



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

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RBI/2012-13/131  
DPSS CO (EPPD) / 98 / 04.03.01 / 2012-13

July 13, 2012

Chairman and Managing Director /  
Chief Executive Officer of all banks participating in NEFT

Madam / Dear Sir,

**National Electronic Funds Transfer (NEFT) System - Rationalisation of customer charges**

Please refer to our [circular DPSS \(CO\) RTGS No.1008/04.04.002/2010-2011 dated November 03, 2010](#) rationalising the customer charges applicable on electronic payment products.

2. The NEFT system, introduced in 2005, has seen exponential growth in recent years reflecting its popularity as well as increasing customer acceptance. Despite such growth, it is, however, observed that many banks continue to levy the maximum permissible charges to their customers. It is desirable that the benefits accruing on account of increasing volume of transactions are passed on to the customers so as to incentivise greater use of the electronic payment system in place of cumbersome paper-based mechanism like cheques/DDs. It is also considered necessary to provide the large number of people being covered under the financial inclusion programmes affordable financial services through an efficient remittance mechanism like the NEFT.

3. Accordingly, on a review in consultation with stakeholders, it has been decided to rationalise the customer charges levied by the banks for NEFT transactions as under:

| Value Band                            | Maximum Charges<br>(exclusive of service tax) |
|---------------------------------------|---|
| Amounts up to ₹ 10,000/-              | ₹ 2.50/-                                      |
| Amounts from ₹ 10,001/- to ₹ 1 lakh   | ₹ 5/-   |
| Amounts above ₹ 1 lakh up to ₹ 2 lakh | ₹ 15/-  |
| Amounts above ₹ 2 lakh                | ₹ 25/-  |

4. It may be noted that the charges indicated above are the maximum that can be recovered by banks from their customers, if they so desire.
5. All member banks are advised to encourage customers to take advantage of this facility.
6. These charges will be effective from August 01, 2012.
7. These directions are issued by the Reserve Bank of India, in exercise of the powers conferred by Section 18 of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

Please acknowledge receipt and ensure compliance.

Yours faithfully,

(G. Srinivas)  
General Manager & Officer-in-Charge

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| <b>Related Press Release</b> |  |
| Jul 13, 2012                 | <a href="#">RBI rationalises customer charges for NEFT</a> |