

VISION IAS

www.visionias.in

VISION IAS

R

N

16 SEP 2017

NO.

03

RECEIVED

GENERAL STUDIES (TEST CODE : 1024)

Name of Candidate	YASHNI N		
Medium Eng./Hindi	ENGLISH	Registration Number	13709
Center	ORN.	Date	16/9/17

INDEX TABLE

Q. No.	Maximum Marks	Marks Obtained
1	12.5	
2	12.5	
3	12.5	
4	12.5	
5	12.5	
6	12.5	
7	12.5	
8	12.5	
9	12.5	
10	12.5	
11	12.5	
12	12.5	
13	12.5	
14	12.5	
15	12.5	
16	12.5	
17	12.5	
18	12.5	
19	12.5	
20	12.5	

Total Marks Obtained:

Remarks:

INSTRUCTIONS

- Do furnish the appropriate details in the answer sheet (viz. Name, Registration Number and Test Code).
उत्तर पुस्तिका में सूचनाएं भरना आवश्यक है (नाम, प्रश्न-पत्र कोड, विद्यार्थी क्रमांक आदि)।
- There are TWENTY questions printed in ENGLISH & HINDI
इसमें बीस प्रश्न हैं अंग्रेजी और हिन्दी में छपे हैं।
- All questions are compulsory.
सभी प्रश्न अनिवार्य हैं।
- The number of marks carried by a question/part is indicated against it.
प्रत्येक प्रश्न/भाग के अंक उसके सामने दिए गए हैं।
- Answers must be written in the medium authorized in the Admission Certificate, which must be stated clearly on the cover of this Question-Cum-Answer (QCA) Booklet in the space provided. No marks will be given for answers written in medium other than the authorized one.
प्रश्नों के उत्तर उसी माध्यम में लिखे जाने चाहिए जिसका उल्लेख आपके प्रवेश पत्र में किया गया है और उस माध्यम का स्पष्ट उल्लेख प्रश्न-सह-उत्तर (क्यूसीए) पुस्तिका के मुख्य पृष्ठ पर अंकित निर्दिष्ट स्थान पर किया जाना चाहिए। उल्लिखित माध्यम के अतिरिक्त अन्य किसी माध्यम में लिए गए उत्तर पर कोई अंक नहीं मिलेंगे।
- Word limit in questions, if specified, should be adhered to.
प्रश्नों में शब्द सीमा, जहाँ विनिर्दिष्ट है, का अनुसरण किया जाना चाहिए।
- Any page or portion of the page left blank in the Question-Cum-Answer Booklet must be clearly struck off.
उत्तर पुस्तिका में खाली छोड़ा हुआ पृष्ठ या उसके अंश को स्पष्ट रूप से काटा जाना चाहिए।

75, 3rd Floor, Old Rajinder Nagar Market, Near Axis Bank, New Delhi – 110060

103, 1st Floor, B/1-2, Ansal Building, Behind UCO Bank, Dr. Mukherjee Nagar, Delhi – 110009

EVALUATION INDICATORS

1. Alignment Competence
2. Context Competence
3. Content Competence
4. Language Competence
5. Introduction Competence
6. Structure - Presentation Competence
7. Conclusion Competence

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

All the Best

Answer all the questions in NOT MORE THAN 200 WORDS each. Content of the answers is more important than its length. All questions carry equal marks.

12.5X20=250

1. The idea of Universal Basic income has gained appeal in recent months. Enumerating the challenges in its implementation, discuss whether it can be a potent tool to reduce leakages in the system and address inequality in the economy.

सार्वभौमिक बुनियादी आय के विचार ने हाल ही के महीनों में ध्यान आकर्षित किया है। इसके कार्यान्वयन में आने वाली चुनौतियों को सूचीबद्ध करते हुए चर्चा कीजिए कि क्या यह तंत्र (व्यवस्था) में विद्यमान कमियों को कम करने एवं अर्थव्यवस्था में असमानता को संबोधित करने का एक प्रभावी साधन बन सकती है।

Ans.

Universal Basic Income (UBI) has gained appeal with Switzerland, recently holding a referendum & even Economic Survey making this idea.

UBI refers to payment of a certain sum of unconditional money to the entire population on a periodic basis.

But in a country like India it has many challenges like →

- 1) Huge cost on economy to the tune of 5% of GDP.

- iv) This can lead to breaching of fiscal consideration which can destabilise the economy.
- vi) It can also make the population lazy and unwilling to work affecting workforce.
- vii) Potential to spur inflation.
- viii) Can also give rise to misuse in social evils like drinking, gambling, etc.

However, it is a potent tool to address inequality as reduce leakage - as →

- i) Already 3% of Central Government & 5% of state's fund is going into various subsidies/welfare policies.
- ii) It reduce leakage as it is universal.
- iii) Gives economic freedom of choice.

- iv) Moreover, most of the successful benefit programs are also universal in nature like TN PDS, NREDA etc.
- v) It can boost spending on education & nutrition.
- vi) It can also lead to women empowerment if beneficiary is the women head.
- vii) Reduced leakages as it is through direct Benefit transfer & digital means.
- viii) Also no inclusion & exclusion errors as in present scheme.

Hence, it is a novel idea but for its success a certain part must be conditional on the proper utilization like health, education etc.

