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**FM ASKS THE PEOPLE TO INCREASE THEIR DOMESTIC SAVINGS AND INVEST THE SAME IN SMALL SAVINGS SCHEMES WHICH ARE SIMPLE, SAFE AND EASY TO ACCESS; RELAUNCHES KISAN VIKAS PATRA SCHEME; ASKS PEOPLE TO BE BEWARE OF PONZI SCHEMES**

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The Union Finance Minister Shri Arun Jaitley asks the people to increase their domestic savings and invest the same in small savings schemes like Kisan Vikas Patras (KVPs). He said that money invested therein is being used for undertaking various development activities in the country for the benefit of the people at large. The Finance Minister said that in last few years due to slower rate of economic growth, the rate of domestic savings had come below 30 % while it had once touched the peak of 36.8%. He stressed the urgent need for raising the domestic rate of savings. The Union Finance Minister Shri Arun Jaitley said that the people need to be careful from privately run ponzi schemes which are both unsafe and risky even though offering little higher rate of interest. He said that this many times also results in loss of their hard earned income. He said that they may rather go for the Government run small savings schemes which are safe, simple and easy to access.. The Finance Minister said that on the other hand, in order to attract the small savings of the people, the Government should bring-out from time to time attractive small savings schemes befitting the needs of different sections of society especially the poor people. He said that these schemes should not only be simple and safe but also give best possible returns to the people on their investment. He said this is one of the reasons that's why we have re-launched the Kisan Vikas Patras (KVPs) today. He said that this would also give a direction to bank and unbank savings of the people This scheme is open to everyone including the farmers. The Finance Minister Shri Arun Jaitley was speaking after re-launching the Kisan Vikas Patra (KVP) scheme at a function here today. He said that investment in KVP would become double in 100 months. He hoped that those who want to increase their savings and get good returns on the same, would make best use of the KVP. He said that this will not only help the investors but also the society at large He said that initially this scheme would be operated through post offices but later would be operated through banks as well. He distributed the Certificates to various persons including Ms Santosh who was the First woman to buy KVP and Shri Har Prakash, the first man to buy KVP among others on this occasion.

Earlier speaking on the occasion Shri Ravi Shankar Prasad, Union Minister for Communication and IT said that saving money is part of our habit and culture. He said that we need a financial instrument which is safe to attract the savings of the people. He said that there is a special attachment to KVPs especially of the poor people and farmers. He said that it is not only an instrument of savings but the farmers have also an emotional

attachment with it. He said that he doesn't understand why this scheme was discontinued .He said that he is happy that Postal Department and small savings are linked together for years. He said that there are more than 30 crore 8 lakh postal account holders in the country and more than 60 small saving schemes are being operated through the Postal Department. He said that there are more than 1.54 thousand postal centres in the country which can be best suited for implementing the programmes relating to financial inclusion especially in rural areas. He further added that there is a need for Postal Department to reincarnate itself in a new format to meet the changing needs of the people at large.

Shri Rajiv Mehrishi, Finance Secretary, Ms. Kavita, Secretary, Department of Posts, Shri Rajat Bhargava, Joint Secretary (Budget), Department of Economic Affairs (DEA),Ministry of Finance and other senior officers of the Ministry of Finance and Department of Posts and National Small Savings Organizations were also present among others on this occasion.

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