

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA  
UNSTARRED QUESTION NO.2793  
TO BE ANSWERED ON Monday, March 17, 2026/ 26 *Phalgun*, 1947 (Saka)

**Decline in household savings and implications for economic stability**

2793. **Shri Randeep Singh Surjewala:**

Will the Minister of FINANCE be pleased to state:

- (a) whether Government has taken cognizance of the significant decline in India's household savings rate in recent years, with financial indicators showing a marked reduction in savings as a share of GDP;
- (b) the year-wise data on household savings and liabilities for the last five years, including financial and non-financial savings and credit uptake; and
- (c) the assessment of the macroeconomic and socio-economic implications of this trend for long-term investment, financial resilience of households and future growth, along with the corrective measures being taken to strengthen savings and reduce over-dependence on credit?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) and (b) As per the new series of GDP estimates (Base Year 2022-23) released by the Ministry of Statistics and Programme Implementation, the household savings as a percentage of GDP have increased from 20.0 per cent in 2022-23 to 21.7 per cent in 2024-25. The year-wise details of household savings, including financial and non-financial savings, as well as household liabilities for the last three years for which data under the new series is available, are given below.

Financial Year	Household Savings	Household Financial Savings	Household Non-Financial Savings (*)	Household Financial Liabilities
(In Rs lakh crore)				
2022-23	52.2	29.8	38.4	16.0
2023-24	59.6	35.8	42.7	18.8
2024-25	69.0	38.3	46.4	15.7
(Per cent of GDP)				
2022-23	20.0	11.4	14.7	6.1
2023-24	20.5	12.3	14.7	6.5
2024-25	21.7	12.0	14.6	4.9

Note: \* Non-financial household savings include savings in physical assets and savings in the form of gold and silver ornaments.

c) Household savings are an important source of financing investments in the economy and also play an important role in strengthening the financial resilience of households. Over the recent years, the Government has undertaken policies aimed at improving ease of doing business, expanding skilling initiatives, generating employment, promoting inclusive human resource development, and strengthening infrastructure, which are expected to support sustained growth in household incomes and savings. Further, recent policy measures, such as income tax exemption for annual incomes up to ₹12 lakh and GST rate rationalisation, are expected to increase disposable incomes, thereby supporting higher household consumption, savings and investment over the medium term, and thereby, reducing over-dependence on credit.

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