

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3348
ANSWERED ON:13.08.2010
DE-REGULATION OF INTEREST RATE
Singh Shri Rakesh

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government/Reserve Bank of India (RBI) has any proposal to de-regulate the interest rate on the saving bank accounts;
- (b) if so, the details thereof alongwith its implications on the interest credited to the saving accounts; and
- (c) the time by which the interest rate on saving bank account is likely to be de-regulated?

Answer

The Minister of State in the Ministry of Finance(Shri S.S. Palanimanickam)

(a) to (c): The issue to deregulate interest rate on saving bank accounts has arisen from time to time. However, the Reserve Bank of India has not decided to deregulate interest rate on savings bank deposits so far. The interest rate on saving bank accounts remains unchanged at 3.5 percent since March 1, 2003 but with effect from 1st April, 2010 this interest is credited to the account on daily product basis to benefit the depositor.