

Post Office Saving Schemes in India: An Empirical Analysis of Growth Trends

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Abstract

The Post Office Savings Bank engaged in financial services as a trust provider, promoting financial stability and savings culture. This study aims to analyse the growth and trends recorded by postal saving schemes from 2001–2002 to 2021–2022, focusing on receipts and outstandings across seven saving schemes. Additionally, the researcher attempted to compare these savings schemes using a paired *t*-test to determine the difference in receipts, and the growth of savings schemes was also checked using the compounded annual growth rate. The results highlighted that the Public Provident Fund (PPF) recorded maximum growth, with Kisan Vikas Patra reporting the lowest in the case of receipts. The highest outstandings were recorded by the Senior Citizen Savings Scheme (SCSS), whereas Kisan Vikas Patra (KVP) shows the least. A neutral trend has been recorded across all the savings schemes. The comparison reveals significant differences in the saving account (SB), followed recurring deposit (RD) Account. Results suggest the preference of investors for PPF and SCSS accounts, while savings accounts and RD are found popular due to stable performance. The policymakers should revisit the design of KVP to make it more appealing and performing.

Keywords:

Savings Scheme Analysis, Post Office Saving Account, Public Provident Fund, Outstandings and Receipts

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Introduction

The Indian economy is growing in a significant phase where mobilisation of financial resources has been conducted using various investment options. In the last two decades, the significant transformation of the financial landscape has highlighted the emerging and vital role of postal savings in fund mobility and capital formation. Although there are numerous vehicles available for the intended mobilisation of savings, there are still few options meeting the needs of lower-income groups. Savings, being an important aspect of living, should be made with caution. Postal Saving schemes intend to meet the requirements of investors with lower incomes. The Post Office Savings Bank (POSB) provides multiple options of small savings to meet individuals' convenience in availing cost-effective benefits, backed with government security (Sunder & Jacob, 2009). The bank engaged in providing seven savings schemes and three savings certificates to induce savings interest among its customers. Despite severe proliferation of digital banking, the savings of the post office continued to attract a large number of investors, especially in unreserved and rural areas. The postal network has recorded six-fold growth since independence, primarily focusing on rural areas (Ravindran & Venkatachalam, 2016). The rural people found savings in post offices attractive due to the guaranteed principal amount, along with attractive returns. Mathew (2020a, 2020b) reported more schemes, helping employees, quick services, strong network, safety and efficient returns as strengths of POSB in his research. Postal saving schemes have a positive influence over their investors, which acts as a great strength of the POSB (Usha & Miranda, 2020). A higher and regular return on these schemes helps the rural sections in better mobilisation of their funds. Even the performance of the India Post has gained a position in the market during the COVID-19 outbreak (Bhuvaneswari & Tamilarasi, 2020). The Indian postal department, since its establishment, has gone through different phases of growth. The study therefore aims to explore the potential of these savings in terms of growth, trends and popularity over the past two decades.

The different kinds of schemes attracted a larger amount, which ultimately helped the post offices to rehabilitate and enhance their profitability. Although the post offices are experiencing stiff competition from market forces, better returns and easy accessibility is somewhere helping the savings bank to meet these challenges. It, therefore, becomes imperative to analyse the growth and nature of schemes that are performing better and effectively.

Review of Related Literature

A review of the related literature helps to determine the framework of the study in relation to the research objectives and gaps identified. In this study, to analyse the trend of amount invested with saving schemes, growth recorded by saving schemes and to discover the schemes which gained maximum popularity among investors, the authors reviewed 48 related studies to offer useful insights related to the working of saving schemes.

For predicting the trend of small savings in India from 1950 to 1985, Shah and Parmod (1992) divided the savings growth into four phases: phase of low savings (1950–1968), the initial year of expansion (1968–1976), high savings phase (1977–1980) and stagnation phase (1980–1985). Prakash and Gurusamy (2018) tracked the growth of postal banking services from 2006 to 2016 and presented an upward trend of deposits with a yearly 94.6% increase, whereas amounts invested presented maximum growth in 2007–2008 with 8.57% in saving accounts. An analysis performed by Ashish and Singh (2018) presented the growth of deposits from 60.16 million in 2001 to 114.28 million in 2015. Total deposits recorded growth from 140,773.35 million in 2001 to 2,076,150.00 million in 2015. As per Tamarakar and Mani (2007), remarkable growth was recorded by savings in phase from 1984–1985 to 1995–1996, during which people highly invested in small saving schemes that came with tax rebate and were backed by state insurance, therefore marking it as a growth phase.

