

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:521
ANSWERED ON:24.11.2006
DEPOSITS FROM SMALL SAVINGS
Patil Shri Balasaheb Vikhe

Will the Minister of FINANCE be pleased to state:

- (a) whether collections at post offices for small saving plans have gone down by 30% during the first five months of this fiscal year as compared to previous one;
- (b) if so, the details thereof and reasons therefor; and
- (c) the steps being taken or proposed to be taken to encourage small savings to enable common man to contribute towards development of the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI PAWAN KUMAR BANSAL:

(a) & (b): The gross small savings collections in post offices and banks during the first five months, viz., April – August, 2006 have been Rs. 73,456 crore as against Rs. 82,800 crore during the corresponding period of last financial year. The net collections (gross collections minus repayments) during the same period have been Rs. 27,874 crore as against Rs. 36,782 crore last year. The decline in collections appears to reflect inter-alia, investors' preference for alternative instruments.

(c): The small savings schemes, carrying different terms and rate of interest administered by the Govt. of India, are designed to provide safe and attractive investment option to all individuals who invest in these savings schemes. Central and State Governments take various measures from time to time to promote and popularize small savings schemes through print and electronic media as well as holding seminars and meetings, providing training to the various agencies involved in mobilizing deposits under these schemes. A website of the National Savings Institute under Government of India, Ministry of Finance has also been launched to facilitate interface with the public through wider dissemination of information on small savings and on-line registration and settlement of investor's grievances. The website address is nsiindia.gov.in