

A FRAMEWORK FOR EXPLORING MERGERS AND ACQUISITIONS IN THE INDIAN BANKING SECTOR

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ABSTRACT

Corporate structuring through Mergers and Acquisitions has achieved excessive significance over the globe, due to technological changes, several reforms, intense competition and other reasons (Kumar & Azhagaiah, 2014). The crucial question is whether these bank mergers actually result in these anticipated performance advantages or not. Finding out the current state of Mergers and Acquisitions in India's banking Industry is the goal of this thorough investigation and to answer the significant question that has been raised that how M&A impacts performance of banks, literature has been organized and thoroughly reviewed on similar issues. Secondly, various factors are recognized that majorly affects the M&A decisions. This study finds that M&A has a favorable effect on bank performance, however few studies show contradictory results. The performance of PSBs has also been appreciated as compared to privately owned banks. An effort is made to comprehend the key elements necessary for the M&A effective operations.

KEYWORDS: Mergers, Acquisitions, Efficiency, Profitability, Financial performance
JEL Classification: G2; G3; O2.

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