# THE STATUS OF SAVINGS ACROSS INDIAN AND FOREIGN SCHEDULED COMMERCIAL BANKS IN INDIA
## By

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## Abstract:

All the three Groups of economists viz., Classical Economists, Neo Classical Economists and Modern Economists have highlighted the importance of savings in the economic development of any country.  It is true that as income increases the consumption increases and a portion of the increase in income will go to the savings.  However, there is a controversy in terms of the extent of saving rate in any country as there is inverse relationship between the consumption and savings and its impact on economic development i.e., Gross Domestic Product.  As the consumption increases automatically the savings rate declines and when savings rate increases the consumption declines.  However, there is a positive relationship between the increase in income of individuals and its resultant impact on consumption and savings.  As the income increases saving and also the consumption increase.  Therefore, in this paper an effort is made to understand the savings behavior in India over a period of time i.e., Before, During the Liberalization regime and Post Liberalization regime based on the secondary data.  The paper comes out with the conclusion that the savings rate was low before the liberalization regime compared to the liberalization and post liberalization regimes as the income was low before compared to the liberalization and post liberalization regimes.

Keywords: Classical Economists, Neo Classical economists, Growth Rate, Number of Banks, Indian and Foreign SCBs, Bank Branches,  Savings, Rural Areas, Urban Areas and Performance

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## Introduction:

The household saving rate defined as the share of household net disposable income that is saved or the percentage of household income is put aside for savings is an important economic indicator of wealth. World Bank national accounts data and OECD National Accounts data files forecast in 2020, Gross Domestic Savings worldwide (GDS) are calculated as Gross Domestic Product (GDP) minus final consumption expenditure (total consumption)) shows top countries by savings rate are Ireland with 62.3 per cent, Qatar 52.10 per cent, Singapore 4.60 per cent, China 55.20 per cent and Iran, Islamic republic with 40.50 per cent followed by Switzerland 32.20per cent, Korea Republic 35.50 per cent and Myanmar 31.80 per cent, etc. Countries with oil wealth and relatively low taxes tend to have high gross domestic savings rate. India is at 28.90 per cent of Gross domestic savings. Somalia with -53.20 per cent, Tonga -22.90 per cent, Dominica -16.00 per cent, West Bank and Gaza with -12.60 per cent etc. were the Low Gross domestic savings countries.

Saving is an important concept as there is a connection between economic growth and income of a country. There is still a debate among economists on the role of savings in economic growth, the idea that higher savings lead to more economic growth and higher income is tangibly appealing. Neo Classical economists have emphasized four important motives for savings such as (i) Desire to maintain consumption in face of income fluctuations, especially during retirement (ii) Desire to prepare for income shocks and other emergencies (precautionary saving) (iii) Desire to transfer wealth to future generations (bequest motive) and (iv) Desire to purchase consumer durables, education or a vacation (target saving). The first three are expected to influence long-term saving and the fourth to affect short to medium term savings and disinvesting patterns.

Irving Fisher's (1930), Inter-temporal Choice Model of saving illuminates the constraints consumers face and the preferences consumers have. Effect of these constraints and preferences determine their choices about consumption and saving both in the present and in the future. According to this model depending upon the income, consumer's limit on how much they can spend is termed as a budget constraint, the decision about today's consumption versus savings for future is called as Inter-temporal Budget Constraint.

According to Keynes (1936) there are eight savings motives: the Precautionary, Lifecycle, Inter Temporal Substitution, Improvement, Independence, Enterprise, Bequest and Avarice i.e., inhibitions against acts of expenditure.

Life Cycle Model is the most popular model of savings developed by Ando and Modigliani (1936). According to this model current consumption spending depends on current wealth and lifetime income so that the consumers borrow and save to smooth out their consumption throughout their life cycle. Thus, the model implies a savings motive for retirement. This model was further developed to include intergenerational transfer motive (saving for children) and precautionary motive (saving for emergencies).

Permanent Income Hypothesis by Milton Friedman (1957) states unlike the Life Cycle Hypothesis which gives importance to the income in a regular pattern over a person's lifetime, Friedman hypothesis suggests that people experience permanent income and transitory income which is random and temporary changes in their income from year to year on which the consumption pattern depends. Saving is an important determinant of economic growth, according to Classical Economists like Adams Smith, David Ricardo and J S Mill they state that Marginal Propensity to Save has to increase to boost the economic growth.

In India Gross Domestic Savings consist of savings of the household sector, private corporate sector, and public sector. The household sector is the largest contributor to domestic savings. Households saving is defined as the difference between a household's disposable income and its expenditures on goods and services. "Our desire to hold money as a store of wealth is a barometer of the degree of our distrust of our own calculations and conventions concerning the future" Keynes (1937) and he believes that acquisition of more wealth by an individual enables him to save against future congruencies and thus provide him with the cushion of security. How much we save, in other words, is an indication of how uncertain we feel about our financial outlook. Rao (1980) states that savings constituted the basis for capital formation and capital formation constitutes critical determinant of economic growth. Higher rate of economic growth can be achieved with relative price stability and the marginal propensity to save should be raised by appropriate incentives and policies.

Classical economics like Smith, Ricardo and Mill emphasizes the role of savings as a determinant of economic growth. Saving behavior differ from country to country and from area to area. In developing countries like India, the income pattern is uncertain and it leads to excess consumption rather than savings. Investment will be low by the effect of low savings leading to low capital formation. Savings are considered as risk prevention of money like deposit account where investment is of high risk. By disusing income to buy consumer goods and services, resources are invested to produce fixed capital which contributes to economic development and growth. Increased savings does not always be consistent with increased investment, if savings fall below investment, it can result in the growth of aggregate demand and an economic boom in the short run, but in the long run, it eventually reduces investment and diminish from future growth. Hence future growth is made possible only by foregoing present consumption that is savings in order to expand investment. In the process of economic growth savings plays a crucial role, the main reason why rural and poor people often do not save is that they lack financial knowledge and are illiterate. Improvement in literacy rate is a promising way to increase savings attitude and behaviour among rural people. The present paper analyses the determinants and composition and also the patterns of savings and its impact on Gross Domestic Product in India based on the secondary data.

