

- (iii) BSBD Accounts (PMJDY accounts are akin to BSBDAs), which are not KYC compliant accounts are to be treated as 'Small Accounts' and are subjected to the limitations applicable to such accounts. Hence, for allowing normal operations in such accounts, the procedures explained at (ii) above are to be complied with. If any account is rendered ineligible for being classified as a small account due to credits/balance in the account exceeding the permissible limits, withdrawals may be allowed within the limit prescribed for small accounts where the limits thereof have not been breached.
- (iv) In respect of KYC compliant accounts where the required CDD procedure has been complied with, REs shall ensure compliance regarding quoting of PAN/obtaining of Form 60 for all transactions in terms of I.T.Rule 114 B which includes opening of accounts with banks, NBFCs, etc. No debit transaction, transfer or otherwise shall be allowed in accounts which do not comply with the above mentioned requirements. To begin with, this rule shall be strictly applied in accounts where both the thresholds listed below are reached:
 - (i) balance of rupees five lakh or more; and
 - (ii) the total deposits (including credits by electronic or other means) made after November 9, 2016, exceed rupees two lakh.

3. It is clarified that provisions of Section 67 of the MD are subject to the exemptions granted to Government, Consular office etc., as provided in Income Tax Rule 114 B.

Yours faithfully

(Lily Vadera)
Chief General Manager