2. A peculiar combination of factors explain India's poor export performance in recent times. Comment. How can the Foreign Trade Policy (2015-20) help in improving India's share in global trade?

हाल के दिनों में कुछ खास कारणों का एक संयोजन वस्तुतः भारत के दयनीय निर्यात प्रदर्शन की व्याख्या करता है। टिप्पणी कीजिए। विदेश व्यापार नीति (2015-20) वैश्विक व्यापार में भारत की हिस्सेदारी में सुधार करने में किस प्रकार सहायता कर सकती है?

Ans.

India's export has been contracting since 5 months and India's share in world trade is just around 2.5%.

Reasons for poor export performance →

i). Old issues like lack of infrastructure like deep port, old obsolete machinery, poor productivity of labour, etc.

ii) But major reason is global crude price lowering as petroleum products are our most prominent export items.

- iii) currency wars leading to deliberate devaluation by countries like China also impacting our competitiveness.
- iv) backdown on corruption in China leading to loss of market of our diamond & jewellery in China.
- v) Protectionist stance by countries like USA, which is our 3rd largest export destination.
- vi) Rising competition from other countries like Bangladesh & Vietnam in Textile.
- vii) poor agriculture performance affecting agricultural goods export.

Foreign Trade Policy 2015-20

- i) Aims to improve India's share in world trade to 5% by 2020.

- ii) Export credits to boost indigenous content in goods.
- iii) Extra funding to boost export oriented sector.
For example → Rs 6000 crore for Textiles.

Hence FTP can help
in improving India's export as →

- i) It can simplify ease of doing business.
- ii) Provide financial support.
- iii) Encourage exporters along with
other programmes like Make in India,
Skill India etc.

Also, with the rollout
of GST, exports have already
started rising with it growing
by 10% to \$22 billion in August 2017.

3. What are Advance Pricing Agreements and how are they related to Base Erosion and Profit Shifting (BEPS)? Discuss their relevance for India.

एडवांस प्राइसिंग अग्रीमेंट (अग्रिम मूल्य निर्धारण समझौते) क्या हैं और वे बेस इरोजन एंड प्रॉफिट शिफ्टिंग (BEPS) (आधार क्षरण और लाभ का स्थानांतरण) से किस प्रकार संबंधित हैं? भारत के लिए इनकी प्रासंगिकता पर चर्चा कीजिए।

Ans

Advance Pricing Agreements (APA) are ~~agreed~~ tactics of companies to avoid fair arm length price.

Base Erosion & Profit Shifting (BEPS) is a tactic by which companies avoid paying taxes at host country and relocate to tax havens & operate in the home country from there.

APA are related to BEPS as it aids in BEPS mechanism.

Relevance for India →

- i) It leads to huge loss of revenue
 For example → ₹40,000 crore is
 the tax foregone in corporate tax
annually.
- ii) It also leads to backlash by
 the Government in the form
 of retrospective & unusually
high taxation.
- iii) All the above lead to an
 air of mistrust and affect
 the investment attractiveness
 of the country.
- iv) Round tripping & reinvestment
 as P-Notes leads to macro-economic
instability.
- v) It also increases inequality
 & breeds corruption.

Hence, the way ahead
will be to fight this on a
global level like by revised
Double Taxation Avoidance Agreements
& also at multilateral level like
G-20.

4. What is meant by public debt? Highlight the objectives of public debt management. Explain why it is considered prudent to disaggregate debt management from monetary policy and take it out of the realm of central bank.

सार्वजनिक ऋण से क्या तात्पर्य है? सार्वजनिक ऋण प्रबंधन के उद्देश्यों पर प्रकाश डालिए। व्याख्या कीजिए कि ऋण प्रबंधन को मौद्रिक नीति से पृथक करना एवं केन्द्रीय बैंक की परिधि से बाहर ले जाना विवेकपूर्ण क्यों माना जाता है।

Ans.

Public debt is the debt held by the sovereign in the external markets. It is presently 68% for India.

The objectives of debt management are →

- i) To keep the debt limits within sustainable levels;
- ii) To avoid macroeconomic problems like inflation due to high debt levels.
- iii) To avoid breach of fiscal consolidation.
- iv) To avoid currency volatility.

and economic destabilisation
like the Eurozone crisis.

- v) To avoid flow of huge money
into debt servicing charges which
could have been utilized for
public welfare.
- vi) It is important also to protect
our sovereignty & economic
independence.

It is important to
have an independent debt
management body. →

- i) Presently the RBI manages
both the monetary policy &
public debt management functions.

- ii) But it shows a conflict/clash
of interest.

- iii) As the lender to Government RBI will be most profitable if interest rates are kept high.
- iv) But high interest rates will lead to high inflation & lack of investment which will affect monetary policy target of 2-6% inflation.

Hence, it is prudent to have separate bodies to manage the two which has also been suggested by the N.K. Singh Committee on revision of FRBM Act.

5. There is an urgent need for India to get infrastructure financing, however, the current investment model of PPPs is poorly designed and needs restructuring. Discuss the issues plaguing the success of PPPs with respect to stalled projects, risk management, governance & institutional capacity.

