



**STATE BANK OF PAKISTAN**  
BANKING POLICY & REGULATIONS DEPARTMENT  
I. I. CHUNDRIGAR ROAD,  
KARACHI.

No. BPRD/LCGD-09/BBA/9423/2007

September 10, 2007

The President/Chairman  
TOWEL MANUFACTURERS' ASSOCIATION OF PAK  
TMA HOUSE, 77-A, S.M.C.H.S.  
KARACHI

Dear Sir,

**INTRODUCTION OF BASIC BANKING ACCOUNT**

Please find enclosed the copies of BPD Circular No. 30 dated November 29, 2005 and BPRD Circular Letter No. 20 dated August 1, 2007 on the captioned subject.

In order to facilitate and provide basic banking facilities to the low income people in country, the State Bank of Pakistan has directed all commercial banks operating in Pakistan to introduce Basic Banking Accounts (BBA). The minimum initial deposit for opening this account is Rs.1000/- and there is no limit on maintaining minimum balance.

In this connection, you are requested to instruct low income employees of your organization about the benefits of opening BBA.

Yours truly,

( RAJESH )  
for Director

Encl: As above

*Circulate  
me*



**STATE BANK OF PAKISTAN**  
**BANKING POLICY DEPARTMENT**  
**I.I. CHUNDRIGAR ROAD**  
**KARACHI**

**BPD CIRCULAR NO. 30**

November 29, 2005

**The Presidents/Chief Executives,  
 All Scheduled Banks**

Dear Sirs/Madam,

**INTRODUCTION OF BASIC BANKING ACCOUNT**

In order to facilitate and provide basic banking facilities to the low income people in Pakistan, it has been decided that all commercial banks operating in Pakistan will introduce Basic Banking Accounts (BBA) facility with the following features:-

- a. The minimum initial deposit will be Rs 1000.
  - b. Will be non-remunerative account.
  - c. No limit on minimum balance. In cases, where balance in BBA remains 'nil' for a continuous six-month period, such accounts will be closed.
  - d. No fee for maintaining BBA.
  - e. Maximum two deposit transactions and two chequing withdrawals are allowed, free of charge, through cash/clearing per month.
  - f. Unlimited, free of charge, ATM withdrawals from the banks' own ATMs. In case of withdrawal from BBA through the ATM machines of other banks, the respective/other bank may recover charges for such transactions.
  - g. For the existing banking accounts, banks may get the consent of all their customers whether they wish to maintain a BBA with them or a regular full service banking account with its accompanying terms and conditions. In case an account holder does not give his/her consent for a BBA, his/her account will be treated as a regular full service banking account.
  - h. Statement of account will be issued once in a year.
2. The above features represent the minimum set of services which the banks shall provide to their BBA customers. The banks are, however, free to add more services, if they wish. The banks are also free to charge, as per their existing policy, for any service/transaction over and above the minimum set of services of a BBA, if they wish.
3. All the banks are advised to introduce and publicize the above facility and report compliance to SBP latest by February 28, 2006. Any violation of the above instructions shall invoke penal provisions under Banking Companies Ordinance, 1962.
4. The above instructions will be applicable on Basic Banking Accounts (BBA) only.

Yours truly,

  
 (Syed Irfan Ali)  
 Sr. Joint Director



**STATE BANK OF PAKISTAN  
BANKING POLICY & REGULATIONS DEPARTMENT  
I.I. CHUNDRIGAR ROAD  
KARACHI**

**BPRD Circular Letter No. 20**

**August 01, 2007**

**The Presidents / Chief Executives  
All Schedule Banks**

Dear Sirs / Madam,

**BASIC BANKING ACCOUNT AND BANK CHARGES**

Please refer to BPD Circular No. 30 dated November 29, 2005, on Basic Banking Account (BBA), BPD Circular No. 23 dated July 04, 2003, and BPD Circular No. 33 dated October 02, 2003, on service charges.

It has been observed that some banks are not taking adequate steps for promoting BBA as per SBP instructions and are imposing charges on customers for converting their account from regular full service banking account to BBA. It has also been observed that banks are also exorbitantly charging their regular account holders for not maintaining minimum monthly average balance with the bank. These practices are not only in violation of the instructions issued vide above referred Circulars but are also hindering the access of public to the banking services.

In order to address these issues, it has been decided in consultation with the chief executives of banks, that henceforth;


- i) Banks shall not recover any BBA operating charges or charges for conversion of regular full service bank accounts to BBA.
- ii) Banks shall not charge more than Rs.50/- per month as service charges from their regular account holders on maintaining balance below the minimum monthly average balance.

All banks/DFIs are advised to ensure compliance of the above instructions in letter and spirit as non compliance will attract punitive action under Banking Companies Ordinance, 1962.

Other Instructions on the subject will remain unchanged.

Please acknowledge receipt.

Yours truly,

  
 (Syed Irfan Ali)  
 Director