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Nifty  LIVE

11,964.25 41.55



NSE Gainer-Large Cap >

Aurobindo Pharm

649.90 22.75



Precious Metal >

Gold (MCX) (Rs/10g.)

32,582.00 -78.00



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Market Watch

Reserve Bank of India relaxes norms for no-frills accounts

BY PTI | JUN 10, 2019, 07.42 PM IST

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Banks will now provide cheque books and other facilities to basic account holders, with the [Reserve Bank of India](#) relaxing the norms on Monday.

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However, the banks cannot ask the account holders to maintain any minimum balance in lieu of such facilities. Earlier, additional facilities made these accounts like regular savings account, thus attracting requirement of maintaining minimum balance and other charges.

The apex bank eased regulations for Basic Savings Bank Deposit (BSBD) Accounts, popularly known as 'no-frills' accounts. As part of the [financial inclusion](#) drive, the RBI had asked banks to provide BSBD as a savings account offering - certain minimum facilities, free of charge.

"Banks are free to provide additional value-added services, including issue of [cheque book](#), beyond the above minimum facilities, which may/may not be priced (in non-discriminatory manner) subject to disclosure...Offering such additional services will not make it a non-BSBD Account, so long as the prescribed minimum services are provided free of charge," the Reserve Bank of India said.

However, while offering additional services, banks should not require the customer to maintain a minimum balance, it added. As per the BSBD norms, account holders are not required to maintain minimum balance and get certain minimum facilities for free.

These facilities include, four withdrawals from ATMs in a month, deposit of cash at bank branch, and [ATM Card](#) or [ATM-cum-Debit Card](#). Also there will be no limit on number and value of deposits that can be made in a month in BSBD.

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