भारत को अवसंरचना वित्तपोषण प्राप्त करने की तत्काल आवश्यकता है, लेकिन सार्वजनिक निजी भागीदारी (PPPs) का वर्तमान निवेश मॉडल असंतोषजनक रूप से डिजाइन (अभिकल्पित) किया गया है और इसे पुनर्संरचित करने की आवश्यकता है। अवरुद्ध परियोजनाओं, जोखिम प्रबंधन, गवर्नेंस (शासन) एवं संस्थागत क्षमता के संबंध में PPPs की सफलता में बाधक बने मुद्दों पर चर्चा कीजिए।

Ans.

India needs infrastructural financing to the tune of 1.5 trillion for the next decade.

Public Private Partnerships (PPP) were visualised as a tool to involve private collaboration as Government resources were not enough. For eg → construction of Hyderabad airport through PPP.

But there are various issues plaguing the success of PPPs like →

i) ~~Structure~~ It is poorly designed
& instead of the partnership, it
acts more like a contract.

ii) Its Governance →
it lacks reconciliation
& grievance redressal channels
for the concessionaire.

iii) Stalled Projects →
lack of success of
PPP projects & its delays has
led to stalling of these causing
Non Performing Assets for the
banks. which is

This again constrains bank's
lending ability & lead to

Twisted balance sheet problems in
Indian economy

iv) Risk management

It is not holistically planned & does not account for unforeseen risks.

Many a times, delay due to even Governmental reasons like lack of land acquisition/clearance leads to indulgment of the concessionaire.

v) Institutional capacity

Government lacks the resources & the expertise to monitor the projects to ensure success.

Hence, urgent need of restructuring of PPP & new models like EPC have been introduced to solve this.

6. What are the reasons behind a low tax base in India? Discuss the issues associated with it and the steps required to widen the tax base.

भारत में निम्नस्तरीय कर आधार के क्या कारण हैं? इससे संबद्ध मुद्दों एवं कर आधार को विस्तारित करने के लिए आवश्यक कदमों पर चर्चा कीजिए।

Ans. India has one of the lowest tax bases with only 4% of the adult working population paying taxes.

Issues with low tax base →

- i) Lack of resources for the Government to carry out developmental and/or welfare projects.

Eg → National Food Security Act alone entails an expenditure of Rs 1.2 lakh crore.

- ii) Problems of increasing inequality due to tax evasion & lack of redistribution.

Eg → 58% wealth owned by 1% Indians just!

- iii) Problems of increasing corruption, nexus, crony-capitalism.
- iv) Also, problem of free riders.
- v) Tax evasion is also funding terrorist activities threatening national security.

Steps required to
widen tax base →

- i) Simplification of rules and promoting single window clearance & e-filing to avoid disincentives.
- ii) Strengthening revenue officials and as PM Modi asked the officials to have a helping nature.
- iii) Reducing cash usage in the economy by promoting digital & less-cash economy.
- iv) Crackdown on black money.

through various laws & institutional mechanisms.

- v) Government has also carried out demonetisation exercise to which has increased tax filings by 20%.
- vi) Promoting economic activities & formalisation of workforce is also essential.

It is important to widen tax base as already India has largely retrospective taxation scenario where direct to indirect tax ratio is 42:58 which harms the poor the most.

7. Even though the construction sector has significant multiplier effect on the economy, in recent years, it has been showing signs of stress. What are the causes for such a state of affairs? In this context, also highlight the steps taken by the government.

यद्यपि निर्माण क्षेत्र का अर्थव्यवस्था पर महत्वपूर्ण गुणक प्रभाव होता है, लेकिन हाल के वर्षों में यह दबाव के लक्षण दर्शाता रहा है। इस प्रकार की स्थिति के लिए कौन-से कारण जिम्मेदार हैं? इस संदर्भ में, सरकार द्वारा उठाए गए कदमों पर भी प्रकाश डालिए।

Ans.

Construction sector is crucial for the nation as it has multiplier effect on the economy as →

- i) It employs a large number of people especially the unskilled & semi skilled labours.
- ii) Generally, most rural-to-urban migrants also absorbed by this.
- iii) It creates infrastructure for furthering development & linkages in economy.
- iv) Also creates social infrastructure like housing, etc.

In recent years it has been showing stress & its contribution to GDP has shrunk to 2% of GDP.

Reasons for poor performance —

- i) Growing NPA problems leading to twin balance sheet problem which is preventing private investment & capital flows.
- ii) Fiscal consolidation by Government & lack of Government investment as well.
- iii) Rising raw material costs like cement.
- iv) Poor infrastructure like availability of electricity & obsolete technology.
- v) Problems of lack of clearance, land acquisition etc.

Government has taken various steps like →

- i) 100% FDI in construction sector.
- ii) Creating National Investment & Infrastructure Fund (NIIF) of corpus of Rs 40,000 crore.
- iii) Promoting social housing schemes like National Housing For All Mission 2022.
- iv) Promoting labour law reforms.
- v) Government also attempted Model Land Acquisition Bill 2015.
- vi) Speedy clearance & simplification of procedures through e-governance.

Hence, boosting construction sector will have multiples effect both on developmental & welfare fronts.

8. The worsening road safety situation in India is further complicated by an increasing population and proliferation of vehicles on the road. Discuss. Also, highlight the steps that are being taken by the government to address the issue of road safety and reduce the associated fatalities.

