

**LOK SABHA**  
**UNSTARRED QUESTION NO.1675**  
**TO BE ANSWERED ON MONDAY FEBRUARY 13, 2023/Magha 24, 1944 (Saka)**

**INTEREST RATE ON SMALL SAVING SCHEMES**

**1675. SHRIMATI SANGEETA KUMARI SINGH DEO:  
DR. JAYANTA KUMAR ROY:**

**Will the Minister of Finance be pleased to state:**

- (a) whether despite the RBI hiking repo rates by 190 basis points in the last nine months, rate of interest on small saving schemes like PPF, Sukanya Smridhi Accounts etc. has been increased less;
- (b) if so, the reasons therefor;
- (c) whether rate of interest on Fixed Deposits of Scheduled Commercial Banks has increased 2-3 percent in recent times whereas increase in rate of interest on small saving schemes are comparatively lower at 20-30 point basis;
- (d) if so, the details thereof and the reasons therefor;
- (e) whether rate of interest on PPF have been decreased by 1.7 percent over the last ten years and if so, the details thereof and the reasons therefor; and
- (f) the other steps being taken by the Government for increasing the rate of interest on small savings schemes?

**ANSWER**

**MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)**

(a) to (f) Interest rates on select Small Savings Schemes were last revised for Q4 of FY 2022-23. Details of the prevailing interest rates on Small Savings Schemes are annexed.

Several factors determine the interest rates that are applicable on Small Savings Schemes. These, *inter-alia* includes, recommendations of Syamala Gopinath Committee, existence of taxation benefits for small investors and resultant rates(s) of return, interest cost, etc.

Prevailing interest rates on Small Savings Schemes are better than those being offered through similar financial instruments being made available by leading Scheduled Commercial Banks. Rates applicable on Small Savings Schemes are being periodically revised.

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Interest rates notified for Small Savings Schemes

Name of schemes	Rates (%) notified in FY 2022-23			
	Q1	Q2	Q3	Q4
Savings Account	4.0	4.0	4.0	4.0
1 Year Time Deposit	5.5	5.5	5.5	6.6
2 Year Time Deposit	5.5	5.5	5.7	6.8
3 Year Time Deposit	5.5	5.5	5.8	6.9
5 Year Time Deposit	6.7	6.7	6.7	7.0
5 Year Recurring Deposit	5.8	5.8	5.8	5.8
5 Year Senior Citizens Savings Scheme	7.4	7.4	7.6	8.0
5 Year Monthly Income Account	6.6	6.6	6.7	7.1
5 Year National Savings Certificate	6.8	6.8	6.8	7.0
Public Provident Fund	7.1	7.1	7.1	7.1
Sukanya Samriddhi Account Scheme	7.6	7.6	7.6	7.6
Kisan Vikas Patra	6.9	6.9	7.0	7.2

Note: Q1 – April, 1 to June, 30

Q2 – July, 1 to September, 30

Q3 – October, 1 to December, 31

Q4 – January, 1 to March, 31