

## Types of Bank Accounts relevant for a DBT beneficiary

	Regular Savings Account	Basic Saving Bank Deposit Accounts (BSBDA)	BSBDA - Small Account
<b>Key features</b>	Regular savings accounts are interest-bearing accounts that can be opened by any person (even minor) for undertaking transactions of the non-business / non-commercial nature.	BSBDA are <b>zero-balance savings account</b> which can be opened for any individual, even minor <sup>1</sup> (above 10 years of age). All earlier no-frills accounts have been converted to BSBDA <sup>2</sup> . BSBD accounts are opened under the PMJDY drive of the Government.	Special kind of BSBDA account, that can be opened by anyone above 18 years of age <b>who does not have an Officially Valid Document, OVD</b> . Small accounts are opened under the PMJDY drive of the Government.
<b>KYC requirements</b>	<b>Mandatory</b> (any Officially Valid Document, OVD <sup>3</sup> )	<b>Mandatory</b> (any OVD)	<b>Limited KYC</b> (on the basis of a self-attested photograph and putting his/her signature or thumb print in the presence of an official of the bank)
<b>Minimum Balance requirement</b>	Minimum balance may need to be maintained (amount varies from banks to banks), otherwise penalty is charged	<b>No minimum balance</b> need to be maintained	<b>No minimum balance</b> need to be maintained
<b>Limit on Maximum Balance</b>	Usually no limit	Different banks may have limits	Balance <b>cannot exceed</b> rupees fifty thousand at any point of time <sup>4</sup>
<b>Restriction on Deposits / Credits</b>	No restrictions on number and value of deposits / credits	No restrictions on number and value of deposits / credits	Aggregate of all credits in a financial year <b>cannot exceed</b> rupees one lakh <sup>4</sup>
<b>Restriction on Debits</b>	No limit on cash withdrawals, however only first 3 transactions are free at other bank's ATMs.	Minimum four free withdrawals in a month, including ATM withdrawals from any ATM.	Aggregate of all withdrawals and transfers in a month <b>cannot exceed</b> rupees ten thousand; Maximum 4 withdrawals in a month
<b>Other remarks</b>	-	Only one BSBDA (or one of BSBD and saving account) allowed per person in a bank. Free ATM or ATM-cum-Debit Card provided. Account does not become non-BSBDA, if chargeable or non-chargeable additional value-added services are provided by bank. Accounts opened after 15.08.2014 (PMJDY) are provided with <b>additional benefits</b> : Overdraft facility (Rs. 10,000), free Rupay debit cards with accidental insurance cover of Rs.1.00 lac, Life insurance cover of Rs.30,000/-. Accidental benefits have been increased to Rs 2 lakh new BSBD accounts opened after 28.08.18	Small accounts are <b>valid for 12 months</b> , extendable for another 12 months if the account-holder provides a document showing that he/she has applied for any of the OVD. After 24 months, if OVD is not submitted, the account is no longer allowed to function (i.e. closed).

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<sup>1</sup> RBI has advised banks not to impose restrictions like age and income criteria of the individual for opening BSBDA.

<sup>2</sup> RBI (2012) "Financial Inclusion – access to banking Services – Basic Savings Bank Deposit Account", Notification No. RBI/2012-13/172 RPCD.CO.RRB.RCB.BC.No.24/07.38.01/2012-13 dated August 22, 2012 ; Link: [https://rbi.org.in/Scripts/BS\\_CircularIndexDisplay.aspx?Id=7519](https://rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=7519)

<sup>3</sup> As defined in the 'Master Direction - Know Your Customer (KYC) Direction, 2016 (Updated as on May 29, 2019)'; Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11566&Mode=0>

<sup>4</sup> As per amendment of Prevention of Money Laundering (Maintenance of Records) Rules, 2005 relating to small accounts, Notification of G.S.R. 1038 dated 21.08.2017 issued by Department of Revenue, Ministry of Finance, the limit on balances shall not be considered while making deposit through government grants, welfare benefits and payment against procurement. Also refer Letter No. F.No. 1/21/2014-FI(C-69551) dated 01.06.2018 issued by Department of Financial Services in this regard.