भारत में सड़क सुरक्षा की बिगड़ती स्थिति, बढ़ती जनसंख्या और सड़क पर वाहनों की संख्या में बढ़ोतरी के कारण और अधिक जटिल हो जाती है। चर्चा कीजिए। सरकार द्वारा सड़क सुरक्षा के मुद्दों से निपटने एवं इनसे संबद्ध मृत्यु की घटनाओं को कम करने हेतु उठाए जा रहे कदमों पर भी प्रकाश डालिए।

Ans.

Indian roads witness
5 lakh accidents & 1.5 lakh related deaths
annually, which has been growing
consistently.

The worsening situation
is further complicated due to
rising population & vehicles as →

- presently India has 10%
of global vehicles which will
rise due to rising population
(youthful population) & improvement
in economic conditions &
aspirations.

This leads to colossal wastage of human resources as 50% of the occurrences are between 18-40 years of age.

Steps taken by the Government →

- i) ~~India~~ Highway Ministry has come out with Model Road Safety Act which aims to reduce these fatalities.
- ii) ~~like~~ stringent punishments for human errors like overloading, drunken driving, etc.
- iii) Proposal is also for digitised & transparent driving license awarding mechanism.
- iv) Supreme Court has also asked to formulate the Good Samaritan Laws.

- v) National Transport Policy aims at moving people rather than vehicles and promoting public transport like MRTS to reduce pressure on roadways.
- vi) Sethu Bharatam project to avoid loss of life at unmanned crossing signals.

Hence, road safety is a key issue which needs speedy addressal to avoid loss of our demographic dividend.

9. Briefly highlight the parameters used by the government to determine the extent of poverty in India. Examine the relationship of economic growth and poverty alleviation in the post-reforms era.

सरकार द्वारा भारत में निर्धनता की सीमा का निर्धारण करने हेतु उपयोग किए जाने वाले मानदंडों (पैरामीटर) पर संक्षेप में प्रकाश डालिए। आर्थिक सुधारों के बाद के युग में आर्थिक संवृद्धि और निर्धनता उन्मूलन के बीच संबंध का परीक्षण कीजिए।

Ans.

The World Bank defines poverty as those living below \$1.90 dollar/day on PPP basis.
By this estimate, 20% of the world's poor reside in India.

The parameters used by the Government to determine the extent of poverty are →

i) Government has accepted Tendulkar Committee Report which gives poverty line as Rs 1000/month in urban areas & Rs 840/month in rural areas.

ii) It takes into account calorie based requirement and is also inflation indexed.

ii) But Rangarajan Committee also takes into account micro nutrients requirement & includes other expenditures like conveyance, rent, education, health.

Relation between economic growth & poverty alleviation in post reform era →

After the LPI reforms, India opened its economy to foreign investment & companies & role of government reduced.

The economy is growing at an average of 7-8% since last 10 years & poverty has also considerably reduced from

over 60% in 1960s to 21% today
(Rangarajan Committee).

The high economic growth
compared to Hindu Rate of growth
of mid 1980s has boosted economy.
Service sector has been the prominent
driver of economy & high wages.
Schemes like NRECA has also helped.

However, post reforms, agriculture
was neglected & continues to
employ 50% of population &
majority of rural poor.

Also, manufacturing was not expanded
and hence, the bulk of semi-
skilled labour did not gain
employment.

Hence, a balanced growth
across all sections of population
& all sectors of economy is
required for poverty alleviation.

10. Explain why the government has adopted the HELP in place of the NELP that was existing for almost a decade. Also discuss how HELP has the potential to transform India's E&P activities with special emphasis on non-conventional sources of energy.

व्याख्या कीजिए कि सरकार ने लगभग एक दशक से विद्यमान NELP के स्थान पर HELP को क्यों अपनाया है? साथ ही, ऊर्जा के गैर-परम्परागत स्रोतों पर विशेष जोर देते हुए चर्चा कीजिए कि HELP में भारत की E&P (अन्वेषण एवं उत्पादन) गतिविधियों को रूपांतरित करने की क्षमता किस प्रकार विद्यमान है।

Ans.

HELP (Hydrocarbon
Exploration & Licensing Policy)
replaced NELP because →

i) NELP was based on ~~Revenue~~
(Revenue ~~Production~~ sharing agreement
which led to considerate delays
as mentioned by IAE report.

ii) ~~NELP~~ This also led
to uncertainty in price determination
and also instances of exaggeration
of costs.

iii) It also did not result in
simplification of procedures.

HELP has potential immensely as →

- i) HELP is based on Production sharing arrangement.
- ii) It is based on open-auction policy whereby the company has freedom to choose a block of its choice.
- iii) It is also based on uniform licensing (unlike NELP) which gives one license for all the hydrocarbons in the block.
- iv) It also increased royalty for deep sea operations & reduced onshore royalty thus making it proportional to the risk involved.
- v) Hence, HELP will boost the exploration of hitherto unexplored

- and even small blocks.
- vi) It will also lead to innovation & investment in tapping high risk resources. & invite technology like in shale gas production.
- vii) It will also ensure ease of doing business, assured revenue supply for the government & involvement of more players leading to better price discovery.

Hence, HELP is a necessary step to reduce our import dependance of 70% of our crude oil requirements.

11. Successive governments have resorted to disinvestment of sick and loss-making PSUs. What, according to you, are the targets which the government seek to meet from this exercise? Also explain why the disinvestment targets have not been met in the past.

