

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO-174
ANSWERED ON MONDAY, JULY 22, 2024/31 ASHADHA, 1946 (SAKA)

**DEVELOPMENT OF PUBLIC TECH PLATFORM FOR
FRICTION LESS CREDIT**

174. SHRI Y S AVINASH REDDY:

Will the Minister of Finance be pleased to state:

- (a) whether RBI has announced the development of a Public Tech Platform for 'friction less credit' by the Reserve Bank Innovation Hub (RBIH), and currently, data needed for credit appraisal are available with different entities such as Central and State Governments, banks and credit information companies and this has created hindrance in the frictionless delivery of loans; and
- (b) if so, the details thereof and present status thereof and the way by which it will be useful to the general public?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) and (b): The Reserve Bank of India (RBI) has informed that it had announced the development of Public Tech Platform for Frictionless Credit (PTPFC), as part of the 'Statement on Developmental and Regulatory Policies' released on August 10, 2023. The pilot of the PTPFC commenced on August 17, 2023.

The Platform is an enterprise-grade open architecture IT platform, central to the operations of a large ecosystem of credit, to ensure access of information from various data sources digitally and has been developed with a vision to act as a comprehensive Digital Public Infrastructure in the lending space. The financial service providers and multiple data service providers converge on the Platform using standard and protocol driven architecture, open and shared Application Programming Interface (API) framework, in a plug and play model.

The Platform is beneficial to all stakeholders, including consumers, lenders and data service providers. Consumers get frictionless tailored credit by unlocking value of digitally available data with trusted consent architecture without the need for paper-based documentation or physical visit to bank branches. The lenders and data service providers are benefited due to network effect, standardization, efficiency in terms of cost and Turn Around Time (TAT), innovation in lending process, scalability and increasing reach / access.

At present, nine loan journeys are live on the Platform viz. Kisan Credit Card loan, Digital Dairy/ cattle loan, MSME loan, Housing Loan, Personal Loan, Tractor Loan, Micro Business Loan, Vehicle Loan and Digital Gold Loan.
