

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. †1949

To be answered on the 19th December, 2022/Agrahayana 28, 1944 (Saka)

Increase in Digital Loans

†1949. DR. ARVIND KUMAR SHARMA:

DR. BHARATIBEN DHIRUBHAI SHIYAL:

SHRI SHANKAR LALWANI:

Will the Minister of FINANCE be pleased to state:

- (a) whether there has been an unprecedented rise in the number of people taking digital loan;
- (b) if so, the number of online and offline applications received for digital loans during the last one year, bank-wise; and
- (c) the details of reformative steps being taken to promote digitization in the working of banks?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KARAD)

(a) to (c): As per the report of working Group set up by Reserve Bank of India (RBI) on digital lending including lending through online platforms and mobile apps, based on data received from a representative sample of banks and Non-Banking Financial Companies (NBFCs), the number of loans through digital channels as a % of total number of loans for Scheduled Commercial Banks (SCBs) has increased from 1.43% in FY 2017 to 6.04% as on 31.12.2020 whereas for NBFCs it has increased from 0.68% in FY 2017 to 53.05% as on 31.12.2020. RBI has apprised that information on bank wise number of applications received for digital loans is not maintained by it.

Banks have been taking progressive measures to improve digital infrastructure for banking services and to promote digitization. Various steps taken by banks include, *inter alia*, the following —

- (a) Establishment of Digital Banking Units for delivering digital banking products and services as well as servicing existing financial products and services digitally;
- (b) Rolling out end to end digital platform and process with straight through processing for account opening, lending for MSME, Retail, agriculture and allied activities;
- (c) Enhanced access to Mobile and Internet banking along with option to use regional languages;
- (d) Accelerate digital payments in semi-urban and rural areas;
- (e) Digital marketing for sourcing business (deposits, loans etc.) through internet and social media and
- (f) Digitization of collection process with partnership led collections for retail and MSME customers.