**Growth of Bank Branches During the Pre and Liberalization Regimes:**

The Table-1 indicates that during Pre-Liberalization period i.e., from 1980 to 1990 the expansion of the bank branches in relation to Rural, Semi-Urban, Urban and Metropolitan areas. The Annual Compound Growth Rate (ACGR) more or less similar in all the classified areas. The overall Growth Rate (GR) seems to be 106.25 per cent per annum. Only in the rural areas the performance is high consisting of about 108.20 per cent, which is higher than the Semi-urban, Urban and Metropolitan areas. The literature reveals that upto 1980 the expansion of bank branches in the rural areas has been less and from 1980 they started increasing because of various committee reports.

Interestingly from 1991 to 2000 the overall GR has been 100.96 per cent in the entire country in all the specified areas (Same Table-1). However, interestingly the GR in the Metropolitan area has been the highest, which is more than the overall GR in the entire country consisting of 105.06 per cent, this is followed by Semi-Urban and Urban areas, which reveals that before starting the liberalization regime the momentum of concentrating the banks branches in the Urban areas has been more when compared to the rural areas. In the rural areas the GR of the number of branches has been only 98.96 per cent, which is lower than the overall GR and also all the three areas basically having urban characteristic features. Towards more clarity one can observe the Graph-01.

**Table-1: Growth Rate of the Number of Bank Branches in India – During Pre and Liberalization Regimes.**

| Years | Rural | Semi-urban | Urban | Metropolitan | Total |
|-------|-------|-----------|-------|--------------|-------|
| 1980 | 15105 | 8122 | 5178 | 4014 | 32419 |
| 1981 | 17656 | 8471 | 5454 | 4126 | 35707 |
| 1982 | 20401 | 8809 | 5693 | 4274 | 39177 |
| 1983 | 22686 | 9081 | 5917 | 4395 | 42079 |
| 1984 | 25380 | 9326 | 6116 | 4510 | 45332 |
| 1985 | 30185 | 9816 | 6578 | 4806 | 51385 |
| 1986 | 29703 | 10585 | 7209 | 5790 | 53287 |
| 1987 | 30209 | 10637 | 7218 | 5795 | 53859 |
| 1988 | 31114 | 11132 | 7322 | 5842 | 55410 |
| 1989 | 33014 | 11166 | 7524 | 5995 | 57699 |
| 1990 | 34791 | 11324 | 8042 | 5595 | 59752 |
| **CGR** | **108.20** | **103.62** | **104.47** | **104.55** | **106.25** |
| 1991 | 35206 | 11344 | 8046 | 5624 | 60220 |
| 1992 | 35269 | 11356 | 8279 | 5666 | 60570 |
| 1993 | 35389 | 11465 | 8562 | 5753 | 61169 |
| 1994 | 35329 | 11890 | 8745 | 5839 | 61803 |
| 1995 | 33004 | 13341 | 8868 | 7154 | 62367 |
| 1996 | 32995 | 13561 | 9086 | 7384 | 63026 |
| 1997 | 32915 | 13766 | 9340 | 7529 | 63550 |
| 1998 | 32878 | 13980 | 9597 | 7763 | 64218 |
| 1999 | 32857 | 14168 | 9898 | 8016 | 64939 |
| 2000 | 32734 | 14407 | 10052 | 8219 | 65412 |
| **CGR** | **98.96** | **103.17** | **102.48** | **105.06** | **100.96** |

**Graph-1: GR of the Bank Branches in India During Pre and Liberalization Regimes**



| | Rural | Semi-urban | Urban | Metropolitan | Total |
|---|---|---|---|---|---|
| ■ 1980 to 1990 | 108.2 | 103.62 | 104.47 | 104.55 | 106.25 |
| ■ 1991 to 2000 | 98.96 | 103.17 | 102.48 | 105.06 | 100.96 |

■ 1980 to 1990    ■ 1991 to 2000
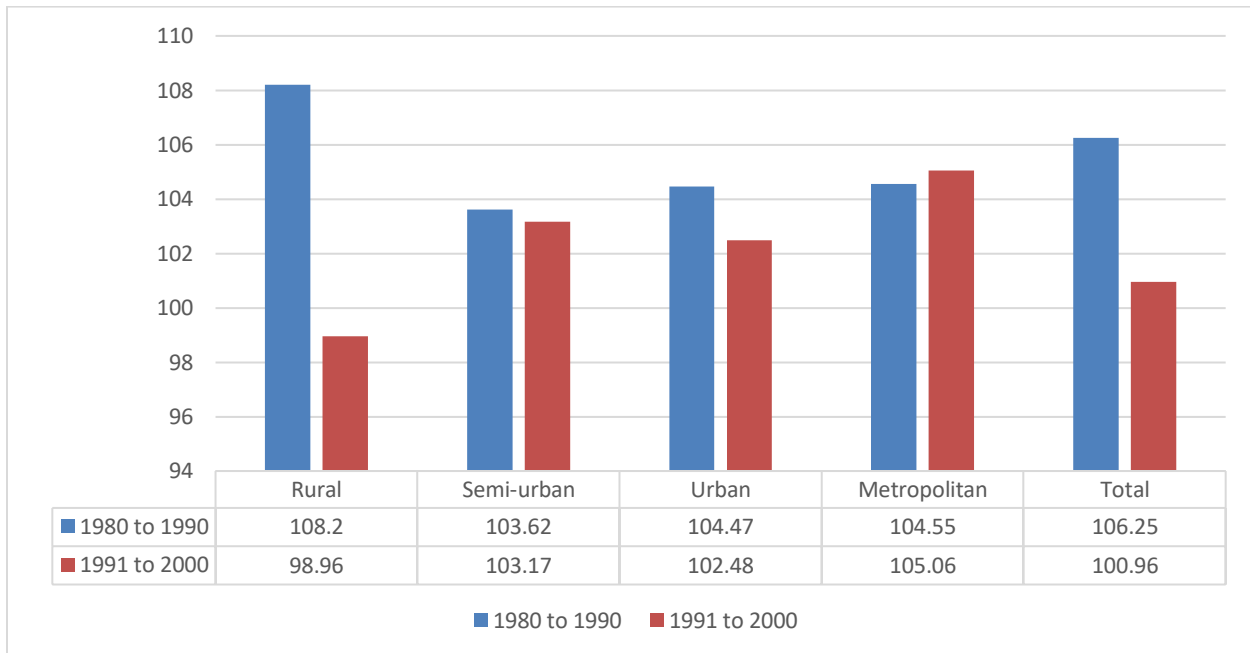
**Growth of Bank Branches During the Post Liberalization Regime:**