An empirical study of Salam and Kulsum (2002) revealed an upward household savings trend from 75.9% in 1980–1981 to 86% in 2007–2008. Deposit mobilisation in small savings, as per Kasilingam and Jayabal (2009) and Jain and Saluja (2016), generated greater revenue for the postal department because a greater amount of financial savings was being generated by postal savings (Mohan, 2008). Ramlal (1994) and Tendulkar and Umesh (2003) highly regarded small savings as the country's viable financial option for the general masses, especially for people residing in rural areas. In India, the rate of savings has been consistently recording higher amounts compared to other countries. People used to invest in precautionary savings and found small savings more lucrative. As per Sinha (2017), interest rates of saving schemes proved much appealing to the masses, which were revised quarterly. Latterly, reduced interest rates of such schemes reduced the savings for plans less than five years. Declining interest rates of small savings discouraged the middle class, and therefore these needed to be framed strategically if the government wanted to shift savings towards other avenues, as per studies of Bhatnagar (2017), Mehta (2013) and Samudra and Burghate (2012).

Similarly, Moorthy (2001) recommended an inflation-adjusted formula for setting interest rates on provident funds and small savings for effective running. However, the safety and security provided by postal savings still encouraged people to invest in postal savings, as noted by Jothilakshmi and Santhi (2019), Ghosh (2007), Priyadarshree et al. (2010) and Sahoo and Gomkale (2015). Growing demand for saving schemes also attracted investment from people receiving disbursement of MGNREGA, social security pension schemes, Indira Gandhi National Old Age Pension Scheme, Indira Gandhi Matritva Sahyog Yojana and conditional cash transfer (CCT); these, therefore, induced an upward saving trend according to Malakar (2013).

Performance of the postal service was not impressive from 2005 to 2010 as per the compounded growth rate technique applied by Di and Ramesh (2013) and therefore they suggested a strategic partnership with other financial institutions.

In Sankaran (2017), a positive compounded growth rate was reported in all saving schemes except the monthly income scheme, national saving certificate and Kisan Vikas Patra (KVP) scheme. Saranya and Hamsalakshmi (2018) studied the recent trend in saving plans using the simple percentage method, weighted

arithmetic means, standard deviation and coefficient of variation, and the performance analysis of various schemes reflected 193.76% performance in the year 2007–2008. Eleven schemes of India Post proved useful to every investor. Mathew (2015) presented the growth of small savings through the savings bank from 99.88 million accounts in 1996 to 162.16 million accounts in 2005–2006. The saving schemes were performing well, and a positive growth rate was recorded for all schemes except KVP and National Savings Certificate, according to findings of Sankaran (2017) and Nagalakshmi (2015).

Among various saving schemes, the RD scheme gained more popularity due to its compulsory saving nature (Rajeswari, 2017). The KVP is another popular saving option that has attracted considerable funds from investors, especially in Coimbatore City (Karthikeyan, 2016). Postal deposits gained greater trust among working women in rural areas (Rameshkumar, 2018), whereas the PPF gained importance among government employees. A study on the performance of monthly saving schemes offered by banks and non-banking institutions reported that mutual fund schemes were more effective (Nandhini & Rathnamani, 2015). The recent launch of the Mahila Samman Saving Certificate bearing an interest rate of 7.5% started attracting a significant amount from women investors due to the benefits it offers (VA et al., 2023). Gavini and Athma (1999) found Indra Vikas Patra (IVP), Kisan Vikas Patra (KVP) and RD as popular schemes in urban and rural areas. Investors liked to invest more in the MIS, savings account, TD and RD as per the study by Ravindran and Venkatachalam (2016). In this way, different saving schemes of post offices attracted a greater amount in confronting the overall growth of small savings in India. People of Uthangarai taluk reported RD, post office savings account and monthly income scheme as the most popular schemes (Manimekalai & Ragunathan, 2021).

The above literature presented an overview of small savings in India and their performance. Existing studies lacked comprehensive comparisons among various postal schemes and were more focused on individual schemes. A more nuanced analysis of trends is also lacking to identify the factors responsible for the under-performance of schemes. The present study widens the scope by analysing the differences in saving schemes in the context of receipts of the last 21 years, along with the growth trend recorded by the saving schemes.

Research Objectives

1. To study the trend of receipts and outstandings of various savings schemes in India.
2. To analyse the growth recorded by receipts and outstanding balances of the savings schemes.
3. To conduct a comparative analysis among different savings schemes.

Research Methodology

This study presents an empirical analysis of various saving schemes, including Post Office Saving Account, Monthly Income Scheme Account, National Savings

RD Account, National Savings Time Deposit Account, Senior Citizen Savings Scheme, KVP and public provident fund (PPF).

This study used secondary data collected from the *Handbook of RBI*, that is, from 2001–2002 to 2021–2022, annual reports of India Post and other accessible sources, and analysed using tabulation in Microsoft Excel. Descriptive and statistical tools *t*-test, compounded annual growth rate (CAGR), trend analysis, line and bar charts were used to interpret the study.