क्रमागत सरकारों ने बीमार और घाटे में चल रहे PSUs के विनिवेश का सहारा लिया है। आपके अनुसार, इस कार्यक्रम से सरकार कौन-से लक्ष्य प्राप्त करना चाहती है? साथ ही, व्याख्या कीजिए कि विगत वर्षों में विनिवेश के लक्ष्यों को प्राप्त क्यों नहीं किया गया है।

Ans

Disinvestment is the process of reduction in shareholding by the Government in business entities / corporations.

Successive governments have resorted to disinvestment & present Government has also set a target for disinvestment of companies like Coal India Ltd, NPCL, NHPC etc.

Targets Government seek to meet →

1. Revenue to the Government through sale of stakes.

- ii). Utilization of resources for better purpose like welfare, development
- iii) Inviting private expertise in management of industries.
- iv) Acceptance of reduced role of Government in business activities.
Eg → disinvestment & strategic sale of modern firms.
- v) Avoid drain of public resources
Eg → Air India has a debt of Rs 50,000 crore & already Rs 24,000 crore has gone into its bailout package.
- vi) Inviting technology & efficiency.
~~like~~

Disinvestment targets have not been met in past because →

- i) lack of interest by private players.
- ii) low response in market and not as expected by the government leading to unwillingness of Govt. to sell at reduced price.
- iii) Protests by employees & unions.
- iv) National security & strategic concerns
like → unwillingness in disinvestment of Ordnance factories.

Hence, disinvestment has many benefits & should be carefully carried out.

12. What is hydroponics? Discuss its relevance in light of limited land availability while ensuring food security.

हाइड्रोपोनिक्स (hydroponics) क्या है? सीमित भूमि उपलब्धता की दृष्टि से खाद्य सुरक्षा को सुनिश्चित करने हेतु इसकी प्रासंगिकता पर चर्चा कीजिए।

Ans.

Hydroponics is a technique in efficient management of water in agriculture. It reduces wastage of crucial resources.

It is important because →

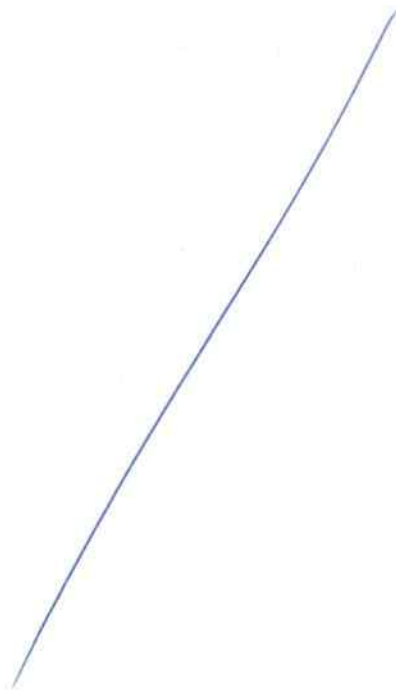
- i) It can boost land productivity which is low today.
- ii) Increased agricultural productivity can lead to food security, as →
 - Food demand is stated to grow from 260 million tonnes today to 450 million tonnes by 2050 while agricultural land is

expected to reduce from present 145 million hectare.

iii) It will also lead to sustainable agricultural practices & avoid degradation of soil through soil erosion & salinization due to excessive water use.

iv) It will also result in nutritional security by promoting diversity in agricultural basket like pulses, millets, etc.

Hence, along with this PM Kisan Sanchai Yojana can play a part in achieving 4% target growth in agriculture & nearly doubling of agricultural income by 2022.



13. It is argued by many that there is an urgent need for states to reform land laws and, in particular, tenancy laws. What are the factors cited for the need of such reforms? Identify the impediments in the way of such reforms and highlight the benefits that would accrue from them.

कई लोगों द्वारा यह तर्क दिया जाता है कि राज्यों को भूमि कानूनों, विशेष रूप से काश्तकारी (tenancy) कानूनों में सुधार करने की तत्काल आवश्यकता है। इस प्रकार के सुधारों की आवश्यकता के लिए कौन-से कारकों को उद्धृत किया जाता है? ऐसे सुधारों के मार्ग में आने वाली बाधाओं की पहचान कीजिए एवं इनसे प्राप्त होने वाले लाभों पर प्रकाश डालिए।

Ans.

Land reforms were attempted just after independence but there has been limited success in this.

There is a need for land reforms as →

- i) Agrarian distress is increasing & bulk of India's poverty is due to dependence on low productivity agriculture.
- ii) SECC data pointed out landlessness as the most common form of disability → 24% rural household.

- iii) It is also required for social development as most of the landless are dalits & marginalised
- iv) Bulk of India's farmers upto 80% are small & marginal.
- v) To provide security of tenure & guarantee of ownership ~~but~~ to the tenants & owners respectively

Impediments of such reforms →

- i) Lack of political will as landholding communities are source of vote bank.
- ii) Lack of land records ~~part~~ properly
- iii) Reluctance by the people

like the land owners who fear
loss in ownership due to long-
period tenants.

- iv) improper ~~base~~ tenancy laws
guaranteeing land for permanent tenants.

Benefits →

- i) It will avoid absentee landlordism
& landlessness at the same time.
- ii) It will open way for
economies of scale in agriculture
& avoid fragmentation.
- iii) It will lead to modernisation
of agriculture & improved
productivity & livelihood.
- iv) It will also free disguised
labour.

