

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1979
ANSWERED ON:05.08.2005
RATE OF INTEREST ON INVESTMENT
Reddy Shri Karunakara G.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government has a plan to safeguard the interests of senior citizens, pensioners and widowers against the falling rates of interest on investments;
- (b) if so, the details of the same;
- (c) whether there is any proposal to include charitable societies/trusts in this category;
- (d) if so, the time by which the final decision in this regard is likely to be taken; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

- (a) & (b) With a view to providing a safe and attractive source of investment to senior citizens and pensioners, Government has introduced the Senior Citizens Savings Scheme, 2004 with effect from 2nd August, 2004, with a higher than market rate of interest of nine per cent per annum.
- (c) to (e) No, Sir. The Senior Citizens Savings Scheme is available for investment by individuals only.