Analysis and Interpretations

Saving schemes in the previous 21 years have undergone drastic changes. The present study empirically analyses the trend, growth and significant difference of the saving scheme. Time deposit account has not been considered for trend analysis due to the unavailability of sufficient data.

Trend of Receipts and Outstandings of Saving Schemes

This study intends to present the trend analysis of receipts and outstandings of each scheme with the help of tables and line charts from 2001–2002 to 2021–2022. The trend of receipts will help to understand the performance of each scheme and its role in generating funds from households for promoting capital formation in the Indian economy. Receipts for saving schemes mean the amount invested under different schemes by postal investors, and outstandings mean the balance left under different saving schemes, which constitute liabilities of the central government. Receipts and outstandings are expressed in crores, and the trend is presented in percentages by taking the previous year as the base year. The performance and trend analysis of postal schemes is presented using tables and line charts, as shown below.

With reference to Tables 1 and 2, in Figure 1, receipts and outstandings recorded under SB are presented from 2001–2002 to 2021–2022 to understand the trend of the same. It was examined that receipts of SB revealed a positive trend till 2016–2017, a major downfall was observed in 2017–2018 due to reduced interest rate, and afterwards receipts started moving upwards. The outstandings also rose from 2001–2002 to 2021–2022, recording an upward trend in outstandings. Maximum receipts and outstandings of ₹247,446 crores and ₹205,888 crores were recorded in 2016–2017 and 2020–2021, respectively.

With reference to Tables 1 and 2, in Figure 2 shows the trend of MIS schemes receipts and outstandings from 2001–2002 to 2021–2022. It was found that receipts with MIS have increased in the last 20 years, except in years, that is, 2007–2008, 2012–2013, and majorly in 2017–2018. This scheme has recorded a major outstanding balance, which is showing an upward trend in very recent years. Maximum receipts were received in 2010–2011 at ₹56,693 crore and the receipts received a major hit in 2017–2018, remaining 1,625 crores only. At the end of 2021–2022, MIS recorded the highest outstandings of ₹235,820 crores.

With reference to Tables 1 and 2, Figure 3 depicts the trend of receipts and outstanding balance with SCSS, and it was in this context that SCSS reported an

Table I. Trend Analysis of Receipts with Post Office Saving Schemes.

Year	SB	Trend	MIS	Trend	SCSS	Trend	RD	Trend	NSC VIII	Trend	KVP	Trend	PPF	Trend
2001–2002	14,077	100	18,798	100	—	—	11,811	100	7,840	100	20,221	100	1,929	100
2002–2003	17,612	125	27,641	147	—	—	13,993	118	9,583	122	23,234	115	2,337	121
2003–2004	21,720	123	38,851	140	—	—	16,645	119	11,397	119	27,796	120	2,528	108
2004–2005	24,824	114	48,457	125	8,474	100	19,979	120	10,097	88	23,398	84	2,534	100
2005–2006	31,432	127	47,273	97	7,436	88	23,488	117	10,541	104	29,282	8	3,024	119
2006–2007	36,067	115	26,461	56	7,239	97	26,339	112	8,912	84	23,495	80	4,065	134
2007–2008	43,165	120	17,025	64	2,011	28	27,684	97	6,285	70	14,975	64	3,347	82
2008–2009	53,600	124	23,812	140	1,383	69	28,443	102	7,082	113	15,706	105	3,652	109
2009–2010	68,046	127	54,300	228	9,626	696	30,353	92	10,517	148	21,166	135	4,196	114
2010–2011	84,354	124	56,693	104	11,395	118	32,862	108	9,757	93	21,631	102	6,837	163
2011–2012	85,905	102	28,424	50	2,986	26	34,495	105	10,326	106	7,651	35	6,222	91
2012–2013	83,900	98	19,049	67	1,978	66	35,899	11	19,102	185	27	0	7,221	116
2013–2014	94,650	113	17,991	94	1,994	101	38,646	107	16,924	88	18	0	7,074	97
2014–2015	114,229	121	21,569	120	3,011	151	41,824	108	16,584	98	2,110	100	8,157	115
2015–2016	157,415	138	31,526	146	10,321	343	40,315	96	9,826	59	21,318	1,010	7,791	95
2016–2017	247,446	157	35,334	112	10,002	97	47,451	117	12,063	123	16,923	79	17,235	221
2017–2018	17,145	7	1,625	4	12,264	123	7,868	16	–65	0	24,588	145	6,623	38
2018–2019	31,037	181	10,967	675	13,990	114	10,081	128	11,318	–17,412	23,018	94	8,539	129
2019–2020	25,893	83	6,510	150	20,334	145	11,821	117	19,495	172	28,972	126	13,014	152
2020–2021	39,748	153	12,211	74	21,009	103	17,807	151	17,361	89	25,340	87	13,690	105
2021–2022	41,329	104	14,441	118	22,281	106	24,840	139	19,696	113	26,619	105	13,119	96

Source: *Handbook of Statistics on Indian Economy*, RBI.