Hence, tenancy land
reforms are important &
also been recommended by
[M.S. Swaminathan & NITI Aayog]

14. Discuss the potential of horticulture sector in realizing the government's vision of doubling the farm income. Also, highlight the challenges which are needed to be addressed for realizing full potential of this sector.

कृषि आय को दोगुना करने की सरकार की परिकल्पना को साकार करने में बागवानी (हॉर्टिकल्चर) क्षेत्र की क्षमता पर चर्चा कीजिए। साथ ही, इस क्षेत्र की सम्पूर्ण क्षमता को वास्तविकता में परिणत करने के लिए उन चुनौतियों पर भी प्रकाश डालिए जिनसे निपटना आवश्यक है।

Ans.

Horticulture sector is important part of agriculture as it contributes 36% to the agricultural GDP.

It has high potential →

- i) Horticulture is a labour intensive sector
- ii) It is more remunerative & produces high value products like Medicinal plants, Aromatic plants, flowers, fruits, vegetables, spices etc.

- iii) It can boost agro-forestry &
- iv) also boost tribal livelihood & community based initiatives.
- v) It can also help in reducing regional disparity in achievements of agriculture → eg → fruits in North East.
- vi) It can boost income as it leads to diversification of income & reduced agriculture related income volatility.
- vii) It can also act as a feeder to agro-processing industries & boost income by encouraging local entrepreneurship & contract farming.

Challenges in this sector →

- i) Providing better quality seeds, institutional support like credit, electroch.

- ii) Maintaining ecological sensitivity of hilly areas.
- iii) Problems of accessibility especially in North East India.
- iv) ~~Providing~~ Avoiding wastage which is to the hore of 40% in vegetables through cold-storage units.
- v) National Agriculture Market for better remuneration of farmers by abolishing APMC Act.
- vi) Promoting hygiene & sanitation as per global norms & proper branding eg → GI tags.

Hence, horticulture is important & will boost export revenue as well as nutritional security.

15. Not only does the yield (measured in tonnes/ha.) of a crop but a number of other factors determine the choice of crops that a farmer cultivates. Elaborate with special focus on cropping pattern in India.

एक किसान द्वारा उपजाई जाने वाली फसलों के चयन को न केवल फसल की उपज (टन/हेक्टेयर में मापी गयी) अपितु कई अन्य कारक भी निर्धारित करते हैं। भारत में प्रचलित फसल प्रतिरूपों (पैटर्न) पर विशेष ध्यान केन्द्रित करते हुए विस्तारपूर्वक व्याख्या कीजिए।

Ans

Yield refers to agricultural productivity which is given as output in tonne / ha of land.

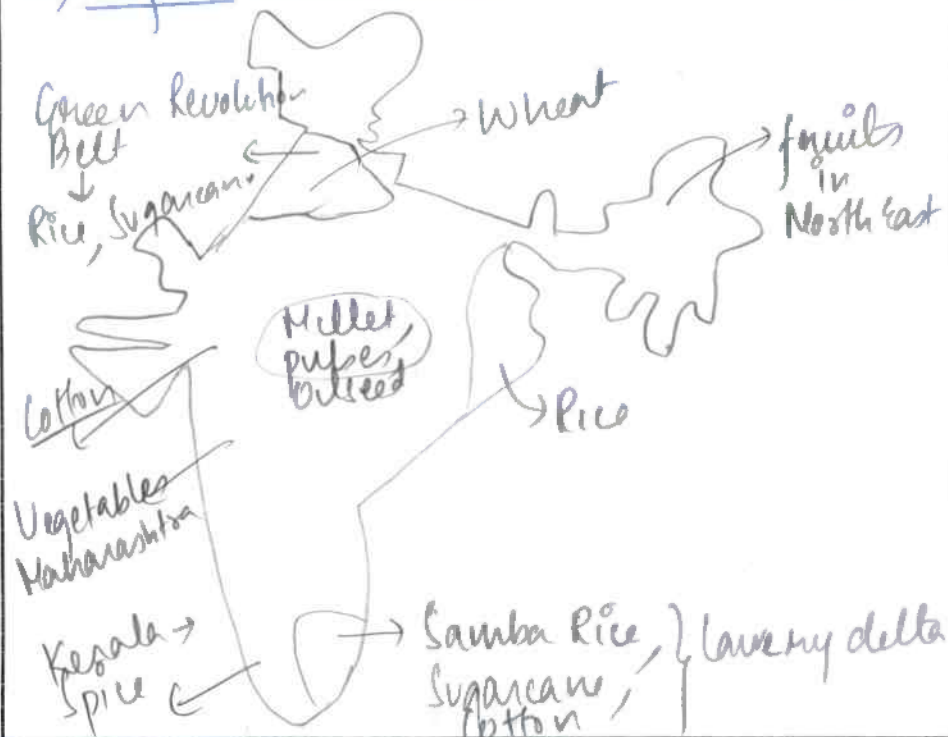
Yield is important for choice of crop as higher yield results in more income from the same piece of land.

Eg → Yield of sugarcane in U.P. is $\frac{1}{2}$ that of Lavay delta & hence it ~~is~~ is migrating southwards.

