IMPACT OF DEPOSITS OF SCHEDULED COMMERCIAL BANKS ON GDP IN NORTHERN REGION OF INDIA

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ABSTRACT
Commercial banks in India are working in the interest of economy and accepting deposits for the purpose of lending is its main function. On the other hand Gross Domestic Product is the indicator of efficiency of economy. Present research paper is focused on the impact of deposits (current, saving and term) of commercial banks on gross domestic product in northern region of India. Secondary data from the websites of reserve bank of India and planning commission of India is used to reveal the results. Two statistical tools viz. growth rate and Karl Pearson’s coefficient of correlation are used. Data of four years, from 2010-2011 to 2013-2014 are taking to reveal the results. And the result shows that there is negative correlation between the bank deposits and GDP. Means with the increase in bank deposits, GDP is reducing and vice versa in northern region of India.

KEYWORDS: Commercial Banks, Correlation, Deposits, Gross Domestic Product, Growth Rate, Northern Region of India.

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