CHAPTER 10

Conclusion
A merger or Acquisition is the combination of two companies where one company is completely absorbed by another company. The less important company loses its identity and becomes a part of the more important company. The reforms of 1991 led to a big surge in the number of private banks entering into the Indian banking sector. The Banks tried to sustain their growth by expanding in various segments. There was a big wave of competition in the banking sector too. To safeguard themselves and to remain in the market, the banks have started to capture their competitors. This was the beginning of the merger era in the banking industry.

The present study has successfully evaluated the objectives of the study on the basis of primary and secondary data collected from various sources. Although accurate figures could not be availed since majority of the Sangli Bank employees are scattered all over India post-merger, the primary and secondary data has led to the conclusion that the merger has given positive signs of growth and development to the bank.

There are a few problems faced by the management post-merger but they are negligible. The study has analyzed the possibilities of Mergers and the reasons leading to the same in India. The merger benefited the shareholders of both the companies. The ICICI bank leveraged the Sangli bank which had more than 190 branches and the employees and customers spread across urban and rural areas. The merger supplemented the distribution network of ICICI bank. It provided wide opportunities to the employees of the Sangli bank and gave its customers access to the multi-channeled network and variety of products and services offered by ICICI bank. The Banking Regulation Act of 1949 supported the merger. The merger was approved by the boards of ICICI and Sangli bank and the approval of the shareholders at their respective meetings that were called for this purpose. It even acquired the sanction of RBI in writing.
Thus the survey conducted by the researcher has proved the hypothesis that merger has made significant impact on the economic and non-economic parameters of ICICI Bank, is proved.