

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

**UNSTARRED QUESTION No. 1924**

TO BE ANSWERED ON TUESDAY, DECEMBER 21, 2018/AGRAHAYANA 30, 1940 (SAKA)

**Restrictions on ATM Transactions**

**1924. SHRI DIBYENDU ADHIKARI:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government levied charges on bank deposits for non-maintenance of minimum balances in their accounts and restricted number of Automated Teller Machine (ATM) transactions and withdrawal limits, if so, the details thereof and the reasons therefor;
- (b) the amount of levy charges on below minimum balance and over ATM transactions by the Public Sector Banks during the last three financial years; and
- (c) whether the Government proposes to withdraw 50 per cent of total ATM services in the country by March, 2019 and if so, the reasons therefor?

**Answer**

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

(a) Following Reserve Bank of India (RBI) guidelines, banks provide basic banking services through Basic Savings Bank Deposit (BSBD) accounts, including accounts opened under Pradhan Mantri Jan DhanYojana (PMJDY), without any charges. Following basic minimum services are also available to BSBD account holders including PMJDY account holders free of cost:

- ❖ Deposit, monthly maximum 4 withdrawals including ATM withdrawals, receipt/credit of money through electronic payment channels or by means of collection/deposit of cheques. Also there is no requirement to maintain minimum balance in these accounts.

Reserve Bank of India (RBI) vide its Master Circular on "Customer Service in Banks" dated July 1, 2015, has permitted banks 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.

Further, as per RBI's direction on 'Usage of ATMs – Rationalization of number of free transactions', dated 14.08.2014, a minimum of 3 free transactions at any other bank's ATMs at six metro location, viz. Mumbai, New Delhi, Chennai, Kolkata, Bengaluru and Hyderabad and a minimum of 5 free ATM transactions at a bank's own ATM at any other location is permitted during a month.

Beyond this minimum number of free ATM transactions, banks have their Board approved policy on charges from customers on ATM transactions, subject to a cap on customers' charges of Rs.20 per transaction.

(b) The amount of levy of charges by Public Sector Banks for non maintenance of minimum balance and additional number of ATM transactions beyond the permitted free transactions during the last three financial years is provided at **Annex-I and Annex-II** respectively.

(c) As apprised by the Public Sector Banks (PSBs), they do not have any plan to shut down their ATMs.

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## Annexure-I

Annexure-I as referred to in reply to the Lok Sabha question no. 1924 for 21.12.2018 regarding Restrictions on ATM Transactions

BANK	The amount of charges collected by Public Sector Banks for non-maintenance of minimum balance in Saving Bank accounts (Amount in Rs.Crore)			
	2015-16	2016-17	2017-18	2018-19 (Upto September 2018)
Allahabad Bank	26.75	24.34	16.16	7.31
Andhra Bank	47.16	56.85	56.80	28.32
Bank of Baroda	67.51	104.94	88.85	66.59
Bank of India	25.06	16.44	17.35	9.41
Bank of Maharashtra	93.18	50.54	19.17	18.34
Canara Bank	117.16	106.58	91.33	36.42
Central Bank of India	55.54	56.58	180.93	55.02
Corporation Bank	37.91	38.91	25.28	11.91
Dena Bank	11.84	14.15	18.25	4.53
IDBI Bank Ltd.	85.27	106.65	80.95	24.59
Indian Overseas Bank	54.25	77.57	41.95	7.19
Indian Bank	27.48	41.01	88.38	74.55
Oriental Bank of Commerce	21.37	33.02	97.55	37.99
Punjab & Sind Bank	BANK HAS NO CHARGE			
Punjab National Bank	98.10	130.64	151.67	112.36
State Bank of India ##	NIL	NIL	2433.87	459.88
Syndicate Bank	39.79	47.50	57.54	21.86
UCO Bank	14.55	3.65	2.79	0.58
Union Bank of India	11.48	12.88	17.17	9.17
United Bank of India	6.41	3.56	2.46	1.01
Vijaya Bank	0.60	0.55	1.07	2.12

## 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.

## Annexure-II

Annexure-II as referred to in reply to the Lok Sabha question no. 1924 for 21.12.2018 regarding Restrictions on ATM Transactions

BANK	The amount of charges collected by Public Sector Banks for additional number of ATM transactions beyond the permitted free ATM transactions (Amount in Rs. Crore)			
	2015-16	2016-17	2017-18	2018-19 (Upto September 2018)
Allahabad Bank	1.58	1.72	2.33	1.24
Andhra Bank	35.79	34.92	45.93	27.45
Bank of Baroda	51.34	51.29	52.75	27.07
Bank of India	103.35	121.94	158.38	80.33
Bank of Maharashtra	17.31	20.75	22.90	15.97
Canara Bank	0.09	1.37	87.27	63.13
Central Bank of India	38.90	40.52	58.31	35.00
Corporation Bank	25.23	33.37	31.86	19.13
Dena Bank	8.38	6.42	13.85	9.44
IDBI Bank Ltd.	30.98	27.84	37.67	19.66
Indian Overseas Bank	29.01	21.80	28.71	20.07
Indian Bank	38.51	35.80	43.50	26.50
Oriental Bank of Commerce	15.19	13.27	16.09	8.52
Punjab & Sind Bank	1.19	3.77	4.48	3.01
Punjab National Bank	87.80	80.73	102.80	51.84
State Bank of India	318.00	337.00	539.00	360.00
Syndicate Bank	26.90	17.07	39.49	23.20
UCO Bank	NIL	NIL	6.64	13.21
Union Bank of India	63.51	59.41	76.20	41.89
United Bank of India	10.89	11.06	19.89	11.74
Vijaya Bank	17.69	18.08	25.24	13.53

## Source: Banks