

Annex 11: Administered Interest Rates: Actual and the Recommended Rates#

(Per cent)

Schemes	Tenor	Present Interest Rate on Small Savings 2003-04	As per the Reddy Committee 2003-04	As per the Current Committee 2003-04	As per Current Committee 2004-05	Recommended Rate for 2004-05 with 100 bps Cap	To be Continued / Discontinued
Post Office Savings A/c	Open-ended	3.50	3.50	3.50	3.50	3.50	Continued
Post Office Time Deposit 1 Year 2 Year 3 Year 5 Year	1-5 Years	6.25 6.50 7.25 7.50	6.50 6.75 6.75 7.00	7.25 7.25 7.50 7.75	6.00 6.00 6.00 6.25	6.00 6.00 6.25* 6.50*	Continued
Post Office Recurring Deposits	5 Year	7.50	7.00	7.75	6.25	6.50*	Continued
Post Office Monthly Income Scheme (MIS)	6 Year	8.00	7.25	8.00	6.50	7.00*	Continued
National Savings Certificate (6-year) (NSC VIII Issue)	6 Year	8.00	7.25	8.00	6.50	7.00*	Discontinued
Kissan Vikas Patra	8 Year 7 Months	8.00	7.50	8.25	6.50	7.00*	Discontinued

Schemes	Tenor	Present Interest Rate on Small Savings 2003-04	As per the Reddy Committee 2003-04	As per the Current Committee 2003-04	As per Current Committee 2004-05	Recommended Rate for 2004-05 with 100 bps Cap	To be Continued / Discontinued
Deposit Scheme for Retiring Govt. Employees, 1989	3-year	7.00	5.50	7.50	6.00	6.00	Be replaced by Dada-Dadi Schemes
Govt. Savings Bond@ (5-year) [tax free]	5 Year	6.50	4.25	6.50	4.00	5.50*	Discontinued
Govt. Savings Bond (6-year) [taxable]	6 Year	8.00	5.75	8.00	6.50	7.00*	Continued
Public Provident Fund (15-year)	15 Year	8.00	6.00	8.75	7.00	7.00	Continued

#: Rounded of to the Nearest 25 bps Interval

*: Since the Rate Arrived using the Formula Suggested by the Committee is Leading to the Adjustment of Administered Interest Rate for 2004-05 to more than 100 bps over the Actual Rate Set for the Previous Year, the Cap Suggested by the Committee is Binding for those Schemes.

@: Recommended Rate on GoI Savings Bond (Tax-free) 2003 is obtained using the Same Spread below the Tax-Free Bond for 2003-04