

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
STARRED QUESTION NO. *123
TO BE ANSWERED ON 13.03.2023

NEO BANKS AND MSMEs

*123. SHRI MASTHAN RAO BEEDA:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether Government has taken steps to promote neo banks for addressing gap in informal routes to banking needs for MSMEs;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether Government has issued any guidelines to regulate the credit facility provided by neo banks; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NARAYAN RANE)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE RAJYA SABHA STARRED QUESTION NO. *123 FOR ANSWER ON 13.03.2023.

(a) to (d): As informed by Department of Regulation, Reserve Bank of India, the Reserve Bank had constituted a Working Group on ‘digital lending including lending through online platforms and mobile apps’ (WGDL) on January 13, 2021. The report submitted by the WGDL was placed on the RBI website, inviting comments of stakeholders and members of the public. Taking into account the inputs received from diverse set of stakeholders, a Press Release was issued on August 10, 2022 specifying the Reserve Bank’s regulatory stance. The Press Release is available at https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54187.
