OFFICE MEMORANDUM

Subject: Revision of interest rates for Small Savings Schemes.

The undersigned is directed to refer to this Department's OM of even number dated 16th February, 2016, vide which the various decisions taken by the Government regarding interest fixation for small savings schemes were communicated to all concerned.

2. On the basis of the decision of the Government, interest rates for small savings schemes are to be notified on quarterly basis. Accordingly, the rates of interest on various small savings schemes for the third quarter of financial year 2016-17 starting on 1st October, 2016 and ending on 31st December, 2016, on the basis of the interest compounding/payment built-in in the schemes, shall be as under:

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Rate of interest w.e.f. 01.07.2016 to 30.9.2016</th>
<th>Rate of interest w.e.f. 01.10.2016 to 31.12.2016</th>
<th>Compounding frequency*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings Deposit</td>
<td>4.0</td>
<td>4.0</td>
<td>Annually</td>
</tr>
<tr>
<td>1 Year Time Deposit</td>
<td>7.1</td>
<td>7.0</td>
<td>Quarterly</td>
</tr>
<tr>
<td>2 Year Time Deposit</td>
<td>7.2</td>
<td>7.1</td>
<td>Quarterly</td>
</tr>
<tr>
<td>3 Year Time Deposit</td>
<td>7.4</td>
<td>7.3</td>
<td>Quarterly</td>
</tr>
<tr>
<td>5 Year Time Deposit</td>
<td>7.9</td>
<td>7.8</td>
<td>Quarterly</td>
</tr>
<tr>
<td>5 Year Recurring Deposit</td>
<td>7.4</td>
<td>7.3</td>
<td>Quarterly</td>
</tr>
<tr>
<td>5 Year Senior Citizens Savings Scheme</td>
<td>8.6</td>
<td>8.5</td>
<td>Quarterly and paid</td>
</tr>
<tr>
<td>5 year Monthly Income Account Scheme</td>
<td>7.8</td>
<td>7.7</td>
<td>Monthly and paid</td>
</tr>
<tr>
<td>5 Year National Savings Certificate</td>
<td>8.1</td>
<td>8.0</td>
<td>Annually</td>
</tr>
<tr>
<td>Public Provident Fund Scheme</td>
<td>8.1</td>
<td>8.0</td>
<td>Annually</td>
</tr>
<tr>
<td>Kisan Vikas Patra</td>
<td>7.8 (will mature in 110 months)</td>
<td>7.7 (will mature in 112 months)</td>
<td>Annually</td>
</tr>
<tr>
<td>Sukanya Samriddhi Account Scheme</td>
<td>8.6</td>
<td>8.5</td>
<td>Annually</td>
</tr>
</tbody>
</table>

* No change

3. This has the approval of Finance Minister.

Deputy Secretary to the Government of India
Tele: 01123092326

To:

1. The Secretary,
   Department of Expenditure
   North Block
   New Delhi.

2. The Secretary,
   Department of Revenue
   North Block
   New Delhi.
3. The Secretary, Department of Posts
Dak Bhawan
New Delhi.

4. The Secretary, Department of Financial Services
Jeevandeep Building
Parliament Street, New Delhi.

5. The Director, National Savings Institute
Nagpur.

6. Chief General Manager, Department of Govt. & Bank Accounts
Reserve Bank of India
Central Office
Mumbai.

7. Reserve Bank of India
Central Accounts Section
Additional Office Section
East High Court Road
Nagpur-440001.

8. Chief Secretaries of States/UT Governments.