

**Inter-operability of India Post ATMs with Commercial Banks**

229. DR. CHANDAN MITRA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to allow inter-operability of India Post ATMs with Commercial Banks;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the steps taken by Government for early decision in the matter in order to popularise banking in rural areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) Department of Posts (DoP) has informed that so far it has installed 908 ATMs across the country which are functioning in a closed system. DoP has already approached Reserve Bank of India (RBI) for allowing inter-operability of its ATMs with commercial banks which is under consideration of RBI from technical, operational, legal and regulatory perspectives.

**Competitive interest rates for making the economy competitive**

†230. SHRI PRABHAT JHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is necessary to keep the interest rates competitive to make the country's economy as well as the industrial sector competitive;

(b) if so, the details thereof;

(c) whether proper steps have been taken/are being taken to keep the interest rates adequately competitive; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) Interest rates, which reflects the cost of borrowing in the economy, need to remain competitive for the development of real economy. The Reserve Bank of India (RBI) has been following an accommodative monetary policy stance since 2015. It has cut the policy repo rates by 150 basis points since January 2015 and at present repo rate stands at 6.50 percent. Since January 15, 2015, weighted average call rate has declined by 151 basis points to 6.50 per cent (as on April 21, 2016). RBI in its first bi-monthly monetary policy review 2016-17 held on April 5, 2016, had stated that the reduction in small savings rates announced in March 2016, the substantial refinements in the liquidity management framework announced

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† Original notice of the question was received in Hindi.