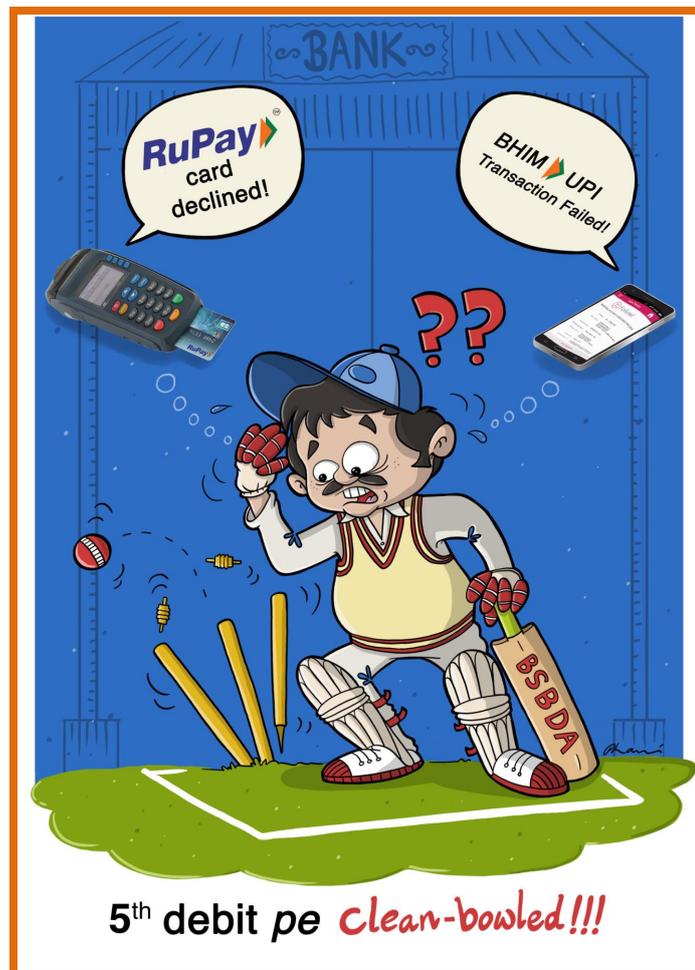


Can BSBDA Depositors have Long Innings? – Be Aware and Remain Vigilant



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May 2018



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This work is dedicated to all who are deprived of the core knowledge on Basic Savings Bank Deposit Account (BSBDA) in the Indian banking system and to promote banker / consumer education and protection in this regard.



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Author's Note

A prequel to this report was brought out in June 2017. We highlighted then on how banks had been (mis)handling the RBI mandated BSBDA's and how the product design had inherent restrictiveness. Nevertheless, these issues – both technical and commercial – persist. This restricts financial inclusion and impedes digital payments.

In this regard, the serious issues that need to be addressed and require attention include:

A. Removing limits to digital transactions: At present, after four debits in a month from a BSBDA, the customer would no longer be able to make online purchases, transfer money through *BHIM* or use *RuPay* debit card at merchant locations for his day-to-day purchases. Inhibiting the financially included folks to transact digitally through their bank accounts is a blow to our country's digital payments drive. The very nature of the RBI regulation, has forced banks to limit the BSBDA usage.

B. Stop involuntary conversion of BSBDA's to regular savings account: Some banks have tried to be indigenious (but actually faulty) while trying to work with the restrictiveness in BSBDA regulation. The moment a 5th debit transaction is done by the customer in a month, these banks without explicit and voluntary consent of customers are unilaterally converting the BSBDA into a regular savings account, requiring high minimum balance and associated service charges.

Through the current Technical Report, we have tried to provide some direction towards correcting the situation for the benefit of depositors while keeping commercial interest of banks in mind. Though the present report may appear a bit critical of banks and the regulator, the underlying spirit is very positive and supportive of country's financial inclusion mission.

In the interest of the large section of recently financially included citizens who are learning to transact digitally, we hope that this report would help in ironing out the regulatory impediments so that we can see fructification of our dream of a digitally savvy society.

Can BSBDA Depositors have Long Innings? – Be Aware and Remain Vigilant¹

5th debit *pe* clean-bowled!

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May 26, 2018

Abstract

The Basic Savings Bank Deposit Account (BSBDA) is a RBI mandated savings product that provides to the customer facilities of (i) unlimited credit, (ii) four debits every month, (iii) zero minimum balance, and (iv) no service charges. With more than one-third of the savings bank accounts being BSBDA, the banks have done a remarkable job for opening such accounts. Nevertheless, there are certain design issues with the BSBDA product that make it restrictive for customers and not commercially viable for banks. This note has been prepared to facilitate the regulator and the government to come out with meaningful corrections, while taking forward BSBDA.

Banks have manoeuvred through the design anomalies of the BSBDA product, and as a result, many banks have already overcharged gullible BSBDA customers, or are still charging, in violation to the RBI's extant regulation. We showcase how banks are quietly converting a no-fee BSBDA to a fee-based regular account having high minimum balance requirements, the moment a BSBDA customer carries out 5th digital payment transaction in a month. The account gets converted to a regular savings account and remains converted thereafter.

The disclosures of incorrect service charges for BSBDA on the banks' websites and imposition of the same to the customers persisted despite the regulator being aware of it. Apparently, the bank supervisor has faulted in clear understanding of the complex regulation and therefore in carrying out effective supervision. Issues of consumer education and consumer protection were also found wanting.

By not ironing out the design issues, RBI has created irrational impediments in the financial inclusion drive of the country – whether in form of inhibiting digital payments or through promoting cash usage by disallowing banks to charge beyond a certain monthly quantum (in value terms) of cash deposits. RBI's tenacity to avoid addressing the same, or lack of zeal to examine and provide explanations, is detrimental to the interest of about 280 million active BSBDA customers and of the banks.

¹ To appreciate the title of the report one may like to first see the RBI's BSBDA awareness [video](#). The views expressed in the report are those of the author and not necessarily of the institution to which he belongs.

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Acknowledgements

The author thanks few officials in banks, RBI and DFS for some fruitful discussions. In the report all possible care has been taken to project the correct picture using the data gathered. Deviations, if any, are inadvertent.

The author is grateful to Professor Phani Tetali, Industrial Design Centre, IIT Bombay, for the cartoon illustration of the report title.

The present report, in form of a confidential draft dated May 16, 2018, was shared among select banks, IBA, BCSBI, DFS and RBI to receive their valued comments and to point out specific disagreements, if any. The author thanks them for their considered call for sharing their comments.



I. BSBDA – The Backdrop

The BSBDA Regulation

1. In August 2012, Reserve Bank of India (RBI) introduced Basic Savings Bank Deposit Account (BSBDA) and advised banks to offer this account alongside other variants of savings bank accounts. BSBDA's were mandated by RBI to be considered as a normal banking service available to all. The following **minimum common facilities, without any charges**, are associated with a BSBDA:

- i. The account shall not have the requirement of any minimum balance.
- ii. The services available in the account will include the usual deposit and withdrawal facilities associated with any savings account along with the facility of ATM card or ATM-cum-Debit Card.
- iii. While there will be no limit on the number of deposits that can be made in a month, account holders will be **allowed** a maximum of four withdrawals in a month, including ATM withdrawals.

Additionally, no charge will be levied for non-operation/activation of in-operative BSBDA.

Finally, RBI mentions that the banks would be free to evolve other requirements including pricing structure for additional value-added services beyond the stipulated basic minimum services on reasonable and transparent basis and applied in a non-discriminatory manner.

2. After the initial year of implementation of BSBDA, in view of several queries received from banks and public, in September 2013, RBI clarified (and to a great extent redefined) the features of BSBDA through a list of FAQs. The minimum common facility in a BSBDA that is to be provided by banks to all their customers, without the requirement of any minimum balance and charges, was modified. Banks were now required to provide a minimum of four free debit transactions per month. Also, for a BSBDA, the banks were encouraged to provide additional services so long as they are provided free.

3. Thus, BSBDA offers a right of only four free customer initiated debit transactions per month. However, given that one holds a BSBDA, if the bank allows the account holder to carry out more than four debit transactions per month (complete discretion to allow or not to allow lies with the bank), all those additional debit transactions necessarily have to be provided free of charge. The regulation says that any withdrawals from a BSBDA, after the mandated first four free withdrawals, cannot be considered a withdrawal from a BSBDA unless all such withdrawals (that the bank allows) are also provided free.

4. In other words, this would mean that banks have to necessarily allow a threshold floor of four free debits in a month. Thereafter, if a bank does not want to allow for free-debits beyond four



(or five or any number that the bank decides) through any specific mode³ of debit transaction, the bank has to disallow the debit transaction once such a threshold is reached. Under such a restricted scenario, if a customer so desires or his banking needs so warrant, he can always come forward and consciously decide to change his BSBDA to a regular savings account, which would attract, *inter alia*, fees for non-maintenance of a certain minimum balance in the account.

5. Accordingly, among other banks, SBI has already implemented the same in June 2017, while Axis Bank has fallen in line as late as May 2018. The two banks have disallowed BSBDA holders' money to be made available on demand beyond four debits a month. Demand deposits contain the money consumers need for paying daily expenses. Debit-freezing the account for the month after four debits in the month amounts to asking such depositors to live a whole month with only four digital means of payment for making everyday purchases and bill payments using POS / BHIM / etc.

BSBDAs and PMJDY Accounts

6. Although RBI is credited for designing BSBDA, even after passage of five years, BSBDA did not get implemented in proper spirit. One of the reasons for this is the lack of a reasonable business model for banks serving such accounts where actual balances maintained could be low. The Government of India launched Pradhan Mantri Jan Dhan Yojana (PMJDY) on August 28, 2014, for extending formal financial services to the financially excluded population. Notwithstanding the push by government's promotion of PMJDY since September 2014, which is essentially opening of BSBDA, the other major reason for improper implementation of BSBDA has been the incapacity of the banks and the general public to appreciate the true features of BSBDA. As a consequence, till date not only are many banks non-compliant in providing the appropriate services associated with a BSBDA, but the public at large have also been mis-educated by the banks.

7. As on date, about 54 crore⁴ BSBDA have been opened through branches and Business Correspondent (BC) points, of which, more than half have been opened under PMJDY. It is noted that since the inception of the PMJDY, the thrust has been to open only BSBDA under the *yojana*. Details are provided in Table 1. Also, see Chart 1 for a graphical representation of the same.

8. Though PMJDY accounts are meant primarily for financial inclusion (with a greater view to check the menace of banking untouchability for those who do not have the same resources and opportunities available to others), BSBDA have a much broader perspective and can be opened by anyone – not only by certain types of individuals like poor and weaker sections of the

³ Modes of debit transactions could be cheques, ATM, POS, NEFT, IMPS, UPI, etc.

⁴ 1 crore = 10 million



population but also other sections of the population without any restrictions imposed on income. It is a basic banking account available to all customers.

Table 1: Annual addition of BSBDA
(No. of Accounts in crore)

Period	Number of PMJDY BSBDA	Number of non-PMJDY BSBDA	Total BSBDA	Cumulative Sum of Total BSBDA
2005-10	0.00	7.35	7.35	7.35
2010-11	0.00	3.13	3.13	10.48
2011-12	0.00	3.37	3.37	13.85
2012-13	0.00	4.36	4.36	18.21
2013-14	0.00	6.09	6.09	24.30
2014-15	14.72	0.79	15.51	39.81
2015-16	6.71	0.38	7.09	46.90
2016-17	6.74	-0.34	6.40	53.30
Total	28.17	25.13	53.30	

Source: RBI's Annual Reports and DFS's dissemination of weekly PMJDY data

9. Table 1 demonstrates beyond doubt that, but for the PMJDY we would not have seen the BSBDA volumes that exists today. During the period 2017-18, the number of PMJDY accounts added was 3.25 crore, taking the total PMJDY accounts to 31.42 crore, as of March 2018. The data for total BSBDA, as of March 2018, is still awaited and is expected to be released through RBI's 2018 annual report.

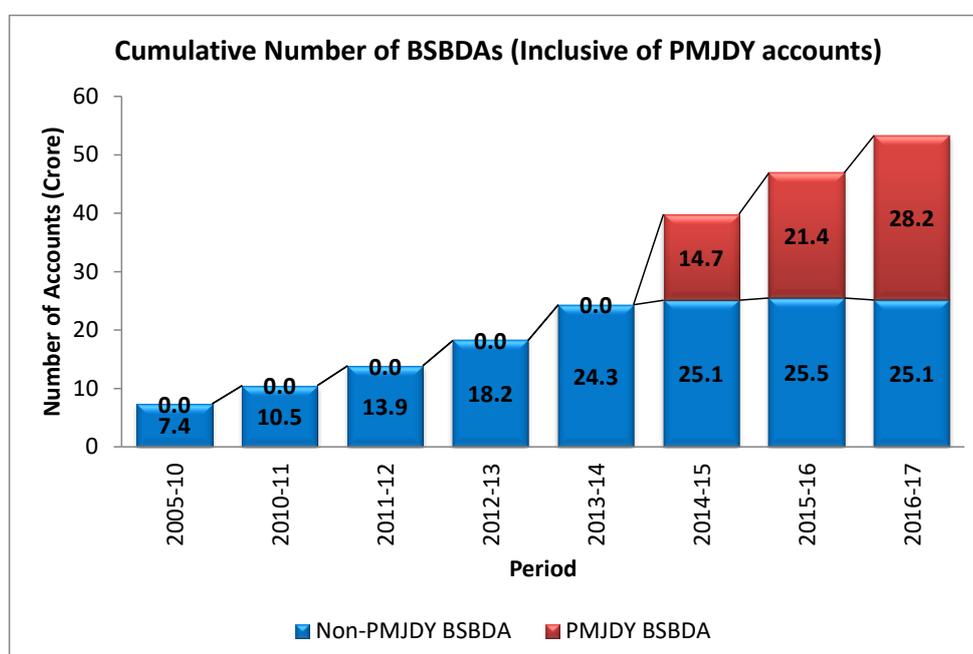


Chart 1: BSBDA over the period 2005-2017

10. Though general public is less familiar with the nomenclature of BSBDA, as of March 2017, of the 150.2 crore savings bank accounts opened, 53.3 crore were BSBDA. Thus, as on date



more than a third of the (active or in-active) savings bank accounts are BSBDA. Table 2 and Chart 2 provide the time series data and a graphical representation, respectively.

