

- (b) whether Government has assessed the effect of increase in repo rate on consumers, especially regarding home loan, personal loan and auto loan;
- (c) whether Government proposes to decrease the repo rate; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The Reserve Bank of India (RBI) raised repo rate 13 times by 375 basis points from 4.75 per cent to 8.50 per cent during April 2009 to October 2011 and decreased it by 50 basis points to 8.00 per cent on 17.04.2012.

(b) Taking cues from the Reserve Bank's change in the repo rate, banks have reset their lending rates on housing, vehicles and other loans.

(c) and (d) The RBI is expected to take a view on the repo rate based on its assessment of inflation, inflationary expectations and growth of the economy.

White Label ATMs

2054. SHRIMATI RENUKA CHOWDHURY: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Reserve Bank of India is planning to introduce the system of White Label ATM in the country;
- (b) if so, the details thereof, and the use of such ATMs in the present banking business; and
- (c) whether any guidelines have also been issued on setting up of White Label ATMs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) Reserve Bank of India (RBI) has issued guidelines on 20th June, 2012 permitting non-bank entities to set up, own and operate ATMs called 'White Label ATMs'. Customers of all banks may use 'White Label ATMs' for withdrawal of cash and other permitted non-financial transactions.

Permission to Gulf countries to invest in Indian Capital Market

2055. SHRIMATI RENUKA CHOWDHURY: Will the Minister of FINANCE be pleased to state:

- (a) Whether Government is planning to allow investors of Gulf countries to invest in Indian Capital Markets as Qualified Foreign Investors (QFIs);

(b) if so, the details thereof, and

(c) whether the Ministry is also working on amendment of its rules according to the expected targets?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) In the 2011-12 Budget, the Qualified Foreign Investor (QFI) scheme was introduced allowing foreign investors to invest in Mutual Funds, subject to certain conditions. On 1st January 2012, the Government expanded this scheme to allow QFIs to directly invest in Indian Equity Market. As announced in Budget 2012-13, QFI can now also invest in corporate bonds.

QFIs who are eligible to invest in Indian capital market include individuals, groups or associations, resident in a foreign country that is a Member of the Financial Task Force (FATF) or a member of a group which is member of FATF and a Signatory of IOSCO's MMOU or a signatory of a bilateral MOU with SEBI subject to other terms and conditions. QFIs do not include FIs/Sub-accounts/FVCI. The detailed definition of QFI is given in SEBI's circular dated July 20, 2012 which is available at following link: http://www.sebi.gov.in/cms/sebi_data/attachdocs/1342784172262.pdf

Since Gulf Cooperation Council (GCC) is a member of FATF, the residents of the member countries of GCC who comply with the conditions in QFI definition, are eligible to invest in Indian capital market through the QFI route.

Presently, as per the QFI definition, four out of six member countries of GCC namely Bahrain, Oman, Saudi Arabia and UAE are eligible to invest in Indian capital market through the QFI route.

(c) The definition of QFI was expanded in July 2012 to *inter-alia* include residents of the member countries of Gulf Co-operation Council (GCC) as GCC is a member of FATF. No further amendment in QFI definition is envisaged at this point of time.

Implementation of Goods and Service Tax

2056. SHRI N.K. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the implementation of Goods and Service Tax (GST) has been unduly delayed;

(b) if so, the reasons therefor and the time by which GST is likely to be implemented;