



SBM Bank (India) Ltd

Basic Savings Bank

Deposit Account

Compliance



Basic Savings Bank Deposit Account

The Basic Savings Bank Deposit Account or BSBDA is a Savings Account that does not have a minimum balance. In contrast, a BSBDA has a maximum account balance that has to be maintained. The BSBDA holder will get an ATM cum Debit Card as a part of the account opening formalities. The holder will also get passbook services for free and not be charged for a non-operative account. The bank allows a certain number of deposits and withdrawals in the month that are free of cost.

Banks may provide other facilities such as a cheque book, email statements, Demand Drafts, cheque collection and other facilities either free of cost or at a nominal charge. Banks offer the same rate of interest on these accounts as they do for a Regular Savings Account.

Conditions on a BSBDA Account:

Since the BSBDA is a no frills zero balance account, there are a few conditions placed on it. The idea is for the account to serve someone from the economically weaker section, and keeping those customers in mind, the conditions are valid.

- An upper monetary limit to the balance that can be maintained in this account i.e. Rs. 50,000

- An upper monetary limit to the total of credits made to this account in a year, i.e. Rs. 1,00,000
- An upper monetary limit to the withdrawals made in a particular month i.e. Rs. 10,000
- A maximum of 4 withdrawals in a particular month

In case, the account doesn't satisfy these conditions, the bank can convert it to a Regular Savings Account as well.

An account holder cannot have a regular Savings Account and a BSBDA Account in the same bank. The bank can convert a regular Savings Account to a BSBDA Account if the account holder follows the conditions and rules.

How to open BSBDA Account?

A BSBDA Account can be opened by any customer who does not have a Savings Account with the bank. However, the customer should also not have a complete KYC. This means that the customer does not have acceptable photo ID proof as per bank's list of documents or acceptable address proof as per bank's list of documents.

In case a customer has a regular Savings Account, he will have to give an undertaking if he wants to convert it to a BSBDA Account. The regular Savings Account will get shut and a BSBDA Account will be opened. The customer can however, open fixed and recurring deposits with the bank with the funds from the BSBDA Account.

Opening a BSBDA is excellent for those who are worried about meeting minimum balance requirements and do not have many debits or credits in the account.