



## Bank Strategies to Attract Depositors Amid Declining Growth

[Source: IE](#)

Amidst a [slowdown in deposit growth](#) and **increased competition from capital markets**, banks in India are introducing special schemes to attract depositors and meet credit demands.

- Major banks like [State Bank of India \(SBI\)](#) have reported a drop in deposits, with SBI's **Current Account and Savings Account (CASA)** deposits falling from Rs 19.14 lakh crore to Rs 19.41 lakh crore, and overall deposits decreasing from Rs 49.16 lakh crore to Rs 49.01 lakh crore.
  - **Credit growth rose by 15.1% while deposit growth declined to 10.6%**, highlighting a significant gap.
- Customers are **increasingly opting for [capital markets](#) over bank deposits** for better returns, leading to a decline in traditional deposit growth.
- To counter declining deposits, banks like SBI and Bank of Baroda introduced special deposit schemes offering competitive interest rates (e.g., 7.25% for 444 days).
  - These schemes are designed to **attract depositors looking for higher returns in a low-interest environment**.
- Banks are targeting **specific segments like senior citizens and women**, offering attractive rates and additional perks to mobilise deposits effectively.
- The Finance Minister stressed the importance of mobilizing small deposits rather than focusing solely on large sums.

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