Note: Bold values indicate significant differences among groups of schemes.

Table 2. Trend Analysis of Outstanding Balance with Post Office Saving Schemes.

Year	SB	Trend	MIS	Trend	SCSS	Trend	RD	Trend	NSC VIII	Trend	KYP	Trend	PPF	Trend
2001–2002	10,045	100	57,335	100	–	–	23,648	100	40,205	100	102,751	100	8,111	100
2002–2003	11,594	115	80,915	141	–	–	28,084	118	44,525	111	113,675	111	10,156	125
2003–2004	13,367	115	113,386	140	–	–	33,963	121	50,633	114	122,188	107	12,267	121
2004–2005	14,870	111	151,026	121	5,436	100	41,102	121	55,128	109	136,449	112	14,273	116
2005–2006	16,790	113	183,077	121	15,916	292	50,188	125	58,541	106	146,607	107	16,872	118
2006–2007	18,565	110	189,440	103	22,284	140	60,228	120	58,913	100	152,767	104	19,457	115
2007–2008	19,789	106	182,390	96	22,197	99	65,071	108	57,388	97	105,408	70	21,358	110
2008–2009	22,690	115	179,504	99	20,651	93	65,072	100	55,309	96	147,517	140	23,402	109
2009–2010	26,458	117	201,693	112	24,989	121	62,818	96	54,776	99	153,933	104	26,096	111
2010–2011	30,101	114	218,674	108	30,913	123	61,250	98	54,642	99	158,584	103	31,583	121
2011–2012	34,070	113	205,288	93	26,763	86	62,661	102	55,069	100	153,960	97	35,993	114
2012–2013	37,850	111	201,787	98	24,093	90	67,962	108	64,719	117	128,375	83	41,121	114
2013–2014	43,017	114	202,085	100	22,492	93	74,149	109	75,086	116	106,754	83	46,608	113
2014–2015	47,428	110	200,557	99	17,975	80	74,513	100	85,608	97	2,671	100	52,748	113
2015–2016	61,567	130	193,808	96	22,876	127	76,179	103	88,139	103	29,118	1,090	57,603	109
2016–2017	92,064	149	180,066	92	29,453	129	84,453	111	87,239	99	46,023	158	63,361	110
2017–2018	109,210	119	181,691	100	41,718	142	92,320	109	87,174	100	70,612	153	69,985	110
2018–2019	140,247	128	192,658	106	55,708	133	102,401	90	98,492	113	93,630	132	78,524	112
2019–2020	166,140	118	209,168	108	76,042	136	114,222	111	117,987	120	122,602	131	91,538	116
2020–2021	205,888	123	221,379	105	97,051	127	132,029	115	135,348	115	147,942	121	105,228	115
2021–2022	247,216	120	235,820	11	119,333	123	156,869	119	155,043	114	174,560	118	118,347	112

Source: Handbook of Statistics on Indian Economy, RBI.

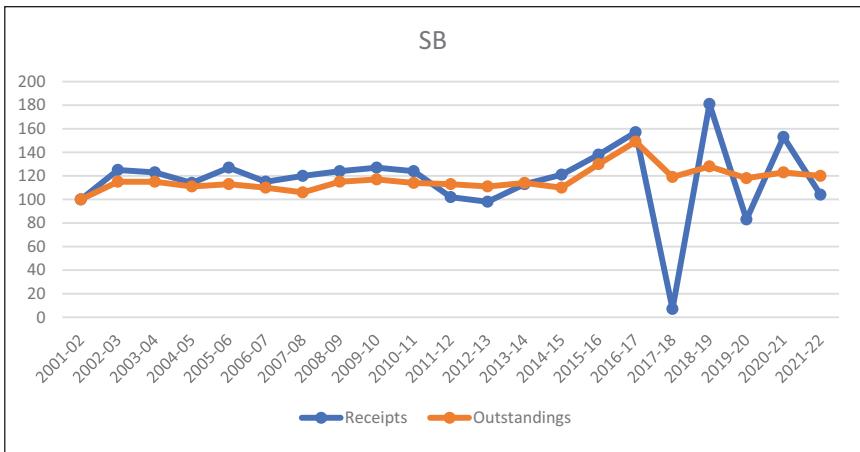


Figure 1. Receipts and Outstandings under Post Office Saving Account (SB).

