

derivatives and unhedged foreign currency exposures, banks have been advised to put in place, by end-December, 2012, an effective mechanism for information sharing. Any sanction of fresh loans/ad-hoc loans/renewal of loans to new or existing borrowers with effect from January 1, 2013 to be made only after obtaining/sharing necessary information. Banks have been advised that non adherence to these instructions would lead to action including imposition of penalty wherever considered appropriate.

Viability of e-fund transfer

2997. SHRIMATI T. RATNA BAI:

SHRI MODH. ALI KHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is of the opinion that free e-fund transfer is not viable commercially; and

(b) if so, the details thereof and the comments of Government thereupon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) With the objective of reducing the number of transactions through cheques and other expensive modes, the Government had advised Public Sector Banks (PSBs) and Regional Rural Banks (RRBs) in June, 2012 to encourage e-payment channels. For incentivising greater use of electronic payment systems in place of paper-based mechanism, it is desirable that the benefits accruing on account of increasing volume of transactions are passed on to the customers, including free e-fund transfer, in certain cases. Banks take these decisions considering, *inter alia*, the cost and benefits of various payment methods.

Variation in rate of interest by different banks

†2998. SHRI MAHENDRA SINGH MAHRA: Will the Minister of FINANCE be pleased to state:

(a) whether rates of interest payable to the depositors by different banks of the country varies;

(b) if so, the reasons therefor;

(c) whether guidelines would be issued by the Ministry to bring about uniformity in the rates of interest of different banks; and

†Original notice of the question was received in Hindi.

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Yes, Sir. The Reserve Bank of India (RBI) with effect from October 22, 1997 has permitted commercial banks to decide the rates of interest payable on domestic term deposits of various maturities with the prior approval of their respective Board of Directors/Asset Liability Management Committee. The banks are now free to offer any interest rate on domestic term deposits according to their cost structure with the approval of their board.

The RBI has also deregulated the rates of interest payable on saving bank deposits *w.e.f.* 25th October, 2011. Banks are now free to determine their interest rate on savings bank deposits subject to:-

- (i) Each bank will have to offer a uniform interest rate on savings bank deposits up to Rs.1 lakh, irrespective of the amount in the account within this limit; and
- (ii) For savings bank deposits exceeding Rs. 1 lakh, a bank may provide differential rates of interest, if it so chooses, subject to the condition that banks will not discriminate in the matter of interest paid on such deposits, between one deposit and another of similar amount, accepted on the same date, at any of its offices.

(c) and (d) Scheduled Commercial Banks are regulated by the RBI which has permitted them to decide on the rates of interest payable as explained above. There is no felt need to issue guidelines for uniformity in rates of interest on deposits, payable by banks.

Disinvestment of PSUs

2999. SHRI ANIL DESAI: Will the Minister of FINANCE be pleased to state:

- (a) the number of PSUs (Public Sector Undertakings) divested in the last one year;
- (b) the amount mopped up through disinvestment of PSUs; and
- (c) in what manner Government going to utilise the funds realised through disinvestment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) During the financial year 2011-12 Government