



CENTRE OF INDIAN TRADE UNIONS

भारतीय ट्रेड यूनियन केन्द्र

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CITU OPPOSES GOVT DECISION THE SLASHING DOWN THE INTERESTS RATE ON SMALL SAVINGS, PPF ETC WHICH WILL AFFECT THE SUPERANNUATED WORKERS AND EMPLOYEES-THE SENIOR CITIZENS MOST

The Centre of Indian Trade Unions denounces Govt decision to drastically reduce the interest rates on small savings by around 140 basis points. This is a second-time reduction in interest rate on small savings within a span of less than one year, last being in June 2019. This will affect financially the mass of the populace, the superannuated, income-less several crores of senior citizens in particular who survive mainly on the meager return on their savings. It will also act as disincentive for generations of small savings of the common people through Govt-run savings instruments, which is an important source of resources for both the central and state governments for developmental work. This decision will also act in promoting the mutual funds and other speculative financial instruments being run by major big corporate, in collaboration with foreign financial agencies.

This cut in interest rates on small savings is being justified for sustaining govt revenue and contain the fiscal imbalance owing to economic slowdown and post lockdown situation which is nothing but a deceptive plea.

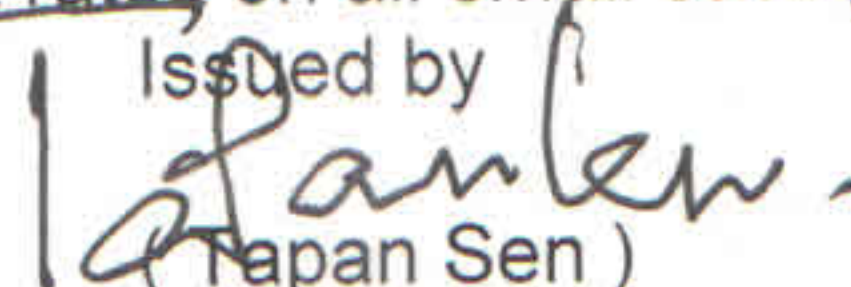
The questions arise, why the has the Govt left, rather freed the ultra rich section from sharing the burden of so called fiscal-imbalance,—the so called high net-worth-individuals(HINI)-all from big corporate/business community—who have cornered more than 50 per cent of national wealth, wholly burdening the people?

It is these toiling people in industries, services and agriculture who creates wealth for the national economy, delivers resources to national exchequer shouldering the increasing and widening burden of indirect taxes and also income tax through deduction from their wages. And now they are being fleeced further despite they being worst affected and sufferers of economic slowdown and also unavoidable lockdown phenomenon.

And the so called HINI from the big corporate/business community are favoured with tax concessions worth lakhs of crores of rupees in every budget including the latest one and yet they habitually evade their direct tax obligations after consuming all concessions, which is indirect and patronised pilferage from national exchequer. Only during 2014-2019, the unpaid direct tax accumulation from the same class has reached Rs 5.84 lakh crore as per official estimate. This very community of HINI is favoured with a rebate/waiver of more than Rs 2 lakh crore of their due bank-loans during last year. Why should not they be charged additional tax/cess out of their huge accumulated wealth which are amassed through extraction and expropriation of the wealth created by the working people. Why should there not be stringent action of recovering from them, their unpaid accumulated direct tax dues?

CITU denounces the brazenly anti-people discriminatory action of the Govt in slashing down the interest rate on small savings. CITU reiterates the demand of the entire trade union movement to differentially treat the interests rates on social security savings and small savings instruments from commercial interest rate, and maintain them at a higher level. CITU also demands restoration of the interest rates on all small savings.

Issued by



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