Performance of the number of branches during the post liberalization regime has been presented in Table-2. The Table clearly reveals that the overall GR of the number of branches has been 102.74 per cent during the first part of Post liberalization regime. Interestingly the results shows that the GR of the number of branches in the Metropolitan areas has been high when compared to rural, semi-urban and urban areas consisting of about 110 per cent. The second place taken by the semi-urban and urban areas consisting of about 104.82 per cent. The performance in the rural areas has been the lowest consisting of only 98.46 per cent, which is lower when compared to all the three urban areas. This insight clearly indicates that the performance in the

urban areas in general is more when compared to the rural areas during the first part of the post liberalization regime.
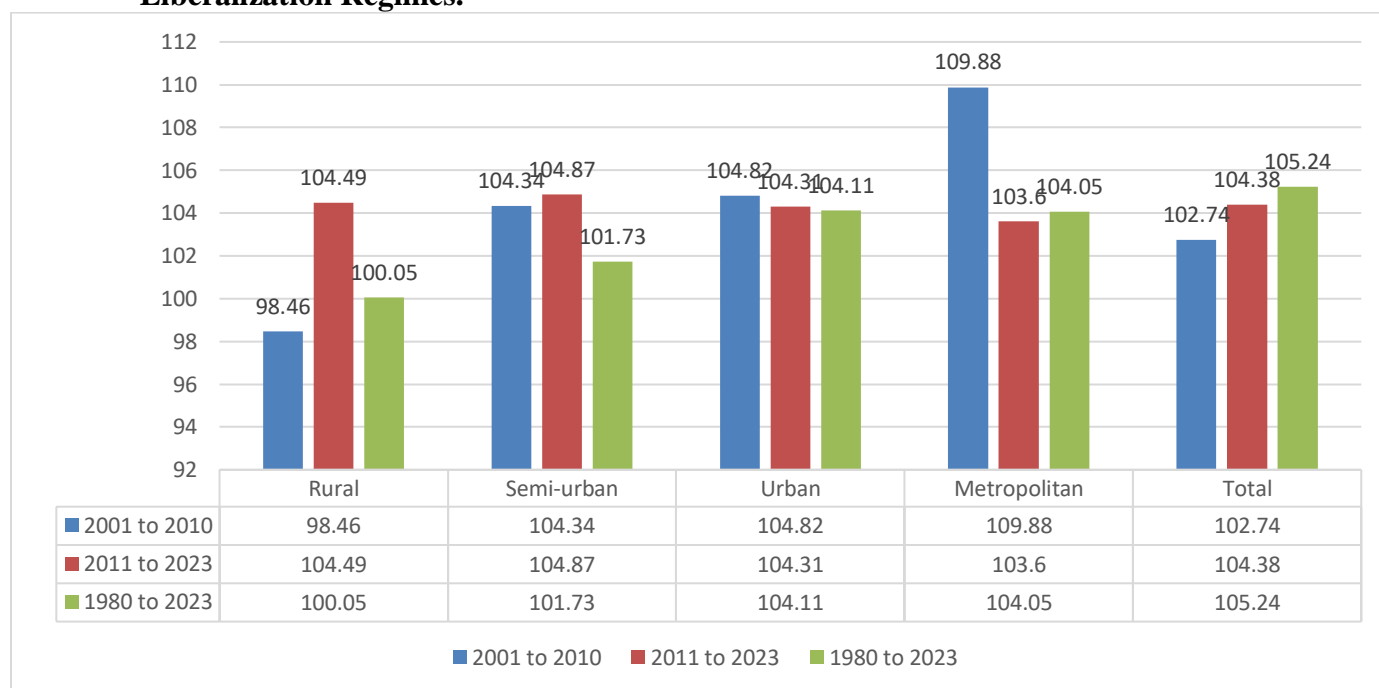
The same Table-2 reveals that the GR of the number of banks branches during the later part of the liberalization regime that is from 2011 to 2023. The data analysis reveals that the overall GR has been around 104 per cent and the GR of all the four areas viz., rural, semi-urban, urban and metropolitan areas the performance is the same except minnor differences. The semi-urban areas has shown the highest consisting of about 104.87 per cent, which is higher than all the other three areas. The second highest seems to be in the rural areas consisting of about 104.50 per cent. However the trend is the same as there is no major difference between the four classified areas. In the same table the overall GR has been given and it shows that the GR in all the four areas it is about 105.24 per cent and in the urban and metropolitan areas it is more consisitn of about 104 per cent. In the rural and semi-urban areas it is less consisting of about 100 and 100,50 per cent respectively. The analysis clearly reveals that the performance of the number of banks branches in the urban segment has been better when compared to the rural areas. Anyway this has been the trend since from the beginning of independence. However, one can get console that in the recent years the performance of the number of banks branches in the rural areas also has been better as there is no major difference between the rural and urban segments. The same results are clearly depicted in the Graph-2 for more clarity.

**Table-2: Compound Growth Rate of the Number of Bank Branches in India –**
**During Post Liberalization Regime.**

| Years | Rural | Semi-urban | Urban | Metropolitan | Total |
|-------|-------|------------|-------|--------------|-------|
| 2001 | 32562 | 14597 | 10293 | 8467 | 65919 |
| 2002 | 32380 | 14747 | 10477 | 8586 | 66190 |
| 2003 | 32303 | 14859 | 10693 | 8680 | 66535 |
| 2004 | 32121 | 15091 | 11000 | 8976 | 67188 |
| 2005 | 32082 | 15403 | 11500 | 9370 | 68355 |
| 2006 | 28146 | 16462 | 11529 | 13205 | 69342 |
| 2007 | 28222 | 17168 | 12364 | 13993 | 71747 |
| 2008 | 28663 | 18392 | 13537 | 15161 | 75753 |
| 2009 | 29186 | 19712 | 14539 | 16282 | 79719 |
| 2010 | 30079 | 21421 | 15950 | 17640 | 85090 |
| **CGR** | **98.46** | **104.34** | **104.82** | **109.88** | **102.74** |
| 2011 | 31394 | 23751 | 16881 | 18751 | 90777 |

