

RBI /2006-07/139

DBOD.No.Leg.BC.32 /09.07.005/2006-07

October 4, 2006

To

All Scheduled Commercial Banks  
(Excluding RRBs)

Dear Sir,

**Customer Service – Non-issuance of Passbooks  
to Savings Bank Accountholders (Individuals)**

We have been receiving representations from customers including senior citizens' associations that many banks have discontinued issuing pass books to Savings Bank Account holders (Individuals). It has also been pointed out that this decision of discontinuing the pass book system has been taken by the banks unilaterally causing much inconvenience to the account holders. It has also come to our notice that these banks are issuing Statement of Account to Savings Bank account holders at quarterly intervals instead of at monthly intervals as stipulated in our circular DBOD.No.Leg.BC.74/ 09.07.005/2004-05 dated April 10, 2004.

2. In this connection, it may be mentioned that a passbook is a ready reckoner of transactions and is handy and compact and as such, is far more convenient to the small customer than a statement of account. Use of statements has some inherent difficulties viz. (a) these need to be filed regularly (b) the opening balance needs to be tallied with closing balance of last statement (c) loss of statements in postal transit is not uncommon and obtaining duplicates thereof involves expense and inconvenience (d) ATM slips during the interregnum between two statements does not provide a satisfactory solution as full record of transactions is not available and (e) there are a large number of small customers who do not have access to computers / internet etc. As such, non-issuance of pass-books to such small customers would indirectly lead to their financial exclusion.

**3. Banks are therefore advised to invariably offer pass book facility to all its savings bank account holders (individuals) and in case the bank offers the facility**

of sending statement of account and the customer chooses to get statement of account, the banks must issue monthly statement of accounts in terms of our circular DBOD.No.Leg.BC.74/ 09.07.005/2004-05 dated April 10, 2004. The cost of providing such Pass Book or Statements should not be charged to the customer.

4. Please acknowledge receipt.

Yours faithfully

(Prashant Saran)  
Chief General Manager-in-Charge