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RBI Floating Rate Savings Bond · VPF · 10-year Government of India bonds

Rates checked 11 Nov 2026

RBI Floating Rate Savings Bond

FRSB 2020 (Taxable)

8.05% **a year, 1 Jul – 31 Dec 2026**

A Government of India bond. The rate is not fixed: it resets every six months at the NSC rate plus 0.35%.

INTEREST RATE	8.05% a year until 31 Dec 2026, then it resets
INTEREST PAID	Every 1 Jan and 1 Jul (paid out, not compounded)
TENOR	7 years
WHO CAN INVEST	Resident individuals and HUFs. No upper limit. NRIs cannot invest
TAX	Interest is taxable at your slab rate
EARLY EXIT	Only for specified senior citizens. Cannot be traded or used as loan collateral

How to start: 1. Create an account on RBI Retail Direct (or apply at a designated bank branch). 2. Choose “Floating Rate Savings Bond 2020” and invest.

> **Watch out:** The rate can fall at the next reset, and your money is locked in for seven years.

RBI Retail Direct (open an account)
rbiretaildirect.org.in

Bond FAQs on Retail Direct
rbiretaildirect.org.in/#/FaqFrsb

RBI notice: rate for Jul – Dec 2026
rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=63065

RBI: scheme terms
rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50009

VPF • Voluntary Provident Fund

Extra money into your EPF

8.25% **EPF rate for FY 2025-26**

If you are an EPF member, you can put extra salary into your EPF account on top of the mandatory contribution. It earns the same interest as EPF.

INTEREST RATE	EPF rate for FY 2025-26 was 8.25%. It is declared every year, so it is not fixed for ten years
HOW TO START	Through your employer: ask HR or payroll to raise your PF deduction
HOW MUCH	Up to your full basic salary plus DA. Your employer does not match the extra amount
TAX ON INTEREST	Tax-free only while your own yearly EPF + VPF contribution stays within ₹2.5 lakh (₹5 lakh if your employer does not contribute). Interest on the excess is taxable
TAX AT WITHDRAWAL	Maturity can be tax-free under eligible conditions, such as five years of continuous service. Early withdrawal can be taxable

How to start: 1. Ask your HR or payroll team for the VPF form and the monthly amount. 2. Check your balance and passbook on the EPFO Member portal.

Watch out: The yearly rate is set by the government and can change. Confirm the tax limits with your employer or a CA before raising your contribution.

EPFO Member portal (passbook and balance)
unifiedportal-mem.epfindia.gov.in/memberinterface

EPFO official website
epfindia.gov.in

10-Year Government of India Bonds

G-Secs on RBI Retail Direct

10 yr **fixed coupon, set at issue**

You lend to the Government of India for ten years and receive interest twice a year. Your actual return depends on the price you pay and the yield available on the day.

WHERE TO BUY	RBI Retail Direct: new issues (primary auctions) or the secondary market
YOUR RETURN	Depends on the purchase price and the yield that day, not on the coupon alone
EVERY BOND DIFFERS	Two 10-year bonds can give different returns. Check the price and yield shown before you place an order
TAX	Interest is taxable at your slab rate
SELLING EARLY	The market price can be higher or lower than what you paid

How to start: 1. Open an RBI Retail Direct account. 2. Compare the available 10-year bonds, check the price and yield, then place your order.

> **Watch out:** Sell before maturity and you may get less than you paid. Treat it as a ten-year holding.

RBI Retail Direct
rbiretaildirect.org.in

New issues: how auctions work
rbiretaildirect.org.in/#/FaqPrimaryIssuances

Buying and selling in the secondary market
rbiretaildirect.org.in/#/FaqNdsOmSecondaryMarket

Four quick checks

- Match the tenor to your goal. Do not lock money you may need soon.
- Check how the interest is taxed before you compare rates.
- Rates change. Confirm the current rate on the official link, not on a reel.
- Start small, and read the FAQs on the official page first.

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