

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA

UNSTARRED QUESTION NO. 397

ANSWERED ON TUESDAY, FEBRUARY 3, 2026/ 14 MAGHA, 1947 (SAKA)

ADDITIONAL CHARGES LEVIED BY PROFITABLE BANKS ON BASIC BANKING SERVICES

397 DR. MEDHA VISHRAM KULKARNI:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government is aware that several profitable banks continue to levy additional charges on basic banking services such as ATM usage, minimum balance maintenance and digital transactions;
- (b) whether Government proposes to issue directions to profitable banks to rationalise or remove such charges in the interest of common citizens;
- (c) whether any assessment has been made on the impact of these charges on low-income and rural account holders; and
- (d) the corrective steps taken or proposed to ensure affordable and inclusive banking services?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d): The levy of service charges by banks, including charges relating to ATM transactions beyond the prescribed free limits and for non-maintenance of minimum balance in savings bank accounts, is governed by banks' Board-approved policies and the extant instructions of the Reserve Bank of India (RBI), which require that such charges have to be reasonable, transparent, and aligned with the cost of providing the services.

Further, banks offer zero-balance savings accounts, including Basic Savings Bank Deposit Accounts (BSBDAs) and accounts opened under the Pradhan Mantri Jan Dhan Yojana (PMJDY), which do not require maintenance of any minimum balance and provide basic banking services such as deposits, withdrawals, and ATM access free of charge, without levy of penal charges for non-maintenance of minimum balance.

Further, Public Sector Banks have waived or rationalised minimum balance charges in regular savings bank accounts in accordance with their Board-approved policies and commercial considerations to enhance customer centricity.

With regard to low-income and rural account holders, their interests are addressed through the availability of zero-balance accounts and prescribed free limits for basic banking services. RBI exercises supervisory oversight over banks' practices, and the Government, in consultation with RBI, continues to engage with banks through expansion of digital banking infrastructure and financial literacy / financial inclusion initiatives to promote affordable and inclusive access to banking services to all.
