Hatton National Bank launches ‘Silverline’

Hatton National Bank has launched yet another novel savings scheme a scheme that guarantees a regular monthly income to the depositor after 7 years, while also paying interest above the ordinary savings rate.

Named “Silver Line”, the new deposit scheme is a long-term investment plan with relatively low periodic deposits. Deposits under this scheme could be made monthly, quarterly, half-yearly or annually in multiples of Rs.100 with a minimum of Rs.1,000 monthly, Rs.3,000 quarterly, Rs 6,000 half-yearly or Rs.12,000 annually. A lump sum of Rs. 100,000 or more could also be paid as an alternative to the periodic deposits.

After making regular deposits for a continuous period of 7 years, a depositor will be entitled to a regular income or can have the option of getting a lump sum payment. The deposits up to Rs. 100,000 will receive interest one percent above the normal savings rate, while those above Rs. 100,000 will receive interest at a rate two percent above the normal savings rate. In both cases, interest will be credited on a monthly basis.

According to the bank’s Assist ant General Manager Corporate Planning and Finance, Nihal Kekulawala, this new scheme will help the bank establish a long-term fund base, enhancing the bank’s ability to contribute to the national development. He said that often banks find it difficult to make long-term loans because of the short-term nature of their funds. Schemes like this could help to ease this situation.

Silverline also provides additional benefits such as life insurance and disability protection with no extra cost to the depositors.

The scheme launched towards the end of May has shown considerable progress with about 1000 accounts being opened todate, says the Assistant General Manager, Deposit Mobilization and Marketing, Chandula Abeywickrema. “We have had a good response even from places like Mannar, Nuwara Eliya and Batticaloa”, he said.

The scheme, primarily targetted at the middle income earners in the private sector, is also suitable for the employers who like to contribute something on behalf of their employees to enable them to enjoy a monthly income during their retirement, says Mr. T M Keyser, the Manager, Product Development.

“Similarly, if a person who gets a sudden wind-fall like a lottery prize, thinks of setting aside something for the future, this may be a fine opportunity”, he said.