

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2794
ANSWERED ON:17.12.2004
MOBILISATION OF DEPOSITS
Singh Shri Sugrib

Will the Minister of FINANCE be pleased to state:

- (a) whether there is a wide gap between the deposit and credit in the public sector banks in the country during the last three years;
- (b) if so, the details thereof, bank-wise and State-wise;
- (c) the reasons for this wide gap; and
- (d) the remedial steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a)&(b): The credit-deposit ratio of public sector banks in the country is as given in Annexure.
- (c): The CD-ratio varies from State to State due to difference in credit absorption capacities of each State.
- (d): The Government have recently appointed an Expert Group to examine the nature and magnitude of the problem of low CD-ratio, across States/regions and to suggest steps to overcome the problem.