

Bandhan scores with small loans

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Calcutta, June 29: Banks could explore loans of small sizes for micro and small enterprises amid concerns over a falling credit flow to these critical sectors.

Data from Reserve Bank show micro and small enterprises to owe less to banks as on April 28 2017. Outstandings were down 0.5 per on a year-on-year basis and 2.3 per cent on a sequential basis.

Bandhan Bank MD and CEO Chandra Shekhar Ghosh said the city-based private lender, with a presence in different parts of the country, has seen a steady demand for small enterprise loan ranging between Rs 1 lakh and 10 lakh without security and with full repayment

Speaking at an MCCI-organised event, Ghosh said non bank finance companies (NBFCs) had been able to meet the demand for loans as opposed to banks which are more focussed on improving their financial health.

"NBFCs had registered growth of 15 – 20 per cent last year, which is an eye-opener for the banks," Ghosh said.