

PPF, small savings to fetch more from Apr 1

The government on Monday raised interest rates on post office-operated small savings like Monthly Income Scheme (MIS) and Public Provident Fund (PPF) by up to 0.5 per cent, making them more attractive to investors.

Interest rates on time deposits of one and two years have been increased by 0.5 per cent each to 8.2 per cent and 8.3 per cent respectively, while rates for popular MIS has been hiked by 0.3 per cent to 8.5 per cent, an official release said.

Interest rate on **PPF** has been increased by 0.2 per cent to 8.8 per cent.

The new rates will be effective from April 1, 2012 and will remain valid during 2012-13.

There has been no change in the savings deposit rate which has been retained at 4 per cent.

<u>Scheme</u>	<u>Rate of Interest w.e.f. 1.12.2011</u>	<u>Rate of Interest w.e.f. 1.4.2012</u>
Savings Deposit	4.0	4.0
1 year Time Deposit	7.7	8.2
2 year Time Deposit	7.8	8.3
3 year Time Deposit	8.0	8.4
5 year Time Deposit	8.3	8.5
5 year Recurring Deposit	8.0	8.4
5 year SCSS	9.0	9.3
5 year MIS	8.2	8.5
5 year NSC	8.4	8.6
10 year NSC	8.7	8.9
PPF	8.6	8.8

(Source: Business Today)