| 2012 | 33733 | 26582 | 18146 | 20001 | 98462 |
|---|---|---|---|---|---|
| 2013 | 36710 | 29388 | 19307 | 21012 | 106417 |
| 2014 | 41886 | 32540 | 20919 | 22489 | 117834 |
| 2015 | 45149 | 34897 | 22446 | 23988 | 126480 |
| 2016 | 48276 | 37568 | 24014 | 25461 | 135319 |
| 2017 | 49870 | 38989 | 25058 | 26474 | 140391 |
| 2018 | 50850 | 39675 | 25410 | 26463 | 142398 |
| 2019 | 51589 | 41085 | 26350 | 27082 | 146106 |
| 2020 | 52358 | 42275 | 27262 | 28053 | 149948 |
| 2021 | 52641 | 42582 | 27407 | 28001 | 150631 |
| 2022 | 53,195 | 42,425 | 27,467 | 28,217 | 1,51,304 |
| 2023 | 54,228 | 43,704 | 28,006 | 29,045 | 1,54,983 |
| **CGR** | **104.49** | **104.87** | **104.31** | **103.60** | **104.38** |
| **Overall GR** | **100.05** | **101.73** | **104.11** | **104.05** | **105.24** |

**Chart-2: GR of the Number of Bank Branches in India During Pre and Post Liberalization Regimes.**



| | Rural | Semi-urban | Urban | Metropolitan | Total |
|---|---|---|---|---|---|
| 2001 to 2010 | 98.46 | 104.34 | 104.82 | 109.88 | 102.74 |
| 2011 to 2023 | 104.49 | 104.87 | 104.31 | 103.6 | 104.38 |
| 1980 to 2023 | 100.05 | 101.73 | 104.11 | 104.05 | 105.24 |

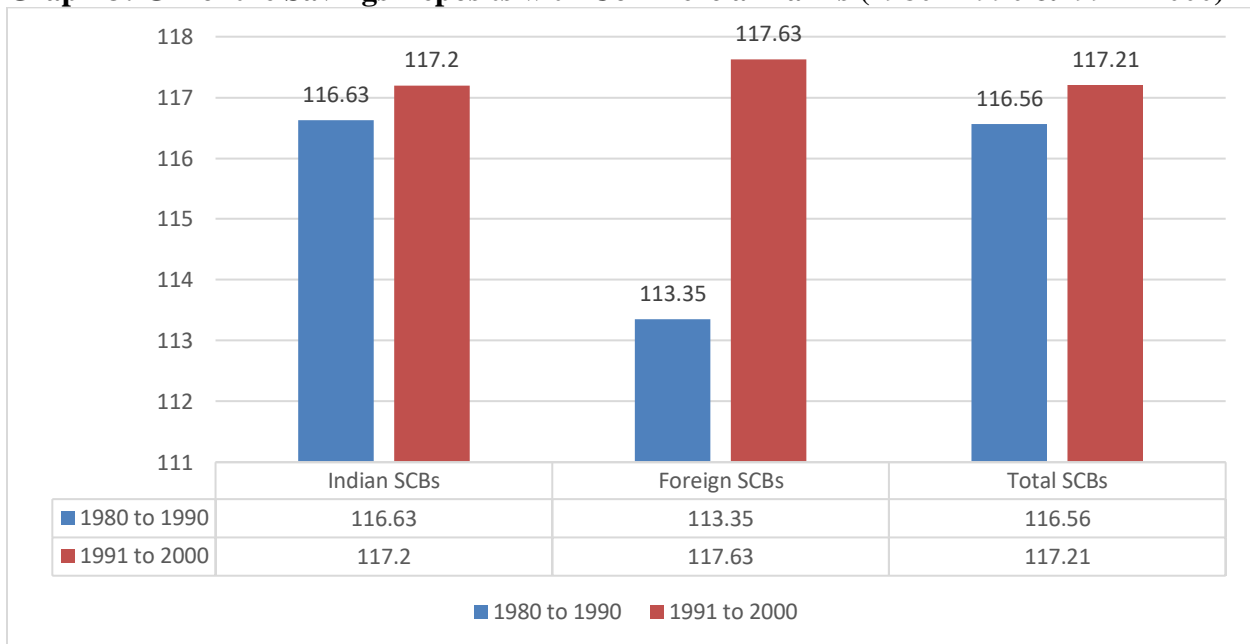**Status of the Savings of Scheduled Commercial Banks in India:**

Savings with Scheduled Commercial Banks of the Indian and Foreign banks has been presented in the Table-3. The table clearly reveals that the GR of the Indian SCBs has been more during the pre liberalization regime as it is growing at the rate of 116.63 per cent and the Foreign Banks it is little lower constituting 113.35 per cent. Overall GR of all the Scheduled commercial banks it is 116.53 per cent. During the first phase of liberalization period starting from 1991 to 2000 there is no major difference between the Indian and Foreign SCBs as the GR more or less it is similar. However, the Foreign SCBs the savings rate is little more when compared to the Indian SCBs. Most probably this change is due to the effect of liberalization of our economic system where we have reduced the restrictions for the foreign banks. The change can be observed very clearly in the Graph-3.

**Table-3: Extent of the Savings Deposits with Commercial Banks During Pre and Liberalization Regimes (Rs. In Crores).**

| Years | Indian SCBs | Foreign SCBs | Total SCBs |
|---|---|---|---|
| 1980 | 10,667 | 270 | 10,937 |
| 1981 | 12,692 | 304 | 12,995 |
| 1982 | 14,719 | 336 | 15,055 |
| 1983 | 17,430 | 381 | 17,811 |
| 1984 | 21300 | 427 | 21727 |
| 1985 | 24071 | 485 | 24555 |
| 1986 | 28787 | 567 | 29354 |
| 1987 | 32546 | 625 | 33171 |
| 1988 | 36756 | 690 | 37446 |
| 1989 | 43744 | 823 | 44567 |
| 1990 | 49542 | 959 | 50501 |
| **CGR** | **116.63** | **113.35** | **116.56** |
| 1991 | 55554 | 1348 | 56902 |
| 1992 | 57256 | 1317 | 58573 |
| 1993 | 69434 | 1718 | 71151 |
| 1994 | 89019 | 2305 | 91324 |
| 1995 | 99347 | 2514 | 101861 |
| 1996 | 112570 | 2875 | 115445 |
| 1997 | 136770 | 3194 | 139964 |
| 1998 | 160889 | 3836 | 164725 |
| 1999 | 187173 | 4727 | 191900 |
| 2000 | 217452 | 5530 | 222982 |
| **CGR** | **117.20** | **117.63** | **117.21** |

