

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO.197

TO BE ANSWERED ON MONDAY, DECEMBER 1, 2025 / Agrahayana 10, 1947 (Saka)

Declining Household Savings

197. Shri Rao Rajendra Singh:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken cognizance of the decline in household savings in the country to 18.1 per cent of Gross Domestic Product (GDP) in FY 2023–24, if so, the details thereof;
- (b) the policy measures proposed by the Government to incentivize household and private savings to ensure adequate domestic investment; and
- (c) whether the Government has assessed the long-term impact of falling household savings on the country's growth trajectory and fiscal stability, if so, the details thereof?

ANSWER

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

- (a): As per National Account Statistics 2025 published by the Ministry of Statistics and Programme Implementation, the household savings have increased from ₹50.1 lakh crore in 2022-23 to ₹54.61 lakh crore in 2023-24. As a per cent of GDP, household savings declined from 18.6 per cent in 2022-23 to 18.1 per cent in 2023-24.
- (b): The government's focus on ease of doing business, skilling, employment generation, inclusive human resource development as well as creation of infrastructure creates a congenial environment for growth of household income and savings. Additionally, the new income tax exemption for annual incomes up to ₹12 lakh and the recent GST rate rationalisation measures are expected to boost household consumption, savings and investment.
- (c): The Government closely tracks the trends in key economic parameters, including household savings, along with their implications for economic growth and fiscal stability. At present, the macroeconomic fundamentals of the Indian economy remain strong, supported by robust domestic demand, moderating inflation, improved corporate balance sheets and sustained fiscal discipline.
