

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. †3547

TO BE ANSWERED ON THE 16TH MARCH 2020/ PHALGUNA 26, 1941 (SAKA)

PSB Loans

†3547. SHRI RAMESH CHANDER KAUSHIK:
SHRI DILIP SAIKIA:

Will the Minister of FINANCE be pleased to state:

- (a) the total number of people in all the States including Haryana, who had applied for Public Sector Bank (PSB) loans during the last three years, State-wise;
- (b) the total amount of funds allocated by the Government under PSB loans across all the States including Haryana, Assam and other North Eastern States;
- (c) whether the Government has prepared any action plan to make the procedure for PSB loan much more accessible and simple; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI ANURAG SINGH THAKUR)

(a): The Reserve Bank of India has apprised that the data is not maintained with them.

(b): Government does not allocate funds to PSBs for lending.

(c) and (d): With regard to making the procedure for PSB loan more accessible and simple a number of steps have been taken including, *inter alia*, the following:

- (i) Overdraft facility enabling access to credit has been provided to Pradhan Mantri Jan Dhan Yojana accountholders who have satisfactory conduct of account.
- (ii) Pradhan Mantri MUDRA Yojana provides loans up to Rs. 10 lakh to non-corporate, non-farm small and micro enterprises.
- (iii) Stand Up India scheme extends institutional credit for loans between Rs. 10 lakh and Rs. 1 crore to Scheduled Caste, Scheduled Tribe and women entrepreneurs.
- (iv) Psbloansin59minutes.com platform has extended hassle-free and expeditious in-principle approval for loans to MSMEs in contactless digital mode.
- (v) The Trade Receivable electronic Discounting System (TReDS) platform has enabled online discounting of trade receivables.
- (vi) To improve the sourcing, sanctioning and disbursement of loans in PSBs, reforms have been initiated under the PSB Reforms Agenda, which include, *inter alia*, the following:
 - (a) Proactive reach-out to get more borrowers under the credit net, by enabling doorstep facilitation for initiation of retail and MSME loans, co-origination of loans in tie-up with non-banking financial companies and external partnerships for customer-need driven credit offers, dedicated marketing workforce, and cash-flow-based MSME credit by larger PSBs.
 - (b) Loan Management Systems have been put in place in banks for personal segment and MSME loans for faster loan processing.
- (vii) RuPay Kisan Credit Card, a smart card cum debit card meets the credit requirements of farmers.

These steps have enabled India's rank on "Ease of getting credit" in World Bank's Ease of Doing Business Index to improve from 44 in 2016 to 25 in 2019.