

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 2156

TO BE ANSWERED ON THE 8TH MARCH 2021/ PHALGUNA 17, 1942 (SAKA)

UAC for PSBs

2156. SHRI DUSHYANT SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether Uniform Accountability Code (UAC) for Public Sector Banks (PSBs) is being formulated by the Government, if so, the details thereof and if not, the reasons therefor;
- (b) whether there are plans of limiting banking operations to 5-days and there are rules proposed for Staff accountability for frauds and if so, the details thereof and if not, the reasons therefor;
- (c) the number of unauthorised digital lending platforms that have been operating in the country at present;
- (d) the details of the amount of loans disbursed by these platforms so far, company-wise;
- (e) the corrective steps taken by the Government to prevent fraudulent activities of these lenders; and
- (f) whether the Government is planning to set up new guidelines for online lending and if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a): No, Sir.

(b): There is no proposal at present for limiting banking operations to five days. With respect to staff accountability on frauds, extant guidelines, circulars, rules and directions by the Government and the Reserve Bank of India (RBI) on the subject are already in place.

(c) and (d): The RBI, as banking regulator, has informed that the information is not maintained with them.

(e) and (f): Ministry of Electronics and Information Technology has informed that to prevent fraudulent activities of such lenders, it has blocked 27 loan lending apps under Section 69A of the Information Technology Act, 2000.

With respect to setting up of new guidelines for online lending, RBI has informed that following measures have been taken to address the concern and risks emanating from the operations of unauthorized digital lending platforms:

- (i) *Vide* its circular dated 24.6.2020 to banks/NBFCs has reiterated them to adhere to Fair Practices Code and Outsourcing Guidelines applicable to them, to disclose names of digital lending platforms engaged as agents on the website and the platforms to disclose upfront the name of the lending institutions on whose behalf they are interacting with customers.
- (ii) Members of general public were cautioned *vide* press release issued on 23.12.2020, against unauthorized digital lending platforms/apps with an appeal to verify the antecedents of the service provider with translation in vernacular languages also being released in the local media across States.
- (iii) Chief Secretaries of the States have been requested to consider proactive intervention in such matters by the State law enforcement agencies as per applicable laws.
- (iv) Constituted a Working Group on 13.1.2021 to study all aspects of digital lending activities including lending through online platforms and mobile apps by RBI regulated and unregulated entities and come out with recommendations, *inter alia*, pertaining to regulatory and customer protection measures.
