

3. Ease 3.0 for Tech-Enabled Banking

Prelims Syllabus: Banking

Mains Syllabus: GS-III Indian Economy and Issues Relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Why in News?

- Finance Minister Nirmala Sitharaman has recently launched Ease 3.0 for tech-enabled to change the customer's experience at the Public Sector Banks (PSBs).

About:

- Ease (Enhanced Access and Service Excellence) 3.0 reform agenda aims at providing smart, tech-enabled public sector banking for aspiring India.
- New features that customers of public sector banks may experience under EASE 3.0 reforms agenda include facilities like:
 - ✓ Palm Banking for “End-to-end digital delivery of financial service”.
 - ✓ “Banking on Go” via EASE banking outlets at frequently visited spots like malls, stations, complexes, and campuses.
- PSB Reforms EASE Agenda is a common reform agenda for PSBs aimed at institutionalizing clean and smart banking.
- It was launched in January 2018, and the subsequent edition of the program – EASE 2.0 built on the foundation laid in EASE 1.0 and furthered the progress on reforms.
- In EASE 2.0, the government had proposed pushing liquidity in the public sector banks, reconstituting the management committee and possible mergers among the ideal partners in the Indian banking sector.

Why EASE 3.0 was Launched?

- The Ministry has the idea of establishing paperless and digitally-enabled banking at places where people visit the most.
- The government aims to focus on digitalization in the Public Sector Banks (PSBs) among themes that include responsible banking, PSBs as Udyami Mitra, customer responsiveness, credit take-off, and deep financial inclusions.



EASE 3.0: Digital & data-driven PSBs




Smart Lending for Aspiring India

-  **Dial-a-loan** for doorstep facilitation
-  **Credit@click**: End-to-end digital retail and MSME lending
-  **Alternate-data-based lending** using cash-flow analysis
-  **Analytics-based credit offers**
-  **Tech-enabled agricultural lending** and export credit




Hard-wiring sound banking through IT systems

-  **Collections and Recovery Management Systems**
-  **Risk Scoring & Scrutiny Platform**
-  **Early Warning Signals System** for SOP-driven remedial actions
-  **Cloud-based banking solutions**
-  **AML Compliance Monitoring System**
-  **Alternate-data- and technology-based monitoring**

Tech-enabled Ease of Banking

-  **Palm Banking**: End-to-end digital delivery of financial services
-  **"Banking on the go"** through **EASE Banking Outlets**: Paperless, digitally enabled banking at frequently visited spots like malls, stations, complexes and campuses
-  **Digitalising the branch experience** for customers

Governance and outcome-centric HR

-  **Board oversight** for alignment of structures and processes with strategic goals
-  **Succession Planning**
-  **Productivity assessment** and IT-system based HR deployment
-  **Scientific and business-focussed Performance Mgmt System**
-  **Specialised job families and cadres**

