

**Platform used for fifty nine minute loan for MSMEs**

2129. SHRI SANJAY SETH: Will the Minister of FINANCE be pleased to state:

- (a) what is the platform used to process the application for the fifty nine minute loan for the MSME sector announced by Government;
- (b) whether the online application portal is run by Government or a private enterprise, the details thereof;
- (c) the details of the process followed to select the portal operator along with details of participating entities in the selection process;
- (d) the amount charged by the loan portal for each application made on it; and
- (e) the number of applications made on the portal as per latest available data and against the list of loans sanctioned and disbursed to applicants?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) and (b) Loans in 59 minutes for Micro, Small and Medium Enterprises (MSME) sector are facilitated through [www.psbloansin59minutes.com](http://www.psbloansin59minutes.com), an online lending portal run by “Online PSB Loans Limited”, a public limited company wherein 6 Public Sector Banks (PSBs) and Financial Institutions(FIs) along with their associate companies hold 54% majority stake and majority seats (4 out of 7) on the Board.

(c) After exploring alternative options, a group of bankers from Small Industries Development Bank of India (SIDBI) and PSBs opted for acquisition of majority stake in an existing financial technology (Fintech) company to achieve desired objectives of a near ready platform and operational team within desired timelines. A multi stage selection and filtering process was carried out involving SIDBI and PSBs to select the Fintech with desired capabilities. This was followed by third party audit(s) and validation at various stages, through reputed external entities. PSBs, FIs and their associate companies thereafter made their own assessments prior to making investments.

(d) No fee is charged from borrowers for registration of Micro, Small and Medium Enterprises (MSMEs) on the portal or for cases of renewal. Convenience Charge of ₹ 1000/- +GST is levied only when the MSME gets in-principle approval on the marketplace Uniform Resource Locator (URL) of the portal. The charge collected is used by Online PSB Loans Ltd. to meet out of pocket expenses payable to third parties for various services and for its own expenditure.

(e) As on 25.12.2018, out of 1,31,028 completed applications received on the portal, 1,12,043 applications for loans have been accorded in-principle approval. Sanctions have been made in respect of 40,669 cases.

**Implementation and functioning of 59-minutes loan approval scheme**

2130. SHRI SANJAY SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that a 59-minute loan approval scheme has been launched by Government to ease credit flow to the MSME sector;

(b) whether it is also a fact that the loan approval scheme is not working as per the plans and provisions of the scheme;

(c) if so, the steps taken by the Government to ensure that the 59-minute loan approval scheme functions properly and reaches every stakeholder in the MSME sector; and

(d) the details of the amount of loans approved under the scheme until now for financial year 2018-19?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (d) As the “*psbloansin59minutes.com*” portal is an online portal run by “Online PSB Loans Limited”, a public limited company wherein 6 Public Sector Banks (PSBs) and Financial Institutions(FIs) along with their associate companies hold majority stake. The portal facilitates in principle approval for loans to Micro Small and Medium Enterprises (MSMEs) upto ₹ 1 crore within 59 minutes from Public Sector Banks (PSBs). Key features of the portal, *inter alia* include enabling borrowers to connect with multiple banks without visiting the branch, financial technology (Fin Tech) based architecture with high level of information security, analysis of data from various data points, loan products in line with scoring models and assessment methods within approved credit policies, prima facie eligibility check for credit guarantee from CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises) etc.

As on 25.12.2018, 1,12,043 applications for loans have been accorded in principle approval on the portal and sanctions have been made in respect of 40,669 cases.

**Collection and utilisation of indirect taxes amount**

2131. SHRI SYED NASIR HUSSAIN: Will the Minister of FINANCE be pleased to state:

(a) the total amount collected through indirect taxes by Government from various sources during the last three years and its utilisation for various activities; and