

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 1344

Answered on Tuesday, March 11, 2025/ 20 Phalguna, 1946 (Saka)

Decline in the deposit growth rate of banks

1344 # SHRI SANJAY SINGH:

Will the Minister of Finance be pleased to state:

- (a) whether it is a fact that a decline has been reported in the deposit growth rate of banks during the last three years, if so, the main reasons responsible for this, and the steps being taken by Government to check it; and
- (b) whether Government believes that alternative investments like mutual funds, stock market and digital payments have affected bank deposits, if so, special policy or plan made to ensure the growth of bank deposits?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) and (b): As per Reserve Bank of India's statistics, the deposit growth rate of scheduled commercial banks (including regional rural banks) has improved during the last three financial years, with the deposit growth rate improving from 10.0% in FY 2021-22 to 10.2% in FY 2022-23 and to 13.5% in FY 2023-24.

In addition, the healthy corporate earnings, stable macro fundamentals, efficient and robust technology architecture facilitating efficient trading, clearing, and depository systems, and trust garnered by mutual fund ecosystem and online digital investment platforms have also encouraged greater participation of individual and household in capital markets.

In order to enhance deposit mobilisation, banks have taken various measures including, *inter-alia*, establishing new business vertical for deposits, tailored deposit products for niche customer segments – self-employed, women, senior citizen, running campaigns from time to time and putting in place dedicated teams to acquire Government, corporate salary, trusts and associations accounts bundled with customized offerings.
