

BoB, Vijaya Bank, Dena Bank merger from April 1, 2019: Here is the impact on savings account holders, depositors and borrowers

By: Sunil Dhawan | Updated: March 30, 2019 8:14 AM

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With the amalgamation of Dena Bank, Vijaya Bank and Bank of Baroda (BoB) from April 1 2019, the bank customers will have to get ready for the various modifications related to their accounts, loans and deposits. The bank merger will become effective from the start of the financial year 2019-20.

However, the changes especially related to savings account etc may not happen soon. In a communication, the MD & CEO of Bank of Baroda has informed that currently there will not be any change and the customers will continue to get services with the same savings account number, passbook, cheque book, ATM card, credit card, internet banking or mobile banking till further communication.

Also, Dena Bank has informed that “Even after the amalgamation of Dena bank with Bank of Baroda, the present debit card, Internet Banking, Mobile Banking and Account operations will continue to function as

earlier without any changes.”

The customers of these three banks will continue to avail various services from their existing branches until further notice.

Further, as a precautionary step, Dena Bank has put up a notice saying, “Fraudsters may ask you to share Account Details, Debit Card Details, Internet/Mobile Banking User ID, Password, AADHAAR, PAN Number and OTP over Phone Call, E-Mail, SMS or [Whatsapp](#) Messages for renewal of services or issuance of new Debit Card. Do not share any of the details. Bank does not ask for such details from their customers.”

What will change in future

However, going forward, as and when the banks communicate, the account holders may have to undergo these changes – New account number, new cheque book and ATM cards along with new user name for accessing the website of the amalgamated entity. Importantly, if you have provided ECS mandate or given Standing Instructions for debiting the account for services like an insurance premium, mutual fund SIP etc, they may have to be updated if asked by the banks.

“While you may not need to redo your KYC, there will be a number of changes that you will have to be prepared for. To start with, your account number and customer IDs, as well as the associated IFSC codes may change. If you have accounts with more than one bank, say Dena Bank and Vijaya Bank, then the two accounts may be allotted a single customer ID. So, make sure your email ID and mobile number is updated with the bank so that you receive all official intimations on allotment of new accounts instantly,” says Adhil Shetty, CEO, Bankbazaar.com.

If you have a fixed deposit in any of these banks, there’s not much to worry. “If you are locked into an FD, you can continue till maturity on the same interest rate even if the deposit rates of the merged entity are higher or lower. However, exceptions may be made in case of high-value deposits,” informs Shetty.

Also as a home loan borrower, you may need not worry now. “In case of MCLR loans, the interest would be reset at the end of reset period selected by the borrower. In case the loan is on base rate, the customers will get the option of switching to MCLR on merger. Else, they will be reset to the base rate decided upon by the merged entity,” says Shetty.

If you are a Dena Bank account holder and have rewards points accumulated against your card, this is for you. The bank has informed that Reward Points for purchases made at POS/E-commerce using the debit card will be awarded up to 31/03/2019 only. However, all reward points accumulated up to 31/03/2019

can be redeemed till 30/04/2019. Dena Bank rewardz portal, [mobile app](#) and offline redemption facility shall not be available from 01/05/2019.

Therefore, it is better to redeem the reward points before 30/04/2019 after which the unredeemed points will expire. To redeem one may register through <https://www.denarewardz.com/> or alternatively one can download the Android App from [Google](#) Play Store using the keyword "DENA REWARDZ".

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