

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UN-STARRED QUESTION No. 1317
TO BE ANSWERED ON 9 FEBRUARY 2018 (FRIDAY)/MAGHA 20, 1939 (SAKA)

Penalties by SBI

1317: SHRI MALLIKARJUN KHARGE:

Will the Minister of FINANCE be pleased to state:

- (a) whether the State Bank of India (SBI) has levied various penalties and charges on its account holders;
- (b) if so, the details thereof;
- (c) whether these charges cause hardship to account holders, if so, the details thereof;
- (d) the total earning of SBI by these penalties till date;
- (e) whether the Government is going to take necessary steps to wean off unnecessary penalties; and
- (f) if so, the details thereof and if not, the reasons therefor?

Answer

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

(a) & (b) As per Reserve Bank of India's (RBI) extant instructions, Scheduled Commercial Banks may decide the charges for various services rendered by them as per their Board approved policy. While fixing the same, banks are to ensure that the charges are reasonable and in line with the average cost of providing these services. The detail of various charges applicable to retail Saving Bank account-holders as informed by SBI are at Annexure.

(c) As informed by SBI, more than 13 crore Basic Savings Bank Deposit (BSBD) account-holders including Jan Dhan account-holders are provided basic banking services free of cost. The regular savings bank account-holders of SBI are allowed to (i) deposit in own account through cash deposit machines using card or receive credit to the account through transfer or clearing or other digital modes unlimited number of times, (ii) cash deposit at branch 3 times in a month, (iii) withdraw cash from ATMs 8 times in a month in 6 metro centres (5 at SBI ATMs and 3 at other Banks' ATMs) and 10 times in a month in non-metro centres (5 at SBI ATMs and 5 at other Banks' ATMs), (iv) debit through internet / mobile banking transactions at least 20 times in a month, (v) withdraw cash from branch at least 2 times in a month free of charge. SBI has informed that for an individual savings bank account-holder, this is considered to be more than adequate.

(d) to (f) As informed by SBI, an amount of Rs.2,127 crore has been earned on account of various charges by the bank till 31.12.2017, in the current financial year.

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. While it was reintroduced by SBI with effect from 1.4.2017, the minimum balance requirements and the charges were subsequently reduced by SBI with effect from 1.10.2017.

Annexure in reply to part (a) & (b) of the Lok Sabha un-starred question no. 1317 for 9.2.2018 regarding 'Penalties by SBI'

Service charges of State Bank of India

Sl. No.	Services	Limit up to which the service is available free	Applicable charge beyond free transactions
1	Deposit:		
1.1	Cash deposit at Branch (home / non-home branch)	3 per month	Rs. 50 + applicable tax
1.2	Deposit in own account through Cash Deposit machines using card	Unlimited	No charge
1.3	Credits to the account through transfer / clearing / other digital modes	Unlimited	No charge
2.	Debit / Withdrawal		
2.1	For Basic Savings Bank Account Holders	<ul style="list-style-type: none"> 4 transactions in a month including ATM withdrawals 	No further customer debit allowed beyond 4 in a month.
2.2	At branch	<ul style="list-style-type: none"> 2 withdrawals per month if previous month's average balance (MAB) is less than Rs. 25,000. 10 withdrawals per month if previous MAB is less than Rs. 50,000 but greater than Rs. 25,000. 15 withdrawals per month if previous MAB is less than Rs. 1,00,000 but greater than Rs. 50,000. Unlimited if previous MAB is greater than Rs. 1,00,000 	Rs. 50 + applicable tax
2.3	At ATM (if previous month's average balance is less than Rs. 25,000)	<ul style="list-style-type: none"> In 6 metro cities: 5 withdrawals in SBI ATMs and 3 withdrawal in other banks' ATMs. Other centres: 5 withdrawals in SBI ATMs and 5 withdrawals in other banks' ATMs. 	<ul style="list-style-type: none"> Rs. 10 + applicable tax (at SBI ATMs) Rs. 20 + applicable tax (at other banks' ATMs)
2.4	Internet / mobile banking	<ul style="list-style-type: none"> 20 debits per month if previous month's average balance is less than Rs. 1,000. 40 debits per month if previous month's average balance is less than Rs. 25,000 but more than Rs. 1,000. Unlimited if previous month's average balance is greater than Rs. 25,000 	Rs. 5 + applicable tax

Source: SBI