

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4655
ANSWERED ON:23.04.2010
MONETARY POLICY TRANSMISSION
Raghavan Shri M. K.

Will the Minister of FINANCE be pleased to state:

- (a) the details of Government's policy on bond market;
- (b) whether the ineffective monetary policy transmission has resulted from such policy;and
- (c) if so, the details thereof and the measure being taken to rectify the situation?

Answer

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

- (a): Government policy on bond market is to conduct its debt operation in a non-disruptive manner.
- (b): No, Sir
- (c):The changes in the Reserve Bank of India's policy rates are quickly transmitted to the money, debt markets and Government's securities yields.