Table 2: BSBDA and Savings Bank (SB) Accounts
(No. of Accounts in crore)

Year	No. of BSBDA	No. of SB Accounts	No. of non-BSBDA	Percent BSBDA	Percent non-BSBDA
	(1)	(2)	(3)	(4)	(5)
Mar-10	7.3	56.0	48.6	13.1	86.9
Mar-11	10.5	62.4	51.9	16.8	83.2
Mar-12	13.9	70.3	56.4	19.7	80.3
Mar-13	18.2	82.3	64.1	22.1	77.9
Mar-14	24.3	97.8	73.5	24.9	75.1
Mar-15	39.8	117.0	77.2	34.0	66.0
Mar-16	46.9	135.1	88.2	34.7	65.3
Mar-17	53.3	150.2	96.9	35.5	64.5

Source: RBI's Annual Reports and Basic Statistical Returns data

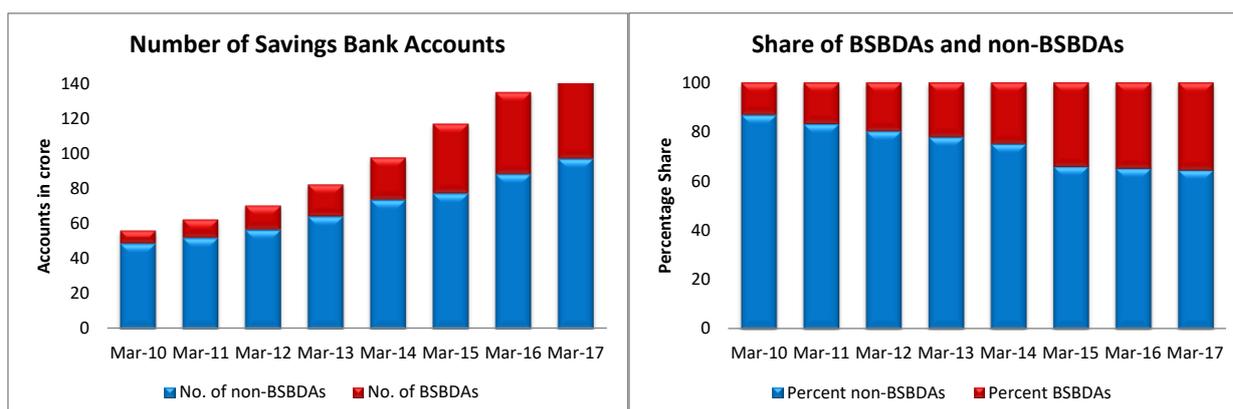


Chart 2: Number of Savings Bank Accounts and their share in BSBDA and non-BSBDA

The IIT Bombay Technical Report

11. Though the regulation of BSBDA defines its features explicitly, there were some loose ends. The genesis of this report is based on the author's follow-up with RBI subsequent to a June-2017 IIT Bombay (IIT-B) Technical Report "**Basic Savings Bank Deposit Account – Complex Design, Faulty Implementation**", which tried to highlight to RBI the concrete issues surrounding the provisioning of such accounts. Of the 54 crore BSBDA opened about 52% are active.⁵ Thus, these issues are not only hurting the vast population of about 28 crore active BSBDA holders but also the banks, who are having difficulty to meaningfully comply with RBI's equivocal but strong wordings in the regulation.

⁵ The Global Findex Database 2017 has indicated that as high as 48% of account owners in India reported having what can be considered an inactive account, with no deposit or withdrawal — in digital form or otherwise — in the past 12 months. See, <https://globalfindex.worldbank.org/>



12. Before going through the present report, it is encouraged to be familiar with at least the executive summary of its prequel, where RBI was apprised of some policy recommendations, to correct the situation. The focused recommendations in the IIT-B Report were the following:

(A) Given the extant regulation on BSBDA, RBI may like to ensure its compliance so that no individual is turned away by a bank branch while attempting to open a simple bank account. In other words, RBI may like to plug the current rampant non-compliance of regulation related to opening of BSBDA.

(B) For BSBDA, though RBI has prohibited fee based debits beyond four free debits per month, it may like to reconsider its policy and modify its regulation, so as to allow retaining the account status as BSBDA while imposing reasonable charges beyond the mandated thresholds on cash transactions and certain value added services. Moreover, annually a certain number of cheque leaves may be provided free even under such a modified regulation.

(C) To encourage use of Debit Cards and internet/mobile based digital payments at merchant establishments (thereby issuer bank generating revenue in form of interchange), banks should allow unlimited free electronic debits for purchase of goods and services.

(D) The requirement of BSBDA to provide unlimited free credit transactions may be curtailed for cash deposits. A minimum monthly floor, in value terms, for free cash deposits may be imposed by RBI. Banks would have the freedom to set their free monthly floor higher than what is set by RBI and impose a fee beyond that.

(E) Even though BSBDA is a zero balance account, in order to eliminate unwanted elements, the initial minimum sum required for opening such an account could be higher than zero. It is suggested that banks be given the freedom to set a minimum amount requirement not exceeding Rs 200, just to open the BSBDA. This minimum amount requirement for opening a BSBDA could be further scaled down appropriately for rural locations. It is re-emphasised that this requirement is only to open a bank account and that the minimum balance requirement could continue to be Rs 0.

(F) While showcasing deposit products, many banks at their branches attempt not to place the RBI mandated BSBDA alongside other categories of savings bank accounts with potentially higher minimum balance requirements. It is suggested that RBI mandate banks to have proper disclosure norms (including verbal) at their branches pertaining to their offering basic banking facilities such as zero balance BSBDA.

(G) With the creation of the Depositor Education and Awareness Fund (DEAF) earmarked for promotion of depositors' interest and for such other purposes considered necessary for the promotion of depositors' interests, it is recommended that the funds under DEAF, *inter alia*, be utilised for running campaigns to educate public on the correct features of a BSBDA.



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II. Eleven Months of RBI's Failed Journey to Address Core Issues

First, the Success Story

13. The public awareness initiative on BSBDA by RBI is applaudable. During the 11 months since RBI was apprised of the imperfections in the BSBDA regulation, oversight in Banks' supervision on BSBDA, and the need for building public awareness on BSBDA, the Department of Communication (DoC) of RBI has now come up with a very good public awareness initiative. RBI started airing a video spot on opening BSBDA during the IPL-2018 matches, on Star Sports as well as Doordarshan. The film is also available on RBI's YouTube channel, i.e., at <https://www.youtube.com/watch?v=bh3vS2BJBNI>

14. So as to make the video viral, RBI wants that it be shared extensively on the social media groups. One can also readily access the video by [clicking here](#).

15. Apart from explaining the savings product BSBDA, the main highlight of the message in the video that RBI is disseminating include

- Be aware and remain vigilant about BSBDA.
- With no minimum balance requirement, get some important services for free.
- Get a free ATM/Debit card and make upto four withdrawals per month.
- Open BSBDA and play a long innings.

The Faulting

16. All banks have their regular savings bank account product with certain minimum balance requirements failing which a fee is imposed. So as to overcome this requirement of minimum balance and in the interest of financial inclusion, RBI mandated that all banks offer BSBDA. However, during the past four years many banks faulted by imposing service charges to BSBDA, in violation to the RBI's extant rules and regulations.

17. On the extant regulations of BSBDA, we focus on the following:

- First, phrasing of RBI's FAQs have kept the banks in difficulty and in a state of confusion forcing many to become non-compliant of the regulations consciously or unconsciously, detrimental to the interest of the depositors and the general public.
- Second, rules governing BSBDA need some fine tuning so as to make it more meaningful in terms of regulation, supervision and compliance.
- Third, RBI could have managed the complex situation by virtue of its responsibility towards consumer education and protection.



18. Though these violations were detrimental to the vast number of BSBDA holders in direct monetary terms, neither did RBI supervise properly in stopping imposition of such charges by the banks, nor did other bodies, like the Banking Codes and Standards Board of India (BCSBI), independently worked towards protecting the depositors. To specifically mention, the Consumer Education and Protection Department (CEPD) of RBI (which has been vested with the responsibility to overlook on issues related to consumer education and protection) failed to be effective on this aspect though they had been aware of the same for quite some time now.

19. Technically, Department of Banking Regulation (DBR) of RBI should have taken the lead to address the systemic issues, but they failed in coming out clean and clear.

20. The IIT-B 2017 Report on BSBDA worked around four major banks of which two, subsequently, came out with corrective measures. However, since all banks were not part of the study, many banks still remain ignorant or pretend to be ignorant of the non-compliance with respect to implementation of BSBDA. In other words, many banks are imposing service charges on BSBDA holders, in violation of RBI's definition of a BSBDA. To be fair, as per extant regulations, technically these charges should be retrospectively reversed. However, at present banks are under tremendous pressure due to other major concerns such as NPAs and accordingly one wonders whether or not directions should be put in place stringently to reverse all service charges imposed on BSBDA holders.

21. The regulation on BSBDA needs to be looked more holistically, upholding the law and ensuring that it does not encourage non-compliance over those banks that choose to be compliant, though at a cost to them. For example, ICICI Bank on realizing the correct definition of BSBDA reversed all charges retrospectively that were imposed on such accounts. Also, few banks, from the very beginning, imposed no fees on additional services that they provided under BSBDA.

The Regulator's Equivocal Approach Keeps Naive Depositors at Bay

22. The regulator of the banking system in India was kept apprised of the issues surrounding BSBDA not only through the IIT-B Technical Report of June 2017, but also through repeated communication of the Department of Financial Services (DFS), Ministry of Finance, to the Financial Inclusion and Development Department (FIDD) of RBI. More specifically, DFS appreciated the issues that were raised and suggested to the FIDD the need for eliminating impediments in carrying out digital transactions by BSBDA holders.

23. During late August 2017, the prime minister and the finance minister referred to the importance of BSBDA and PMJDY accounts in our society. As a follow-up, CEPD of RBI was requested to have a focused look. It was categorically indicated that if we want these basic savings accounts in the country to transact digitally, it is pertinent to address the concerns



highlighted. In the interest of the vast BSBDA and PMJDY account holders and the potential new accounts of the type that would come up, RBI was urged to iron out the impediments.

24. In this regard, during September, 2017 the contribution from the Department of Banking Supervision (DBS) of RBI was sought towards its supervisory role for BSBDA. The retail banking issue, specific to BSBDA that constitutes over 35% of total savings bank accounts, was put forth. However, DBS's role towards BSBDA lacked on –

- ensuring that the supervisors understood the retail banking regulations brought out by DBR that affect the masses;
- remaining updated of the extant banking regulations for the same;
- ensuring through its supervisory role that banks comply with the banking regulations in letter and spirit (more so of such matters relating to retail banking) and;
- apprising (if situation demands) the erring banks to take corrective actions at the earliest, so as to reduce slightest of monetary and non-monetary pains thrust on to bank customers, for the future.

25. The author's persistence in reaching out to RBI is two-fold:

- To raise a significant concern of inattentive and ignorant account holders on certain aspects of the BSBDA's extant regulation of August 10, 2012 that was subsequently updated by RBI on September 11, 2013.
- To highlight concerns of unsubstantiated response from DBS of RBI (see, Appendix A for details), on the continuance of lacuna in BSBDA, due to possible deficiency in addressing the above four points relating to DBS.

26. Despite all details available with RBI on the issues that they need to address, in response, either there is 'no response' or highly sketchy and misleading response on supervision of BSBDA regulations. Undoubtedly, it would be in the interest of the vast small/medium depositors if RBI is more concrete in actions towards the issues raised on banking operations and compliance for such accounts, where one would expect the depositors to be more gullible.

The Backlash

27. Nonetheless, we would like to acknowledge here that the very definition of BSBDA, as it stands now, is very demanding and thus difficult to implement in all fairness. Resultantly, to be compliant in letter to the RBI's BSBDA regulation, **Axis Bank** has very recently fallen in line with **SBI** in restricting the BSBDA holders to no more than four overall debits in a month – thereby ensuring that these very BSBDA holders are not given the opportunity to take forward the digital payment drive of the country. SBI did not find better options and thus got forced to take this step in June, 2017.



28. While our country is working hard to bring about ease in digital transactions, SBI has debarred its 13 crore BSBDA to carryout debit transacts more than four times in a month (even if it constitutes only digital transactions). Given that volumes of such accounts have been opened (under PMJDY) with an intention of financially including the excluded, such a scenario lacks the desired spirit of digital financial inclusion.

29. Then we have other indigenous, but faulty, ways adopted by few banks to overcome the pains in the BSBDA regulation. For example, **HDFC Bank** and **Citibank**, with a complete lack of spirit towards their BSBDA customers, have in a discretionary fashion thrust a responsibility onto the BSBDA holders of keeping track of how many debit transactions they are doing. These banks without explicit and voluntary consent of customers are unilaterally converting the BSBDA into a regular savings account, requiring high minimum balance, the moment a 5th debit transaction is done by the customer in a month. The customers have not been given an explicit option to bestow the responsibility onto the bank of not allowing the 5th debit transaction in a month if the bank cannot provide it for free.

30. In other words, for a BSBDA, at least these two banks would at their own discretion automatically convert the BSBDA to a regular savings account the moment a 5th debit transaction happens in a month. Thereafter these banks would start imposing fees as high as Rs 600 every month for non-maintenance of minimum balance that the customer was not made aware of at the time of entering into a relationship with the bank. The bank lets the BSBDA holder to err (which can hardly be considered an error) by carrying out a 5th debit transaction (even a POS / BHIM QR / Bharat QR transaction at a merchant location) in a month and create a potential to earn a service charge of as high as Rs 600 per month from such customers. Thus, a recurring charge gets built-in in the name of high minimum balance requirement of the converted account.

31. The banks consider that their liability towards BSBDA holders is addressed and that they are fully compliant if they simply make such fuzzy disclosures. Under advice from RBI, banks have suddenly changed the rules of the game; with HDFC Bank and Axis Bank changing the rules as late as end-April 2018.⁶ Moreover, to their advantage and comfort, banks consider it sufficient to take only an implicit consent of converting a BSBDA to a regular account rather than explicit consent from BSBDA holders – the implicit consent is in the form of sending SMS, which may convey that the account has been used for a 5th debit in the month and that any further debit in the month would automatically convert the BSBDA to a regular account. Such an approach adopted by the banks is devoid of an explicit consent of the BSBDA holder to allow conversion.