**Graph-3: GR of the Savings Deposits with Commercial Banks (1980 - 1990 &1991 - 2000)**



| | Indian SCBs | Foreign SCBs | Total SCBs |
|---|---|---|---|
| 1980 to 1990 | 116.63 | 113.35 | 116.56 |
| 1991 to 2000 | 117.2 | 117.63 | 117.21 |

**Performance of Savings During the Post Liberalization Regime:**

During the liberalization regime the savings rate has been little more in case of the Foreign SCBs when compared to the Indian SCBs (Table-4). In case of the Foreign SCBs the savings rate is 120.37 per cent, which is little higher than the Indian SCBs. The overall GR is 119.50 per cent by both the Indian and Foreign SCBs. This is again one can acknowledge the effect of liberalization regime. Over a period of time the Indian government started reducing the restrictions and therefore, the performance of Foreign SCbs is more. However, interestingly during the latest phase of the liberalization regime the performance of Indian SCBs it is more constituting 113.04

when compared to the Foreign SCBs, which constitutes 105.68 per cent and the savings rate by both the banks it is 112.92 per cent. However when it comes to the overall performance i.e., from 1980 to 2023 the performance of Foregin SCBs has been more constituting 116.76 per cent when compared to the Indian SCBs. The overall savings rate by both the Indian and Foreign SCBs it is 115.78 per cent. This has been clearly shown in the Graph-4.

**Table-4: Savings Deposits with SCBs During Post Liberalization Regime (Rs. In Crores).**

| Years | Indian SCBs | Foreign SCBs | Total SCBs |
|---|---|---|---|
| 2001 | 272119 | 6988 | 279107 |
| 2002 | 302816 | 8748 | 311565 |
| 2003 | 373137 | 12232 | 385369 |
| 2004 | 443573 | 15045 | 458618 |
| 2005 | 556303 | 18827 | 575130 |
| 2006 | 650528 | 21839 | 672367 |
| 2007 | 747189 | 25093 | 772282 |
| 2008 | 874046 | 26921 | 900967 |
| 2009 | 1101171 | 35504 | 1136676 |
| 2010 | 1339654 | 37634 | 1377288 |
| CGR | 119.47 | 120.37 | 119.50 |
| 2011 | 1501018 | 38159 | 1539177 |
| 2012 | 1716315 | 38421 | 1754736 |
| 2013 | 1965051 | 40390 | 2005441 |
| 2014 | 2178847 | 41046 | 2219893 |
| 2015 | 2492846 | 43698 | 2536544 |
| 2016 | 3340707 | 52876 | 3393583 |
| 2017 | 3599341 | 55896 | 3655237 |
| 2018 | 3972547 | 58630 | 4031177 |
| 2019 | 4285362 | 65384 | 4350746 |
| 2020 | 4974715 | 81092 | 5055807 |
| 2021 | 5594034 | 87284 | 5681318 |
| 2022 | 5903552 | 55203 | 5958755 |
| 2023 | 5903552 | 55203 | 5958755 |
| CGR | 113.04 | 105.68 | 112.92 |
| Overall GR | 103.18 | 116.76 | 115.78 |

**Graph-4: GR of the Savings Deposits with Commercial Banks**



| | Indian SCBs | Foreign SCBs | Total SCBs |
|---|---|---|---|
| 2001 to 2010 | 119.47 | 120.37 | 119.5 |
| 2011 to 2023 | 113.04 | 105.68 | 112.92 |
| Entire Period | 103.18 | 116.76 | 115.78 |

**Savings Performance Per Branch in India:**

To present the performance of savings per branch we have taken the total bank branches and their total savings. Savings are presented in terms of ₹ in crores for uniformity. The Table-5 clearly presents that the number of bank branches is growing at the rate of 106.25 per cent, which is lower than the overall savings rate. The savings per branch started from ₹ 0.337 crore during 1980, which has been increased to ₹ 0.845 crore by 1990. It is really a quantum jump from the lowest to that level. Similar trend has been noticed even during the liberalization regime where

total bank branches are growing lower than the total savings and also per branch performance. Total bank branches are growing at the rate of 100.96 per cent whereas the savings rate is 117.21 per cent. During the year 1991 the savings per branch was ₹ 0.945 crore, which has gone upto ₹ 3.409 crore, which is really better performance in terms of savings per branch.

**Table-5: Extent of Savings per Branch – Pre and During the Liberalization Regimes (₹ in Crores).**

| Years | Total Bank Branches | Total Savings (Rs. in Crores) | Savings Per Branch (₹. In Crores) |
|---|---|---|---|
| 1980 | 32419 | 10,937 | 0.337 |
| 1981 | 35707 | 12,995 | 0.364 |
| 1982 | 39177 | 15,055 | 0.384 |
| 1983 | 42079 | 17,811 | 0.423 |
| 1984 | 45332 | 21727 | 0.479 |
| 1985 | 51385 | 24555 | 0.478 |
| 1986 | 53287 | 29354 | 0.551 |
| 1987 | 53859 | 33171 | 0.616 |
| 1988 | 55410 | 37446 | 0.676 |
| 1989 | 57699 | 44567 | 0.772 |
| 1990 | 59752 | 50501 | 0.845 |
| **CGR** | **106.25** | **116.56** | **116.56** |
| 1991 | 60220 | 56902 | 0.945 |
| 1992 | 60570 | 58573 | 0.965 |
| 1993 | 61169 | 71151 | 1.163 |
| 1994 | 61803 | 91324 | 1.478 |
| 1995 | 62367 | 101861 | 1.633 |
| 1996 | 63026 | 115445 | 1.832 |
| 1997 | 63550 | 139964 | 2.202 |
| 1998 | 64218 | 164725 | 2.565 |
| 1999 | 64939 | 191900 | 2.955 |
| 2000 | 65412 | 222982 | 3.409 |
| **CGR** | **100.96** | **117.21** | **117.21** |

