

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2789
ANSWERED ON:29.08.2012
QUESTION NORMS FOR CONVERSION OF FDS
Dhruvanarayana Shri R.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India has asked co-operative banks to formulate norms for conversion of Fixed Deposits (FDs); and
- (b) if so, the details thereof?

Answer

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

(a) & (b): The Reserve Bank of India, vide its Circular No. RPCD.CO.RCB.BC.No.78/07.38.01/2011-12 dated May 28, 2012 has permitted all State Cooperative Banks and District Central Cooperative Banks, to formulate their own policies towards conversion of term deposits, daily deposits or recurring deposits for investment in Term deposits.