

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4775

ANSWERED ON:25.04.2008

CHARGE ON USE OF ATM

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**Will the Minister of FINANCE be pleased to state:**

- (a) whether banks charges transactions charges from their customers for use of ATM card;
- (b) if so, the details thereof;
- (c) whether RBI has asked the banks to stop charges for transaction by its own customers using ATM card as reported in Times of India dated March 11, 2008;
- (d) if so, the details thereof; and
- (e) the time by which banks will stop levy of such charges?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): Reserve Bank of India (RBI) has reported that most of the banks do not charge their customers for use of their own ATMs. However, they levy charges for use of other bank ATMs by their customers and the charges levied range from Nil to Rs. 57/-.

(c) to (e): RBI has issued a circular on March 10, 2008 laying down a framework of service charges to be levied on customers using the ATMs of banks to be implemented by all banks, as under:

Sr.No. Service Charges

1. For use of own ATMs for any purpose Free (with immediate effect)
2. For use of other bank ATMs for balance enquiries Free (with immediate effect)
3. For use of other bank ATMs for cash withdrawal •No bank shall increase the charges prevailing as on December 23, 2007 (i.e. the date of release of Approach Paper on RBI website).  
•Banks which are charging more than Rs. 20 per transaction shall reduce the charges of a maximum of Rs. 20 per transaction by March 31, 2008.  
• Free“with effect from April 1, 2009.