32. Once a bank customer opts for a BSBDA, the account has to remain BSBDA unless the customer at some later point of time wishes to convert the same to a regular savings bank

⁶ In contrast, we still have few other banks, which are yet to realise their non-compliance while they continue imposing service charges on the BSBDA. For example, Canara Bank and Yes Bank are imposing service charges on BSBDA (see Appendix C1 and Appendix C2 for details).



account. To be upfront, the bank can at best give informed options, like choosing between the two accounts –

a) *BSBDA: No more than 4 debit transactions in a month and no associated fees for whatever additional services offered,*

b) *Regular Savings Account: Scope of more than 4 debits in a month with an associated minimum balance non-maintenance fee of say, upto Rs 600 per month plus other service related fees.*

The choice should be at the discretion of the customer and he should be educated on the same. This is an issue of consumer education and protection and RBI should take note of the same; more so since RBI's regulation says that “*offering such additional facilities should be non-discretionary*”, which *inter alia* means that the banks cannot offer the additional facilities unless they can provide them at no charge. SBI appears to be in sync on this aspect.

33. The regulatory gaps, in form of design issues with BSBDA, do not allow BSBDA holders to play long innings. The BSBDA holders get clean-bowled at the 5th ball (debit) as in case of HDFC Bank and Citibank (see, Illustration 1). Moreover, the present regulation encourages the banks not to allow these BSBDA players to bat beyond the 4th ball (debits even in the form of digital transactions), until he starts the innings again next month to meet the same fate. Thus, it is time for RBI to plug the lingering regulatory gaps in a customer-centric spirit and formulate clear and prudent guidelines on BSBDA that will also appease the awkward behaviour of the banks.

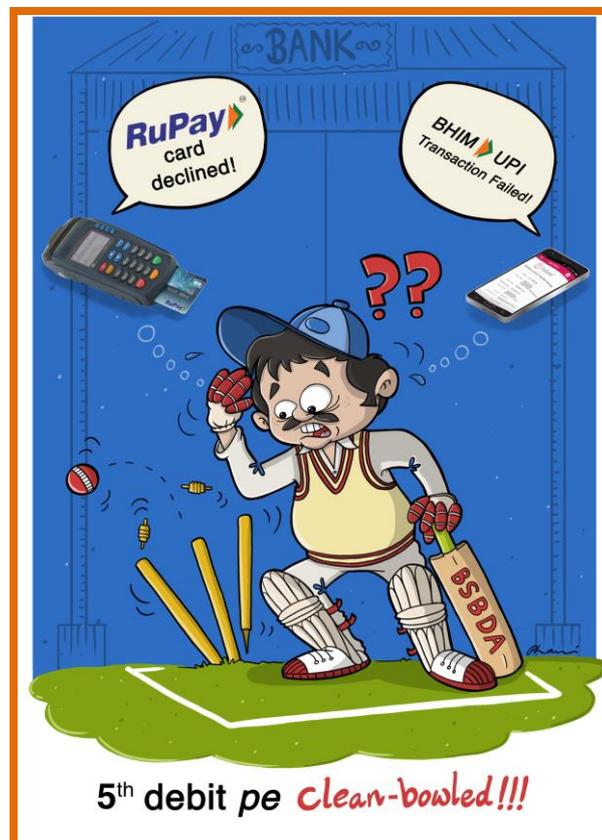


Illustration 1: Can BSBDA depositors play a long innings?



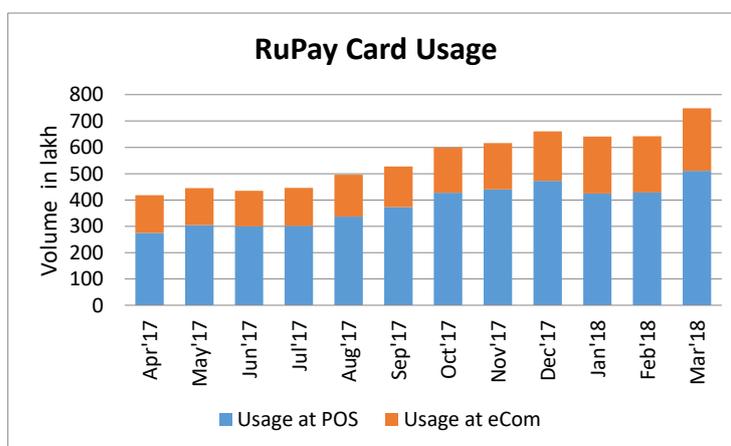
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III. SBI - Axis Bank - HDFC Bank - Citibank

RuPay Debit Card Transactions

34. National Payments Corporation of India (NPCI) releases digital transaction volumes of RuPay debit cards. The RuPay card usage volume at POS and at eCom for the financial year 2017-18 are 46 crore and 20.8 crore respectively, i.e., a total of 66.8 crore digital payments took place using RuPay cards. In fact, for the month of March 2018 alone, the volumes were 511 lakh⁷ (at POS) and 238 lakh (at eCom), totalling to 748 lakh RuPay digital transactions. See Chart 3.



Data Source: NPCI

Chart 3: Digital transactions through RuPay for 2017-2018

35. As of March 2018, 2366 lakh RuPay debit cards have been issued under the PMJDY. Thus, it follows that the digital transaction drive through RuPay had been a meagre average of 0.32 transactions per month per RuPay card.⁸ Surely, we should discount for the many cards that were never used at POS and eCom, more so since the regional distribution of such PMJDY RuPay cards indicates that only about 41% of the 2366 lakh RuPay cards are associated to metro and urban locations. Let only 25% of the RuPay cards were ever used for digital transactions. Thus, even if we consider that about 592 lakh PMJDY RuPay cards are active, with only 748 lakh RuPay digital transactions in March 2018, on an average far less than 1.26 transactions were carried out per active RuPay card, per month.

SBI

36. As of March 2018, of about 13 crore BSBDA's opened by SBI, more than 10.5 crore had been opened under the PMJDY. Of these 10.5 crore PMJDY accounts, 6.1 crore are of metro and urban locations. This means, 58% of their PMJDY accounts belong to metro and urban locations.

⁷ 1 lakh = 0.1 million

⁸ Here, we are over stating the figure since actually there are non-PMJDY RuPay cards issued as well.



37. As of March 2018, of the 2366 lakh RuPay debit cards issued under the PMJDY, SBI has issued more than 703 lakh RuPay debit cards. In other words, SBI has issued about 30% of the total RuPay cards under the PMJDY. Thus, SBI has potential for contributing significantly towards the digital use of RuPay cards. Furthermore, unlike 41% of the 2366 lakh PMJDY RuPay cards being associated to metro and urban locations, for SBI the percentage is as high as 58% of their 703 lakh RuPay cards, i.e., 406 lakh SBI's RuPay cards are associated to metro and urban locations.

38. SBI's contribution in bringing about this lukewarm usage of RuPay cards for digital payments is their uncalled-for restriction of disallowing more than four digital transactions per month. In other words, what the bank expects is that anyone who deserves a BSBDA should also ensure that his purchasing requirements, at market shops and online stores, are limited to a total of only four a month. One may wonder, if that makes any sense.

39. What SBI says, through their disclosed charges (as below), gives an impression as if it is RBI who is the cause of SBI's inability to offer more digital transactions per month.

SBI's Service Charges for Basic Savings Bank Deposit (BSBD) Account

- Issue of Cheque book: No cheque book will be issued and no charges
- Issue of ATM Card: Only RuPay classic card will be issued free of cost
- **Withdrawals: Four withdrawals in a month including ATM withdrawals free of charges. No further withdrawals beyond 4 withdrawals.**
- **BSBD account holders will be provided services as mandated by the RBI. No further services will be available to BSBD account holders. In case of need, they may get their account converted to Normal Savings Bank account with full services at applicable service charges.**

40. Furthermore, SBI's restricting debits to a total of four in a month is like missing the woods for the trees – more so since SBI not only discourages digital transactions in this process, but also loses revenue (interchange) for every potential debit transaction at merchant location that it prohibits beyond four in a month. Recall that SBI has a significant share of BSBDA's to its credit, of which (as of March 2018) more than 10.5 crore are PMJDY accounts.

Axis Bank

41. As has been described in the prequel report, Axis Bank continued to prescribe service charges in a BSBDA for additional services that it allowed beyond the minimum prescribed by RBI. The bank offering such additional facilities in a BSBDA should be non-discretionary unless they offer them for free. However, in violation to the RBI's extant regulation, the bank had been charging their BSBDA customers for the additional facilities, which it technically cannot.



42. Thus, when Axis Bank has charged their BSBDA customers over years, it requires RBI's intervention in form of consumer protection to ensure that the bank refunds all such charges imposed onto the naive BSBDA holders who do not know that they have been wrongfully charged by the bank. Appendix D2 provides Axis Bank's misleading and incorrect Most Important Document (MID) on BSBDA, which is in violation to RBI's extant regulations. However, as recent as 1st May 2018, the bank has fallen in line with SBI and has completely debarred debits in excess of four in a month (see, Appendix D1 for details).

Axis Bank's Transaction Fees for BSBDA Account (Monthly Cash Transaction Free Limits)

- Cash deposits: Free unlimited (across Axis Bank Branch)
- Cash withdrawals: **Only 4 withdrawals allowed free of charge per month including Branch Cash, Axis/Other ATM cash withdrawal, POS, Micro ATM, NEFT/RTGS, DD/PO, ECS/SI debit transactions)**

HDFC Bank

43. Till very recently, in violation to service charge rules of a BSBDA, HDFC Bank has been disclosing and charging for additional services in the name of BSBDA. Till at least as late as mid-April 2018, HDFC Bank had been consistent in incorrectly charging BSBDA holders as per the charges provided in Appendix B1. Only now, after persistent questioning of RBI, the bank has tried to correct its stance, though not quite perfectly.⁹ The rectified BSBDA service charge disclosure of HDFC Bank is provided in Appendix B2.

44. HDFC Bank, without being customer centric and with complete lack of spirit towards their BSBDA customers, has disclosed the following in their schedule of BSBDA service charges:

- 4 free per Month including ATM/RTGS/NEFT/Clearing/Branch Cash Withdrawal/Transfer/Internet Debits/ Standing Instructions/EMI, etc.
- In case of more than 4 withdrawals in a month, **the bank would convert the existing BSBDA account to Regular Savings Account and all rules and charges as per Regular Savings Account would be applicable.**

45. In other words, for a BSBDA, the HDFC Bank would at its own discretion not only allow debit transactions beyond four in a month, but also automatically convert the BSBDA to a Regular Savings Account the moment a 5th debit is attempted in a month and thereafter impose a fee as high as Rs 600 in subsequent months. It is as if you jump a red light at a signal and pay a fine in that month, but then, even if you do not jump the red light in every subsequent month, still you keep on paying the fine every month.

⁹ The credit for this correction goes to a General Manager of RBI, who appreciated the concern brought to his notice on April 6, 2018 and took swift action (though the same concern was highlighted in a broader sense to various departments of RBI since November 2015).



Citibank

46. For quite some time now, Citibank has tried to be indigenous while burdening their BSBDA holders (who usually would not have the capacity to maintain balances of Rs 2 lakh in the account) with a stringent thrust that by any chance if the account holder does a 5th debit transaction in a month, the bank would automatically force the account holder to maintain an average monthly balance of Rs 2 lakh, failing which, the bank would charge a non-maintenance fee of upto Rs 600 every month. Though the bank may find it improper to provide free service beyond four debits in a month, the bank does not provide for the option of disallowing more than four debit transactions, which would have been as per the original definition of RBI's BSBDA.

47. Citibank, without being customer centric and with complete lack of spirit towards their BSBDA customers, has disclosed the following in their schedule of BSBDA service charges:

- NEFT/ RTGS/ IMPS/ Cash Withdrawals/ ATM Transactions – Outward: 4 free transactions per month across all channels combined.
- Please note 4 free debit transactions would include: Withdrawals (ATM & Branch)/ Electronic Fund Transfer (NEFT/RTGS/IMPS), Clearing (cheques or DD), Point of Sale, any Standing Instruction/EMI/any other payment maintained on the account. Once these 4 debit transactions are exceeded, **the Account will be converted to Citi banking Account**. For further details, please refer to www.citibank.com/india.

48. The complete BSBDA service charge disclosure of Citibank is provided in Appendix B3. To summarise again, for a BSBDA, the Citibank would at its own discretion automatically convert the BSBDA to a Citi banking Account the moment it allows the 5th debit and thereafter impose a fee as high as Rs 600 every month. The bank lures a gullible BSBDA holder to carry out a POS / BHIM QR / Bharat QR transaction at a merchant location for the 5th time in a month and thus create a potential to earn as high as Rs 600 per month from such customers.

49. In the process of overcoming design issues in BSBDA, we see that banks at their own discretion are converting BSBDA to a regular savings account by allowing more services without taking BSBDA holder's conscious and expressed consent for the same. Such a move is quite detrimental to consumer protection, more so since the consequential implication could be material for economically weaker customers whose account would thereafter be deducted every month with a considerable fee for non-maintenance of minimum balance. Banks can at best stop providing a service for BSBDA if they cannot offer it for free. It is then upto the customer to consider in a voluntary fashion, if deemed fit, to move to a frilled savings account category which may attract fees.

50. The banks' unilateral approach of converting the BSBDA into a regular savings account is a very stringent move, when on one hand the government is trying to incentivise financial inclusion while on the other hand the banks are trying to incorporate negative sentiments for the same. Is this what RBI wants in the name of protecting BSBDA and PMJDY account holders?



IV. Concluding Remarks and Invoking Section 35A of BR Act

Concluding Remarks

51. BSBDA is an account that provides basic banking services to individuals, with no associated fee. All banks are required to offer this product. BSBDA comes with a mandated facility of four free debits in a month. In case a bank's system allows more than four debits / withdrawals in a month, the RBI regulation requires no charges be levied in the BSBDA for the 5th or subsequent debit(s) in the month. What are the implications of such a precise information?

