Public Sector Banks need to move towards Banking as a Service model. Do you agree with this view? Explain (200 words).

- According to a report by SBI's economic research Department, PSBs need to increasingly connect ~~for~~ forge partnerships with technology partners and move towards Banking as a Service (BaaS)

Reasons

- Will allow banks to rapidly innovate and expand their product and service
- PSBs will be able to adopt international standards in their service.
- Banks ~~can~~ ~~note~~ will be able to fully leverage the ecosystem created by Central Repository of Information on Large Credits (CRILC) and IBBI.
- Allow banks to adopt according to the changing needs of the industry.

Benefits:

- Provide easy access to Digital lending with minimal paperwork to SME
- Agriculture lending can be digitized by using GIS and other data intensive technology.

- Will promote SDG goals by Green financing
- ~~help~~ help PSBs to play a significant role in Atmanirbhar Bharat.
- Enable the PSBs to truly own the customer value chains.

~~Way forward~~:

Conclusion:

The 4th Industrial Revolution will use Green Hydrogen and EV building on the digital revolution, which is blurring the lines between the physical, digital and biological spheres. PSBs need to enact and adopt according to the changing needs of the industry.