

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**

**UNSTARRED QUESTION NO. †3550**

TO BE ANSWERED ON THE 16<sup>TH</sup> MARCH 2020/ PHALGUNA 26, 1941 (SAKA)

**Bank Mergers**

†3550. SHRI SADASHIV KISAN LOKHANDE:

SHRI NATARAJAN P.R.:

DR. BHARATI PRAVIN PAWAR:

Will the Minister of FINANCE be pleased to state:

- (a) the aims and objectives of the bank merger policy;
- (b) whether a number of bank branches have been closed due to merger of public sector banks policy, if so, the details thereof, bank-wise and State-wise including Maharashtra;
- (c) the action taken by the Government regarding negative impact on rural development caused by the closure of these banks along with the outcome thereof; and
- (d) the alternative arrangements made for rural people and farmers affected by the closure of the banks at these places?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) to (d): The objective of amalgamation of the banks is to facilitate consolidation among Public Sector Banks (PSBs) to create strong and competitive banks capable of achieving economies of scale and realisation of synergy benefits with wider product and service offering for customers.

The amalgamation of Vijaya Bank and Dena Bank into Bank of Baroda (BoB) was effected on 1.4.2019. As per the input received from BoB, the total number of branches of the amalgamating banks i.e. BoB, erstwhile Dena Bank (eDB) and erstwhile Vijaya Bank (eVB), as on 31.3.2019, was 9,447 which increased to 9,481 branches as part of the amalgamated entity, as on 29.2.2020, and the rural branches too increased from 2,930 to 2,934 during this period. State wise position of bank branches of BoB, eDB and eVB, as on 31.03.2019, *vis-a-vis* position of bank branches of amalgamated entity, as of 28.02.2020, is annexed. Further, BoB has apprised that the rural footprint of the amalgamated bank has also increased since amalgamation and with the increased reach and enhanced business engagement with the rural people and farmers, visible gains are incurred including, *inter alia*, priority sector lending has increased by Rs. 4,253 crore to Rs. 2,23,128 crore, as on 31.12.2019, the cumulative balance of Kisan Credit Cards, increased by Rs 1,796 crore to Rs 38,325 crore, as on 7.3.2020, and in 11 months since amalgamation agriculture loan disbursements have increased by Rs. 46,690 crore and access to credit through overdraft amount advanced to the Pradhan Mantri Jan Dhan Yojana accounts has increased by Rs 11.38 crore.

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## Annexure

STATE/UT NAME	31.03.2019				29.02.2020
	BoB	eDB	eVB	Total	BoB
Andaman & Nicobar	1	2	2	5	5
Andhra Pradesh	131	28	129	288	287
Arunachal Pradesh	1		5	6	6
Assam	36	11	24	71	71
Bihar	242	45	36	323	327
Chandigarh	13	2	4	19	19
Chattisgarh	93	115	32	240	241
Dadra Nagar Haveli	5	10	1	16	16
Daman & Diu	4	3	1	8	8
Delhi	132	46	68	246	252
Goa	32	18	9	59	59
Gujarat	1,015	610	109	1,734	1,735
Haryana	104	43	52	199	200
Himachal Pradesh	25	7	10	42	42
Jammu and Kashmir	6	3	4	13	13
Jharkhand	94	22	16	132	132
Karnataka	124	62	601	787	791
Kerala	112	16	131	259	259
Madhya Pradesh	199	69	72	340	343
Maharashtra	513	312	166	991	994
Manipur	10	1	5	16	16
Meghalaya	5	1	4	10	10
Mizoram	2		3	5	5
Nagaland	6	1	6	13	13
Odisha	135	22	35	192	195
Pondicherry	3	1	2	6	6
Punjab	109	48	60	217	218
Rajasthan	597	49	69	715	715
Sikkim	3	2	1	6	6
Tamil Nadu	202	44	144	390	391
Telangana	80	25	91	196	195
Tripura	4	1	4	9	9
Uttar Pradesh	1,174	84	153	1,411	1,418
Uttarakhand	124	18	15	157	157
West Bengal	217	54	55	326	327
<b>TOTAL</b>	<b>5,553</b>	<b>1,775</b>	<b>2,119</b>	<b>9,447</b>	<b>9,481</b>
of which: -Rural	1,845	576	509	2,930	2,934