52. Does it mean that if a bank charges for the 5th debit, BSBDA has to shed its name? If so, what does the account become? The understanding of the product designer (RBI), the product provider (banks) and the product user (BSBDA customer) is yet to sync. A customer opens a BSBDA with clear understanding that such an account by definition has certain monthly debit limitations, does not impose any service fee, and average monthly balances as low as zero can be maintained without any fee imposition. Banks, under the extant regulation, cannot thrust their own discretion in providing the BSBDA holder with more additional facilities (unless provided for free) and thereafter impose a fee for the same. Such a practice by banks is widely prevalent.

53. The BSBDA product cannot (or rather should not) fluctuate between being a BSBDA and getting converted to a non-BSBDA (by imposition of a fee) at the drop of hat and that too at bank's sole discretion, else we would not know how many BSBDA's are there in the country today. This has raised the following interesting questions

- *Do the banks offer opening of a BSBDA as per the mandated definition and fee structure?*
- *Do the banks offer an exclusive BSBDA which would not impose any fee as per the mandated product design?*
- *Are the declared service charges for a BSBDA or the mechanism adopted to impose charges, as announced at the banks' website/branches, correct?*

54. The frictions surrounding BSBDA should be appropriately addressed so that the prime objectives do not get diluted. RBI may like to work towards measures which would educate and protect the consumers on this aspect.

Invoking of Section 35A

55. RBI needs to be more focused while championing and taking forward BSBDA. The impediments, whether in form of inhibiting digital payments (and that too merchant payments through digital means) or forcing banks not to charge for unlimited cash deposits, is devoid of rationale. Furthermore, RBI's tenacity to avoid addressing the same, or lack of zeal to examine



and provide explanations in this regard, is detrimental to the depositors and the banks even under Section 35A of the Banking Regulation Act, 1949.

Central Government Act
Section 35A in BANKING REGULATION ACT, 1949

¹ [35A Power of the Reserve Bank to give directions. —

(1) Where the Reserve Bank is satisfied that—

(a) in the ² [public interest]; or

³ [(aa) in the interest of banking policy; or]

(b) to prevent the affairs of any banking company being conducted in a manner detrimental to the interests of the depositors or in a manner prejudicial to the interests of the banking company; or

(c) to secure the proper management of any banking company generally,

it is necessary to issue directions to banking companies generally or to any banking company in particular, it may, from time to time, issue such directions as it deems fit, and the banking companies or the banking company, as the case may be, shall be bound to comply with such directions.

(2) The Reserve Bank may, on representation made to it or on its own motion, modify or cancel any direction issued under sub-section (1), and in so modifying or cancelling any direction may impose such conditions as it thinks fit, subject to which the modification or cancellation shall have effect.]

1 Inserted by the Act 95 of 1956, w.e.f. 14-1-1957

2 Substituted by Act 7 of 1961, for "national interest"

3 Inserted by Act 58 of 1968, w.e.f. 1-2-1969 64

56. In view of the vast number of active BSBDA holders, which is about 28 crore in number, and given that these account holders are usually the poor and gullible lot, RBI needs to take a conscious view in providing clear guidelines so as to allow the product to evolve in the hands of the banks, while simultaneously protecting the interest of the country's digital payments drive.

57. To conclude, we would like to reiterate that the vagueness in BSBDA's service charge regulation continues to persist. The focused policy recommendations, as in the June 2017 IIT-B Report is re-advocated, *i.e.*,

- For BSBDA, though RBI has prohibited fee based debits beyond four free debits per month, it may like to reconsider its policy and modify its regulation, so as to allow retaining the account status as BSBDA while freedom being provided for reasonable charges beyond a mandated threshold on cash transactions and certain value added services.
- To encourage use of debit cards and internet/mobile based digital payments at merchant establishments (thereby issuer bank generating revenue in form of interchange), banks should allow unlimited free electronic debits for purchase of goods and services.
- The requirement of BSBDA to provide unlimited free credit transactions may be curtailed for cash deposits. A minimum monthly floor, in value terms, for free cash deposits may be set by RBI. Banks would have the freedom to set their free monthly floor higher than what is set by RBI and impose a fee beyond that.

This constitutes simple and implementable design changes in BSBDA.



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THE TIMES OF INDIA

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TIMES B

Vague norms see banks cap Jan Dhan a/cs

Crores of Pradhan Mantri Jan Dhan Yojana (PMJDY) account-holders risk either having their accounts frozen or having charges imposed if they exceed four debit transactions in a month, reports Mayur Shetty. Unclear wording of RBI's guidelines on basic savings bank deposit accounts, which include PMJDY ones, has led to banks conjuring up ways to cap free transactions.

An expert report shows how banks are freezing transactions, imposing minimum balance requirement or levying charges when the customers exceed the free withdrawals, thus virtually pushing them to convert these accounts into regular savings ones. **P 20**

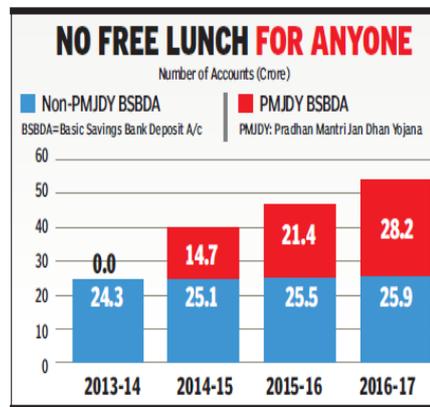
Vague RBI guidelines see banks cap PM's Jan Dhan Yojana a/cs

Mayur.Shetty@timesgroup.com

Mumbai: Crores of Pradhan Mantri Jan Dhan Yojana (PMJDY) account-holders risk either having their accounts frozen or having charges imposed if they exceed four debit transactions in a month. Vague wording of the Reserve Bank of India's guidelines on basic savings bank deposit accounts (BSBDA), which include PMJDY accounts, has led to banks conjuring up ways to cap free transactions.

The norms applicable to PMJDY accounts are those that are prescribed for the BSBDA by the RBI. The BSBDA was earlier known as a 'no-frills' banking account—a service under which banks were to provide free basic banking facilities without any minimum balance requirement. Almost every bank today is violating the RBI's norms because of the unclear wording.

The frailties in the BSBDA have been highlighted in a report by Ashish Das, professor at the Indian Institute of Technology, Bombay. The report shows how banks are freezing transactions, imposing minimum balance requirement or levying charges when a customer exceeds the prescribed four free with-



Source: RBI Annual Report and Department of Financial Service (DFS), Government of India

drawals. State Bank of India, which has more than 9.9 crore PMJDY accounts, has chosen to freeze all debits once the free transaction limit are exhausted. A bank official said that customers can do more transactions by converting their accounts into regular savings accounts. Axis Bank is informing customers how the account will turn into a regular savings account when the limits are breached. ICICI Bank had earlier imposed charges but subsequently refunded them. HDFC Bank has said that transactions beyond four are chargeable.

To complicate matters, instead of speaking about withdrawals or ATM with-

drawals as all debit transactions. This includes money going out of the account in any form; either by cash withdrawal at ATMs, at branches or through electronic fund transfers or debit card uses. The RBI definition of withdrawal is so wide, it also includes standing instructions for money going out towards EMI payments.

While the RBI has said that banks should allow at least four withdrawals in a month, it has also said that no charges can be imposed on these accounts. Banks are unsure of what to do beyond four withdrawals but do not want to provide an unlimited deposit and withdrawal facility for free. Each bank has decided to interpret this

norm to safeguard its own interest.

There are over 54 crore BSBDA accounts in the country. These include the 22.4 crore PMJDY account holders with Rupay debit cards. The accounts were opened under the promise of zero charges.

"RBI's guidelines have kept the banks in difficulty and in a state of confusion, forcing many to become non-compliant of the regulations consciously or unconsciously, detriment to the interest of the depositors and the general public," said Das.

Since it is unreasonable to expect banks to provide unlimited free transactions in a basic account, the IIT report suggests some alternatives. One suggestion is that banks should be allowed to retain the account's status as a BSBDA while imposing reasonable charges beyond the mandated thresholds on cash transactions and certain value added services. Another suggestion is that to encourage use of debit cards and electronic payments, these should be allowed without any limits. To prevent the account from being misused, the report recommends that there should be a floor on the amount of cash deposits that can be made.



Appendix A: Correspondence with DBS of RBI

Ashish Das <ashishdas.das@gmail.com>

BSBDA - your contribution on its supervision

ICD, DBS <icd.dbs@rbi.org.in>
To: "ashishdas.das@gmail.com" <ashishdas.das@gmail.com>

Mon, Feb 26, 2018 at 5:13 PM

Dear Sir,

Please refer to the trail email. We advise having re-examined the matter and further reiterate the responses conveyed to you vide our emails dated Dec 18, 2017 and Jan 08, 2018.

Regards,

सूचना एवं समन्वय प्रभाग / Information & Coordination Division
बैंकिंग पर्यवेक्षण विभाग, केन्द्रीय कार्यालय/ Department of Banking Supervision, Central Office.
भारतीय रिजर्व बैंक/ Reserve Bank of India,
विश्व व्यापार केंद्र, मुंबई/ World Trade Centre, Mumbai
Ext no: 469

From: Ashish Das [<mailto:ashishdas.das@gmail.com>]
Sent: 12 February 2018 17:01
To: Sanjay Kumar (1) <sanjay@rbi.org.in>; Governor, Reserve Bank Of India <governor@rbi.org.in>
Cc: Puppal, Nitin <nitinpuppal@rbi.org.in>; Sebastian, B L <blsebastian@rbi.org.in>; Thomas, P J <pjthomas@rbi.org.in>; S S, Barik <ssbarik@rbi.org.in>; Yadav, Shrimohan <shrimohanyadav@rbi.org.in>; DBR, CGM In-Charge <cgmicdbr@rbi.org.in>; CGM I C DBS <cgmicdbsco@rbi.org.in>; CGM CEPD <cgmcepd@rbi.org.in>; Narain, Ashok <ashoknarain@rbi.org.in>
Subject: Re: BSBDA - your contribution on its supervision

Dear Sir,

This is just a gentle reminder since this issue is pending at your end for over one month now and, to be precise, is pending due to lack of precise responses for over five months now.

Please note that I am just trying to correct a possibly incorrect scenario existing in the banks, which is adversely affecting many of about 33% active savings bank accounts in India.

Would request for an early understanding of the same.

With regards,
Ashish



Ashish Das <ashishdas.das@gmail.com>

BSBDA - your contribution on its supervision

Ashish Das <ashishdas.das@gmail.com>

Mon, Feb 12, 2018 at 5:00 PM

To: "Sanjay Kumar (1)" <sanjay@rbi.org.in>, governor@rbi.org.in
Cc: "Puppal, Nitin" <nitinpuppal@rbi.org.in>, "Sebastian, B L" <blsebastian@rbi.org.in>, "Thomas, P J" <pjthomas@rbi.org.in>, "S S, Barik" <ssbarik@rbi.org.in>, "Yadav, Shrimohan" <shrimohanyadav@rbi.org.in>, "DBR, CGM In-Charge" <cgmicdbr@rbi.org.in>, cgmicdbsco@rbi.org.in, CGM CEPD <cgmcepd@rbi.org.in>, ashoknarain@rbi.org.in

Dear Sir,

This is just a gentle reminder since this issue is pending at your end for over one month now and, to be precise, is pending due to lack of precise responses for over five months now.

Please note that I am just trying to correct a possibly incorrect scenario existing in the banks, which is adversely affecting many of about 33% active savings bank accounts in India.

Would request for an early understanding of the same.

With regards,

Ashish

On Thu, Jan 11, 2018 at 12:41 PM, Ashish Das <ashishdas.das@gmail.com> wrote:

Dear Sh Kumar,

I thank you for your mail, though it may be a bit sketchy.

Given that I have already provided your department my arguments in more than one occasions, in return, what you write appears quite incomplete. I explain the reasons below:

Case A: HDFC Bank

1. A major question (broadly) that we have before us is whether as per the definition of BSBDA and extant regulations, HDFC Bank has defaulted in imposing certain charges to their BSBDA holders, while it also continues to disseminate the information on unauthorized charges for BSBDA's.
2. After more than five months since I first wrote to DBS, what the department has concluded is that HDFC bank is fully compliant on the above issue. I still feel, given the extant regulation, the department has not only erred in their understanding but, as a result, also disseminated incorrect and misleading information to me. This has hurt the bigger cause of protecting the BSBDA holders (which are plenty in number). Please correct me if you feel otherwise, so that I can improve and rectify my perceptions.
3. I can still appreciate a bank reading a piece of the full regulation and considering it as the whole regulation (since they can be educated and apprised by RBI), but not so for a supervisory team of RBI supervising banks based on extant regulations brought out by RBI. In general, all items under a regulation is always read in totality and not in isolation alone. If you disagree please let me know and I would be more that happy to establish otherwise.
4. What I refer below is in addition to a piece (Q No. 15) that you propose in isolation, to defend HDFC Bank.
 - (i) Please refer to Q No. 25, i.e., What is the definition of "Basic Savings Bank Deposit Account"(BSBDA)? And the answer provided under the regulation is "All the existing 'No-frills' accounts opened pursuant to guidelines issued vide circular DBOD. No. Leg. BC. 44/09.07.005/2005-06 dated November 11, 2005 and converted into BSBDA in compliance with the guidelines issued in circular DBOD.No.Leg.BC.35/09.07.005/20012-13 dated August 10, 2012 as well as fresh accounts opened under the said circular should be treated as BSBDA. **Accounts enjoying additional facilities under the reasonable pricing structure for value added services, exclusively for BSBDA customers should not be treated as BSBDA's.**"
 - (ii) Additionally, please refer to Q No. 11, Q No. 13, Q No. 14 and Q No. 24.



5. As earlier, I again attach my more detailed arguments (if you choose to read). Furthermore, just to highlight the overall noncompliance on part of HDFC Bank, which is hurting and has hurt BSBDA holders or is hurting potential BSBDA holders in form of being mislead, I attach their BSBDA service charge sheet.

