

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 3539

ANSWERED ON MONDAY, AUGUST 11, 2025/ SRAVANA 20, 1947 (SAKA)
WAIVERS ON MINIMUM BALANCE CHARGES

3539. Shri Dhairyasheel Sambhajirao Mane:

Shri Chavan Ravindra Vasantrao:

Shri Manish Jaiswal:

Shri Sudheer Gupta:

Will the Minister of FINANCE be pleased to state:

- (a) whether Public Sector Banks (PSBs) have recently announced or implemented waivers on minimum balance fees/charges to encourage savings accountholders to maintain their accounts with the banks and if so, the details thereof;
- (b) the rationale behind the decision and the expected impact on financial inclusion and customer retention;
- (c) whether the Government is providing/proposes to provide any financial support or incentives to PSBs to implement such measures and if so, the details thereof;
- (d) the details of estimated financial impact on the banks due to waiver of these fees/charges; and
- (e) the details of other measures taken/being taken by the Reserve Bank of India and Public Sector Banks to maintain CASA (Current Account and Saving Account) ratio and retain customers?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (e): The minimum balance fees/charges in savings accounts of customers are levied by the banks as per their board approved policy and within the guidelines issued by the Reserve Bank of India (RBI). The RBI circulars dated, 20.11.2014 and 1.7.2015 permit banks to levy service charges, including, *inter alia*, for non-maintenance of minimum balance in savings accounts, subject to the condition that such charges must be reasonable and not out of line with the average cost of providing the services. Banks may remove the charges or charge lower than their service cost, depending upon their board approved policy and commercial wisdom.

As part of financial inclusion objectives, RBI has advised the banks to offer a 'Basic Savings Bank Deposit Account (BSBDA)' to their customers, subject to certain conditions, wherein there shall not be any requirement to maintain a minimum balance. Additionally, certain basic banking facilities, such as, deposits, withdrawals, ATM cards, etc. are to be provided in such accounts without any charges.

Further, banks also open accounts under Pradhan Mantri Jan Dhan Yojana without any minimum balance requirement.

In alignment with the spirit of financial inclusion and implement customer centric banking, most Public Sector Banks (PSBs) have removed their minimum balance charges in general savings bank accounts also, while some have rationalised, as per their board approved policy. The charges are removed/rationalised as part of their business strategy with the commercial wisdom, in view of the perceived benefits which may arise in terms of growth in deposits, among others.

PSBs have also implemented a multi-pronged strategy to attract CASA (Current Account and Savings Account) deposits and to strengthen customer retention, including, *inter alia*, the following —

- (i). Continuous product innovation and segment specific product offerings using analytics to drive customer retention;
- (ii). Smooth and seamless onboarding of customers by leveraging technology, like use of Video KYC, digital KYC verification;
- (iii). Strategic approach for retention of existing deposits and new deposit acquisition and digitally enabled customer offerings;
- (iv). Financial outreach programs / business campaigns; and
- (v). Enhancement of access to mobile and Internet banking through increase in average number of services offered, customer-friendly features, and regional languages available on the customer interface.