


# Gujarat gets its largest bank today

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The merger of three banks – Bank of Baroda, Dena Bank and Vijaya Bank – will be the largest banking network in Gujarat. So far the position was maintained by the rival State Bank of India (SBI). Its total business mix of deposits and advances will also be larger than that of SBI.

These banks are being amalgamated as a part of central government's policy to consolidate Public Sector Banks (PSBs), which the government claims will optimise resources, increase efficiency and reduce Non Performing Assets (NPA).

According to the report of State Level Banker Committee (SLBC) for October-December quarter of fiscal 2018-19, SBI has the largest banking network with 1,238 branches, Rs 1.44 lakh crore worth of deposits and Rs 1.10 lakh crore worth of advances. With the merger being effective from Monday the combined entity will have 1,744 branches, deposits worth Rs 1.80 lakh crore and advances worth Rs 77,035 crore. Nineteen private banks put together have 1,650 branches. However, they have deposits worth

BRANCHES OF MERGED ENTITY AND SBI		COMBINED ENTITY	SBI	PVT BANKS
	Branches	1744	1238	1650
	Deposits	180970.72	144227.33	155913.67
	Advances	77035.66	11085370	226456.67

Deposits and Advances in Rs crore - Source: SLBC – Gujarat report for Oct-Dec 2018

	Metro	Urban	Semi Urban	Rural	Satellite	Total
Bank of Baroda	197	108	240	456	0	1011
Dena Bank	89	51	171	303	10	624
Vijaya Bank	38	28	25	16	0	109
Total	324	187	436	787	10	1744
SBI	306	184	323	425	0	1238

**CUSTOMER CONNECT**  
Customers of either of the banks can use ATMs without any additional charges.

Rs 1.56 lakh crore and advances worth Rs 2.26 lakh crore.

According to sources in banking industry name of Bank of Baroda will remain unchanged, while Dena Bank will be displayed as 'Dena Bank (Now Bank of Baroda). Similarly Vijaya Bank will be displayed as 'Vijaya Bank (Now Bank of Baroda). Eventually, new entity will be known as Bank of Baroda. There is disparity in the software governing in all the

three banks and only after a uniformity is reached, the entity will be called Bank of Baroda.

Bank unions have opposed the amalgamation of the banks terming it as an interim step with final aim of privatising Public Sector Banks of the country. "Government's argument that it will reduce NPA is an eyewash. The final aim of these mergers is to privatise the nationalised banks," said Janak

Raval, general secretary of Mahagujarat Bank Employees Association (MGBEA). Unions fear that the merger will lead to closure of branches and lay off of employees.

Meanwhile customers of either of the banks can use ATMs and branches of other two banks as if it is a single unit. There will be no charges if a customer of Bank of Baroda uses ATM of Dena Bank or Vijaya Bank and the vice versa.