Other factors determining choice of crops →

1) Geographic factors →

- i) Rainfall pattern like dry crops like Millet, pulses are mainly produced in dryland area.
- ii) Soil → alluvium soils are the most intensively cultivated.
- iii) Agricultural intensity i.e. the no. of crops per year also depends. For eg → 3 crops of rice grown in Bengal.
- iv) Slope & terrain → like Tea, Coffee.



ii) Institutional Factors

- i) Availability of technology & commercialization of agriculture.
Eg → Green Revolution Belt cultivating Basmati Rice & Sugarcane.

- ii) Availability of credit and other facilities.

- iii) Market consideration →
Eg → areas near cities focus on high value perishables through market gardening.

- iv) Traditional crops and culture
also affects farmer's choice. Eg → North India - Wheat

Hence, India is a land of diversity which is reflected in diversity of agricultural choices as well.

16. Discuss the significance of food processing industry in the economic development of the country and the challenges which need to be tackled for sustained growth of the industry. Also elaborate on the the salient features of National Mission on Food Processing.

देश के आर्थिक विकास में खाद्य प्रसंस्करण उद्योग के महत्व के साथ-साथ उन चुनौतियों की भी चर्चा कीजिए जिनसे निपटना इस उद्योग के संघारणीय विकास हेतु आवश्यक है। राष्ट्रीय खाद्य प्रसंस्करण मिशन की प्रमुख विशेषताओं की विस्तारपूर्वक व्याख्या कीजिए।

Ans

Food Processing industry is significant as it contributes to both agricultural GDP & 9% to Industrial GDP.

It is important as →

- i) 80% of our population is directly or indirectly dependent on agriculture.
- ii) It can provide linkages to agriculture & boost food security.
- iii) It can help boost agricultural export.
- iv) It can help in attaining doubling of farm income.

Challenges that needs to be tackled →

- i) Reducing food wastages to the tune of 40% in vegetables & 30% in foodgrains.
- ii) Increasing processing levels from present 3% to 40% like SE Asia.
- iii) Agriculture suffers from price & output volatility & assured supply of quality raw material compromised.
- iv) Investment & accessibility & infrastructural development is required.
- v) Adhering to global sanitary & phytosanitary norms & proper branding.
- vi) Promoting MSME & small farmers
- vii) Behavioral change in public towards consumption of processed goods.

Salient features of MMFP →

- i) Creation of Food Processing Parks & Clusters as hub-and-spoke model.
- ii) Creating infrastructure like cold storage & abattoirs.
- iii) Also providing credit & entrepreneurial skills like MODRA Yojana, Stand Up India.
- iv) Promotion to exports & presentation of GI tags.
- v) Balanced expansion of Food Processing Zones like recently one in Guwahati was inaugurated.

Hence, food processing industry needs our key attention and government has a dedicated Ministry for this purpose.

17. Financial support to farmers through various instruments has been a crucial aspect of agricultural policy of the government. Examine whether the proposal of moving towards direct transfer of benefits and universal crop insurance would alleviate the existing concerns in the current scenario.

विभिन्न साधनों के माध्यम से किसानों को वित्तीय सहायता प्रदान करना सरकार की कृषि नीति का एक महत्वपूर्ण पहलू रहा है। परीक्षण कीजिए कि क्या प्रत्यक्ष लाभ अंतरण और सार्वभौमिक फसल बीमा की ओर कदम बढ़ाने का प्रस्ताव वर्तमान परिदृश्य में विद्यमान चिंताओं को कम कर पाएगा?

Ans.

Government has provided financial support to farmers in many ways like Minimum Support Price, Electricity Subsidy, Fertilizer Subsidy and even loan waivers.

Direct Benefit Transfer will alleviate concerns as →

- i) It will provide choice of spending to the farmers.
- ii) It will reduce leakages like Shanta Kumar Committee said 40% leakages in PDS.
- iii) It will also address delay in payment of subsidies &

will not affect crop cycle.

Universal Crop Insurance

will solve as →

- i) It will eliminate the use of loan waivers as a political tool which rather breeds poor credit culture.
- ii) It will address the issue of fluctuation due to monsoon dependence as post-harvest losses also included.
- iii) It will lead to increased social security at low premiums & avoid distress steps like farmer suicides.
- iv) Use of technology in assessing damages will bring in transparency & again reduce leakage.

- However,
other problems exist which need
to be solved like —
- Rationalization of subsidies,
 - providing forward & backward linkages to agriculture,
 - prioritisation of agricultural credit with special focus on capital investment,
 - diversification & sustainable agriculture.

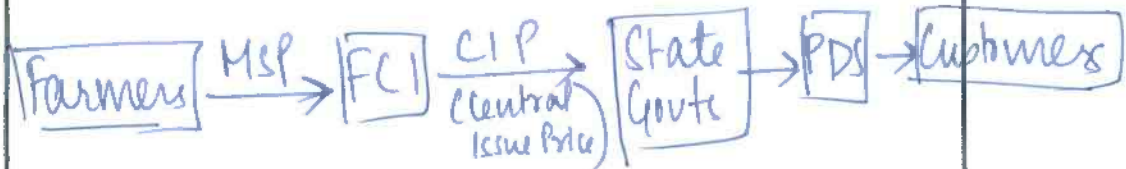
Hence, DBT & Crop Insurance schemes are important but not enough to solve all problems of the agricultural sector.