6. The regulation in question refers to the full FAQ in totality. A confirmation to this effect was received by RBI(DBR) and the same has been shared with you earlier too. Despite that you had responded the way you have. I am copying this mail to DBR to provide necessary clarifications to all. Nevertheless, the regulation read in totality is very clear that banks can charge for any additional withdrawals/services/facilities over and above the minimum services to be provided free under the definition to BSBDA so long as the account is no more a BSBDA. However, the banks can choose to have a BSBDA, where it either do not charge for any additional withdrawals/services/facilities or do not provide for any additional withdrawals/services/facilities over and above the minimum services mandated to be provided free under the definition of BSBDA. Is my understanding incorrect? If you feel it is indeed incorrect (or even partly incorrect), I request you to please be explicit in your response, in the interest of all residents in the country and in the interest of knowledge dissemination.

Case B: Canara Bank

7. Coming to the issue of Canara Bank, I do appreciate Canara Bank for their efforts for account convertibility. But your earlier response almost discounted the **requirement** of the same on part of Canara Bank. Why?

8. Is the regulation unclear about existence of a RBI mandate that the facility of account convertibility is to be provided by the banks? While reading the extant regulation on BSBDA, I am sure we are clear that apart from many other aspects, the regulation includes Q No. 27 which clearly talks about account convertibility. If Q No. 27 is not a mandate of RBI, as a matter of right the banks can deny their customers for the same. In that case the customers should also know that there is no deficiency in service if the bank does not allow convertibility of an exiting normal savings account to a BSBDA. Please mention if you feel otherwise.

9. Moreover, if it has indeed been mandated then **it is contrary to** your previous response where you indicated that as per regulations governing BSBDA there is no ground for deficiency in service since it is sufficient for the bank to only allow opening of a completely new BSBDA with a different account number and closing the normal savings account with the bank (which is not converting the normal savings account to BSBDA). It is perfectly okay for Canara Bank to take some time to implement the same. But the question remains whether DBS supervised this systematic aspect and apprised the bank of the same in 2014, then again in 2015, then again in 2016, and then again in 2017? If not, we surely should not make only Canara Bank responsible. And if yes, your response is inadequate, since it would prompt promotion of hurting consumer education and protection.

10. I request and look forward to your early response.

With kind regards,

Ashish

On Mon, Jan 8, 2018 at 3:48 PM, Sanjay Kumar (1) <sanjay@rbi.org.in> wrote:

Sir,

Please refer to the trail email. In this regard, we further advise as under:

For Item No. (a), please refer to Q No. 15 of the FAQ on BSBDA and

For Item No. (c), please refer to Q No. 3 and Q No. 27 of the said FAQ, including the effort being made by Canara Bank for account convertibility.

सादर / Regards,

संजय कुमार । उप महा प्रबंधक । बैंकिंग पर्यवेक्षण विभाग । भारतीय रिजर्व बैंक । केन्द्रीय कार्यालय । विश्व व्यापार केंद्र । मुंबई 400 005



Sanjay Kumar | Deputy General Manager | Department of Banking Supervision | Reserve Bank of India | Central Office | WTC | Mumbai 400 005

फोन / Tel: +91 22 22187888 | फैक्स / Fax: +91 22 22186912

From: Ashish Das [mailto:ashishdas.das@gmail.com]
Sent: Wednesday, December 20, 2017 5:37 PM
To: Sanjay Kumar (1) <sanjay@rbi.org.in>
Cc: Puppal, Nitin <nitinpuppal@rbi.org.in>; CGM I C DBS <cgmicdbesco@rbi.org.in>; Sebastian, B L <bsebastian@rbi.org.in>; Thomas, P J <pjthomas@rbi.org.in>; Governor, Reserve Bank Of India <governor@rbi.org.in>
Subject: Re: BSBDA - your contribution on its supervision

Dear Sh. Sanjay Kumar,

Thank you very much for your response. I very much appreciate the same.

I am sorry that I had not quoted the specific RBI guidelines (which I should have).

1. The specific RBI guideline that I should have quoted is Circular RBI /2013-14/246 DBOD.No. Leg.BC.52 / 09.07.005/2013-14 dated September 11, 2013 (http://rbidocs.rbi.org.in/rdocs/notification/PDFs/BSBC52_11092013.pdf) addressed to All Scheduled Commercial Banks.

This Circular (brought out after about a year) highlights certain interpretations, in simpler terms, of the said Circular DBOD.No. Leg.BC.35 / 09.07.005/2012-13 dated August 10, 2012 that has been quoted by you in your response.

2. In view of the above, I would request you to kindly reconsider item (a) and item (c) of your response. Regarding your response in item (b), I thank you for the same.

3. For detailed arguments of what I write above or what I had written earlier, you may see item 38 under url <http://www.math.iitb.ac.in/~ashish/paper.htm>. The same is being attached here for your convenience and ready reference. Hope the attachment does not force a bounce from your end since it is a 5 MB pdf file.

With sincere regards,

Ashish

On Mon, Dec 18, 2017 at 6:47 PM, Sanjay Kumar (1) <sanjay@rbi.org.in> wrote:

Dear Sir,

Please refer to your trail email. We advise having examined the concerns raised in your email and further advise as under:

- a. HDFC Bank charging for debits in BSBDA in excess of 4 debits – Please refer to RBI Circular dated Aug 10, 2012 (<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=7501&Mode=0>) in the matter which *inter alia* permits a maximum of 4 withdrawals in a month in BSBDA (Ref. Para 2-iv). Further, banks are free to evolve pricing structure for additional value services beyond the stipulated basic minimum services (Ref. Para 4).
- b. Canara Bank not having capacity to open full KYC BSBDA - Canara Bank has provided details that they have full KYC BSBDA with product code 108. As per said RBI Circular (Ref. Para 5), BSBDA would be subject to RBI instructions on KYC / AML. Hence, the additional concern (placing product code 108 by Canara Bank under PMLA restrictions) is not correct.
- c. Canara Bank not having capacity to convert regular savings account to BSBDA - As per said RBI Circular (Ref. Para 6), the existing SB account of the customer is to be closed in that bank within 30 days from the date of opening a BSBDA.



There is no regulatory requirement that the same account number should continue for BSBDA. Canara Bank has, however, further informed that they are working with the software vendors on account convertibility.

In view of the above, we observe that the issues raised in your trail email with reference to violation of RBI guidelines are not found correct. We further request you to quote specific RBI guidelines in future while raising concerns.

सादर / Regards,

संजय कुमार | उप महा प्रबंधक | बैंकिंग पर्यवेक्षण विभाग | भारतीय रिजर्व बैंक | केन्द्रीय कार्यालय | विश्व व्यापार केंद्र | मुंबई 400 005

Sanjay Kumar | Deputy General Manager | Department of Banking Supervision | Reserve Bank of India | Central Office | WTC | Mumbai 400 005

फोन / Tel: +91 22 22187888 | फैक्स / Fax: +91 22 22186912

From: Ashish Das <ashishdas.das@gmail.com>

Sent: Friday, September 8, 2017 12:31 AM

To: CGM | C DBS

Cc: Sebastian, B L; Thomas, P J; Governor, Reserve Bank Of India

Subject: BSBDA - your contribution on its supervision

CGM-in-Charge

DBS, RBI

Respected Madam:

Based on conversation with your office staff and also as per advise from Sh B. L. Sebastian (GM, overlooking HDFC Bank) I have been asked to write to you. This concerns HDFC bank's approach towards BSBDA and their inability to provide satisfactory response on compliance. The general matter, as below, was also raised with CEPD apprising them of the deficiency in consumer education and protection on these aspects.

Since DBS is vested with the responsibility to supervise the implementation of the extant regulations, I write to you.

1. There appears to be a general tendency on part of HDFC bank (does not mean that it is restricted exclusive to this bank alone) not to provide and showcase the mandatory saving product called the BSBDA, which provides for normal banking service available to all customers, through branches, but has flexibility in terms of providing for no restrictions on minimum balance maintenance, free unlimited deposits and no service charges for any service associated to it. However, the account has the sole restriction that if the bank so desires, it may not allow more than x debits in a month, where x is chosen by the bank and is a number greater than or equal to four. HDFC bank appears to allow more than 4 debits in a month but have been charging for such debits, in excess of 4, from the BSBDA customers, in violation to RBI regulations. It is not only charging but also predominantly indicating such charges under its schedule of service charges for BSBDA, thus mis-educating the public for using such BSBDA's.



2. More significantly, and specific to HDFC bank (may apply to other banks too), its branches, when asked for its savings bank products, would not prompt for a BSBDA with its true properties but would only indicate that they have a regular savings Rs 10,000 minimum balance account and a Savings Max Rs 25,000 minimum balance account. If you say that you do not have the capacity to maintain Rs 10,000, and thus request them to provide for alternatives, they usually suggest your going to a PSB. And in case you are knowledgeable enough to insist opening one in the bank, you would be explained with all the negatives of a PMJDY account, that too incorrectly. One of the most common features of such a misleading attitude is to highlight the restrictions of a small account (which does not actually apply for a full KYC account). To this effect, something that can be independently taken up by you is to supervise Canara Bank on this aspect. I am surprised to find that even after so many years, Canara bank does not have the capacity to open a full KYC BSBDA. It also does not have the capacity to convert a regular savings account to a true BSBDA (in violation to RBI's extant regulations). In the name of conversion, what it allows is closure of the regular account and opening afresh a BSBDA with a new account number. Moreover, such a BSBDA necessarily carries the restrictions of a small account. They just do not have a product exclusively for full KYC BSBDA, without the restrictions of a small account. They have a minimum balance Rs 1000 regular account under product code 101. They also have two products (which they consider as BSBDA) for general customers with minimum balance requirement of zero under product code 108 (full KYC) and product code 127 (KYC under small account). However, accounts under both 108 and 127 imposes the PML act's transactions restrictions, in violation to the spirit of the act. I have apprised of the same to Sh P. J. Thomas, GM, overlooking Canara Bank. I am not sure if we could accept Canara bank citing IT issues, even after so many years of the operation of BSBDA.

3. For full details on some of the aspects, as described above, please refer to item 38 under url <http://www.math.iitb.ac.in/~ashish/paper.htm>

4. In case you find any of the information, as above, not correct, kindly do let me know so that I could stand corrected. In case RBI wishes to study more survey results, the same could be provided.

Finally, please let me know the outcome of this e-mail, which refers, directly or indirectly (as per RBI data), to over 33% of the savings bank accounts in India.

With regards,

Ashish

--

Ashish Das
Department of Mathematics
Indian Institute of Technology Bombay
Powai, Mumbai 400076
Phone: +91-22-25767486
E-mail: ashish@math.iitb.ac.in

Caution: The Reserve Bank of India never sends mails, SMSs or makes calls asking for personal information such as your bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers, however official or attractive they may look.



Appendix B1: HDFC Bank’s misleading and incorrect disclosure on BSBDA

In violation to RBI’s extant regulations, below we provide the fees and charges disclosed and implemented by HDFC Bank for various services under BSBDA.

<http://www.hdfcbank.com/personal/products/accounts-and-deposits/savings-accounts/basic-savings-bank-deposit-account?accordname=accordian3> (Accessed 11-04-2018)

Personal Premier NRI SME Wholesale Agri

HDFC BANK bank aapki mutthi mein Home Loans 8.35%*

Products Making payments Apply now SmartDigi Locate Us Ways to bank Customer Care

Personal > Products > Accounts & Deposits > Savings Account > Basic Savings Bank Deposit Account > Rates & Fees **LOGIN**

Basic Savings Bank Deposit Account Rates & Fees

Overview Features Eligibility Criteria **Rates & Fees** FAQs

Enclosed below are HDFC Bank Basic Savings Bank Deposit Account fees and charges

Description of Charges	Basic Savings Bank Deposit Account
Minimum Balance (Average Monthly Balance)	ZERO
Charges on non maintenance thereof	NA
Cheque Book	Free - 25 cheque leaves per financial year Additional chequebook of 25 leaves will be charged @ Rs 75/- per chequebook.
Issue of duplicate / adhoc statements	Branch - Rs 100/- PhoneBanking (Non IVR) - Rs.75/- NetBanking, Mobile Banking, PhoneBanking - IVR & ATM - Rs 50/- For Senior Citizen Branch - Rs 50/- per statement • PhoneBanking (Non <u>IVR</u>) - Rs.50/- per statement

Apply Online



	<ul style="list-style-type: none"> • NetBanking, MobileBanking, PhoneBanking - IVR & ATM - Rs 30/- per statement (w.e.f 1st July'13) 						
Passbook issuance*	Free						
Duplicate passbook issuance*	Rs 100/-						
Managers Cheques/Demand Drafts- Issuance/Re- issuance - On HDFC Bank Locations	<p>DD/MC Issuance Charges Through Branch</p> <table border="1"> <tr> <td>Upto Rs. 10,000 - Rs. 50/-</td> <td>Above Rs.10,000- Rs.5 per 1000 (min Rs.75/- & max Rs.10,000)</td> </tr> </table> <p>Only DD amount upto Rs 100,000 for Preferred/Imperia & Rs 50,000 for other customers accepted at PhoneBanking</p> <p>DD request through Netbanking</p> <table border="1"> <tr> <td>Upto Rs. 1 Lakh</td> <td>Rs. 50/- + corr. bank charges if applicable (effective 1st Dec'2014)</td> </tr> <tr> <td>Third party DD* upto Rs. 1 Lakhs</td> <td>Rs. 50/- + corr. bank charges if applicable (effective 1st Dec'2014)</td> </tr> </table> <p>(*Third Party Registration required. Customers registered for Third Party Transfers have a maximum limit of 10 lacs per cust id and hence can issue multiple DDs of 1 lacs upto 10 lacs and send it to the beneficiary address)</p>	Upto Rs. 10,000 - Rs. 50/-	Above Rs.10,000- Rs.5 per 1000 (min Rs.75/- & max Rs.10,000)	Upto Rs. 1 Lakh	Rs. 50/- + corr. bank charges if applicable (effective 1st Dec'2014)	Third party DD* upto Rs. 1 Lakhs	Rs. 50/- + corr. bank charges if applicable (effective 1st Dec'2014)
	Upto Rs. 10,000 - Rs. 50/-	Above Rs.10,000- Rs.5 per 1000 (min Rs.75/- & max Rs.10,000)					
	Upto Rs. 1 Lakh	Rs. 50/- + corr. bank charges if applicable (effective 1st Dec'2014)					
	Third party DD* upto Rs. 1 Lakhs	Rs. 50/- + corr. bank charges if applicable (effective 1st Dec'2014)					
	Managers Cheque/Demand Drafts - Cancellation / Revalidation	Rs. 100 (Nil charges for Managers cheque/demand drafts - Cancellation/revalidation up to Rs.1000/-) (w.e.f 1st Jan 2016)					



