

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2120  
ANSWERED ON:01.12.2000  
REDUCTION IN BANK DEPOSITS  
VIJAY KUMAR KHANDELWAL

**Will the Minister of FINANCE be pleased to state:**

- (a) whether there has been a decline in the deposits with banks due to reduction in interest rates;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to attract the depositors?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) ;

(a) and (b) No, Sir. In fact, the aggregate deposits of scheduled commercial banks during the financial year 2000-01 up to October 20, 2000 has increased by Rs. 78,108 crore (9.6 per cent) as compared to an increase of Rs. 57,999 crore (8.1 per cent) during the corresponding period of the previous year.

(c) Banks have been given freedom to fix interest rates on domestic term deposits for various maturities. They have also been given freedom to offer at their discretion differential rates of interest on term deposits of Rs. 15 lakh and above for the same maturity on the basis of size of the deposits.