

GS-III: Indian Economy and Issues Relating to Planning, Mobilization of Resources, Growth, Development and Employment.

- 1. The government's objective of merging of bank is laudable but its approach in the policy initiative is a cause of concern. Critically Analyse.**

Why this Question?

- ▶▶ Recent government plans to merge public sector banks to create fewer and stronger global sized lender.

Key Demands of Question:

- ▶▶ What is the objective of the merging of bank?
- ▶▶ Why the government announced policy is not good (demerits in the announced policy)
- ▶▶ What are the future actions government should take?

Directive word

'Critically Analyse':

- ▶▶ When asked to analyze, you have to examine methodically the structure or nature of the topic by separating it into component parts and present them as a whole in a summary. When 'critically' is suffixed or prefixed to a directive, one needs to look at the good and bad of the topic and give a fair judgement.
- ▶▶ Whenever it is asking Critically Examine, Critically Comment or Critically Analyse just remember that you have to write both pros and cons and give a fair, unbiased or value loaded judgement. It should always give a closure feeling while examiner reading the answer..

Structure of Answer:

Introduction:

- ▶▶ Write recent government steps to merging the Public sector Banks.

Body:

- ▶▶ Explain the objectives or pros of the merging of banks.
- ▶▶ What are the demerits in the proposed policy measures?
- ▶▶ Explain suitable remedial measures to smoothen the merging of banks
- ▶▶ Include Narasimhan committee report on the banking reforms.

Conclusion:

- ▶▶ Give some way forward measures and conclude in a positive note.