

Data Story: Why Constant Monitoring At Branch Level Is Key To Success Of Bank Mergers

by [Akara Research and Technologies](#) - Sep 6, 2019 07:00 PM



Logos of PNB, OBC and UBI - three banks merged by the government. (Swarajya)

Snapshot

- *Few of the bank-merger discussions have focused on the regional spread of these public sector banks, the market share they could address and the competitive power the merged entity could unleash in different regions.*
- *Private banks are expanding more efficiently than the public sector banks. Therefore, nimble governance with constant monitoring at the branch level would determine the success of the merger process.*

The recent announcement by the Finance Ministry of the mergers of public sector banks (PSBs) into four entities has ignited the debate again on various aspects of banking. While many questions are being posed — such as the manageability of non-performing assets (NPAs) post the merger, capital infusion and, inevitably, the human resources factor — few of these discussions have focused on the regional spread of these banks, the market share they could address and the competitive power the merged entity could unleash in different regions.