**Graph-5: Savings Per Branch Over a Period of Time (Rs. in Crores)**

Chart data (₹ in Crores):

| Year | ₹ in Crores |
|------|-------------|
| 1980 | 0.337 |
| 1981 | 0.364 |
| 1982 | 0.384 |
| 1983 | 0.423 |
| 1984 | 0.479 |
| 1985 | 0.478 |
| 1986 | 0.551 |
| 1987 | 0.616 |
| 1988 | 0.676 |
| 1989 | 0.772 |
| 1990 | 0.845 |
| 1991 | 0.945 |
| 1992 | 0.965 |
| 1993 | 1.163 |
| 1994 | 1.478 |
| 1995 | 1.633 |
| 1996 | 1.832 |
| 1997 | 2.202 |
| 1998 | 2.565 |
| 1999 | 2.955 |
| 2000 | 3.409 |
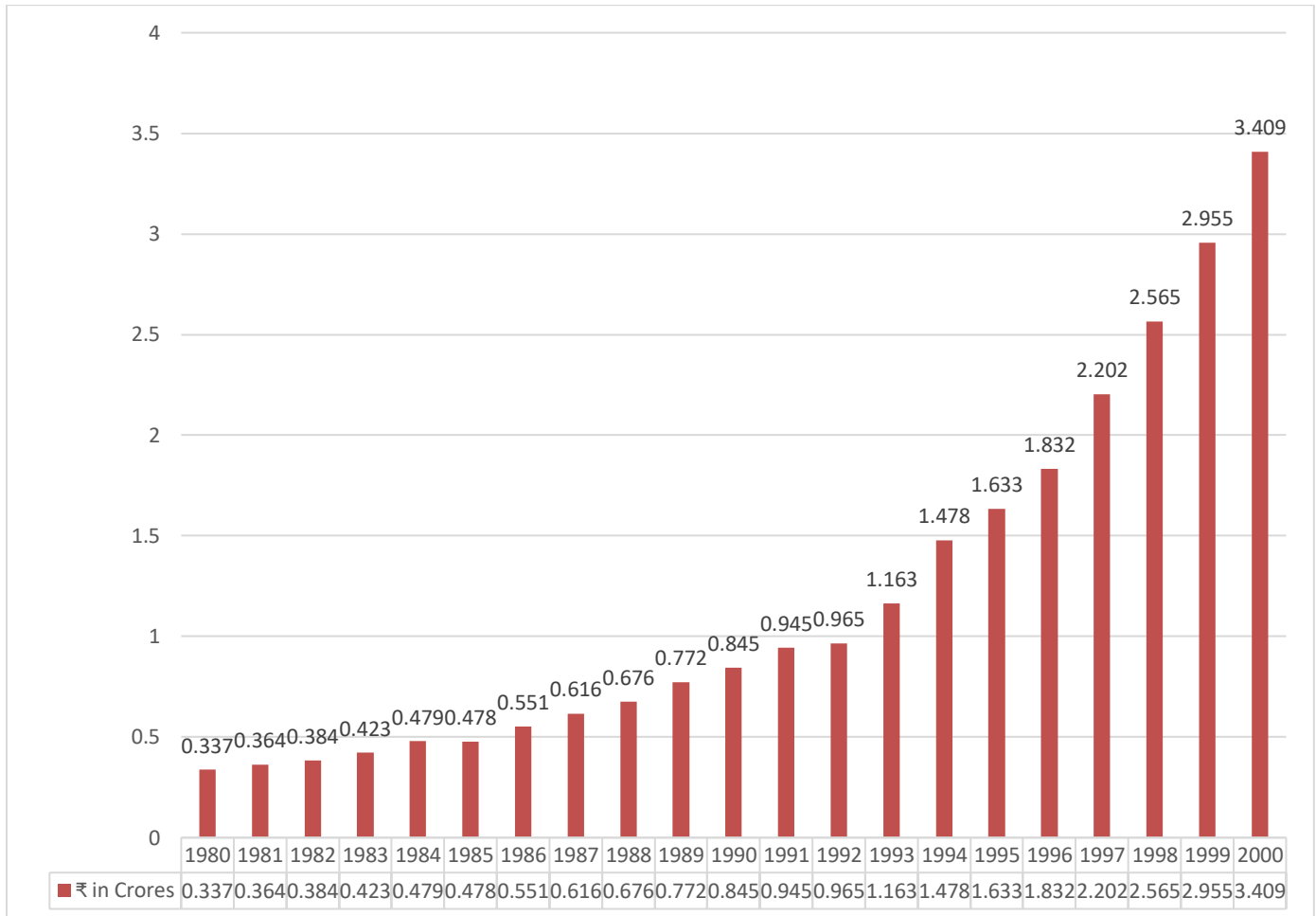
**Savings Performance Per Branch in India During Post Liberalization Regime:**