18. Buffer stocking of food grains is seen as a vehicle to deliver strategic food and agricultural domestic support policies, however, there is a growing consensus that the programme has been not just costly but also imprudently wasteful. Critically evaluate.

खाद्यान्नों के सुरक्षित भंडारण (बफर स्टॉकिंग) को खाद्य एवं कृषि संबंधी रणनीतिक घरेलू समर्थन नीतियाँ प्रदान करने के साधन के रूप में देखा गया है, लेकिन इस संबंध में यह मतैक्य बनता जा रहा है कि यह कार्यक्रम न केवल महंगा बल्कि अविवेकपूर्ण रूप से अपव्ययी भी रहा है। आलोचनात्मक मूल्यांकन कीजिए।

Ans.

Buffer stockholding refers to public stockholding of foodgrains with the dual purpose of ensuring food security & remunerative price to farmers.



Under this, government delivers Rice, Wheat & Coarse Grain at Rs 3, Rs 2 and Rs 1 respectively to the needier public.

But it has concerns like →

- i) It is costly ~~and~~ with not even half of the costs being recovered through this.
- ii) It is found that only 6% of farmers sell through MSP and hence it is tokenist.
- iii) It has also lead to distortions of agriculture.
- iv) It is wasteful as upto 40% leakages in PDS.
- v) Also, FCI is not adequately enabled & we witness large scale hoarding of foodgrains.
- vi) Also, leads to distortions in market space where MSP instead of the minimum price, has become the de facto market price.

But it has its merits like →

- 1) It ensures food security especially to the poor & Antyodaya population.
- ii) Also, ensures safety of consumers from fluctuating prices.

But, already buffer stocking is under scanner under WTO negotiations and best way would be to follow Shanta Kumar committee recommendation to ensure efficacy & also that the benefits are not cornered by the rich farmers alone.

19. Discuss the lacunae in implementation of Minimum Wages Act in ensuring the welfare of agricultural labour. Also, suggest some other measures to improve the situation of agricultural labourers in the country.

कृषि श्रमिकों के कल्याण को सुनिश्चित करने की दिशा में न्यूनतम मजदूरी अधिनियम के कार्यान्वयन में विद्यमान कमियों पर चर्चा कीजिए। साथ ही, देश में कृषि मजदूरों की स्थिति सुधारने हेतु कुछ अन्य उपायों का सुझाव दीजिए।

Ans -

Minimum Wages Act

was intended to prevent labour exploitation especially agricultural labour.

But,

lacunae in implementation because →

i) Agriculture is a state subject & Wages is in concurrent list and Centre-State cooperation is necessary.

ii) lack of empowerment of labours to ensure accountability & transparency.

iii) Bureaucratic red tapism & delays.

iv) Corruption is also one of the inhibiting factors.

SECE data shows landlessness as the most severe form of deprivation in rural areas and suggestions to improve their conditions are →

- i) Land reforms and its proper implementation.
- ii) Tenancy laws ensuring stability.
- iii) Diversification of agricultural landscape into for eg. liverstocks.
- iv) Proper implementation of Minimum Wages Act by using channels like IAM Trinity to avoid leakages.

v) NREYA is a good step which acts as benchmark price in rural areas.

vi) Promoting e-governance and social audits through gram sabhas.

Hence,

Absorbing excess labour in the Manufacturing Sector through Make in India & Skill India mission will also help in securing better livelihood to agricultural labours.

20. In spite of having the world's largest livestock population in India, the potential of animal rearing remains underutilized. In this context, discuss the challenges faced by the meat and poultry sector and suggest measures for accelerated and sustained growth for this sector.

भारत में विश्व की सर्वाधिक पशुधन संख्या होने के बावजूद भी पशुपालन क्षमता का पूर्ण दोहन नहीं किया जा सका है। इस संदर्भ में मांस तथा कुक्कुट क्षेत्रक द्वारा सामना की जाने वाली चुनौतियों की चर्चा कीजिए एवं इस क्षेत्रक की त्वरित एवं संघारणीय वृद्धि के लिए उपाय सुझाइए।

Ans.

India has $\frac{20\%}{2.6\%}$
of world's livestock in geographic area
of world's geographic area
having less than 1% of pasture
land.

Livestock sector includes →
milk animals like cows, buffaloes,
poultry, sericulture, apiculture,
piggery, sheeps, goats etc.

Challenges faced by the sector →

- 1) low productivity of indigenous
breeds of cows in milk production.

- ii) Lack of demand for Indian meat in global market due to hygiene considerations.
- iii) Lack of food processing.
- iv) Uncertain policy environment & religious considerations.
Eg → recent ban on all inter-state movement of cows.
- v) Poor maintenance & livestock quality due to various diseases, lack of veterinary facilities, lack of fodder, etc.

Measures for growth of sector →

- i) Boosting food processing through Mega food Parks.

- ii) Scattered nature of livestock:
like → piggy in North East,
~~Poultry in Assam~~
sheep rearing in Western Himalayas.
- iii) Infrastructural development like
cold storage & marketing.
- iv) Enhancing productivity through
hybridisation & technological
improvement.
- v) Proper health and quality checks.

Protein consumption is
stated to grow in India with
increasing population & non-
vegetarian diet and animal
husbandry is crucial to ensure
nutritional security.