

REVISED RATE OF INTEREST w.e.f. 20.02.2023

Tenor (Revised)	Our revised rate of Interest w.e.f. 20.02.2023 for Deposit up to and inclusive of Rs 1.00 Cr.
7 days to 14 days	3.25
15 days to 45 days	3.50
46 days to 90 days	4.00
91 to 180 days	4.50
181 days to 270	5.50
271 days- 1 year	5.75
1 year 1 day to 2 years	6.00
2 yrs 1 day to 3 years	6.50
3 years 1 day to 5 years	6.50
5 years 1 day upto 10 years	6.50

Above Rs 1.00 Cr deposit additional 0.25 % interest will be applicable. For deposit above Rs 5.00 Cr special rate will be considered on case to case basis by the management.

Saving Deposits

Reserve bank of India had also deregulated the interest rates on savings bank deposit rates from Oct 2011. Considering the trend of interest amongst other Nationalised and Private Banks we have decided to reduce the savings deposit's interest rate from 3.50 % to 3.25 %. Hence our new Savings rate will be 3.25% pa.

INTEREST RATE ON NRE

Reserve Bank of India has deregulated Interest Rates on Non Resident (External) Rupee (NRE) Deposits and Ordinary Non-Resident (NRO) Accounts w.e.f 16/12/2011 of maturity One year and above.

However, RBI has made it clear that interest rates offered by banks on NRE and NRO deposits cannot be higher than those offered by them on comparable domestic rupee deposits.

Before that RBI was giving guidelines for the revision of interest rates on Fixed Deposits of NRE and NRO to commercial banks.

The guidelines mentioned vide circular dtd. 23/11/2011 are mandatory however deregulation of interest guidelines are voluntary and at the discretion of the bank. However since January 2012 all PSB Banks and many private banks have started offering interest rate similar to like domestic deposits, the interest rates of few Banks are mentioned under for the perusal. We may also follow the policy of deregulation in line with other banks who offer Interest rates on NRE Deposits. Considering the trend of NRE deposits of other banks we may continue with our existing NRE rates as under:-

Tenors	AB Bank Proposed % p.a.
1 year to less Than 2 years	6.00
2 years to less than 3 years	6.50
3 years to less than 5 years	6.50
5 years and Above	6.50



As approved in the last ALCO Meeting senior citizens shall receive 0.50% additional interest in excess of the card rates for deposits more than 6 months, however this benefit will not be applicable to NRO and NRE Deposits

Rate for Senior Citizen Deposits:

- The period of deposit should be for 6 months & above, for availing benefit of additional rate applicable to Senior Citizens
- The Senior Citizen / Senior Citizen Staff/Ex-staff should be the first account holder and his/her age should be more than 60 Years at the time of placing the deposit.
- 0.50% p.a. additional rate of interest over and above card rates (for General Public) on their deposits below Rs.2 Crore.
- Additional Rate of Interest applicability on various Rupee Term Deposits

Type of Accounts	Additional Staff Rate applicable to Staff/Ex-Staff	Additional Senior Citizen Rate applicable to Senior Citizen/Ex-Staff Senior Citizen
HUF	Not Applicable	Not Applicable
NRE/NRO Deposits	Not Applicable	Not Applicable

In case of premature withdrawal, "the applicable rate of interest on the date of acceptance of deposit for the actual period for which the deposit has remained with the bank or contracted rate of interest whichever is LOWER less penalty of 0.50% p.a.

No interest will be paid for premature withdrawal below 7 days in case of Term Deposits, and below 12 months in case of NRE Deposits.

Deposits Accepted/ Renewed On or After Revision of above Interest Rate

In case of the deposits which have been prematurely closed for renewing for a longer period than the remaining period of the original contract tenure, there shall be "No penalty" for the premature withdrawal irrespective of the amount of the deposit., interest shall be paid at the rate applicable to the period for which the deposit remained with the bank without penalty for the amount reinvested, provided the reinvested deposit remains with the bank for a period longer than the remaining period of original deposit.

* No Penalty for the premature withdrawal of Term deposits due to death of depositor/s

* No penalty on premature withdrawals of Term Deposits by Staff, Ex- Staff, Staff/Ex-Staff Senior Citizens and spouse of deceased staff as a first account holder

TDS applicable on Term deposits (as per amendments in Finance Act 2015) -

TDS will be deducted on the interest earned on the total amount of deposits held by a customer in the Bank as a whole, and not on individual deposits held by him.



Fakhri Palgharwala
Chief Manager- Operations



Md. Soheab Imran
SVP & GM, Mumbai Branch