

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4729
ANSWERED ON:07.08.2009
INTEREST PAYMENT BY NATIONALISED BANKS
Reddy Shri Mekapati Rajamohan

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India has asked the nationalised banks to move to a system of paying interest on a daily basis;and
- (b) if so, the details thereof?

Answer

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

(a)& (b): Reserve Bank of India has, vide its circular dated 24.04.2009, advised that payment of interest on savings bank accounts by scheduled commercial banks would be calculated on a daily product basis with effect from 1st April, 2010.