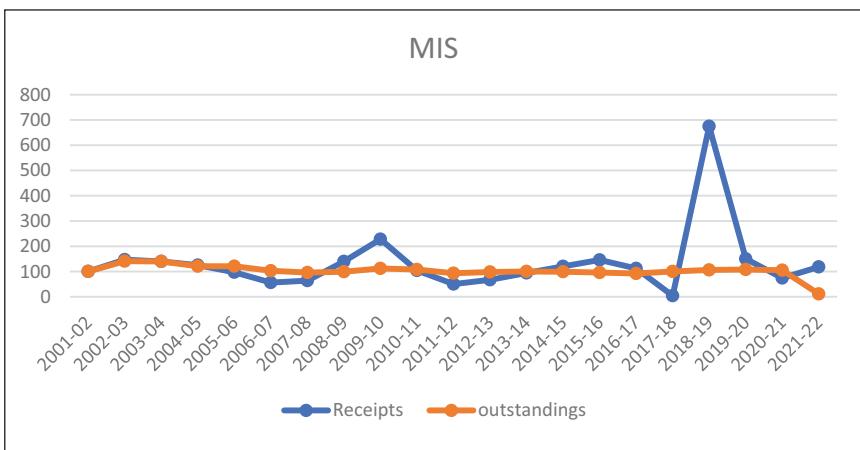


Figure 2. Receipts and Outstandings under National Monthly Income Statement.

upward trend in receipts with little variation, and the same performance has been recorded in outstandings, which shows significant investment towards this savings scheme by senior citizens. SCSS was initiated in 2005 and, so far, has recorded ₹167,734.00 crores as receipts and ₹675,890 crores as outstandings. Overall, an upward trend was recorded in receipts and outstandings with SCSS.

With reference to Tables 1 and 2, Figure 4 shows the trend of receipts and outstandings under the RD account. An upward trend is shown in receipts except in 2017–2018, when a major downfall was recorded from 47,451 to 7,868 crore. An outstanding balance rose to ₹1,531,832 crore within the tenure of 21 years, as this account has a five-year maturity period. An upward trend was recorded by this in two phases, that is, before 2017–2018 and after it.

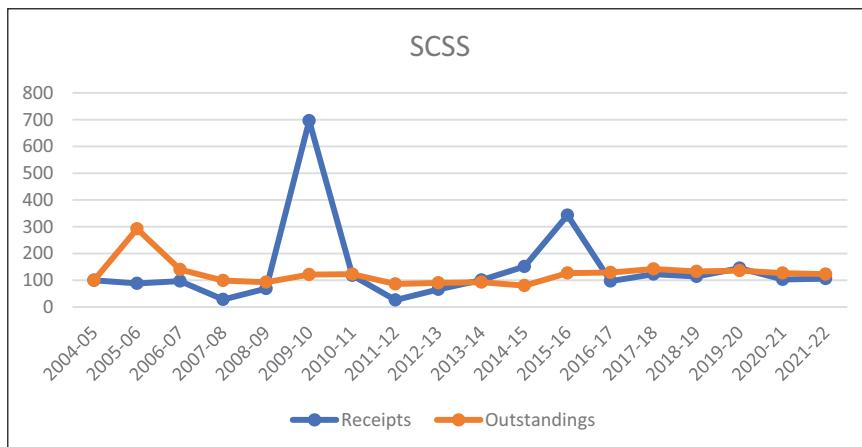


Figure 3. Receipts and Outstandings under the Senior Citizen Saving Scheme.

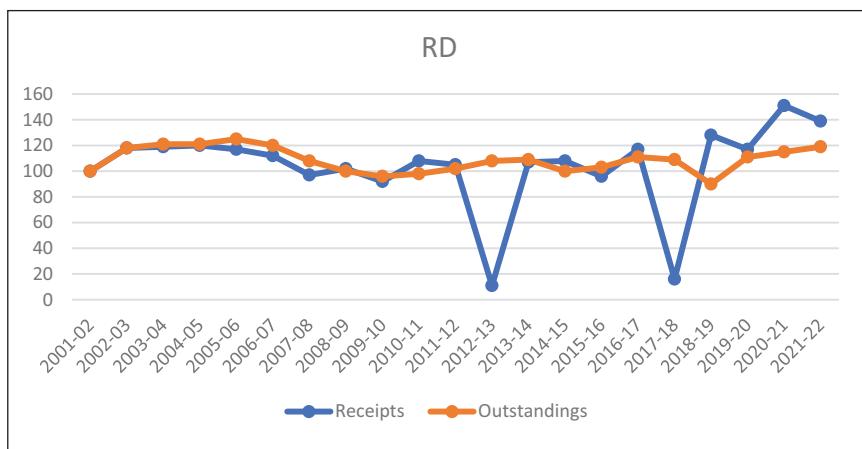


Figure 4. Receipts and Outstandings under the RD Account.

