



Public Provident Fund Account

15 year Public Provident Fund Account (PPF)

Interest payable, Rates, Periodicity etc.

From 01.04.2020, interest rates are as follows:-

- 7.1 % per annum (compounded yearly).

Minimum Amount for opening of account and maximum balance that can be retained

Minimum INR. 500/- Maximum INR. 1,50,000/- in a financial year.
Deposits can be made in lump-sum or in installments.

Salient features including Tax Rebate

- An individual can open account with INR 500/- and a deposit minimum of INR 500/- in a financial year and maximum INR 1,50,000/- (including amount deposited in minor account opened on behalf of guardian).
- Any account in which the account holder, having deposited five hundred rupees in the initial year, fails to deposit the minimum amount in the following years, shall be treated as discontinued and that account may be revived during its maturity period on payment of a fee of fifty rupees along with arrears of minimum deposit of five hundred rupees for each year of default
- Joint account cannot be opened and only one account can be opened by a citizen in India
- Account can be opened by cash / Cheque and In case of Cheque, the date of realization of Cheque in Govt. account shall be date of opening of account
- Nomination facility is available at the time of opening and also after opening of account. Account can be transferred from one post office to another
- The subscriber can open another account in the name of minors but subject to maximum investment limit by adding balance in all accounts
- Maturity period is 15 years but the same can be extended within one year of maturity for further 5 years and so on
- Maturity value can be retained without extension and without further deposits also
- Premature closure is can be allowed after 5 years from the end of the year in which the account was opened subject to the following conditions. 1% interest will be deducted from the date of account opening
 - (i) In case of life threatening disease of account holder, spouse or dependent children.
 - (ii) In case of higher education of account holder or dependent children.
 - (iii) In case of change of resident status of account holder
- Deposits qualify for deduction from income under Sec. 80C of IT Act
- Interest is completely tax-free
- Online Deposit facility is available through Intra Operable Netbanking/Mobile Banking..
- Online Deposit facility is available through IPPB Saving Account..
- No attachment under court decree order
- The PPF account can be opened in all departmental post offices
- Loan can be taken after the expiry of one year from the end of the year in which the initial subscription was made but before expiry of five years from the end of the year in which the initial subscription was made
- Withdrawal can be taken after the expiry of five years from the end of the year in which the account was opened.