

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:298  
ANSWERED ON:22.03.2002  
INTEREST RATES OF BANKS  
ANANDRAO ADSUL

**Will the Minister of FINANCE be pleased to state:**

- (a) whether a substantial increase in bank deposits on the one hand and a decline in credit offtake on the other, had left banks with no option but to reduce the deposit rates;
- (b) if so, whether the RBI is going to reduce the interest rate on its Relief Bond also;
- (c) whether the bankers are facing a dilemma as administered interest rates are still high as against the term deposit rate of banks;
- (d) if so, whether any guidelines in this regard have been issued to the banks by the Union Government;
- (e) if so, the details thereof; and
- (f) the steps being considered by the Union Government to remove the problems being faced by the bankers?

**Answer**

MINISTER OF FINANCE (SHRI YASHWANT SINHA)

- (a), (b), (c), (d), (e) and (f): A Statement is laid on the Table of the House.