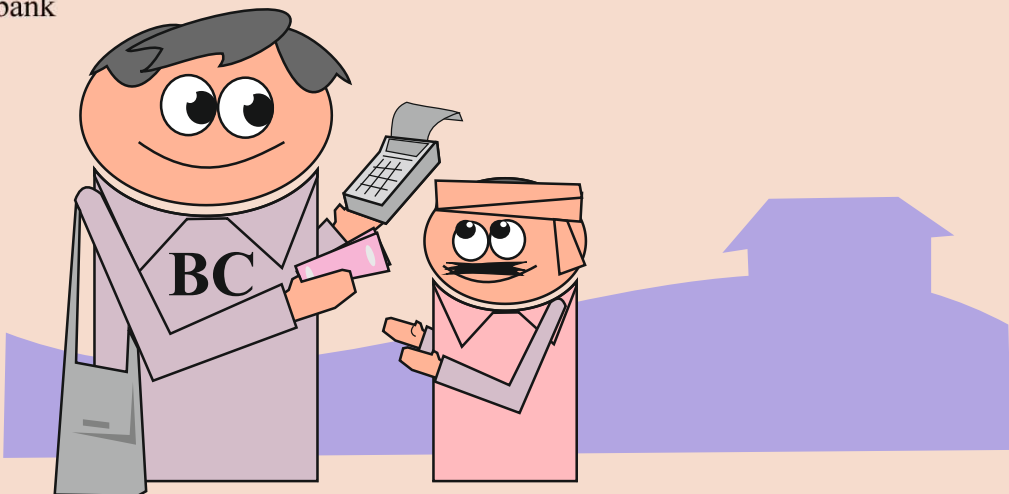




## MESSAGE 6

# BANKING AT YOUR DOORSTEP OR AT YOUR VICINITY

- You don't need to visit a bank branch for your banking needs. BC is an agent appointed by your bank. You can approach the nearest bank branch to know about availability of BCs in your locality. You can also access the link <http://pmjdy.gov.in/g-i-s.aspx> on the PMJDY website to know about BCs operating in your area.
- Banks appoint individuals and entities including NGOs, Self Help Groups, Civil Society Organizations, Post Offices, Primary Agriculture Credit Societies, Micro Finance Institutions, Companies including Non Deposit taking NBFCs, Payment Banks etc. as Business Correspondent (BC)
- BC connects you with your bank, using a laptop, hand held device or a mobile phone
- Confirm the name and details of the BC from your bank, in case of any doubt
- You can open a bank account through BC, deposit and withdraw money, apply for loan, avail micro insurance, transfer money into and from your account
- If you are not satisfied with the services of BC, you can lodge a complaint with your bank



# MESSAGE 7

## KNOW HOW TO LODGE YOUR COMPLAINTS AT THE BANK & THE BANKING OMBUDSMAN



- Fill in your complaint in the complaint register in bank branch. If not available around, ask for it or fill it up online
- Ask for names of officials who can be contacted for resolution of complaints, if they are not displayed in the branch. Banks have a nodal officer for complaint redressal.
- Your complaint has to be resolved in a time frame, if not, bank has to give you reasons for not doing so.
- If your bank does not resolve your complaint within a month, approach RBI's Banking Ombudsman. RBI's Banking Ombudsman scheme resolves your complaint expeditiously and free of cost.



- Banking Ombudsmen are officers appointed by RBI spread across 15 locations in India. Banking Ombudsman covers a range of deficiency in banking services.
- Simply write on plain paper, file an online complaint or send an email. You can lodge your complaint on <https://bankingombudsman.rbi.org.in>



## MESSAGE 8

### THERE IS NO FREE LUNCH! DON'T GET CHEATED

- Don't get cheated by emails, SMSes or phone calls promising you money in the name of RBI / RBI Governor/ or any other bank, including your own bank.
- Do not fall prey to fake emails, offers of lottery winning or cheap funds offered in India or overseas in the name of RBI or any other bank or government organization.
- Don't send any money as an initial deposit, commission or transfer fee to anyone to receive large sums of money from any kind of known or unknown organizations. You may be defrauded.



