

The banks have been directed, *inter-alia*, to increase the number and account of Kisan Credit Cards; ensure timely and adequate credit to small and marginal farmers, besides ensuring growth in credit to micro-enterprises.

Further, in terms of the recommendations of the Prime Minister's Task Force on MSMEs, banks have been advised that 60 per cent of MSE advances to the micro enterprises is to be achieved in stages *viz.* 50% in the year 2010-11, 55% in the year 2011-12 and 60% in the year 2012-13 Banks have been advised to achieve a 20 per cent year-on-year growth in credit to micro and small enterprises and a 10 per cent annual growth in the number of micro enterprise accounts.

#### **Impact of Greece crisis on Indian economy**

918. SHRI D. RAJA:

SHRI M.P. ACHUTHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the recent Greece Public Finance crisis had any impact on the Indian economy; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):  
(a) and (b) With Greece's share in India's exports at 0.3 per cent in 2009-10, the channel of crisis propagation *via* exports has been insignificant/minimal. The crisis, however, affected the Indian economy temporarily through setback in portfolio flows, which soon rebounded due to the resilience of the Indian economy.

#### **Online money transfer services in the country**

†919. SHRI BALAVANT *ALIAS* BAL APTE:

SHRI SHREEGOPAL VYAS:

Will the Minister of FINANCE be pleased to state:

(a) the relevant laws to administer online money transfer service in the country;

(b) whether companies carrying out online money transfer transaction business are doing so after necessary registration and approval from the Reserve Bank of India (RBI);

(c) if so, the details thereof and if not, the reasons therefor; and

(d) the measures taken or being taken by Government/Reserve Bank of India to safeguard the interests of users in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):  
(a) In terms of Section 4(1) of the Payment and Settlements Systems Act, 2007, no person

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†Original notice of the question was received in Hindi.

other than the Reserve Bank shall commence or operate a payment system except under and in accordance with an authorization issued by the Reserve Bank under the provisions of the said Act. In terms of explanation to Section 2(1)(i) of the Act, a payment system includes money transfer operations.

In terms of Section 3(c) of Foreign Exchange Management Act (FEMA), 1999, save as otherwise provided in the said Act, rules or regulations made thereunder, or with the general or special permission of the Reserve Bank, no person shall receive otherwise (than) through an authorised person, any payment by order or on behalf of any person resident outside India in any manner.

(b) Under Money Transfer Service Scheme (MTSS), the Indian agent who has to be an Authorised Dealer Category-I/Authorised Dealer Category-II/Full Fledged Money Changer requires prior RBI approval under the provisions of FEMA, 1999 to enter into such an arrangement with an Overseas Principal for receiving cross border personal inward remittances in India. The Overseas Principals are authorized by the Reserve Bank under Section 4(1) of the Payment and Settlement Systems Act, 2007.

(c) RBI has so far given permission to 25 Indian Agents to route cross-border inward personal remittances into India under MTSS.

(d) While according permission to Indian Agents for entering into tie-ups with overseas Principals under MTSS, it is ensured that Overseas Principals are regulated entities, having sound financials, good credit rating and complying with Know Your Customer (KYC)/Anti Money Laundering (AML)/Combating the Financing of Terrorism (CFT) Guidelines as applicable in their home countries. The necessary KYC/AML/CFT Guidelines have been prescribed by the Reserve Bank for the Indian Agents under MTSS for money transfer activities. Further, collateral equivalent to 3 days' average drawings or USD 50,000 whichever is higher, is kept by the Overseas Principal with Indian Agents for mitigating credit exposures.

#### **Structural improvement in small savings**

†920. SHRI SHIVANAND TIWARI:  
SHRI RAVI SHANKAR PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has set up a committee to get recommendation for structural improvement in respect of small savings in the country;

(b) if so, whether representatives of small saving depositors have also been included in this committee; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):  
(a) Yes, Sir. The Government has set up a committee headed by

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