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73,000 villages to be brought under banking net by 2012: FM



Finance Minister Pranab Mukherjee today said 73,000 villages with a population of over 2,000 persons will be brought under formal banking network by March 2012 as the government aims at inclusive growth in the country.

"The target (of covering such villages) for 2010-11 has been completed and I am quite confident the balance will be fulfilled by March 2012," he said, adding the goal of inclusive growth cannot be achieved without financial inclusion.

Mukherjee was speaking at a function of Central Bank of India here.

During 2010-11 banks covered about 29,000 villages.

Even with more than 8,700 bank branches in the country, a large section of the population is yet to be brought under the banking system.

In his Budget speech in February 2010, Mukherjee had said that banks would provide banking facilities in 73,000 villages with a population of over 2,000 by March 2012.

Presenting the UPA government's annual report card yesterday, Prime Minister Manmohan Singh said that the government would look to chart an economic growth process that was "socially inclusive and regionally balanced.

Central Bank of India and National Skill Development Corporation (NSDC) today entered into an agreement to provide skill training to youth.

Mukherjee said the prospects of sustained high economic growth and the much anticipated 'demographic dividend' will materialise only if the youth is appropriately skilled and has the opportunity to engage productively in economic activity.

"This demographic dividend in terms of numbers would not be beneficial to us if we cannot provide them skill, if we cannot convert this vast workforce into a skilled work force," he said.

India is expected to have largest number of young workers by 2030 when developed countries would be facing the challenge of ageing population.

He also said there was a need to engage youth in constructive activities as it save them from falling into hands of those engaged in separatist and violent activities.

Central Bank of India has created an innovative Skill Development Loan for financing vocational education.

NSDC, launched in October 2009 as public-private partnership programme, aims to provide skills to 550 million by 2020. PTI.