The Table-6 clearly presents that the number of bank branches is growing at the rate of 102.74 per cent, which is lower than the overall savings rate. The savings per branch started from ₹ 4.234 crore during 2001, which has been increased to ₹ 16.186 crore by 2010. It is really a quantum jump from the lowest to that level during the first phase of the post liberalization retgime. Similar trend has been noticed even during the second phase of the post liberalization regime where total bank branches are growing lower than the total savings and also per branch performance. Total bank branches are growing at the rate of 104.38 per cent whereas the savings rate is 112.92 per cent. During the year 2011 the savings per branch was ₹ 16.956 crore, which has gone up to ₹ 38.448 crore, which is really better performance in terms of savings per branch, which has gone
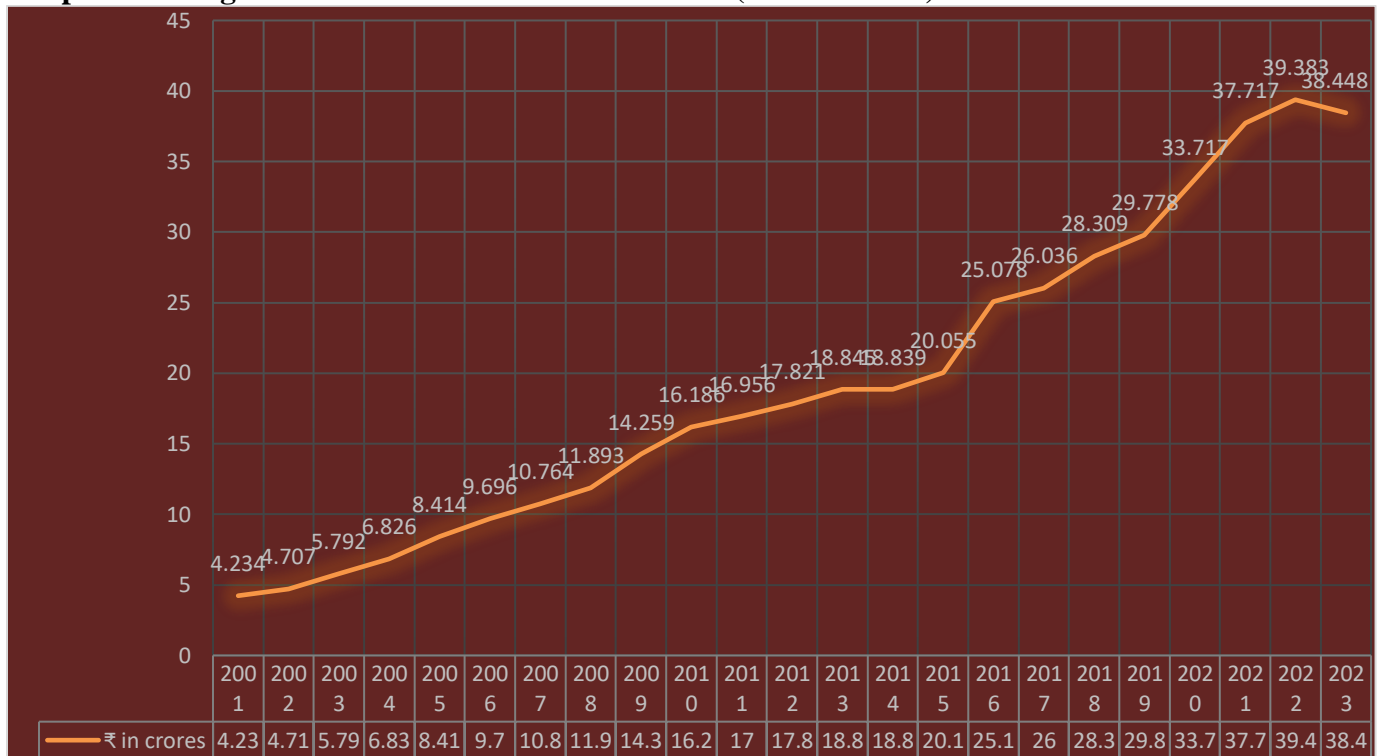
up more than two times. The overall performance from the year 1980 to 2022 we find the similar trend, which is really most welcome as the performance is positive. However, during the year 2023 it started declining it is due to Covid-19 Pandemic, where people stated using the savings instead of creating the savings. This has been clearly depicted in the Graph-6.

**Table-6: Extent of Savings Per Branch – During the Post Liberalization Regime (Rs. in Crores).**

| Years | Total Branches | Total Savings (Rs. In Crores) | Savings Per Branch (Rs. In Crores) |
|---|---|---|---|
| 2001 | 65919 | 279107 | 4.234 |
| 2002 | 66190 | 311565 | 4.707 |
| 2003 | 66535 | 385369 | 5.792 |
| 2004 | 67188 | 458618 | 6.826 |
| 2005 | 68355 | 575130 | 8.414 |
| 2006 | 69342 | 672367 | 9.696 |
| 2007 | 71747 | 772282 | 10.764 |
| 2008 | 75753 | 900967 | 11.893 |
| 2009 | 79719 | 1136676 | 14.259 |
| 2010 | 85090 | 1377288 | 16.186 |
| **CGR** | **102.74** | **119.50** | **118.97** |
| 2011 | 90777 | 1539177 | 16.956 |
| 2012 | 98462 | 1754736 | 17.821 |
| 2013 | 106417 | 2005441 | 18.845 |
| 2014 | 117834 | 2219893 | 18.839 |
| 2015 | 126480 | 2536544 | 20.055 |
| 2016 | 135319 | 3393583 | 25.078 |
| 2017 | 140391 | 3655237 | 26.036 |
| 2018 | 142398 | 4031177 | 28.309 |
| 2019 | 146106 | 4350746 | 29.778 |
| 2020 | 149948 | 5055807 | 33.717 |
| 2021 | 150631 | 5681318 | 37.717 |
| 2022 | 151304 | 5958755 | 39.383 |
| 2023 | 154983 | 5958755 | 38.448 |
| **CGR** | **104.38** | **112.92** | **108.53** |
| **Overall GR** | **105.24** | **115.78** | **115.320** |

