

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1650
ANSWERED ON:02.12.2005
`PUBLIC PROVIDENT FUND`
Singh Shri Prabhunath

Will the Minister of FINANCE be pleased to state:

- (a) the objectives of constituting Public Provident Fund (PPF) and whether the objectives have been achieved;
- (b) if so, the details thereof;
- (c) whether PPF covers less than one in every thousand workers in the unorganized sector and PPF has not been very successful in attracting lower income earners and whether over half of PPF customers are in the taxable income bracket; and
- (d) if so, the steps proposed to be taken to achieve the objectives of constituting PPF and to make it a successful scheme?

Answer

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

(a) to (d) The objective of constituting the Public Provident Fund (PPF) Scheme is to establish a provident fund for the general public. Fulfillment of the objective of the scheme is an ongoing process.

The gross annual collections under the Scheme have increased from Rs.10747 crore in 2001-02 to Rs.16484 crore in 2004-05 (Provisional). The balances under the Scheme amount to Rs.83461 crore as on 31.3.2005 (Provisional). The information of account holders, income-wise is however, not maintained. Government has constantly been reviewing the scheme to make it investor friendly.