

ICICI Bank, HDFC hike deposit, lending rates

India's largest private sector lender ICICI Bank and biggest housing loan firm Housing Development Finance Corporation Ltd (HDFC) Monday decided to hike interest rates for their fixed deposits as well as consumer loans.

ICICI Bank said the interest rates on fixed deposits of less than Rs.1.50 million will go up by 0.5 percent to 1 percent from July 1. The bank's floating reference rate (FRR) for consumer loans including home loans will go up from 12.75 percent per annum to 13.50 percent.

The bank said existing fixed-rate loan customers whose loans have been fully disbursed will not be impacted by the increase and their contracted rates will remain unchanged.

The bank decided to increase its benchmark advance rate (I-Bar) from 15.75 percent (per annum, payable monthly) to 16.50 percent.

HDFC decided to increase the interest rate on deposits by 50 basis points on most maturities from July 1, a company spokesman told IANS.

On the lending front, the interest rate hike for existing customers will be 50 basis points and for new home loan customers in both fixed-rate and floating-rate segments the increase will be 0.75 basis points.

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