

## **Deposit mop-up by private banks rising**

Our Bureau

*Up 19.9% in March 2015 from 18.8% one year ago; PSBs' share dips to 73.2% from 74.1%, RBI data show*

Mumbai, January 11:

Private sector banks seem to be gradually eating into public sector banks' market share in deposits, going by Reserve Bank of India data.

According to RBI data on composition and ownership pattern of deposits with scheduled commercial banks, though public sector banks continued to account for the largest share in total deposits in the banking system at 73.2 per cent in March 2015, this is lower than the 74.1 per cent share they had in March 2014.

During the same period, private sector banks' share in total deposits improved to 19.9 per cent from 18.8 per cent.

Inflows into term deposits and current accounts were higher in FY15 compared with FY14 while there was a deceleration in inflows into savings deposits in percentage terms.

### **Total value**

Total deposits (including inter-bank deposits) of all scheduled commercial banks increased 10.4 per cent to Rs. 89.73 lakh crore as on March 31, 2015, against Rs. 81.31 lakh crore on March 31, 2014.

Current, savings and term deposits comprised 9.3 per cent (8.9 per cent as at March 2014), 25.6 per cent (26.2 per cent) and 65.1 per cent (64.9 per cent), respectively, of total deposits.

Household sector with 60.1 per cent (59.7 per cent) share in total deposits was the largest contributor to total deposits followed by the government and the private corporate sectors at 14.4 per cent (14 per cent) and 10.1 per cent (9.9 per cent), respectively.

Metropolitan branches followed by urban and semi-urban branches continued to lead deposit generation by scheduled commercial banks, mainly in the form of term deposits. In rural branches, savings deposits dominated, followed by term deposits.

### **Leading states**

The composition of deposits as on March 31, 2015, across different states/Union Territories (UTs) showed higher concentration in seven states/UTs — Maharashtra, Delhi, Uttar Pradesh, Karnataka, Tamil Nadu, West Bengal and Gujarat — which accounted for around 66 per cent of total deposits. Maharashtra alone contributed around 24 per cent of the total deposits.

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