With reference to Tables 1 and 2, Figure 5 shows receipts and outstandings recorded under the scheme NSC to analyse its trend. The figure shows that receipts with NSC VIII depict steady growth with little variation. In recent years, the receipts have been increasing with this scheme. On the other hand, the outstanding balance has also risen over the time span of 21 years. So far, this scheme has recorded 1,583,114 crores outstanding balance and 246,264 crores in receipts.

With reference to Tables 1 and 2, Figure 6 analysed the trend of KVP from 2001–2002 to 2021–2022. The figure shows that receipts and outstandings declined over the years, and therefore a downward trend is reflected in the previous 21 years. KVP was discontinued in 2011 and relaunched in 2014. Therefore,

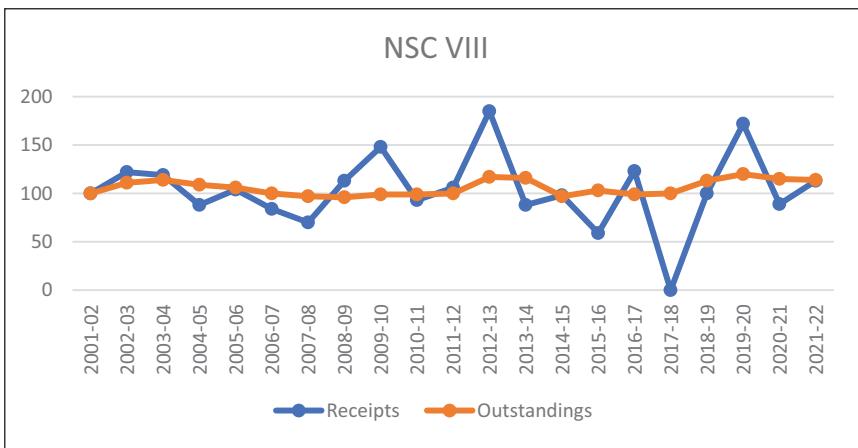


Figure 5. Receipts and Outstandings under National Saving Certificate VIII.

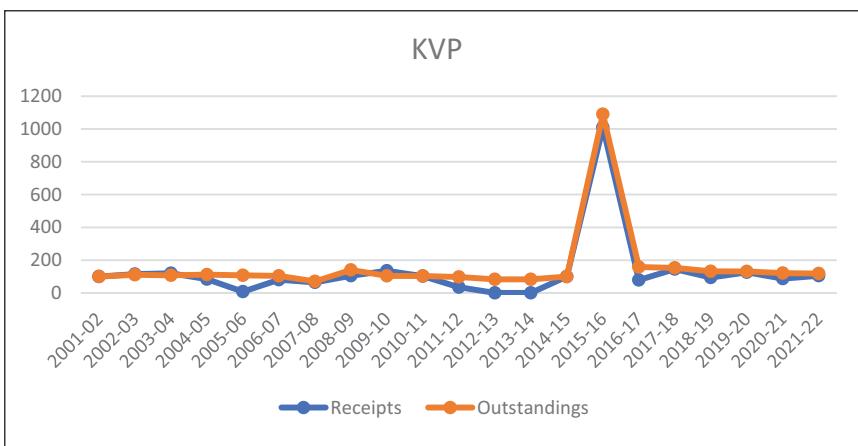


Figure 6. Receipts and Outstandings under KVP.

no receipts were recorded in 2011, and the trend has gone upwards after 2014 with little variation.

With reference to Tables 1 and 2, Figure 7 presents the trend of receipts and outstandings from 2001–2002 to 2021–2022. The PPF scheme has flourished from 2001–2002 to 2021–2022 with a steady rate and has recorded a positive growth rate. On the other hand, an outstanding balance also increased in the previous 20 years. This scheme has recorded the highest growth and received an amount of 143,134 crores as receipts and 944,631 crores as outstanding balance . Overall, PPF recorded an upward trend in receipts and outstandings.

