

Measures taken to facilitate digital banking

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- **Nearly 72% of financial transactions of PSBs done through digital channels.**
- **Active customers doubled on digital channels from 3.4 crore in FY 2019-20 to 7.6 crore in FY 2020-21.**
- **Financial transactions undertaken through home and mobile channels increased from 29% in FY 2018-19 to 76% in FY 2020-21.**

The Government has taken a number of steps to facilitate digital banking, doorstep banking services and digital lending platforms. This was stated by Union Minister of State for Finance Dr Bhagwat Kisanrao Karad in a written reply to a question in Rajya Sabha today.

Giving details of the steps, the Minister stated that these include, inter-alia, the following:

Initiation of digital lending has been made contactless through PSBloansin59 minutes.com, using triangulation of credit bureau, income-tax and goods and services tax (GST) data, to provide online in principle approval for MSME loans.

Online bill discounting for MSMES has been enabled on a competitive basis through Public Sector Banks (PSBs) onboarding onto the Trade Receivables Discounting System (TReDS) platform and the proportion of online discounted bills has grown rapidly.

Government's Jeevan Pramaan' initiative for pensioners has enabled senior citizen pensioners the facility to update their annual life certificate online.

Under the Government-initiated PSB Reforms Agenda,-

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);

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);

Digital retail loan request initiation through digital channels has been enabled in all the seven large PSBs, with retail disbursements from loan requests so initiated in the financial year (FY)2020-21 amounting to Rs. 40,819 crore;

Customer-need-driven, analytics-based credit offers have been given an impetus, resulting in Rs. 49,777 crore of fresh retail loan disbursements by the seven larger PSBs in the financial year (FY) 2020-21.

As a result, the Minister stated, nearly 72% of financial transactions of PSBs are now done through digital channels, with doubling of customers active on digital channels from 3.4 crore in FY2019-20 to 7.6 crore in FY2020-21, and the share of financial transactions undertaken through home and mobile channels has increased from 29% in FY2018-19 to 76% in FY2020-21.

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-

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7 188), web portal (<https://psbdsb.in/> and <https://doorstepbanks.com/>) mobile app (Google Play Store). At present 13 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., pickup of cheque-book requisition slip, pickup 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.

The Minister further said that there is no proposal under consideration of the Government for setting up of a Digital Banking Infrastructure Corporation (DBI). As per inputs from banks, some PSBs have held discussions to set up a corporation to create a common digital infrastructure platform as a joint initiative of the banks, with a view to enable enhanced access to consumers and businesses for credit offerings.