



## **FAQs on Basic Savings Bank Deposit Account (BSBDA)**

**1. Can an Individual have any number of 'Basic Savings Bank Deposit Account' in one bank ?**

No. An individual is eligible to have only one 'Basic Savings Bank Deposit Account' in one bank.

**2. Whether a 'Basic Savings Bank Deposit Account' holder can have any other saving account in that bank ?**

Holders of 'Basic Savings Bank Deposit Account' will not be eligible for opening any other savings account in that bank. If a customer has any other existing savings account in that bank, he / she will be required to close it within 30 days from the date of opening a 'Basic Savings Bank Deposit Account'.

**3. Can an individual have other deposit accounts where one holds 'Basic Savings Bank Deposit Account'?**

Yes. One can have Term/Fixed Deposit, Recurring Deposit etc., accounts in the bank where one holds 'Basic Savings Bank Deposit Account'.

**4. Whether the 'Basic Savings Bank Deposit Account' can be opened by only certain types of individuals like poor and weaker sections of the population?**

No. The 'Basic Savings Bank Deposit Account' should be considered as a normal banking service available to all customers, through branches.

**5. Whether there are any restrictions like age, income, amount etc criteria for opening BSBDA by banks for individuals?**

No. Banks are advised not to impose restrictions like age and income criteria of the individual for opening BSBDA.

**6. Is the 'Basic Savings Bank Deposit Account' a part of the Financial Inclusion plans of banks?**

The aim of introducing 'Basic Savings Bank Deposit Account' is very much part of the efforts of RBI for furthering Financial Inclusion objectives.

**7. What are KYC norms applicable to BSBDA accounts? Are there any relaxations in KYC norms for BSBDA's?**

The 'Basic Savings Bank Deposit Account' would be subject to provisions of PML Act and Rules and RBI instructions on Know Your Customer (KYC) / Anti-Money Laundering (AML) for opening of bank accounts issued from time to time. BSBDA can also be opened with simplified KYC norms. However, if BSBDA is opened on the basis of Simplified KYC, the accounts would additionally be treated as "BSBDA-Small account" and would be subject to the conditions stipulated for such accounts.



So, BSBDA can further be bifurcated as under:

BSBDA (Basic Account)

BSBDA - Small Account

**8. Can a customer have a BSBDA - Small Account' in a Bank and additionally have a BSBDA (Basic Account)?**

No.

**9. What are the conditions stipulated for accounts which are additionally to be treated as 'BSBDA-Small Account'?**

BSBDA-Small Accounts would be subject to the following conditions:

- I. Total credits in such accounts should not exceed one lakh rupees in a year
- II. Maximum balance in the account should not exceed fifty thousand rupees at any time
- III. The total of debits by way of cash withdrawals and transfers will not exceed ten thousand rupees in a month
- IV. Foreign remittances cannot be credited to Small Accounts without completing normal KYC formalities
- V. Small accounts are valid for a period of 12 months initially which may be extended by another 12 months if the person provides proof of having applied for an Officially Valid Document

**10. What kinds of services are available free in the 'Basic Savings Bank Deposit Account'?**

The services available free in the 'Basic Savings Bank Deposit Account' will include deposit and withdrawal of cash; receipt / credit of money through electronic payment channels or by means of deposit / collection of cheques at bank branches as well as ATMs.

**11. Is there requirement of any initial minimum deposit while opening a BSBDA?**

There is no requirement for any initial deposit for opening a BSBDA.

**12. Is debit card issued to BSBDA?**

Yes, Rupay debit card is issued.

**13. Are there any Annual ATM Debit Card charges?**

No. ATM Debit Cards is issued free of charge and no Annual fee is levied on such Cards.

**14. Whether Balance enquiry in ATMs is also counted within the four withdrawals permitted under BSBDA?**

No. Balance enquiry through ATMs is not counted in the four withdrawals allowed free of charge at ATMs.



**15. Can Debit card be issued to illiterate or old customers who may not be in a position to safe keep and use the ATM debit card and PIN associated with it?**

While opening the BSBDA, you should educate such customers about the ATM Debit Card, ATM PIN and risk associated with it.

**16. Whether Passbooks are also to be offered free to BSBDA holders?**

Yes. BSBDA holders should be offered passbook facility free of charge.

**17. If a customer opens a BSBDA but does not close his existing Savings Bank Account within 30 days, are banks then free to close such savings bank accounts?**

While opening the BSBDA customers' consent in writing be obtained that his existing non-BSBDA Savings Banks accounts will be closed after 30 days of opening BSBDA, and banks are free to close such accounts after 30 days.

**18. What is the rate of interest payable on balances in such 'Basic Savings Bank Deposit Account'?**

As per latest savings account rates.

**19. Whether the normal saving bank account can be converted into BSBDA at the request of customer?**

Yes. Such customers should give their consent in writing, and they should be informed of the features and extent of services available in BSBDA.