**Graph-6: Savings Per Branch Over a Period of Time (Rs. in Crores).**



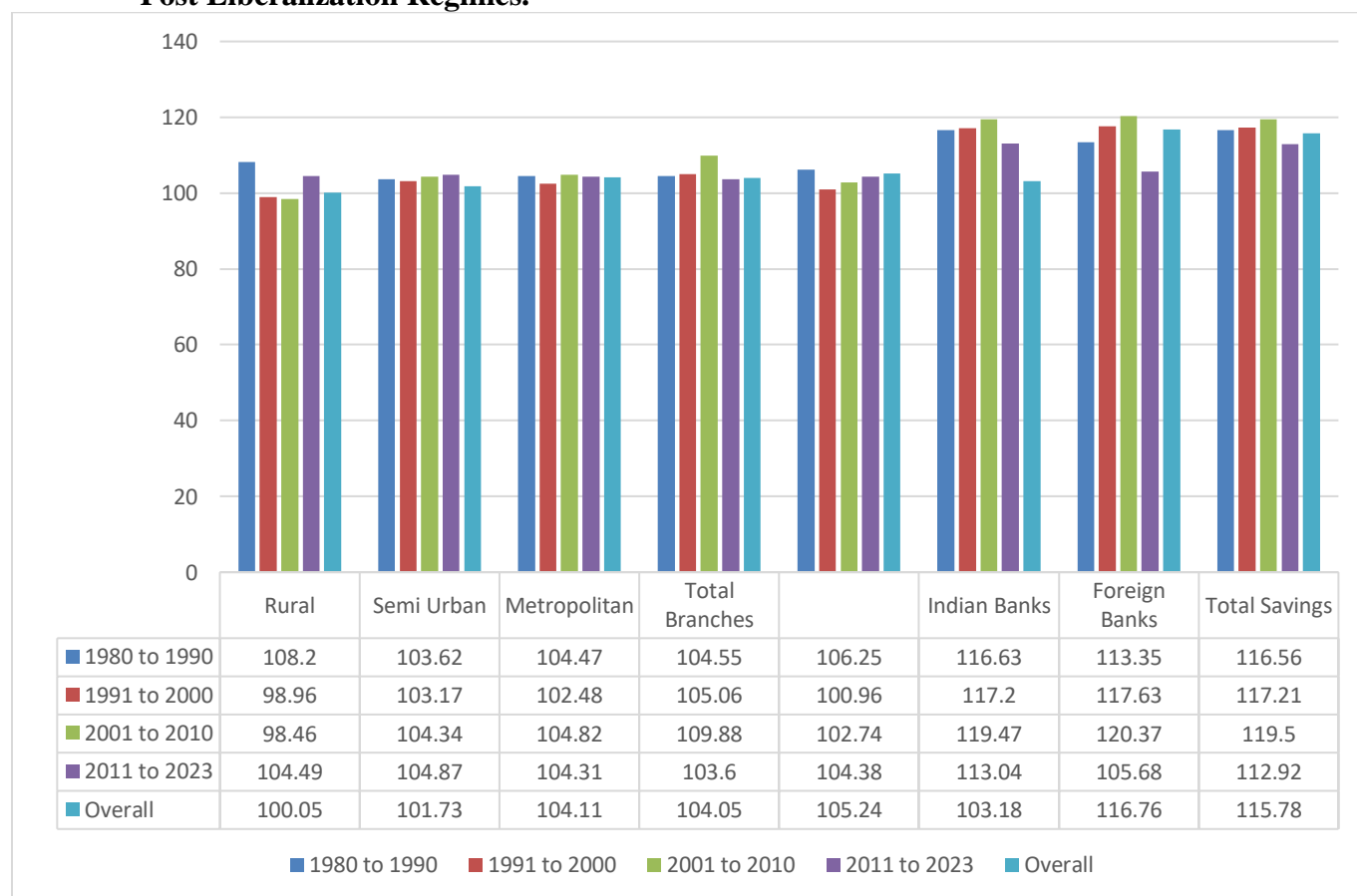| | 200 1 | 200 2 | 200 3 | 200 4 | 200 5 | 200 6 | 200 7 | 200 8 | 200 9 | 201 0 | 201 1 | 201 2 | 201 3 | 201 4 | 201 5 | 201 6 | 201 7 | 201 8 | 201 9 | 202 0 | 202 1 | 202 2 | 202 3 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ₹ in crores | 4.23 | 4.71 | 5.79 | 6.83 | 8.41 | 9.7 | 10.8 | 11.9 | 14.3 | 16.2 | 17 | 17.8 | 18.8 | 18.8 | 20.1 | 25.1 | 26 | 28.3 | 29.8 | 33.7 | 37.7 | 39.4 | 38.4 |

The Table-7 contains the overall performance starting from the year 1980 to 2023 in terms of the number of branches of the SCBs, actual savings of the SCBs and total savings per branch. The growth performance clearly indicates that there is no major difference between the SCBs of India and the Foreign SCBs as the results show similar trends. However, the overall performance indicates that in Rural India number of branches are growing lower than the urban areas constituting about 100.05 per cent whereas in the urban areas it is around 104 per cent. Chart-7 clearly reveals that there is no major difference in terms of the GR either of the number of branches or the savings rate of the Indian or Foreign SCBs.

**Table-7: Overall Performance of the Banks in Terms of Savings (CGR).**

| Period | Branches of the Scheduled Commercial Banks | | | | Total Branches | Savings of the Scheduled CBs (Rs. In Crores) | | Total Savings Per Branch |
|---|---|---|---|---|---|---|---|---|
| | Rural | Semi-urban | Urban | Metropolitan | | Indian Banks | Foreign Banks | |
| **1980 to 1990** | 108.20 | 103.62 | 104.47 | 104.55 | 106.25 | 116.63 | 113.35 | 116.56 |
| **1991 to 2000** | 98.96 | 103.17 | 102.48 | 105.06 | 100.96 | 117.20 | 117.63 | 117.21 |
| **2001 to 2010** | 98.46 | 104.34 | 104.82 | 109.88 | 102.74 | 119.47 | 120.37 | 118.97 |
| **2011 to 2023** | 104.49 | 104.87 | 104.31 | 103.60 | 104.38 | 113.04 | 105.68 | 108.53 |
| **Overall** | 100.05 | 101.73 | 104.11 | 104.05 | 105.24 | 103.18 | 116.76 | 115.32 |

**Chart-7: Performance of the Banks in Terms of Number and Savings -  Pre, During and Post Liberalization Regimes.**



| | Rural | Semi Urban | Metropolitan | Total Branches | | Indian Banks | Foreign Banks | Total Savings |
|---|---|---|---|---|---|---|---|---|
| 1980 to 1990 | 108.2 | 103.62 | 104.47 | 104.55 | 106.25 | 116.63 | 113.35 | 116.56 |
| 1991 to 2000 | 98.96 | 103.17 | 102.48 | 105.06 | 100.96 | 117.2 | 117.63 | 117.21 |
| 2001 to 2010 | 98.46 | 104.34 | 104.82 | 109.88 | 102.74 | 119.47 | 120.37 | 119.5 |
| 2011 to 2023 | 104.49 | 104.87 | 104.31 | 103.6 | 104.38 | 113.04 | 105.68 | 112.92 |
| Overall | 100.05 | 101.73 | 104.11 | 104.05 | 105.24 | 103.18 | 116.76 | 115.78 |

■ 1980 to 1990  ■ 1991 to 2000  ■ 2001 to 2010  ■ 2011 to 2023  ■ Overall

**Conclusion:**

It can be concluded from the simple analysis that the number of bank branches are growing positively in all the areas of the country. However, in the rural areas it is little bit low compared to the semi-urban, urban and Metropolitan areas. When it comes to the savings rate also we find the similar trend. Per branch of Indian SCBs and the Foreign SCBs there is an increase in savings in terms of absolute figures. This is a kind of healthy symptom of the savings in the country. During the Covid-19 Pandemic there is a decline, which is shown in the Graph-6, which is a kind of disturbing trend, the impact of that on the economy has to be further analysed. Therefore, steps may be taken to improve the situation in the rural areas to some extent and precaution in whatever the manner needs to be taken to face the Pandemics like Covid-19.

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