

ICICI Bank Hikes Minimum Balance for New Metro, Urban Accounts to ₹50,000



ICICI Bank has announced higher average monthly balance (AMB) requirements for its savings accounts, effective August 1, 2025, aiming to align with market conditions and encourage higher deposit levels.

Under the revised structure, account holders in metro and urban branches must maintain an AMB of ₹50,000, up from the earlier ₹25,000. In semi-urban branches, the requirement has increased from ₹10,000 to ₹25,000, while in rural branches it has been raised from ₹2,000 to ₹10,000. These changes apply to new customers opening accounts from August 1 onward, while existing customers will continue under their current terms.

Certain categories remain exempt, including salary account holders and those with Basic Savings Bank Deposit Accounts (BSBDA), which are designed for financial inclusion. ICICI Bank has stated that customers failing to meet the new AMB may face non-maintenance charges, although exact penalty amounts were not detailed in the announcement.

According to the bank, the revised requirements are part of its strategic focus on attracting and retaining “premium” customers, while continuing to provide essential banking services for basic account holders. ICICI Bank is India’s third-largest private sector bank, serving millions of customers across the country through a network of more than 6,000 branches.

The move comes in contrast to some public sector peers. In 2020, the State Bank of India abolished its minimum balance requirement for all savings accounts, citing customer convenience and inclusion. Private sector banks, however, have largely maintained or increased

AMB thresholds in recent years, with similar figures seen in institutions such as HDFC Bank and Axis Bank for certain account categories.

Industry analysts suggest that ICICI Bank's revision reflects both operational cost considerations and efforts to strengthen low-cost deposit growth. Higher AMB thresholds can increase the bank's access to stable funding, which supports lending operations and digital service expansion.

For customers, the change means careful account monitoring to avoid penalties. ICICI Bank advises that account holders review their branch classification, metro, urban, semi-urban, or rural requirements vary by location. Customers can also explore account types that match their transaction needs to avoid unnecessary charges.

The bank's update shows the ongoing differences in approach between India's public and private sector banks, balancing profitability goals with customer accessibility.