

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4578  
ANSWERED ON:23.04.2010  
``NEW DEPOSIT SCHEME FOR SENIOR CITIZENS``  
Rane Dr. Nilesh Narayan;Satpathy Shri Tathagata

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

- (a) whether the Government has initiated a new deposit scheme for the senior citizens including pensioners;
- (b) if so, the details thereof;
- (c) whether the Government proposes to keep interest earned from this scheme free from the Income Tax provisions;
- (d) if so, the details thereof; and
- (e) the manner in which the Government will protect the interest of senior citizens and pensioners?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

(a) : No, Sir.

(b), (c) & (d) : Does not arise.

(e) : The Senior Citizens Savings Scheme was introduced in August, 2004, keeping in view the welfare of individuals  
(i) attaining the age of 60 years or

(ii) those who attain the age of 55 years or more but less than 60 years and who have retired on superannuation or otherwise on the date of opening of account under these rules, subjects to the condition that the account is opened by such individual within a period of one month of receipt of retirement benefits. The rate of interest on Senior Citizens Savings Scheme has been maintained throughout at 9% per annum, which is the highest amongst all the small savings schemes even though the open market rate of interest has been fluctuating and at present is on the lower side.