Demand Drafts- Issued- On Non HDFC Bank Locations	Rs. 50 plus charges as outlined below:	
	Upto Rs. 500	Rs. 10
	Above Rs. 500 to Rs. 1000	Rs. 15
	Above Rs. 1000 to Rs. 5000	Rs. 25
	Above Rs. 5000 to Rs. 10,000	Rs. 30
	Above Rs. 10,000 to Rs. 1 Lakh	Rs. 3 per 1000 or part thereof
Above Rs. 1 Lakh	Rs. 5 per 1000 or part thereof (Min Rs 300 - to Max Rs 10,000/-)	
Cheque Collection - Local Clearing Zone	Free	
Collection of outstation cheques - our bank locations	Charges for cheques drawn on Branch locations	Basic Savings Bank Deposit Account
	Upto Rs 5,000	Rs. 25/-, (Rs. 20/- for Rural branches / Senior Citizens Account)
	Rs. 5,001/- to Rs. 10,000/-	Rs. 50/-, (Rs. 40/- for Rural branches / Senior Citizens Account)





Basic savings bank deposit account

	Rs. 10,001/- to Rs. 1,00,000/-	Rs. 100/-
	Rs. 1,00,001/- and above	Rs. 150/-
	Cheques drawn on Speed Clearing Branches - at non CTS locations	Basic Savings Bank Deposit Account
	Upto Rs. 1,00,000	No charges
	Rs. 1,00,001/- and above	Rs. 140 /- per instrument
	Cheques drawn on Speed Clearing Branches - at CTS locations	No charge
	Effective 1st December'14 *Charges on FD receipts / Govt challans/Treasury bills-challans / Refund orders/Vouchers/Instruments (not in cheque form) deposited for collection would be levied as per correspondent bank charges.	
Collection of outstation cheques - other locations	Charges for cheques drawn on Non-Branch locations	Basic Savings Bank Deposit Account
	Upto Rs 5,000	Rs. 25/-, (Rs. 20/- for Rural branches / Senior Citizens Account)
	Rs. 5,001/- to Rs. 10,000/-	Rs. 50/-, (Rs. 40/- for Rural



		branches / Senior Citizens Account)
	Rs. 10,001/- to Rs. 1,00,000/-	Rs. 100/-
	Rs. 1,00,001/- and above	Rs. 150/-
	Cheques drawn on Speed Clearing Branches - at non CTS locations	Basic Savings Bank Deposit Account
	Upto Rs. 1,00,000	No charges
	Rs. 1,00,001/- and above	Rs. 140 /- per instrument
	Cheques drawn on Speed Clearing Branches - at CTS locations	No charge
	Effective 1st December'14 *Charges on FD receipts / Govt challans/Treasury bills-challans / Refund orders/Vouchers/Instruments (not in cheque form) deposited for collection would be levied as per correspondent bank charges.	
Cheque return charges drawn on us - Local	Due to Insufficient funds - Each cheque return will be charged for Rs.500 /- (Effective 1st Dec'17)	
	Charges due to funds transfer cheque return - Rs. 350/-	
	Due to technical reasons (eg. - Date not mentioned, post dated, sign mismatch, etc) - Rs. 50/- per instance.	





Basic savings bank deposit account

Cheques deposited - Returned Unpaid(Effective 1st Dec'17)	Rs.200/- per instance
Balance Enquiry - at Branch	Free
Balance Certificate	Current year - Free, Previous year - Rs. 50
Interest Certificate	Rs. 50
TDS Certificate	Free
Account Closure (from account opening date)	Upto 14 days - Nil 15 days upto 12 months - Rs 500/- (Rs 300/- for Senior Citizens) Beyond 12 months - Nil (w.e.f 1st July'13)
Photo Attestation	Rs 100/- per instance (Nil for Senior Citizens) (w.e.f 1st July'13)
Address Confirmation	Rs 50/- per instance
Stop Payment Charges	Particular cheque - Rs. 100 (free through NetBanking), range of cheques - Rs. 200 (free through NetBanking)
Standing Instructions	Rs. 25 per transaction plus remittance charge (w.e.f 1st July'13)
Unarranged overdraft	NA
Old records/copy of paid cheques	Upto 1 year - Rs. 50 per record, Above 1 year - Rs. 100 per record



Activation of dormant account	No charges
Number of Cash transactions	Cash Deposit :- Unlimited Free 4 free cash withdrawals per month 5th withdrawal onwards - Rs.150/- per transaction (plus taxes as applicable) would be levied
Value of Cash transactions(Cumulative of Deposit and Withdrawal)	Home Branch 2 lakh ---Free per month per account. Above 2 lakh---Rs.5/- per thousand or part thereof, subject to a minimum of Rs.150/-(plus taxes as applicable) Non-Home Branch: Cash transactions value upto Rs.25,000/- per day -No charge Above Rs.25,000/- ---Rs.5/- per thousand or part thereof, subject to a minimum of Rs.150/- (plus taxes as applicable)
Third party Cash transaction (Cumulative of Deposit and Withdrawal)	Upto a limit of Rs.25,000/- per day ---Rs.150/- (plus taxes as applicable) Above Rs.25,000/- not allowed For Senior Citizen customers, Kids/Minor Accounts, while the limit of Rs.25000/- per day will be applicable , the accounts will not be charged
Cash Handling charges	Withdrawn effective 01st March, 2017
Local Cheque deposited for outstation accounts	No Charge
Phonebanking - IVR	Free
Phonebanking - Non IVR	Rs. 50 per call (Agent assisted calls).
Rupay Card	Free





ATM / Debit Card - Transaction Charge	HDFC BANK ATMs	Other Bank ATMs
	First 5 Transactions Free across all Cities	First 5 Transactions Free across all Cities
Please check with your respective corporate for details of the offer		
Transactions over and above free limit will be charges as under:		
Cash withdrawal - Rs. 20 plus taxes per transaction		
Non-Financial Transaction - Rs. 8.5 plus taxes per transaction		
Debit Card - Transaction Charge - Non HDFC Bank International ATMs	Rs. 25 per balance enquiry & Rs. 125 per cash withdrawal (plus taxes as applicable) The Bank will charge cross-currency mark-up of 3.5% on foreign currency transactions carried out on Debit Cards. The exchange rate used will be the VISA/Master Card wholesale exchange rate prevailing at the time of transaction	
PIN regeneration charge	Rs. 50(plus taxes as applicable)	
Decline charge for insufficient balance	Transactions declined at other Bank ATMs anywhere in the world or at a Merchant outlet outside India due to insufficient funds will be charged at Rs. 25 per transaction (plus taxes as applicable)	
Add-on Debit Card - Regular	Rs. 150 per year (plus taxes as applicable)	
Add-on Debit Card - Women's Card	Rs. 150 per year (plus taxes as applicable)	



BillPay	This service is free w.e.f 1st August 2011
InstaPay	Rs. 10 (plus taxes as applicable) per transaction
Visa Money Transfer	Rs. 5 (plus taxes as applicable) per transaction
NEFT Charges - Inward	NIL
NEFT Charges- outward (online mode)	Free (effective 1st Nov'17)
NEFT charges - outward (Branch)	Amounts up to Rs. 10,000 - Rs.2.5 (plus taxes as applicable) per transaction
	Amounts from Rs.10,001 to Rs.1 lakh - Rs. 5 (plus taxes as applicable) per transaction
	Amounts above Rs. 1 lakh up to Rs. 2 lakh - Rs. 15 (plus taxes as applicable) per transaction
	Amounts above Rs.2 lakh - Rs.25 (plus taxes as applicable) per transaction
NEFT Charges for Indo Nepal transactions	Customers having NSBL*A/c - Rs 20/- Customers having Non-NSBL * A/c: Upto Rs 5,000 - Rs 70/- Above Rs 5,000 - Rs 95/- * Nepal State Bank Ltd
RTGS - Outward (online mode)	Free (effective 1st Nov'17)
RTGS - Outward (Branch)	Above Rs. 2 Lakhs to 5 Lakhs - Rs. 25 (plus taxes as applicable) per transaction
	Above Rs 5. lakh - Rs. 50 (plus taxes as applicable) per transaction





RTGS - Inward	NIL
IMPS (Immediate Payment Service)- Outward	Charges Effective January 01, 2017
	Amount upto Rs 1 to Rs 1,00,000 ----Rs.5/- (plus taxes as applicable) per transaction Amount above Rs 1,00,001 to Rs 2,00,000 ----Rs.15/- (plus taxes as applicable) per transaction
IMPS (Immediate Payment Service)- Inward	NIL
Mobilebanking	Free
Netbanking	Free
ECS (Debit) Return Charges	- Rs 350/- would be levied on first instance of ECS return in a quarter. - Rs 750/- would be levied, second instance onwards in the same quarter.
Any deliverable returned by courier due to negative reasons (no such consignee /consignee shifted and no such address)	Rs 50/- per instance
TIN re-generation (requests received at the	Rs 50/- per instance



branch for physical dispatch)	
IPIN re-generation (requests received at the branch for physical dispatch)	Rs 100/- per instance
Standing Instruction rejects	Rs 200/- per instance

[Click here to view Third Party Cash Transaction charges before March 01, 2017](#)

[Click here to view charges applicable before 1st January 2012](#)

*at home branch for account holders (individuals)

Note :
Service/Transaction charges will be applied in the current month based on the AMB maintained in the account in the previous month
Service/Transaction charges based on non - maintenance of AMB (as specified above) do not apply to Preferred , Corporate Salary & SuperSaver customers
The PhoneBanking charges will apply on transaction that are available on the IVR but are done through the PhoneBanking Executive

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Appendix B2: HDFC Bank’s corrected disclosure on BSBDA

After persistent questioning of RBI, the bank has tried to correct its stance, but not quite perfectly. The HDFC Bank’s service charge disclosure for BSBDA is provided below.

<https://www.hdfcbank.com/personal/products/accounts-and-deposits/savings-accounts/basic-savings-bank-deposit-account/rates-fees> (Accessed 28-04-2018)

The screenshot shows the HDFC Bank website interface. At the top, there is a navigation bar with categories: Personal, Premier, NRI, SME, Wholesale, and Agri. Below this is the HDFC Bank logo and the tagline "bank aapki mutthi mein". A "Home Loans 8.40%*" banner is visible on the right. The main navigation includes: Home, Products, Making payments, Apply now, Smartbuy, Locate Us, Ways to bank, and Customer Care. The breadcrumb trail is: Personal > Products > Accounts & Deposits > Savings Account > Basic Savings Bank Deposit Account > Rates & Fees. A "LOGIN" button is present on the right. The page title is "Basic Savings Bank Deposit Account Rates & Fees". On the left, there is a sidebar menu with options: Overview, Features, Eligibility Criteria, Rates & Fees (selected), and FAQs. The main content area contains a table of fees and charges for the Basic Savings Bank Deposit Account. The table has two columns: "Description of Charges" and "Basic Savings Bank Deposit Account". The table lists various charges, most of which are free. A note under "Withdrawals" states that there are 4 free withdrawals per month, and more than 4 would convert the account to a Regular Savings Account. At the bottom right, there is a "ASK EVA" logo.

Description of Charges	Basic Savings Bank Deposit Account
Minimum Balance (Average Monthly Balance)	ZERO
Charges on non maintenance thereof	NA
Cheque Book	Free
Passbook issuance	Free
Balance Enquiry	Free
Balance Certificate	Free
Interest Certificate	Free
TDS Certificate	Free
Account Closure	Free
Activation of dormant account	Free
Cash Deposits	Free
Withdrawals	4 free per Month including ATM/RTGS/NEFT/Clearing/Branch Cash Withdrawal/ Transfer/Internet Debits/ Standing Instructions/EMI, etc. In case of more than 4 withdrawals in a month, the bank would convert the existing BSBDA account to Regular Savings Account and all rules and charges as per Regular Savings Account would be applicable.
Phonebanking - IVR	Free
Rupay Card	Free
BillPay	Free
InstaAlerts	Free
NEFT Charges - Inward	Free
NEFT Charges- Outward	Free (As per specified limit in withdrawals section)
RTGS - Outward	Free (As per specified limit in withdrawals section)
RTGS - Inward	Free
Mobilebanking	Free



Netbanking	Free
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Appendix B3: Citibank's disclosure on BSBDA

Citibank's service charge disclosure for BSBDA is provided below. However, the bank while offering additional debit facility has not been non-discretionary since they unilaterally provide the facility of 5th debit transaction in a month and that too at a significant cost. If one does that 5th debit transaction, the account holder is thereafter required to maintain balances of Rs 2 lakh every month or pay upto Rs 600 every month.

<https://www.online.citibank.co.in/soc/soc-pdfs/basic-banking-savings.pdf> (Accessed 28-04-2018)

SCHEDULE OF CHARGES CITIBANK BASIC SAVINGS BANK DEPOSIT ACCOUNT		
SAVINGS BANK ACCOUNT FACILITIES		
Minimum Balance	Nil	
Charges for non-maintenance thereof	Nil	
Annual Fee	Nil	
ECS bounce	₹ 250. These charges are levied only if the ECS instruction is not honoured due to inadequate funds in the Account.	
REMITTANCE FACILITIES THROUGH OWN/ OTHER BANK		
DD-Issue	Nil	
DD-Cancellation	Nil	
TT - Issuance/ Cancellation	Nil	
NEFT/ RTGS/ IMPS Charges - Inward	Nil	
NEFT/ RTGS/ IMPS/ Cash withdrawals/ ATM Transactions - Outward	4 free transactions per month across all channels combined**	
CHEQUE COLLECTION/RETURN		
Local	Nil	
Outstation and Intercity Cheque return	₹ 50	
Inward Cheque return	₹ 50	
Outward Cheque return	₹ 50	
Outstation Cheque Collection	Up to ₹ 5,000: ₹ 25 per cheque, ₹ 5,001 - ₹ 10,000 : ₹ 50 per cheque, Above ₹ 10,000: ₹ 100 per cheque	
Foreign Currency Cheque Collection	₹ 200	
FCY Cheque return & draft cancellation (per instrument)	₹ 500	
Speed Clearing	Nil	
ATM / DEBIT CARD		
Membership fee	Nil	
Annual Fee	Nil. Other cards not applicable	
Renewal Fee	Nil	
Re-issuance Charges	₹ 100	
International ATM usage [^]	US \$ 2.5 / transaction + 3.5% cross-country mark-up	
Daily Withdrawal Limit - ATM + Point of Sale (POS)	₹ 10,000	
Daily Withdrawal Limit - Payment Gateway (PG)	₹ 10,000	
OTHER CHARGES		
FCY Draft (per instrument)	₹ 100	
FCY TT	₹ 250	
Foreign Currency Sale/Purchase	Nil + GST ^{**}	
Signature Attestation	₹ 50	
Stop Payment Charges	Nil	
Re-order Cheque book	₹ 1/leaf	
Duplicate Statement	Nil	

VER 1.4/BSBDA SOC/WPC/11-17

** Please note 4 free debit transactions would include: Withdrawals (ATM & Branch)/ Electronic Fund Transfer (NEFT/RTGS/IMPS), Clearing (cheques or DD), Point of Sale, Online payments, any Standing Instruction/EMI/any other payment maintained on the account. Once these 4 debit transactions are exceeded, the Account will be converted to Citi banking Account. For further details, please refer to www.citibank.com/india.

