

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 2956

ANSWERED ON TUESDAY, 19 AUGUST, 2025/ 28 SRAVANA, 1947 (SAKA)

AMALGAMATION OF REGIONAL RURAL BANKS

2956 # SHRI PRADIP KUMAR VARMA:

Will the Minister of *FINANCE* be pleased to state:

- (a) whether the amalgamation of Regional Rural Banks, such as Jharkhand State Rural Bank, operating in the State of Jharkhand resulted in improvement in their operational efficiency, customer services and financial performance;
- (b) if so, the data regarding number of branches, increase in profit and reduction in operating cost after amalgamation, district-wise; and
- (c) the timeline and monitoring mechanism adopted for the amalgamation of RRBs in Jharkhand, whether the State Government has any role in this process?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) and (b) Vananchal Gramin Bank and Jharkhand Gramin Bank, *vide* GoI notification dated 31st January, 2019 were amalgamated into Jharkhand Rajya Gramin Bank (JRGB) with effect from 1st April, 2019. Post-amalgamation financial progress of JRGB, *inter-alia*, includes-

- (i) **Substantial increase in profitability:**
The profit of amalgamated RRB in Jharkhand rose to ₹169 crore in FY 2024–25 from ₹25 crore in FY 2018–19.
- (ii) **Improved Credit-Deposit (CD) Ratio:**
The CD Ratio improved from 38.83% (as on March 31, 2019) to 59.61% as on (March 31, 2025).
- (iii) **Enhanced Asset Quality:**
Gross Non-Performing Assets (GNPA) reduced significantly from 10.79% (as on March 31, 2019) to 2.96% (as on March 31, 2025).
- (iv) **Growth in Business per Branch:**
Business per branch increased from ₹22.15 crore (as on March 31, 2019) to ₹41.04 crore (as on March 31, 2025), showcasing improved productivity and outreach.

Post-amalgamation, the operational efficiency and customer service in the bank have improved through the introduction of Digital Banking – Mobile Banking, Internet Banking, WhatsApp Banking, Missed Call Alert, Bharat Bill Payment System and the bank has also onboarded on BASE portal for Aadhar linking. These initiatives have modernized customer engagement and improved accessibility. Concerted efforts by the bank for improvement in customer services

through regular training to staffs of the bank has resulted 46% growth in customer base from approx. 50 lakh (as on 31.03.2019) to approx. 73 lakh (as on 31.03.2025).

The Customer Grievance Redressal mechanism has been strengthened to ensure timely and effective resolution of issues, thereby fostering trust and transparency. The bank has also developed a robust complaint lodgment mechanism for customers through their official website and every complaint lodged, is being dealt and disposed on priority basis. The bank also onboarded on Cyber Crime Contact Centre for resolution of complaint 24*7.

The district-wise data regarding number of branches, net profit and operational cost of the bank is enclosed at **Annexure**.

(c) The notification dated 31st January, 2019 for amalgamation of RRBs in Jharkhand was issued after consultation with NABARD, the state Government of Jharkhand and the sponsor bank. The notification laid down the guidelines for the implementation of said amalgamation.

Annexure referred to in part (a) and (b) of Rajya Sabha Un-Starred Question No. 2956 on “Amalgamation of Regional Rural Banks” due for answer on 19.08.2025

DISTRICT	31.03.2019			31.03.2025		
	No. of Branches	Net Profit(cr)	Operational Cost(cr)	No. of Branches	Net Profit(cr)	Operational Cost(cr)
Bokaro	11	2.46	0.64	12	12.28	2.05
Chatra	11	4.88	1.27	11	17.44	2.92
Deoghar	24	12.09	3.14	24	36.57	6.11
Dhanbad	11	0.55	0.14	12	7.70	1.29
Dumka	31	13.30	3.46	31	31.91	5.33
East Singhbhum	32	8.95	2.32	33	33.55	5.61
Garhwa	26	20.47	5.32	28	50.13	8.38
Giridih	19	7.93	2.06	19	23.05	3.85
Godda	22	13.27	3.45	22	29.29	4.90
Gumla	18	3.64	0.94	18	18.55	3.10
Hazaribag	16	6.69	1.74	16	27.36	4.57
Jamtara	15	7.61	1.98	15	20.19	3.38
Khunti	9	2.00	0.52	9	2.66	0.44
Koderma	4	1.16	0.30	4	4.48	0.75
Latehar	11	8.77	2.28	11	19.79	3.31
Lohardaga	7	1.32	0.34	7	6.80	1.14
Pakur	11	4.02	1.04	11	13.16	2.20
Palamu	44	31.57	8.20	45	93.17	15.57
Ramgarh	5	1.92	0.50	5	4.97	0.83
Ranchi	37	20.21	5.25	38	54.25	9.07
Sahibganj	19	6.54	1.70	19	21.21	3.55
Seraikela- Kharsawan	20	5.78	1.50	20	18.71	3.13
Simdega	11	1.91	0.50	11	6.33	1.06
West Singhbhum	29	4.91	1.28	29	24.17	4.04

Note- Net profit is not inclusive of the effect of Transfer Price Mechanism (TPM).

Source: Jharkhand Rajya Gramin Bank