~~SMSes  
Phone Calls  
Bank Accounts  
CVV  
ATM PIN  
OTP~~

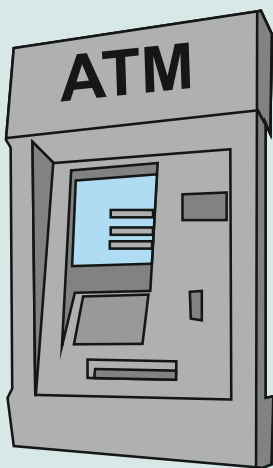
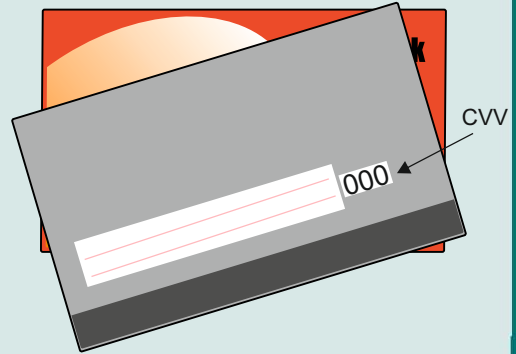
- RBI does not open savings account / current account/ fixed deposit or offer credit / debit card or do any transaction with any individual.
- RBI / banks never ask your bank account /credit-debit card details through email / SMS or phone call. Never provide such details to anyone.
- Don't reveal your bank account details, internet banking user ID, password, credit/debit card number, CVV, ATM PIN or OTP to anyone.
- Lodge a complaint with local police or cyber-crime authorities if you receive any fictitious offers of lottery winning or cheap funds from abroad or within India.



## MESSAGE 9

# KEEP IN MIND THE FOLLOWING TO HAVE A HASSLE FREE ATM EXPERIENCE

- You can withdraw money, transfer funds, check account balance, register for mobile banking, pay bills, link your Aadhaar number to bank account, etc. at your ATM.
- Do not share your ATM card details and PIN with anyone. Never leave the card in the ATM.
- Ensure that there are no cameras or other devices attached to the ATMs when you key in your pins or swipe your cards. As far as possible, cover the keypad with one hand and use the other hand to key in your pin. Never let anyone see the pin when it is being entered at the ATM.
- Remember to count and check the notes dispensed.
- Register your phone number with card issuing bank to get alerts on ATM transactions.



- Contact your bank immediately to block the card if it gets lost or stolen or you feel it has been compromised.
- If you have any ATM related complaint, write to card issuing bank. Bank has to resolve your complaint within 7 working days of receiving it, else pay compensation to you @ ₹100 per day (if the complaint was lodged within 30 days of the transaction).
- Change your ATM card PIN regularly.
- Look for suspicious activity or object in the ATM room or ATM machine before using card.



## MESSAGE 10

# INVEST YOUR HARD EARNED MONEY ONLY IN REGISTERED ENTITIES

- Protect your hard earned money by investing or depositing only with entities registered with RBI, SEBI, IRDA, PFRDA or State Governments. Visit [www.sachet.rbi.org.in](http://www.sachet.rbi.org.in) for list of such registered entities.
- Do not get lured by schemes promising higher or guaranteed returns in a short time. Such schemes may be frauds and promoters may vanish after collecting your hard earned money.
- Entities offering loans at interest rates much lower than that offered by commercial banks may vanish after collecting processing fees.
- Visit [www.sachet.rbi.org.in](http://www.sachet.rbi.org.in) if you have any information or complaint against any entity which has defaulted in repayment of deposits or money collected under any scheme.



**INVESTOR AWARENESS 3**

### Depositing your Hard Earned Money? Check Twice!

Before investing in a Non-Banking Financial Company (NBFC), always check twice:  
☐ Is the NBFC registered with RBI?  
☐ Is the registered NBFC authorized to accept deposits?  
**Only a few NBFCs are authorized by RBI to accept deposits. Check the list at [www.rbi.org.in/permitednbfc](http://www.rbi.org.in/permitednbfc)**  
Deposits placed with NBFCs are neither insured nor guaranteed by Reserve Bank of India / Government of India.  
For more information, please visit [www.rbi.org.in/infoblog](http://www.rbi.org.in/infoblog)

Issued in public interest.

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**AAPKA SAHI FAISLA, SURAKSHIT RAKHE AAPKA PAISA.**



## MESSAGE 11

# MISSELLING - WHEN YOU GO TO THE BANK TO MAKE A DEPOSIT AND YOU COME BACK WITH AN INSURANCE PLAN THAT YOU DON'T UNDERSTAND

- Has it ever happened that you approached your bank asking for a Fixed Deposit and in return they offered you an Insurance Policy?
- Accept an insurance policy only if you need it. Remember the bank cannot compel you to buy it, if you do not want it
- Take out those few minutes to read any form before you sign it
- If your bank is trying to sell you a product that you have not asked for, don't buy till you are satisfied it suits you
- If you feel you have been wrongly sold a financial product by your bank, do not hesitate to lodge a complaint

