20 One-Liners to Remember

Quick-fire facts for last-minute revision.

1. **BCSBI (Banking Codes and Standards Board of India) was set up by RBI in 2006 to get banks to adopt fair, transparent customer codes.**
   RBI promoted BCSBI as a self-regulatory watchdog for banking codes and standards.

2. **BCSBI was registered as an independent, autonomous society; bank membership was voluntary, not compulsory.**
   Voluntary membership is the classic exam trap since compulsory is always the wrong option.

3. **BCSBI has since been wound up, and its Code-monitoring role was subsumed into RBI's broader customer-protection framework.**
   Candidates should not assume BCSBI still functions as an active independent body today.

4. **The Code of Bank's Commitment to Customers aims at fair treatment, greater transparency, and fostering confidence in banking.**
   These three objectives are the most repeated theme in BCSBI-related MCQs.

5. **The Code covers deposit accounts, remittances within India, and foreign exchange services, but not merchant banking.**
   Merchant banking exclusion is a frequently tested incorrect-option trap.

6. **Under the Code, banks treat customer personal information as confidential even after the customer relationship ends.**
   Confidentiality does not lapse once a person stops being a customer.

7. **A revised bank fee or charge takes effect prospectively after advance notice, never retrospectively.**
   Prospective effect with advance notice protects customers from surprise charges.

8. **Banks communicate fee revisions via statements, email or SMS alerts, and notice boards, not TV advertisements.**
   TV advertisement is commonly the planted wrong-channel option in exam questions.

9. **A BCSBI-era small account can be opened by a customer lacking standard KYC documents, subject to balance and credit caps.**
   Small accounts are RBI's KYC-relaxation route for financial inclusion.

10 **Small-account norms cap the balance at any time and the total annual credits, with a limited validity period.**
Candidates should confirm exact rupee limits against the latest RBI/IIBF notification.

11 **Amounts unclaimed in bank accounts for 10 years or more are transferred to the Depositor Education and Awareness Fund.**
DEAF is RBI's mechanism for unclaimed deposits and related depositor awareness.

12 **DICGC stands for Deposit Insurance and Credit Guarantee Corporation, which insures bank deposits in India.**
DICGC is a wholly owned RBI subsidiary providing deposit insurance cover.

13 **Where a valid nomination or survivorship clause exists, a bank need not insist on a succession certificate to settle a claim.**
This simplifies claim settlement for small balances with a registered nominee.

14 **Two nominees are permitted only in specific joint-account constructs, not in a simple Either/Survivor account.**
Either/Survivor and Former/Survivor accounts allow only a single nominee.

15 **Section 31 of the Negotiable Instruments Act obliges a bank to honour a customer's cheque when funds and conditions permit.**
This is the statutory basis for a bank's duty to pay a validly drawn cheque.

16 **A fixed or certain date of payment is not an essential feature every negotiable instrument must have.**
Some instruments are payable on demand, so a fixed date is not mandatory.

17 **Micro-ATM transactions authenticate customers via UIDAI biometric matching, not face-to-face verification.**
Biometric matching against the UIDAI database secures Aadhaar-enabled micro-ATM transactions.

18 **Appointing an Internal Ombudsman at banks helps resolve customer complaints before they escalate to the Banking Ombudsman.**
Internal Ombudsman review is an additional internal layer before RBI's Ombudsman scheme.

19 **A customer of a non-member bank could escalate grievances to the Banking Ombudsman or RBI, not to BCSBI.**
BCSBI's Code applied only to its member banks, unlike RBI's Ombudsman scheme.

20 **An asset is generally classified as a non-performing asset when interest or principal remains overdue for 90 days or more.**

The 90-day overdue norm is the standard NPA classification trigger, with channel-specific variations.