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Title: Need to make the National Savings Schemes attractive for customers.

SHRI CHENGARA SURENDRAN (ADOOR): In Kerala more than 16000 persons, majority of them ladies, are working as Mahila Pradhan, S.A.S and PPS agents. They have been earning their livelihood from this work. But now they are all on the verge of starvation due to losing their benefit from the agency work.

The National Small Savings schemes were introduced by the Central Government with the intention of promoting saving tendency among the common people and to increase the savings in the country. Several attractive schemes were introduced by the Government to achieve this goal. Kisan Vikas Patra, MIS Public Provident Fund, NSC, Post Office Recurring Deposits were the schemes introduced by the Government to achieve this goal which attracted the people because of its benefits such as higher rates of interest and income tax-exemption, The interest rate allowed to these schemes were higher than the rates prevailing in Banks. Now the situation has changed. The interest rate of deposits in Banks is higher than that in National Savings Schemes. So the people are reluctant to deposit money in National Savings Schemes now a days. The schemes are now not so attractive. The withdrawals from the schemes are also very high. This has affected the financial position of the Kerala Government also. The chance for getting loans from the NSSF has become remote.

In the circumstances, I would suggest that the Union Government may consider increase in the interest rate of National Savings Schemes instruments urgently and thereby save the workers numbering more than 16000 from starvation.

MR. CHAIRMAN: Matters under Rule 377 of those hon. Members who were not present in the House may be treated as laid on the Table of the House.