

Foothold in payment and loans segment by foreign companies

2281. SHRI BINOY VISWAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that foreign companies are gaining a foothold in the payment and loans segment in India through Non-Banking Financial Companies (NBFC) which are allowed 100 per cent foreign ownership which could lead to easier access to financial data of crores of Indians; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) and (b) With a view to enhance safety and security for customers of NBFCs, RBI has issued Master Directions on Information Technology (IT) Framework for NBFCs, requiring NBFCs to have a Board-approved Information Security policy to control access to sensitive information and ensure that only legitimate users use data and the same cannot be read or compromised without proper authorisation. Such policy is required to be based on the following tenets:

- (i) Confidentiality, for ensuring access to sensitive data to authorised users only;
- (ii) Integrity, for ensuring accuracy and reliability of information by ensuring that there is no modification without authorisation;
- (iii) Availability, for ensuring that uninterrupted data is available to users when it is needed; and
- (iv) Authenticity, to ensure that the data, transactions, communications or documents (electronic or physical) are genuine.

It is observed that the above directions are uniformly applicable to all NBFCs, including those in which foreign companies have stake.

Short-term loans to farmers

2282. SHRI NARAYAN LAL PANCHARIYA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has taken any decision to provide short-term loans to farmers on subsidised interest rates;

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

(c) whether NABARD has been mandated to refinance short term agricultural loans to farmers;