

FD - Interest calculation method of HDFC Bank

We compute interest based on the actual number of days in a year. In case, the deposit is spread over a leap and a non-leap year, the interest is calculated based on the number of days i.e. , 366 days in a leap year & 365 days in a non leap year.

Illustration:

No of days in the year 365	No. of days in the year 366 (Leap Year)
FD principal - 100000	FD principal - 100000
FD booking date – 01-01-2010	FD booking date – 01-01-2012
Rate of Interest – 8.00%	Rate of Interest – 8.00%
FD tenure – 150 days	FD tenure – 150 days
FD maturity date – 31-05-2010	FD maturity date – 30-05-2012
Interest paid – $100000 \times 150 \times 8\% / 365 = 3287.67/-$	Interest paid – $100000 \times 150 \times 8\% / 366 = 3278.69/-$

Penalty on Premature Closure of Fixed Deposit

As per the Terms & conditions of Fixed Deposit Accounts of the bank, the penalty on premature closure of Fixed Deposits including sweep-in and partial closure has been fixed by the Bank at the rate of 1% . This will be applicable with effect from 24th January 2011.

Change in Savings Account Interest Rate

Effective 11th June, 2020 the Interest Rate on Savings Account (Resident and Non resident) will be as below :

Savings Bank Balance	Revised rate of Interest w.e.f 11 th Jun'20
Rs 50 lakh and above	3.50%
Below Rs 50 lakh	3.00%

Please Note –

- The revised rate of interest will be applicable to Resident Savings (including Salary account) as well as Non Resident Savings Account
- Savings Bank interest will be calculated basis daily end of day clear balance maintained in the account as per the current process
- Savings Bank account interest will be continued to be paid at quarterly intervals