

Government of India
Ministry of Finance
Department of Financial Services

RAJYA SABHA

Unstarred Question No. 1667

Answered on Tuesday, August 6, 2024/ Sravana 15, 1946 Saka

Expansion of credit delivery services

1667 **Shri K.R. Suresh Reddy:**

Will the Minister of *Finance* be pleased to state:

- (a) whether Government is cognizant that an effective range of digital products can be used to deepen and strengthen the last mile reach of the agriculture credit system; and
(b) if so, the details of the initiatives that are proposed to be taken by Government, keeping in mind that technology is the major enabler to ensure improved and faster services, achieve greater expansion and also efficiency of credit delivery?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) and (b): The Government has acknowledged the role of digital products to deepen and strengthen the outreach of agriculture credit system to the last mile. The various initiatives taken in this regard are:

- i. Jan Samarth Portal has been developed to connect various stakeholders of the credit delivery process, thereby streamlining and facilitating the process of credit delivery to the target beneficiaries. Kisan Credit Card (KCC) scheme has also been onboarded on Jan Samarth portal.
- ii. Ministry of Agriculture & Farmers Welfare has launched Agri Stack as Digital Public Infrastructure to make it easier for farmers to get easier access to cheaper credit, higher-quality farm inputs, localized and specific advice, and more informed and convenient access to markets.
- iii. In 2023, RBI has piloted the Public Tech Platform for Frictionless Credit (PTPFC) with an objective of leveraging the digitalisation in the country and to enable frictionless credit across all loan segments. At present, eleven loan journeys are live on the Platform including Kisan Credit Card loan (up to 1.6 lacs), Digital Dairy/ cattle loan and Tractor Loan.
- iv. NABARD under Financial Inclusion Fund (FIF) has facilitated rural financial institutions in the adoption of latest digital services thereby expanding banking touchpoints in remote areas. The deployment of micro-ATMs, POS/mPOS machines, and BHIM Aadhaar Pay devices, along with mobile vans has significantly increased access to digital financial services in the underserved areas. Outreach efforts in financial literacy have reached out to 30 crore households, duly contributing to the adoption of technology and promoting financial inclusion among the rural population.
