

Banks must ensure eligible citizens get loans, says FM

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New Delhi, 23 August

Finance Minister Nirmala Sitharaman exhorted banks to identify and cover eligible beneficiaries of various government credit-related schemes.

At a credit outreach programme in Nagaland, Sitharaman said Indian banks were in a difficult situation for five to eight years as a result of 'phone banking' through which cronies got the loans and the eligible citizens were left out.

"Indian banks have come out of a very troubled five to eight years, purely because there has not been an undue interference in their function. And today, I'm happy to say many of them have come out of the difficult situation in which they were, as a result of a certain kind of phone banking, which happened at one point in time in India, that cronies got the loans and the eligible citizens were left out. Now I'm encouraging the eligible citizens to get (loans) and not cronies," Sitharaman said.

The finance minister urged banks to start a district by district campaign for Prime Minister's schemes so that eligible common man can avail their benefits. Citing the penetration of Kisan Credit Cards in Nagaland, Sitharaman said that there are about 2.3 lakh PM KISAN beneficiaries in the state, and only about 70,927 have been sanctioned KCC. She appealed banks to cover all eligible beneficiaries by district by November 30.

Banks must announce dates for their outreach programme well in advance and achieve saturation in 16 districts of Nagaland. Banks can rope in more banking correspondents if necessary, she said.

From September 1-November 30, all eligible citizens should have benefited from each one of those eligible programs for which the banks are reaching out, Sitharaman said.

Sitharaman also requested Nagaland CM Neiphiu Rio to use state machinery to identify eligible persons. "But I would want the district administration to also ensure that you identify such people who are eligible, and not anyone random," she said.

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NIRMALA SITHARAMAN,
Finance Minister