

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3464
ANSWERED ON:14.12.2012
EQUITY CULTURE
Singh Shri Mahabali

Will the Minister of FINANCE be pleased to state:

(a) whether the Securities and Exchange Board of India (SEBI) has formulated any scheme to develop and improve equity culture in the country; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) and (b): Yes Sir, Pursuing the Union Budget announcement of 2012-13, Union Government on 23 November 2012 notified a new tax saving scheme called `Rajiv Gandhi Equity Savings Scheme` (RGESS)? exclusively for the first time retail investors in securities market. This Scheme would give 50% deduction of the amount invested from the taxable income for that year to new investors who invest up to Rs. 50,000 and whose annual income is below Rs. 10 lakh. Further, Securities and Exchange Board of India (SEBI), vide circular dated 6 December 2012, has directed stock exchanges, depositories and mutual funds to implement the Scheme. The Scheme not only encourages the flow of savings and improves the depth of domestic capital markets, but also aims to promote an `equity culture` in India. Further, in September 2012, SEBI has taken various measures to re-energize and widen the reach of mutual fund industry across the country and therefore promote the equity culture.