

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
LOK SABHA
UNSTARRED QUESTION NO-105
ANSWERED ON- 18/07/2022

DIGITAL BANKING INFRASTRUCTURE

105. SHRI G.M. SIDDESHWAR

Will the Minister of FINANCE be pleased to state:-

- (a) whether the Government is considering to set up a Digital Banking Infrastructure Corporation;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to facilitate digital banking, doorstep banking services and also digital lending platforms to the people across the country?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) to (c): Government has taken a number of steps to facilitate digital banking, doorstep banking services and digital lending platforms. These include, *inter-alia*, the following:

- (1) An initiative 'Jeevan Pramaan' for pensioners by the Government has provided senior citizen pensioners, the facility to update their annual life certificate online.
- (2) Through improvements in digital channels, lending has been made accessible by way of *PSBloansin59minutes.com*, to provide online in principle approval for MSME loans based on data of credit bureau, income-tax and goods and services tax (GST).
- (3) Onboarding of Public Sector Banks (PSBs) onto the Trade Receivables Discounting System (TReDS) platform has enabled online bill discounting for MSMEs competitive and the proportion of online discounted bills has grown rapidly.
- (4) Under the Government-initiated PSB Reforms Agenda—
 - (i) Enhanced access to Mobile and Internet banking has been enabled through an increase in the average number of services offered (43), customer-friendly features (135) and regional language customer-interface (8);
 - (ii) End-to-end automated digital lending has been introduced in larger PSBs for unsecured personal loans (in five PSBs), loans to micro-

enterprises ("Shishu Mudra", in five PSBs) and renewals of loans to micro, small and medium enterprises (in three PSBs);

(iii) Digital retail loan request initiation through digital channels has been enabled in all the PSBs, with personal segment disbursements from loan requests so initiated in the financial year (FY)2021-22 amounting to Rs. 5,75,411 crore;

(iv) Customer-need-driven, analytics-based credit offers have been given an impetus, resulting in Rs. 82,139 crore of fresh retail loan disbursements by the ten larger PSBs in the financial year (FY) 2021-22.

As a result, nearly 79% of financial transactions of PSBs are now done through digital channels, with a many fold increase of customers active on digital channels i.e 3.4 crore in FY2019-20 to 9.4 crore in FY2021-22.

(5) PSB Alliance, an initiative of all PSBs and Indian Banks' Association, has launched doorstep banking services for all customers, including senior citizens, through call centre (1800-121-3721 and 1800-103-7188), web portal (<https://psbdsb.in/> and <https://doorstepbanks.com/>) mobile app (Google Play Store). At present 15 services are being offered in 100 cities across the country, which include cash withdrawal or deposit, pick-up of cheque or demand draft or pay order etc., pick-up of cheque-book requisition slip, pick-up of income-tax forms no. 15G/15H, pick-up of income-tax/GST challan, and delivery of tax deduction at source (TDS) and Form-16 certificates for income-tax purposes.

As on date, there is no proposal under consideration of the Government for setting up of a Digital Banking Infrastructure Corporation (DBIC).
