

'Bank the unbanked to achieve \$5-trn goal'

More lenders must figure among top 100 global banks, says the President

SPECIAL CORRESPONDENT

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To achieve the goal of a \$5-trillion economy, commercial banks will need to focus on those who are still deprived of formal finance and the country will need more than just one bank in the top 100 global banks, said President Ram Nath Kovind said.

"India has become one of the largest economies in the world. Banks have been a constant part of India's growth saga. As India aims to become a \$5-trillion economy, the banking sector has to start preparing for the next big leap. This mainly involves "banking with the unbanked" and "securing the unsecured," he said in a speech at the National Institute of Banking Manage-



President Ram Nath Kovind and RBI Governor Shaktikanta Das during an event in Pune on Wednesday. ■ JIGNESH MISTRY

ment. He also said India's future journey will be greatly helped if banks exhibit deeper reach and become more efficient.

"Given the growing size of our economy, we should aim to have more than just one name in the world's top 100

banks," he added.

Last month, the economic survey said at least eight banks were needed, which are large enough to belong to the top 100 banks globally, for India to become a \$ 5-trillion economy. At present, only State Bank of India is

among the top 100 global banks. He pointed out the success of the 'Pradhan Mantri Jan Dhan Yojana' and said almost 35 crore bank accounts had been opened under this scheme. "This number is larger than the population of all countries except ours and China's," he said.

Mr. Kovind added that banks needed to take proactive measures to bring greater gender parity in ownership of financial assets. "As part of social responsibility, banks can adopt certain geographical areas for increasing financial awareness among women." He said the proposal to hike deposit insurance coverage from ₹1 lakh to ₹5 lakh was a positive step towards assuring savers.