

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

**UNSTARRED QUESTION No. 2280**

ANSWERED ON MONDAY, JULY 8, 2019/ ASHADHA 17, 1941 (SAKA)

**BANK SERVICE CHARGES**

2280. SHRI BHAGWANTH KHUBA: DR. HEENA GAVIT:  
SHRI KULDEEP RAI SHARMA: SHRIMATI SUPRIYA SULE:  
DR. SUBHASH RAMRAO BHAMRE: SHRI SUNIL DATTATRAY TATKARE:  
DR. AMOL RAMSING KOLHE:

Will the Minister of FINANCE be pleased to state:

- (a) the details of basic common facilities provided by nationalized banks free of charge to its customers;
- (b) whether different banks charge different fees and surcharges for various services from the customers;
- (c) if so, whether the Government has taken any steps to make all the nationalized banks to charge uniformly on different fees and service charges imposed by them, if so, the details thereof;
- (d) whether the RBI charges processing and time varying charges from banks for outward transactions through the RTGS and NEFT, if so, the quantum of charges collected by RBI during each of the last three years and the current year; and
- (e) whether the RBI now plans to waive off these charges, if so, the details thereof and the objective behind the move and the other steps taken by the Government to educate people to use NEFT and RTGS while carrying out their bank transaction?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) to (c) As per extant guidelines of Reserve Bank of India (RBI), following basic minimum facilities to the Basic Savings Bank Deposit Account (BSBDA) are provided free of charge and without any requirement for maintaining minimum balance in the account:

- i. Deposit of cash at bank branch as well as ATMs/Cash Deposit Machines (CDMs).
- ii. Receipt/ credit of money through any electronic channel or by means of deposit /collection of cheques drawn by Central/State Government agencies and departments.
- iii. No limit on number and value of deposits that can be made in a month.
- iv. Minimum of four withdrawals in a month, including ATM withdrawals.
- v. ATM Card or ATM-cum-Debit Card.

Accordingly, as on March, 2019 the above facilities are provided to 57.3 crore BSBD accounts (including 35.27 crore PMJDY accounts) free of charge.

In addition to the above, banks may provide additional value-added services, including issue of cheque book, beyond the above minimum facilities, which may/may not be priced (in non-discriminatory manner) subject to disclosure. The availment of such additional services are to made at the option of the customers. However, while offering such additional services, banks shall not require the customer to maintain a minimum balance and offering such additional services would also not make BSBD account a non-BSBD Account, so long as the prescribed minimum services are provided free of charge by the banks.

For accounts other than BSBD accounts, as per Reserve Bank of India (RBI)'s Master Circular on "Customer Service in Banks" dated July 1, 2015, 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. Banks have been advised to identify basic services and the principles to be adopted/ followed by them for ensuring reasonableness in fixing such charges. They are also advised to take steps to ensure that customers are made aware of the service charges upfront and changes in the service charges are implemented only with the prior notice to the customers.

(d) and (e) The Reserve Bank of India (RBI) vide its circular on 'National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS) systems – Waiver of charges' dated 11.06.2019, has decided that with effect from July 1, 2019, processing charges and time varying charges levied on banks by RBI for outward transactions undertaken using the RTGS system, as also the processing charges levied by RBI for transactions processed in NEFT system would be waived by the Reserve Bank. The banks are also advised by RBI to pass on the benefits to their customers for undertaking transactions using RTGS and NEFT systems.

The quantum of charges (Rs in crore) collected by RBI since 2016-17 is as follows:

Year (April to March)	RTGS		NEFT	Total
	Membership Charges	Processing + Time Varying Charges	NEFT Clearing house Charges	
FY 2016-17	0.89	45.94	38.71	85.54
FY 2017-18	0.94	52.30	46.28	99.52
FY 2018-19	0.99	56.37	52.92	110.29
FY 2019-20 (April-June)	0.25	14.69	13.62	28.56

Source: RBI

This waiver of processing and time varying charges by RBI on banks will accordingly reduce the cost of RTGS and NEFT transactions for the customers and will give fillip to digital fund movement.

Following RBI guidelines, rural branches and Financial Literacy Centres (FLCs) of banks conduct camps for financial literacy across the country. Rural branches and FLCs of banks have been advised by RBI to use the audio visuals on basic financial awareness messages inter-alia including electronic payment systems NEFT/RTGS prepared by National Centre for Financial Education.

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