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Title : Withdrawal of bonus on the Monthly Income Scheme in Post Office Savings.

SHRI. P. MOHAN (MADURAI): Our Postal Department manages various savings schemes through all the Post Offices spread all over the country. Monthly income plan savings scheme is a popular one among the Post Office Savings Schemes. This scheme is for the benefit of retired employees and senior citizens. Those who retired from services were encouraged to deposit their entire life savings to earn an interest at the rate of 8 percent for an individual's savings account and at the rate of 9 percent for a joint account. Retired Employees and Senior Citizens had a sigh of relief as they were getting better returns than even the ones offered by Nationalised Public Sector Banks.

These elderly people were getting at least Rs. 2,400 more as monthly earning by way of depositing their hard earned life savings in Post Offices. Now they are being deprived of this promised returns. Such people were entitled to a 10 percent bonus after every six years as long as they live. Through an executive order with effect from 13<sup>th</sup> February this year, this bonus is sought to be denied to those who go for this scheme henceforth. When Budget is to be passed on 28th of this month, what is the need for such a move to deny an incentive benefit extended to the Senior Citizens.

This move on the eve of budget has sent a shock wave and has spread a panic among the hapless senior citizens and this move of the Finance Ministry through an executive order is nothing but cutting to size the bread of these senior citizens who can not win their bread on their own anymore. There are other savings schemes like Fixed Deposit schemes and Recurring Deposit schemes in the post offices. The depositors of these savings schemes wonder whether they should withdraw from these schemes. Postal Department must attract customers to savings instead of dissuading them.

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\*English translation of the speech originally delivered in Tamil.

Hence I urge upon the Finance Minister and the Union Government to reconsider this move to take away the sixth year bonus for Post-Office Monthly Income Plan Savings Schemes causing deprivation to the elderly. With this I conclude.