

**Master Circular**  
**Interest Rates on Rupee Deposits**

**Rate of Interest on Deposits**  
**(Domestic and NRO Deposits)\***

[Vide paragraphs 1, 4.1, 6.1, 6.2 & 6.3]

Category of Account	Per cent per annum
(i) Current	Not exceeding 0.5 @
(ii) Savings	3.5 @
(iii) <u>Term Deposits:</u>	Free
(a) Rs.15 lakh and above  (minimum period 7 days)	(rate may vary depending on the size of deposit)
(b) Below Rs.15 lakh  (minimum period 7 days)	Free (uniform for all customers)
<p><b>@</b> Urban co-operative banks (UCBs) are permitted to offer, at their discretion, additional interest not exceeding one percent and half percent per annum on savings bank deposits and current accounts respectively. As the above discretionary provisions generally lead to increase in the cost of their deposits, <b>UCBs are encouraged to implement the following measures</b></p> <p>(i) not to pay additional interest on savings bank accounts over and above what is payable by commercial banks;</p> <p>(ii) not to pay interest on current accounts.</p>	

\*Ordinary Non-Resident (NRO) deposits may be accepted only by such of the banks as have been authorised by Reserve Bank in this regard.