

# SBI transaction charges: Behemoth PSB lags Airtel Payments Bank, India Post

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After State Bank of India (SBI) waived charges on some low-value electronic transactions, the lender now is earning less on some such transactions compared with three of the four payments banks launched so far. SBI currently charges Rs 1 for National Electronic Funds Transfer (NEFT) transactions of up to Rs 10,000, while Immediate Payment Service (IMPS) transactions up to Rs 1,000 are free. Airtel Payments Bank earns 0.5% of the transferred amount in case the transfer is made to an account with another bank. This means the bank earns Rs 5 each time one of its account holders transfers Rs 1,000 to another bank's account through internet

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banking, a [mobile app](#) or the Unstructured Supplementary Service Data (USSD) channel. Transfers

within the bank are not charged.

While mobile-based NEFT transfers do not attract a charge at state-owned India Post Payments Bank (IPPB), IMPS transfers up to Rs 1 lakh are charged at Rs 4 per transaction. This means IPPB earns more than SBI on IMPS transactions of less than Rs 1,000, even though it earns a rupee less than the latter on transactions of between Rs 1,001 and Rs 1 lakh. Fino Payments Bank, which offers NEFT and IMPS, charges between Rs 5 and Rs 10 for mobile-based transfers to another bank's account, depending on different categories of savings accounts. Mobile-based transfers within the bank are free. The only payments bank that has so far left practically all electronic money transfers free is Paytm Payments Bank. It offers NEFT, IMPS and Unified Payments Interface (UPI)-based services.

These charges do not account for Goods and Services Tax (GST) rates that may apply to such transactions. Both the SBI's closest rivals in terms of asset base — HDFC Bank and ICICI Bank — charge Rs 2.50 for NEFT transactions of up to Rs 10,000, Rs 5 for transactions between Rs 10,001 and Rs 1 lakh, Rs 15 for transactions between Rs 1 lakh and Rs 2 lakh and Rs 25 for transfers of higher amounts. The charges for IMPS at both banks stand at Rs 5 for all transfers of up to Rs 1 lakh and Rs 15 for transfers of between Rs 1 lakh and Rs 2 lakh.

In a bid to encourage digital modes of payment for low-value transactions, the NPCI has been asking banks to reduce charges on such transactions. Last week, NPCI chief AP Hota had told FE that NPCI plans to reduce the charges that banks pay it for IMPS transactions of less than Rs 1,000 to 25 paise from 50 paise. This is subject to banks waiving interchange on such