Goods and Services Tax (GST) as applicable would be levied on all charges mentioned above.

* The minimum threshold value limit for RTGS transactions is ₹ 2 lakhs.

** GST is applicable, in accordance with GST provisions on Foreign Currency Conversion for FCY/purchase.

[^] As per RBI communication, cash limit of ₹ 10,000/- per withdrawal will be permitted on account on Non Citibank ATMs.

[^]Example: If you transact using your debit card internationally for USD 10 and the FX rate for conversion is ₹ 65 then you will be charged a mark-up of 3.5% on the transaction value i.e ₹ 65*10*3.5% = ₹ 22.75. This is only applicable when at the time of initiating the transaction, you have chosen the option to transact in foreign currency.

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<https://www.online.citibank.co.in/portal/newgen/citibanking-SOC-for-viewing.pdf> (Accessed 28-04-2018)

Citibanking Account - Schedule of Charges	
Only the following transaction charges are applicable	
Monthly fee* [if avg. net monthly relationship value goes below ₹ 2 lakhs]	1% of shortfall^ or ₹ 600, whichever is lower
Cheque bounces:	
• Cheques deposited	₹ 100
• Issued cheques, foreign currency cheque return, ECS bounce**	₹ 350
Outward foreign currency TT	₹ 250
Debit Card usage at petrol pump	2.5% surcharge subject to a minimum of ₹ 10 [waived on Citibank EDCs at IOC pumps]
International usage of Debit Card (ATM or Shopping)^#	3.5% mark-up
Rail ticket booking/cancellation through IRCTC	₹ 10 or 1.8% of the transaction amount [whichever is higher]
All these benefits are FREE of charge	
ATM withdrawals and balance enquiry at any ATM in India^*	Foreign currency draft issuance & cancellation
ATM withdrawal at any ATM worldwide®	Foreign currency conversion charge for FCY sale/purchase##
NEFT/RTGS#	Outstation and foreign currency^^ cheque collection
Demand drafts issuance and cancellation	Signature verification
Cheque book reorder	Account re-activation
Duplicate statement	Utility bill payment
Stop payment	Debit Card for family members and Debit Card reissuance
Account Closure	Speed Clearing

^Example: If your actual average NRV for a month is ₹ 1,80,000 you will be charged 1% of ₹ 20,000 i.e. ₹ 200; However, if your NRV is ₹ 1,30,000, you will be charged ₹ 600 (max. charge limit).

Goods and Services Tax (GST) as applicable would be levied on all charges mentioned.
 Your savings account interest will be calculated on daily balances maintained in your account. The savings account interest will be paid at half yearly intervals on 30th September and 31st March each year. Interest of 24% p.a. will be applicable if account moves in negative balance.
 *The minimum balance charges are not applicable for Citibank Corporate Salary Account holders. In case you move to company that does not have a tie-up with Citibank Suidha or if you do not receive salary credit for 3 continuous months, the minimum monthly net relationship value requirement will be applicable.
 **As per RBI communication, cash limit of ₹ 10,000 per withdrawal will be permitted at Non Citibank ATMs.
 #The minimum threshold value limit for RTGS transactions is ₹ 2 lakhs.
 ##This charge is levied only if the ECS transaction is not honored.
 ^^Other banks may charge FCY Cheque clearing fees, if applicable. These charges will need to be borne by the customer.
 ^Other banks may charge fees for usage of their ATM for cash withdrawal overseas. These charges will need to be borne by the customer.
 #GST is applicable, in accordance with GST provisions on Foreign Currency Conversion for FCY/purchase.
 Your account will be upgraded to Citigold status, if the Net Relationship Value (NRV) of your account is ₹ 30 lakhs or more. The daily cash withdrawal/spend limit on your Citibank ATM/Debit Card will automatically increase to ₹ 1.5 lakhs.
 For Citibank's charges on any other product/transaction, please refer to www.citibank.com/india or contact your Relationship Manager.
 Net Relationship Value is across all accounts under a household and is calculated by aggregating average monthly balances across Savings Account, Current Account, Deposits, Mutual Funds, Loans against Securities, Insurance Premium paid, outstanding Mortgage Loan and 25% of Demat holdings.
 ^Example: If you transact using your debit card internationally for USD 10 and the FX rate for conversion is ₹ 65 then you will be charged a mark-up of 3.5% on the transaction value i.e ₹ 65*10*3.5% = ₹ 22.75. This is only applicable when at the time of initiating the transaction, you have chosen the option to transact in foreign currency.

Working Example of Average Monthly Net Relationship Value.

Holdings	₹	Description
a) Current/Savings Account	25,000	Average for the Month, calculated based on total of daily end of day balance/total number of days
b) Fixed Deposit	25,000	Daily end of day balances of principal amount/total number of days
c) Mutual Funds	40,000	Daily end of day balances/total number of days
d) Loans against securities	25,000	Daily end of day balances/total number of days
e) Demat Holdings	1,00,000	25% of the demat average balance. Demat average balance=Sum (non pledged shares x Market rate)
f) Insurance Premium	10,000	Sum of total premium paid**
g) Mortgage/Home Loan	5,00,000	Outstanding principal amount
Average Monthly Relationship Value	6,50,000	a+b+c+d+25%*e+f+g

**Towards active individual life insurance policies with the account holder as proposer.
 The minimum average monthly relationship requirement or charges/fees may be revised by the bank, from time-to-time by giving prior notice to customer. The net relationship value (NRV) for a month is computed on the penultimate working day of that month.
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VER 4-2/CB-SOC/WPC/H17





Appendix C1: Canara Bank overcharging BSBDA – applying service charges

In violation to RBI’s extant regulations, the product features of Canara Bank’s BSBDA constitute charges for additional services under BSBDA, as disclosed. Though the bank indicates that “Maximum 4 withdrawals per month including drawings through ATM free of charge. Withdrawals exceeding 4 per month would be levied a service charge at the rate not exceeding Rs.5/- per withdrawal”, actual ATM transactions indicate that the bank is charging as high as Rs 23.60 for the additional service of ATM withdrawals for BSBDA customers.

<https://canarabank.com/english/bank-services/personal-banking/savings-deposits/canara-basic-savings-bank-deposit-account/> (Accessed 20-05-2018)



English ▼



Canara Basic Savings Bank Deposit Account ▼

Canara Basic Savings Bank Deposit Account	
PRODUCT NATURE	A SB product designed for the common man to provide Basic Banking facility as part of the financial inclusion objective of RBI.
ELIGIBILITY	a. An individual in his/her name. b. Joint accounts (not more than 4) c. A guardian on behalf of a minor, by declaring the date of Birth of the minor. A customer opening a Canara Basic Savings Bank Deposit Account shall not have any other operative accounts with the Branch/Bank.
APPLICATION	<ul style="list-style-type: none"> ▸ Application to open a Canara Basic Savings Bank Deposit account should be made in the Bank's prescribed form. ▸ Two recent passport size photographs of the applicant(s) is to be submitted along with the application.
IDENTITY AND ADDRESS PROOF	Valid Proof of Identity and Address of the customer as per KYC norms.



BASIC FACILITIES	<p>i. The Basic Savings Bank Deposit Account is a normal Banking service available to all.</p> <p>ii. This account does not have the requirement of any minimum balance.</p> <p>iii. Facility of ATM Card or ATM-cum-Debit Card is extended.</p> <p>iv. The services available in the account include deposit and withdrawal of cash at bank branch as well as ATMs; receipt/credit of money through electronic payment channels or by means of deposit/ collection of cheques drawn by Central/ State Government Agencies and departments.</p> <p>v. While there will be no limit on the number of deposits that can be made in a month, account holders will be allowed a maximum of four withdrawals in a month, including ATM withdrawals.</p> <p>The above facilities will be provided without any charges.</p> <p>Further, no charge will be levied for non-operation/ activation of inoperative “ Basic Savings Bank Deposit Account ”.</p>
OTHER FACILITIES	<p>Pass book, Internet and Mobile Banking, transfer of account from one branch to another, Standing Instruction, etc.</p>
WITHDRAWAL/ DEPOSIT	<ul style="list-style-type: none"> • Permitted through withdrawal order form, cheque and ATM cum Debit Card • Maximum 4 withdrawals per month including drawings through ATM free of charge. Withdrawals exceeding 4 per month would be levied a service charge at the rate not exceeding Rs.5/- per withdrawal. • The minimum amount that may be deposited/ withdrawn “IN CASH” in an account is as prescribed by the bank from time to time. Currently minimum deposit or withdrawal “IN CASH” is Rs.10/-. In case of withdrawal through ATM, the minimum amount is Rs.100/- (Currently)
NOMINATION FACILITY	<p>Available</p>
OTHER TERMS & CONDITIONS	<p>-</p>

**Appendix C2: Yes Bank overcharging BSBDA – applying service charges**

In violation to RBI's extant regulations, Yes Bank's schedule of service charges constitute fees and charges for various additional services under BSBDA, as disclosed.

https://www.yesbank.in/pdf/basic_savings_deposit_account_1st_feb_2018_english_pdf (Accessed 20-05-2018)



Schedule of Charges

Basic Savings Bank Deposit Account

Effective Date: 01 February, 2018

Minimum Average Balance Maintenance	INR
Average Monthly Balance (AMB)	Nil
FD requirement for Nil AMB**	N.A.
AMB Non-maintenance charges	N.A.

Payment Services	
Intra-Bank Fund Transfer-Branch	Free
Intra-Bank Fund Transfer - NetBanking/Mobile Banking	Free
RTGS Payment-Branch	Per Transaction Charges ₹ 25- Above ₹ 2 Lacs and upto ₹ 5 Lacs; ₹ 50- Above ₹ 5 Lacs
RTGS Payment - NetBanking/Mobile Banking	Free
NEFT Payment - Branch	Per Transaction Charges ₹ 2.5- upto ₹ 10K; ₹ 5- ₹ 10,001 upto ₹ 1 Lac; ₹ 15- ₹ 1,00,001 upto ₹ 2 Lacs; ₹ 25- Above ₹ 2 Lacs
NEFT Payment - NetBanking/Mobile Banking	Free
IMPS Outward	Netbanking- Rs. 5 per transaction Mobile Banking- Free
Payable At Par Cheque Usage	Free
DD payable at YES BANK locations - Branch	4 Per Month Free; ₹ 50 / Instrument thereafter
DD payable at YES BANK locations - NetBanking/Mobile Banking	Free (plus ₹ 20 courier charges)
DD payable at Correspondent Bank locations	1 Per Month Free; ₹ 2.5 / ₹ 1,000 thereafter (Min. ₹ 50 and Max. 5,000)
Cash Withdrawal	4 Txns per month Free, ₹ 2 / ₹ 1,000 thereafter (Min ₹ 20)

Foreign Exchange Services *	
DD Issuance - FCY	₹ 2 / ₹ 1,000 (Min. ₹ 250, Max. ₹ 1,000)
Traveler's Cheque Issuance ^	1% Commission
Cheque Collection - FCY	₹ 2 / ₹ 1,000 (Min. ₹ 250, Max. ₹ 1,000)

Remittance Services *	
Foreign Outward Remittance	₹ 200 plus SWIFT Charges
Foreign Inward Remittance	Free

Collection Services	
Intra-Bank Fund Transfer Collection	Free
RTGS Collection	Free
NEFT Collection	Free
IMPS Inward	Free
Cheque Collection - Local Clearing	Free
Outstation Cheque Collection - Yes BANK locations	Free (plus ₹ 20 courier charges)
Outstation Cheque Collection - Correspondent Bank locations (Instrument value)	Up to and including 5,000; ₹ 25 / Instrument
	Above 5,000 and up to including 10,000; ₹ 50 / Instrument
	Above 10,000 and up to including 1,00,000; ₹ 100 / Instrument
Outstation Cheque Collection - Other locations (Instrument value)	Above 1,00,000; ₹ 150 / Instrument
	Up to and including 5,000; ₹ 25 / Instrument
Outstation Cheque Collection - Other locations (Instrument value)	Above 5,000 and up to including 10,000; ₹ 50 / Instrument
	Above 10,000 and up to including 1,00,000; ₹ 100 / Instrument
	Above 1,00,000; ₹ 150 / Instrument
Cash Deposit	Free

Debit Cum ATM Card	
Card Type	Domestic
Annual Fee	Nil
PIN Regeneration	₹ 50 / Instance
Charge Slip retrieval	₹ 250 / Instance
Replacement of lost / stolen Debit Card	₹ 149 / Instance
Cross Currency Mark-up	3%

Transactions at ATM	
At Own Bank ATMs Financial Txns + Non-Financial Txns	Free
At Other Bank ATMs Financial Txns + Non-Financial Txns	Financial Transactions - First 5 per month Free. Thereafter Rs. 20 per Financial Txn Non-Financial Txn- Unlimited Free
ATM Declines due to insufficient funds	₹ 25 / Instance

* See guidelines for details ^ Please check with the branch for the availability of this service

Page 1 of 2

For Debit Card linked to account opened before November 30, 2013: If there has been an international transaction earlier, the limit for such transactions will be reset to "Zero". For other cases, there will be a standard limit for international ATM and merchant transactions. Cash Withdrawal – Outside India will be charged at Rs. 120/Txn (plus applicable taxes) and Balance Inquiry – Outside India will be charged at Rs. 20/Txn (plus applicable taxes). You can opt for Platinum International Chip Debit Card for better security and for availing higher limits on international transactions.



