

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA
Unstarred Question No. 4726
To be answered on March 23, 2018/Chaitra 2, 1940 (Saka)

Interest Rates on Retail and Bulk Deposits.

QUESTION

4726. SHRI R.P. MARUTHARAJAA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any plan to hike interest rates on retail and bulk deposits, if so, the details thereof;
- (b) whether the increase in rate of interest is based on point basis on the bulk deposits and if so, the details thereof;
- (c) whether the State Bank of India (SBI) has announced any interest rates on the retail bulk deposits; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a) and (b): Reserve Bank of India (RBI) has informed that the interest rates on deposits have been deregulated and banks are free to fix the interest rates on deposits with the approval of their respective Boards subject to the instructions contained in RBI Master Direction entitled "RBI (Interest Rate on Deposits) Directions, 2016" issued vide DBR. Dir. No 84/13.03.00/2015-16 dated March 3.2016.

(c) and (d): Yes, Sir. State Bank of India has increased interest rates for retail term deposits (deposits below Rs. 1 crore) and for bulk term deposits (deposits of Rs. 1 crore to Rs. 10 crore and deposits of Rs. 10 crore and above) effective from 28th February, 2018. Details are Annexed.

Annexure to Lok Sabha Unstarred Question No. 4726

State Bank of India Retail term deposit interest rates (deposits below Rs. 1.00 crore):

(figures in %)

| Tenors | Previous Rates for public | Revised for Public w.e.f. 28.02.2018 | Previous Rates for Senior Citizen | Revised for Senior Citizen w.e.f. 28.02.2018 |
|-------------------------------|----------------------------------|---|--|---|
| 7 days to 45 days | 5.25 | 5.75 | 5.75 | 6.25 |
| 46 days to 179 days | 6.25 | 6.25 | 6.75 | 6.75 |
| 180 days to 210 days | 6.25 | 6.35 | 6.75 | 6.85 |
| 211 days to less than 1 year | 6.25 | 6.40 | 6.75 | 6.90 |
| 1 Year | 6.25 | 6.40 | 6.75 | 6.90 |
| Above 1 year to 455 days | 6.25 | 6.40 | 6.75 | 6.90 |
| 456 days to less than 2 years | 6.25 | 6.40 | 6.75 | 6.90 |
| 2 years to less than 3 years | 6.00 | 6.50 | 6.50 | 7.00 |
| 3 years to less than 5 years | 6.00 | 6.50 | 6.50 | 7.00 |
| 5 years and up to 10 years | 6.00 | 6.50 | 6.50 | 7.00 |

State Bank of India Bulk term deposit interest rates (Rs 1 crore to Rs. 10 crore)

| Tenors | Previous Rates for public | Revised for Public w.e.f. 28.02.2018 | Previous Rates for Senior Citizen | Revised for Senior Citizen w.e.f. 28.02.2018 |
|-----------------------|----------------------------------|---|--|---|
| 7 days to 45 days | 5.25 | 5.75 | 5.75 | 6.25 |
| 46 days to 179 days | 6.25 | 6.70 | 6.75 | 7.20 |
| 180 days to 210 days | 6.25 | 6.70 | 6.75 | 7.20 |
| 211 days to < 1Year | 6.25 | 6.75 | 6.75 | 7.25 |
| 1 Year to 455 days | 6.25 | 6.75 | 6.75 | 7.25 |
| 456 days to < 2 Years | 6.25 | 6.75 | 6.75 | 7.25 |
| 2 Years to < 3 Years | 6.00 | 6.75 | 6.50 | 7.25 |
| 3 Years < 5 Years | 6.00 | 6.65 | 6.50 | 7.15 |
| 5 Years to 10 years | 6.00 | 6.25 | 6.50 | 6.75 |

State Bank of India Bulk term deposits interest rates (above Rs. 10 Crore)

| Tenors | Previous Rates for public | Revised for Public w.e.f. 28.02.2018 | Previous Rates for Senior Citizen | Revised for Senior Citizen w.e.f. 28.02.2018 |
|-----------------------|----------------------------------|---|--|---|
| 7 days to 45 days | 5.25 | 5.75 | 5.75 | 6.25 |
| 46 days to 179 days | 6.25 | 6.70 | 6.75 | 7.20 |
| 180 days to 210 days | 6.25 | 6.70 | 6.75 | 7.20 |
| 211 days to < 1Year | 6.25 | 6.75 | 6.75 | 7.25 |
| 1 Year to 455 days | 6.25 | 6.75 | 6.75 | 7.25 |
| 456 days to < 2 Years | 6.25 | 6.75 | 6.75 | 7.25 |
| 2 Years to < 3 Years | 6.00 | 6.75 | 6.50 | 7.25 |
| 3 Years < 5 Years | 6.00 | 6.65 | 6.50 | 7.15 |
| 5 Years to 10 years | 6.00 | 6.25 | 6.50 | 6.75 |

Source: SBI