

BoB now third largest lender as Dena, Vijaya merger takes effect

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State-run Bank of Baroda is catapulting itself for a larger play in the system with the merger of Dena Bank and Vijaya Bank with itself from Monday.

The Government-forced merger, announced last in September, creates the third largest bank in the country after State Bank of India and HDFC Bank.

This is second merger of State-run banks in the recent years in the banking sector after State Bank had merged five of its associate banks- State Bank of Patiala, State Bank of Bikaner and Jaipur, State Bank of Mysore, State Bank of Travancore and State Bank of Hyderabad and also Bhartiya Mahila effective April 2017.

"We are extremely pleased that Bank of Baroda, Vijaya Bank and Dena Bank are coming together creating the second largest bank in terms of network and customer base.

We would work for the success of the amalgamation by effective execution of all the activities to build a stronger organisation and collectively deliver more to the stakeholders than that of sum of individual entities," BoB chief PS Jayakumar said in a release.

The Reserve Bank had Saturday said branches of Dena Bank and Vijaya Bank would function as BoB outlets from April following the amalgamation.

BoB said the consolidated bank will have over 9,500 branches, 13,400 ATMs, 85,000 employees to serve 12 crore customers.

The bank will have a business mix of ₹15 lakh crore of balance sheet, with deposits and advances of ₹8.75 lakh crore and ₹6.25 lakh crore, respectively.

"The diverse bouquet of products from the three banks, substantial investments made in technology will help in benefiting a wider customer base," he said.

The lender said the complementary branch presence will add to its network in Western and Southern States.

Post-amalgamation, the bank will have a 22 per cent market share in Gujarat and 8-10 per cent market share in Maharashtra, Karnataka, Rajasthan and Uttar Pradesh, it said.