Furthering Digital Payments – Waiver of Charges – National Electronic Funds Transfer (NEFT) System

A reference is invited to RBI circulars DPSS CO (EPPD)/98/04.03.01/2012-13 dated July 13, 2012 on National Electronic Funds Transfer (NEFT) System - Rationalisation of customer charges and DPSS (CO) RPPD No.2557/04.03.01/2018-19 dated June 11, 2019 on National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS) systems – Waiver of charges.

2. In order to give further impetus to digital retail payments, it has now been decided that member banks shall not levy any charges from their savings bank account holders for funds transfers done through NEFT system which are initiated online (viz. internet banking and/or mobile apps of the banks).

3. This directive is issued under Section 10 (2) read with Section 18 of the Payment and Settlement Systems Act, 2007 (Act 51 of 2007) and shall be effective from January 1, 2020.

Yours faithfully,

(P Vasudevan)
Chief General Manager