

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO. 2785

TO BE ANSWERED ON MONDAY, AUGUST 7, 2023/ 16 SRAVANA , 1945 (SAKA)

CHARGES BY COMMERCIAL BANKS

2785. SHRI K. MURALEEDHARAN:
SHRI BENNY BEHANAN:
SHRI RAJIV RANJAN SINGH ALIAS
LALAN SINGH:
SHRI DINESH CHANDRA YADAV:

Will the Minister of Finance be pleased to state:

- (a) whether there is a fine of rupees one thousand for not linking PAN with Aadhaar;
- (b) whether the Government is aware that commercial banks are taking extra charges for SMS, cash deposits, ATM transactions to withdraw cash more than three times from other Bank ATMs and for not maintaining a minimum balance in saving/current accounts;
- (c) if so, the details thereof;
- (d) whether the Government has taken cognizance of the fact that service charges levied by banks are not affordable for the poorer sections/citizens and if so, the Government proposed to establish system to regulate service charges imposed by the banks; and
- (e) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) Section 139AA(2) of the Income-tax Act, 1961 (hereinafter called 'the Act') requires that any person who has been allotted PAN prior to 01.07.2017 is required to intimate his Aadhaar number to the prescribed authority before 31.03.2022. Further, Section 234H of the Act prescribes that a person who fails to intimate his Aadhaar number before the prescribed date (i.e. 31.03.2022), shall be liable to pay the fee as may be prescribed, at the time of intimation of Aadhaar Number.

Sub-Rule (5A) of Rule 114 of the Income-Tax Rules, 1962 prescribes such fee to be an amount equal to five hundred rupees where intimation is made upto 30.06.2022 and one thousand rupees in the case where intimation is made after 30.06.2022.

(b) to (e) 1. In terms of Reserve Bank of India (RBI) circular no. RBI/2018-19/206 dated June 10, 2019 on 'Financial Inclusion' - Access to banking services - Basic Savings Bank Deposit Account (BSBDA)', banks have been advised to offer the following minimum facilities in the BSBD account, free of charge, without any requirement of minimum balance.

- 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.

The BSBD account shall be considered a normal banking service available to all.

2. RBI's Master Circular no. RBI/2015-16/59 on "Customer Service in Banks" dated 1st July, 2015 provides that banks are permitted to fix penal charges regarding non-maintenance of minimum balance in savings account, as per their Board approved policy, while ensuring that all such penal charges are reasonable and not out of line with the average cost of providing the services. Vide said circular, RBI, inter-alia, further advised banks to ensure reasonableness and equity in the charges levied by banks for sending SMS alerts to customers. Further, banks have been advised to leverage the technology available with them and the telecom service providers to ensure that such charges are levied on all customers on actual usage basis.

3. In terms of the RBI circular no. RBI/2021-22/52 dated June 10, 2021, bank customers are eligible for five free transactions (inclusive of financial and non-financial transactions) every month from their own bank ATMs. They are also eligible for free transactions (inclusive of financial and non-financial transactions) from other bank ATMs viz. three transactions in metro centres and five transactions in non-metro centres. Beyond the free transactions, the ceiling/cap on customer charges is ₹21 per transaction, with effect from January 01, 2022.
