Article published on February 16th 2012 | Finance

Most of the top notch banks of the country failed to meet their targets that had been decided by the Government as far as lending finances to small businessmen was concerned in the year that went by. This also been a spoiler as far as the Conservative-led coalition government was thinking about the removal of the barriers that were creating a trouble in the recovery of the economy was concerned.

In the 'Project Merlin' deal it was decided that the banks would meet certain set targets so that they would play a role in the betterment of the state was concerned. Now since the banks had failed in meeting their targets, the government would be compelled that they should tighten their hands on this very sector so that next time they are going to meet their targets that are their fixed goals.

The government Led by Prime Minister David Cameron is already facing a lot of fireworks. The main reason for this negative publicity is that they that are the ministers of the government had not been able to curb the bonuses that the banks were enjoying when many of the people who had taken up loans were facing major troubles. The government of the country is now putting its hope on the people from the private sector that they would lead to the betterment of the economy of the country and this is going to help you out on cutting the spending thing. From the years of 2008-09, many of the firms who are working on a small scale had faced a lot of trouble in applying for monetary backing for the purpose of expansion. Apply with text loans no credit checks @ http://www.textloansnocreditcheck.co.uk/ and get cash for your emergency need in very less time.

Most of them were of the view that the Project Merlin was of no help to them at all at any point of time. The Ministry of Finance that they are not at all interested in extending the time duration of this agreement. They are planning to make the replacement of Project Merlin with a scheme of loan guarantee. The main aim of this scheme would be that the prices of the borrowing for the firms working on a small scale are concerned. According to the Bank of England, the number of banks that had got into the agreement of the Project Merlin, and have failed to meet their target is 5. They were not able to lend money to either small sized or middle-sized businesses.

Article Source:
http://www.articleside.com/finance-articles/banks-facing-heat-from-the-government-on-lending-lapse.htm - Article Side

Kevin Cook - About Author:
Kevin Cook is expert financial advisor. He provides his expert finance knowledge when needed. He writes articles on text loans no credit checks @ http://www.textloansnocreditcheck.co.uk/ , a mobile text loans and a text loans

Article Keywords:
Banks, finance, lending

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!