

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**

**UNSTARRED QUESTION NO. 3520**

TO BE ANSWERED ON THE 20<sup>TH</sup> DECEMBER 2021/ AGRAHAYANA 29, 1943 (SAKA)

**Establishment of Digital Banks**

3520. SHRI KOMATI REDDY VENKAT REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether the NITI Aayog has proposed setting up of fullstack digital banks in the country; and
- (b) if so, the details thereof and the present status in this regard?

**ANSWER**

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

(a) and (b): NITI Aayog has apprised that in consultation with eminent experts in the field of finance, technology and law and based on inter-ministerial consultations, it has released a discussion paper titled “Digital Banks: a proposal for licensing and regulatory regime for India” on 24.11.2021 and has offered a template and roadmap for a Digital Bank licensing and regulatory regime for India.

As envisaged in the discussion paper, Digital Banks are entities that will issue deposits, make loans and offer the full suite of services that the Banking Regulation Act empowers them to. However, these banks principally rely on the internet and other proximate channels to offer their services and not physical branches.

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