SMS "Help" space <CUST ID> to +91 92233 90909



YES TOUCH PhoneBanking Number:
1800 2000 (Toll Free for Mobile & Landlines in India) +91 22 30993600 (When calling from Outside India)
Toll Free number from **USA / Canada:** 1877 659 8044 **UK:** 808 178 5133 **UAE:** 8000 3570 3089



Email us at yes touch@yesbank.in

CIN - L65190MH2003PLC143249

Corporate & Registered Office: Nehru Centre, 9th floor, Discovery of India, Dr. A. B. Road, Worli, Mumbai - 400 018, India. www.yesbank.in

**YES BANK****Schedule of Charges Basic Savings Bank Deposit Account Effective Date: 01 February, 2018**

Miscellaneous Services		Basic Banking Services	Individuals at Semi-Urban & Rural Branches, Senior Citizens & Women	Other Individuals	Non-Individuals
Cheque Return - Insufficient funds	₹ 300 / Cheque	Account Opening	Free	Free	Free
ECS Return - Insufficient funds	₹ 200 / Return	Mobile Banking Registration	Free	Free	Free
Cheque Return - Local Clearing	₹ 50 / Cheque	Phone Banking Registration	Free	Free	Free
Cheque Return - Outstation Collection	₹ 50 / Cheque	NetBanking Registration	Free	Free	Free
Stop Payment of Cheques - Branch	₹ 50 / Instruction	Investment Services Registration	Free	Free	Free
SWIFT Charges	₹ 500	Nomination Facility	Free	Free	Free
Dormancy Activation	Free	Payable at Par Cheque Book	Free	Free	Free
SMS / E-mail Alerts (Day end balance / transactions above a threshold / low balance)	Free	Any Branch Banking	Free	Free	Free
Utility Bill payment - NetBanking/ Mobile Banking	₹ 5 per Txn	Quarterly statement by post	Free	Free	N.A.
		Monthly statement by post	N.A.	N.A.	Free
		Standing Instruction maintenance - Branch	Free	Free	Free
		Standing Instruction maintenance - NetBanking	Free	Free	N.A.
		ECS Instruction	Free	Free	Free
		Balance Inquiry - Branch	Free	Free	Free
		Balance Inquiry - Mobile Banking	Free	Free	Free
		Balance Inquiry - NetBanking	Free	Free	Free
		Replacement of damaged Debit Card	Free	Free	Free
		e-commerce payment - NetBanking	Free	Free	N.A.
		Mutual Fund investments - Branch	Free	Free	Free
		Mutual Fund investments - NetBanking	Free	Free	Free
		Stop Payment of Cheques - NetBanking	Free	Free	Free
		Stop Payment of Cheques - Mobile Banking	Free	Free	Free
		Cancellation of DD payable at YES BANK locations	Free	₹50/Instruction	₹50/Instruction
		Cancellation of DD payable at Other locations	₹50/Instruction	₹100/Instruction	₹100/Instruction
		DD Revalidation	Free	₹50/Instruction	₹50/Instruction
		Passbook Issuance ^^	Free	Free	N.A.
		Banker's Verification (Signature / Address / Photograph)	Free	₹100/Verification	₹100/Verification
		Retrieval of Cheque / Instruction	Free within 1 year of date of issue, ₹50/cheque thereafter	Free within 1 year of date of issue, ₹100/cheque thereafter	Free within 1 year of date of issue, ₹100/cheque thereafter

Account Closure Charges

Within 21 days	Free
After 21 days to 1 year	₹ 100
After 1 year	Free

Common Guidelines

- An initial payment for opening a new account should include
 1. Minimum Average Monthly Balance of the account type PLUS
 2. First Year annual fee for Demat Account (plus taxes as applicable) AND/OR
 3. Demat Account (plus taxes, as applicable)
- Card Rates apply for all Foreign Exchange conversion transactions less than US\$ 20000 (or equivalent)
- The charges for Forex transactions mentioned in the schedule of charges do not include any charge that may be levied by the originating / correspondent bank.
- Applicable tax & surcharge will be levied on all foreign exchange sale and purchase transactions.
- Monthly/Quarterly/Annual cycle charges as applicable on the account type can be recovered anytime.
- In case of insufficient funds in the account, for recovery of charges, YES BANK reserves the right to force debit or make repeated attempt(s) to recover charges due.
- Minimum Average maintenance on an account type shall not be applicable for the Account Opening Month.
- The charges mentioned in the schedules are exclusive of taxes as applicable from time to time.
- Average Monthly Balance (AMB): Average of Daily Closing Balance for the Month = Summation of daily closing balance/Actual no. of calendar days in the month.
- ^^Issuance of duplicate Passbook (For Individual Savings Account holders) will be charged at Rs. 75
- Kindly refer to our website or contact our branches for latest Schedule of charges.



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 Toll Free number from USA / Canada: 1877 659 8044 UK: 808 178 5133 UAE: 8000 3570 3089

Email us at yes touch@yesbank.in

CIN - L65190MH2003PLC143249

Corporate & Registered Office: Nehru Centre, 9th floor, Discovery of India, Dr. A. B. Road, Worli, Mumbai - 400 018, India. www.yesbank.in



Appendix D1: Axis Bank's corrected service charges on BSBDA

Until May 1, 2018, in violation to RBI's extant regulations, Axis Bank had been providing additional services and charging for the same. Since the bank is unable to provide additional services for free, the correction in form of limiting any type of debit transaction beyond four a month have now been implemented by the bank.

https://application.axisbank.com/FeesAndChargeMaster/FeesAndCharges.aspx?_ga=2.77437212.801511552.1526389648-268956810.1518439960 (Accessed 20-05-2018)

Fees and Charges

With effect from 1st August 2016, the replacement charges for the Debit Card linked to your Savings Account have been revised. Please review the applicable charges in the corresponding Debit Card page, under the 'Fees and Charges' section.

Notice for Revision of Locker Tariff. Please [click here](#) for more details.

With effect from 1st May 2018, Existing tariff structure for Select Charges in Savings scheme will be revised. Please [click here](#) for more details.

To view the fees and charges applicable on your Savings Account please select your product from dropdown below. Additional Taxes as applicable.

Basic Savings Account

Basic Savings Account

Basic Service Fees

Transaction Fees

Daily withdrawal limit and Shopping limit	Daily ATM Withdrawal Limit of Rs.40,000, Daily POS transaction Limit of Rs.100,000
Monthly Cash Transaction Free Limits (Metro/Urban)	Cash deposits : Free unlimited (across Axis Bank Branch) Cash withdrawals: Only 4 withdrawals allowed free of charge per month including Branch Cash, Axis/Other ATM cash withdrawal, POS, Micro ATM, NEFT/RTGS, DD/PO, ECS/SI debit transactions)
Monthly Cash Transaction Free Limits (Semi-Urban/Rural)	Cash deposits : Free unlimited (across Axis Bank Branch) Cash withdrawals: Only 4 withdrawals allowed free of charge per month including Branch Cash, Axis/Other ATM cash withdrawal, POS, Micro ATM, NEFT/RTGS, DD/PO, ECS/SI debit transactions)
Fees on Cash Deposits and Withdrawals above limits	NA
Outstation Cheque Collection Fees:	NA
RTGS Fees (Branch)	NIL, effective 1st May,18
RTGS Fees (Online)	NIL, effective 1st May,18
NEFT Transaction Limits (how many free per quarter)	Unlimited, effective 1st May,18



NEFT Fees (Branch)	NIL, effective 1st May,18
NEFT Fees (Online)	NIL, effective 1st May,18
IMPS Fees	Overall 4 transactions allowed per month at no charge
Speed Clearing Fees	Free upto cheque amount of Rs.1 lakh, Above Rs.1 lakh- Rs.150
Axis Bank ATM: No. of Free Transactions	Overall 4 transactions allowed per month at no charge
Non - Axis Bank ATM : No of Free Transactions	Overall 4 transactions allowed per month at no charge
Axis/Non-Axis ATM: Cash Withdrawal (Financial transaction) fees beyond limits	NA
Axis/Non-Axis ATM: Balance Enquiry (Non-Financial transaction) fees beyond limits	NA
International Cash Withdrawal fees (ATM)	NA
International Balance Enquiry fees (ATM)	NA
Surcharge on Railway Tickets purchased with Debit Card	2.5% of the sale amount (Min Rs. 10) + Rs.30 per transaction
Surcharge at Petrol Pumps	2.5% of the sale amount (Min Rs.10)
Cross Currency Mark-up on International Debit Card Transactions	3.50%



Appendix D2: Axis Bank’s misleading and incorrect MID on BSBDA

In violation to RBI’s extant regulations, the Most Important Document (MID) highlights fees and charges for various services under BSBDA, as provided by Axis Bank.

	AXIS BANK	COPY I Version - X effective May 01, 2018
MOST IMPORTANT DOCUMENT (TYPE V) (BASIC SAVINGS BANK ACCOUNT - SBBSA/SBZR1) (One copy to be handed over to Customer and one copy to be retained by Bank)		
Your Branch Category: _____		
Customer Information		
Customer Name: <input style="width: 100%;" type="text"/>		
Do you already have a Savings Account with Axis Bank: Yes <input type="checkbox"/> No <input type="checkbox"/>		
If Yes, please provide the account details below:		
Customer Id: <input style="width: 20%;" type="text"/>	Account Number :	<input style="width: 60%;" type="text"/>
	Account Number :	<input style="width: 60%;" type="text"/>
Declaration		
<p>1. These declarations apply to and regulate operations of the Basic Savings account offered by Axis bank to its customers. The Basic Savings account can be opened by resident Indians (or Foreign nationals fulfilling the residency criteria) and by Hindu Undivided Family (HUF). Non Resident Indians and Foreign nationals not fulfilling the residency criteria as per the Income tax act are not eligible to open the Basic Savings account</p> <p>2. The account can be opened singly or jointly</p> <p>3. Customer should not have any existing Savings Account with Axis Bank prior to the opening of Basic Savings account. If any existing Savings account is available, same needs to be closed by the customer by providing a closure request. The Bank has a right to freeze operations and/or close the other Savings account(s), if any, as applicable under the regulatory guidelines, if such account(s) is/are not closed by the customer within 30 days of opening the Basic Savings Bank account</p> <p>4. An existing Basic Savings bank customer cannot open another Savings account with Axis bank</p> <p>5. Cash Withdrawal Transactions: Free Limits: 4 free Cash Withdrawal transactions per month (includes Branch cash withdrawal & ATM cash withdrawal at Axis / Other Bank ATMs)</p> <ul style="list-style-type: none"> • No Initial Funding Amount • No Average Monthly Balance (AMB) requirement • Nil Charges on AMB non maintenance • One Free multi city cheque book per annum (Cheque book will not be issued at the time of account opening, same can be applied for after account opening). Additional cheque book chargeable at ₹50 per cheque book • Free Cash deposits (across any Axis bank branch) up to a value of ₹1 lakh per month. Cash deposits beyond free limit to be charged @ ₹5 per ₹1000 or ₹150, whichever is higher • Cash Withdrawal Transactions: Free Limits: 4 free Cash Withdrawal Transactions per month (includes Branch cash withdrawal & ATM cash withdrawal at Axis/Other Bank ATMs, includes transactions done through Branch Teller and Cash Deposit Machines) Charges beyond free limits: Additional Branch cash withdrawal transaction: ₹5 per ₹1000 or ₹150, whichever is higher Additional ATM transaction (at Axis/Other Bank ATMs): • ₹20 per Financial Transaction • ₹8.5 per Non-Financial Transaction • Rupay Debit Card Charges • Nil Issuance and Annual Fees for Primary and Joint account holder • Replacement Fees - ₹100 for all • Daily ATM cash withdrawal limit of ₹40,000 <p>6. Other important Terms</p> <ul style="list-style-type: none"> • All important charges pertaining to your savings account are mentioned above. However this list is not exhaustive and you may visit our website www.axisbank.com to view the other charges which are applicable • All accounts have monthly billing cycle in a year 1st to 30th/31st of the month • GST as applicable will be levied on all fees • The Bank can at its sole discretion discontinue any service partially/completely or change Fees by providing 30 days notice. All revision in fees will be displayed on the Notice Board of the branches of Axis Bank and also on our website www.axisbank.com • Axis Bank reserves the right, at its own discretion, to close the account in case initial funding cheque is returned/bounced and funding as per scheme code is not received within 15 days of account opening • There will be a fee of ₹500/- if the account is closed between 14 days and 6 months of account opening. No fees would be levied if account is closed within 14 days of account opening or after 6 months • If your account has been opened in conjunction with a loan, with a standing instruction for repayment of the loan, your account will be a zero-balance account till such time as the loan continues and the SI stands, after which, the balance requirement will apply. <p>7. Terms and Conditions for Rupay Debit Card -</p> <ul style="list-style-type: none"> • Insurance Facility not available to Trusts, Associations, Societies, Section 25 Companies, Government bodies and NGOs • Insurance claim can be made if the card has been used on ATM or POS with in the last 45 days of the incident. The incidence has to be reported within 30 days of occurrence <p>I _____ account holder declare that I have read and understood the terms and conditions in relation to the usage of various services of Axis Bank Limited as set forth and thereby authorize Axis Bank Limited to debit my account towards the charges as detailed above wherever applicable</p>		
Customer Signature		
<input style="width: 100%;" type="text"/>	Primary Applicant	<input style="width: 100%;" type="text"/>
Joint Applicant		
For Office Use Only		
<input style="width: 20%;" type="text"/>	<input style="width: 20%;" type="text"/>	Signature _____
Bar Code	LC Code	

Can BSBDA Depositors have Long Innings?



Courtesy Prof. Phani Tetali, Industrial Design Centre, IIT Bombay. Prof. Tetali teaches Animation, Game Design and Graphic Narratives at IIT Bombay. He is a cartoonist/illustrator and was a runner up in the Nationwide 'Times Cartoonist Hunt' held by The Times of India in 2017.