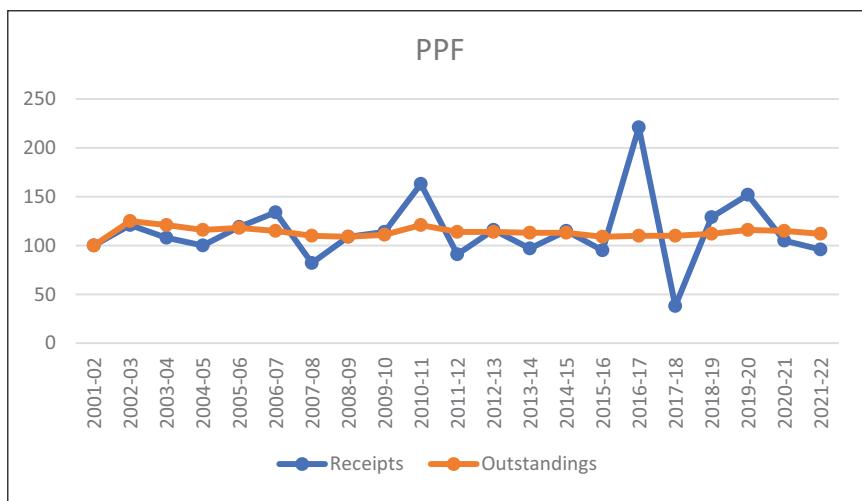


Figure 7. Receipts and Outstandings under PPF Account.

Table 3. CAGR of Saving Schemes.

Saving Scheme	Receipts (CAGR in %)	Outstandings (CAGR in %)
Post Office Saving Account	6	17
Monthly Income Statement	-1	7
Senior Citizen Saving Scheme	6	20
Recurring Deposit Account	4	10
Time Deposit Account	4	-5
National Saving Certificate VIII	5	7
Kisan Vikas Patra	-17	-22
Public Provident Fund	10	14

Compounded Annual Growth Rate of Saving Schemes

Growth of postal saving schemes in the last 21 years, that is, from 2001–2002 to 2021–2022, has been investigated using the compounded annual growth rate: $CAGR = (EV / BV)^{1/N} - 1$, where EV is the ending value, BV is the beginning value, and N means the number of years.

Table 3 exhibits the growth rate of different saving schemes in the context of their receipts and outstandings in the previous 21 years. The table shows that all saving schemes are attracting funds positively every year except MIS and KVP. The potential reasons for negative MIS are declining interest rates and its suitability for the salaried class. Underperformance of KVP has been recorded since the scheme was discontinued in 2011 and relaunched in 2014, leading to the sale of KVPs from 2012 to 2018. Post Office SB, SCSS, RD and TD are growing at

6% and 4% CAGR. National Saving Certificate VIII recorded a 5% CAGR. The maximum growth rate is recorded by PPF at 10%. Meanwhile, an adverse growth rate of outstandings with saving schemes shows clearance of balances by the postal department. The given performance of schemes highlights the consideration of policymakers with respect to interest rate revisions, withdrawal rules, targeting marketing and maturity periods.

Analysing Differences in Receipts Among Saving Schemes Using the t-test

This study aimed to understand the difference in saving schemes with respect to their receipts. To verify the difference between the mean scores of each saving scheme and with other seven saving schemes, a paired *t*-test was run for each scheme. A total of 56 tests were performed to examine the difference between the mean scores of schemes by means of receipts.

In Table 4, a paired *t*-test was run on eight saving schemes to investigate the difference in their receipts simultaneously to understand if the saving schemes varied from one another in terms of their receipts. An analysis of the *t*-test showed that out of 56 tests, 30 paired tests showed significant results, meaning that a total of 30 pairs of saving schemes showed differences in their mean scores, or schemes differed reciprocally in terms of their receipts. Twenty-six paired tests, conversely, reflected insignificant differences among receipts of saving schemes, meaning that such schemes differ very little in terms of receipts. Each scheme was paired with the remaining seven schemes to present the difference effectively.

From Table 4, on considering pairs of significant differences or pairs with a *p* value less than .05, it was found that receipts of SB were significantly different from the other six schemes; in the case of the RD scheme, receipts vary from the other five schemes. PPF, MIS and NSC VIII showed differences in their receipts from the four schemes, respectively. SCSS and KVP revealed significant differences in their receipts from three schemes, whereas TD presented the least difference in mean score from the SB account only. The *p* value of significant results was highlighted in Table 4.

On the basis of counts of maximum significant results for schemes, the post office SB and the RD are the second most popular saving schemes of the POSB for 21 years.

Discussions

The findings of the study underscore that post office saving schemes have gone through tremendous growth from 2001–2002 to 2016–2017, which presented the great reliance on these schemes and their relevance in the Indian economy. The study furthermore observed that receipts got majorly hit in the year 2017–2018 because of the linkage of POSB and India Post Payments Banks, which also influence the spread of banking facilities (Minj et al., 2021). It might also be due to a shift towards other institutions or an increase in online payments. KVP was

Table 4. Results of the Paired t-test.

