

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**

**UNSTARRED QUESTION No. 2976**

TO BE ANSWERED ON 3<sup>rd</sup> AUGUST, 2018 (FRIDAY)/SHRAVANA 12, 1940 (SAKA)

**Maintaining Minimum Balance**

**2976. SHRI SARFARAZ ALAM:**

DR. C. GOPALAKRISHNAN:

DR. A. SAMPATH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the banks have imposed several types of service charges, penalties and restrictions on transactions made through the accounts, ATMs and credit cards and if so, the details thereof and the reasons therefor;
- (b) whether the banks are also charging penalty for not maintaining the minimum balance in their accounts and if so, the details thereof and the reasons therefor;
- (c) the details of penalties collected for not maintaining minimum balance during the last three years and the current year, bank-wise;
- (d) whether the Government of India has any proposal to withdraw the additional charges charging to the customers by the nationalized banks, if so, the details thereof and if not, the reasons therefor; and
- (e) whether the Government has any proposal to exempt the account holders from being charged for not maintaining the minimum balance and if so, the details thereof?

**Answer**

**The Minister of State in the Ministry of Finance  
(SHRI SHIV PRATAP SHUKLA)**

- (a) to (e) Reserve Bank of India (RBI)'s Master Circular on "Customer Service in Banks" dated July 1, 2015 provides that banks are permitted to fix service charges on various services rendered by them, as per their Board approved policy, while ensuring that the charges are reasonable and not out of line with the average cost of providing these services.

Service/miscellaneous charges are thus levied by banks as per the extant guidelines of RBI.

The RBI guidelines also provide that basic banking services through Basic Savings Bank Deposit (BSBD) accounts, including accounts opened under Pradhan Mantri Jan Dhan Yojana (PMJDY), are provided without any charges and there is no requirement to maintain minimum balance in these accounts.

Further, by end-December 2017, there were 53.3 crore BSBD accounts, including 30.84 crore Jan-Dhan accounts for which there are no charges for maintaining the minimum balance.

As per latest information received from banks, the details of charges collected by banks for not maintaining minimum balance during the last four years is given in Annexure.

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Annexure as referred to in reply to the Lok Sabha question no. 2976 for 3.8.2018 regarding Maintaining Minimum Balance					
Sl. No.	Name of the Bank	Amount of charges collected for not maintaining minimum balance during the last four years (Amount in crore)			
		2014-15	2015-16	2016-17	2017-18
<b>Major Private Sector Banks</b>					
1	Axis Bank	409.59	360.66	409.66	530.12
2	HDFC Bank	545.62	547.67	619.39	590.84
3	ICICI Bank	350.77	326.6	352.23	317.6
<b>Public Sector Banks</b>					
1	Allahabad Bank	17.79	26.75	24.34	16.16
2	Andhra Bank	51.89	48.08	48.02	48.42
3	Bank of Baroda	41.02	46.68	11.62	10.94
4	Bank of India	35.92	25.02	16.44	17.35
5	Bank of Maharashtra	72.61	93.18	50.54	19.17
6	Canara Bank	121.87	133.27	128.24	118.11
7	Central Bank of India	54.06	55.54	56.58	173.92
8	Corporation Bank	27.01	37.91	38.91	24.29
9	Dena Bank	13.28	11.84	14.15	18.25
10	IDBI Bank Ltd.	NA	85.27	106.65	80.95
11	Indian Bank	22.48	27.48	41.01	88.38
12	Indian Overseas Bank	61.14	54.25	87.95	41.95
13	Oriental Bank of Commerce	24.32	30.17	46.96	131.48
14	Punjab & Sind Bank	0.72	0.81	0.78	0.97
15	Punjab National Bank	107.9	116.49	164.22	210.76
16	State Bank of India ##	nil	nil	nil	2433.87
17	Syndicate Bank	37.96	39.79	47.5	57.54
18	UCO Bank	32.8	20.31	7.24	5.47
19	Union Bank of India	48.28	40.02	41.13	46.11
20	United Bank of India	7.16	7.95	5.67	5.83
21	Vijaya Bank	0.06	0.06	0.06	1.07

Source: Banks

## Note: The monthly average balance requirement was charged by SBI till 2012. Subsequently, SBI stopped charging for the same till 31.3.2016 while other banks, including Private Banks were charging as per their Board-approved policy. It was reintroduced by SBI with effect from 1.4.2017. The minimum balance requirements were subsequently reduced with effect from 1.10.2017. It is also clarified that there is no minimum balance requirement for Basic Savings Bank Deposit Accounts and Jan-Dhan accounts.