Schemes	Mean Difference	Std Error	Sign.
SB MIS	36,411.23810	12,054.05867	.007
SCSS	55,517.14286	12,411.80347	.000
RD	37,664.28571	10,222.79419	.001
TD	49,465.90476	11,167.57071	.000
NSC VIII	51,854.90476	12,140.16154	.000
KVP	55,449.47619	13,292.42785	.000
PPF	56,688.57143	11,806.94013	.000
MIS SB	-36,411.23810	12,054.05867	.007
SCSS	19,105.90476	3,841.59768	.000
RD	1,253.04762	3,426.55464	.718
TD	13,054.66667	6,195.75171	.048
NSC VIII	15,443.66667	3,541.29037	.000
KVP	19,038.23810	2,499.77845	.000
PPF	20,277.33333	3,663.69306	.000
SCSS SB	-55,517.14286	12,411.80347	.000
MIS	-19,105.90476	3,841.59768	.000
RD	-17,852.85714	3,227.48191	.000
TD	-6,051.23810	3,282.29413	.080
NSC VIII	-3,662.23810	1550.27253	.028
KVP	-67.66667	4,423.93390	.988
PPF	1,171.42857	1102.34137	.301
RD SB	-37,664.28571	10,222.79419	.001
MIS	-1,253.04762	3,426.55464	.718
SCSS	17,852.85714	3,227.48191	.000
TD	11,801.61905	4,664.49795	.020
NSC VIII	14,190.61905	2,464.74803	.000
KVP	17,785.19048	4024.05651	.000
PPF	19,024.28571	2,441.00319	.000
TD SB	-49,465.90476	11,167.57071	.000
MIS	-13,054.66667	6,195.75171	.048
SCSS	6,051.23810	3,282.29413	.080
RD	-11,801.61905	4,664.49795	.020
NSC VIII	2,389.00000	3,886.52548	.546
KVP	5,983.57143	6,999.01175	.403
PPF	7,222.66667	3,418.09588	.047

(Table 4 continued)

(Table 4 continued)

Schemes	Mean Difference	Std Error	Sign.
NSC VIII SB	-51,854.90476	12,140.16154	.000
MIS	-15,443.66667	3,541.29037	.000
SCSS	3,662.23810	1550.27253	.028
RD	-14,190.61905	2,464.74803	.000
TD	-2,389.00000	3,886.52548	.546
KVP	3,594.57143	3,855.31487	.362
PPF	4,833.66667	963.18640	.000
KVP SB	-55,449.47619	13,292.42785	.000
MIS	-19,038.23810	2,499.77845	.000
SCSS	67.66667	4,423.93390	.988
RD	-17,785.19048	4024.05651	.000
TD	-5,983.57143	6,999.01175	.403
NSC VIII	-3,594.57143	3,855.31487	.362
PPF	1,239.09524	4,094.55211	.765
PPF SB	-56,688.57143	11,806.94013	.000
MIS	-20,277.33333	3,663.69306	.000
SCSS	-1,171.42857	1102.34137	.301
RD	-19,024.28571	2,441.00319	.000
TD	-7,222.66667	3,418.09588	.047
NSC VIII	-4,833.66667	963.18640	.000
KVP	-1,239.09524	4,094.55211	.765

Source: Authors' computation using SPSS.

Note: The mean difference is significant at the 0.05 level.

discontinued in between due to less response from the public. The underperformance of KVP in receipts and outstandings raises concerns, as observed in earlier studies (Deb & Paul, 2015). PPF emerged as the top performer in generating receipts, while SCSS outperforms in outstandings, aligning results with studies highlighting their performance (Pungalia et al., 2017; Ray & Shantnu, 2020). There is a need for further investigation into the underlying factors responsible for the neutral trend of savings schemes, as noted by Sinha (2017). The significant differences for the saving account followed by the RD account necessitate attention, particularly in view of studies highlighting the importance of flexibility and liquidity in saving plans (Shetti & Krithika, 2025). Therefore, the government can work on these aspects of schemes to improve investor appeal. Implementing technology-aided banking features and advertising through campaigns could help to increase the interest of more investors. Better interest rates and more withdrawal intervals could induce flexibility.

Conclusion

The postal saving schemes have witnessed significant growth between 2001–2002 and 2021–2022. The present study aimed to analyse the trend in receipts and outstanding balance of these savings schemes, finding an upward trend with minimal variations in terms of receipts and outstandings, except for KVP, for which the policymakers can consider revamping the schemes in terms of revised interest rates, withdrawal rules and maturity period.

The PPF, showing the highest compounded growth rate, followed by SCSS, should be continuously supported by the policymakers through provided benefits and targeted marketing. Saving account and RD are recognised as popular schemes as per the results of the test, which also warrant adjustments relating to fees, interest rates for continuously meeting the needs of investors. A step towards investor education helps individuals to better meet investors' requirements. Policymakers could also design targeted interventions such as improving liquidity options for schemes like MIS and savings accounts or improving returns for recurring deposits.

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