

MOCK - 2 (PAPER - III)

Time Allowed: 3 hrs.

Max. Marks: 250

Q.	Marks	Instructions to Candidate
1.		• There are 20 questions. • All questions are compulsory • The number of marks carried by a question is indicated against it. • Answer the questions in NOT MORE THAN 200 words each. Contents of the answer is more important than its length. • Answers must be written within the space provided. Any page or portion of the page left blank in the Question-cum-Answer Booklet must be clearly struck off.
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Name MIRANT PARIKH.

Roll No. _____

Mobile No. _____

Date 20/11/16.Signature Mirant

1. Invigilator Signature _____

2. Invigilator Signature _____

REMARKS

GS SCORE
MOCK TEST SERIES 2016

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- Q1. Given that the fiscal capacity and fiscal efforts (taxation) are crucial determinant of long run development, how can India move from its current low tax/GDP to one of increasing taxes and government spending as part the process of building state capacity?
 (12.5 Marks)

Taxation is considered as a contract between the state & its citizens & for the country to run smoothly both the parties should hold up to their end of the bargain of the contract - Economic Survey, 2016-17

Acc. to the Economic Survey, India suffers from one of the lowest tax/GDP ratio in the world. India can increase its taxes & govt. spending by —

- ① Changes to the tax administration to make it simple & having a single window clearance to ensure compliance.
- ② Greater technological use by the tax dept. IT (CBDT & CBEC) to ensure compliance & greater detection of tax evasion.

Remarks

- ③ A single time amnesty scheme like "Income Declaration Scheme" with higher taxes & penalty to allow the evaders to come clean.
- ④ Renegotiating the Double Taxation & Avoidance Agreement (DTAA) with other countries.
- ⑤ ~~Re~~ Implementing the rules of Base Erosion & Profit Shifting (BEPS).
- ⑥ Increasing use of IT technology.
- ⑦ Implementing GAAR but not retrospectively.
- ⑧ Implementing GST to stop evasion & ensure compliance.
- ⑨ Implementing FATF guidelines to stop money laundering & tax those money.

Remarks

Q2. Rural distress has induced increased government spending on agriculture and the related sectors. Discuss the challenge concerning fiscal consolidation due to this development and also analyze its final impact on economy? (12.5 Marks)

The rural distress in India has increased due to two consecutive droughts & the government is taking pro-active measures to alleviate it.

- Increased spending under MGNREGA to provide ~~employment~~ in the times of distress.
- PM Krish Bima Yojana to provide insurance to farmers & pay the upward of the premium.
- Increased spending under PM Kishu Sinchai Yojana.
- Exemptions to set up Food processing units.
- Increasing subsidies for fertilizers & insecticides.
- Increasing MSPs.

These measures will have a substantive impact on the fiscal health of the government. In the times when the govt.

Remarks

is going for fiscal consolidation, increased spending ^{on} agriculture will lead to reduced spending in other ^{critical} sectors like infrastructure, social benefit programs, health spending, social justice spending, etc.

Also, if the fiscal deficit target under the FRBM Act is breached it will lead to flight of capital as well as downgrading of sovereign status by credit rating agencies.

However, the final impact on the economy will be on the positive side. It is analysed that 1% growth in

Agriculture sector will lead to 4% increase in GDP growth. Also, growth of agriculture → greater employment (no jobs growth) → increased demand → increased consumption → economy grows.

Remarks

Q3. By 2020 India is projected to be the youngest nation in the world in terms of numbers. While this provides India greater opportunity, it also poses challenges. Explain the various challenges to be faced and suggest measures to turn it into an opportunity.

(12.5 Marks)

UNDP has put India as the country with the highest no of people under the age of 35 & India is poised to have a greater advantage in the fast ageing world.

However, India faces a substantial challenge on the demographic front —

- ① Lack of skills among population.
- ② Lack of the involvement of the industries in the skill development which leads to vacancies in big industries & as well as unemployment among the youth.
- ③ Youth is most prone to get influenced & radicalized by nefarious propaganda.
- ④ Lack of employment opportunities might lead to increasing crime amongst youth.
- ⑤ Lack of exposure to functional practices.

Remarks

⑥ Lack of quality education. For instance higher number of unemployed engineers

However, this challenges can be turned into opportunity —

- ① PM Kaushal Vikas Yojana to setup training camps to provide skills.
- ② Greater ~~role~~ involvement of Industries in skilling the youth under Skill India program.
- ③ Try to reduce the Digital Divide between youth.
- ④ Apply Germany's "Mittelstand model" to provide Vocational Training.
- ⑤ Amendments to "Apprenticeship Act".
- ⑥ Greater vigilance by the police to stop radicalisation.

Remarks

Q4. "Food management in India is equally important as food production". Explain the various issues involved in food management. (12.5 Marks)

According to a report by NITI Aayog, in India 38% of fruits & vegetables are destroyed due to lack of ancillary facilities to agriculture & can pose a huge threat to the food security in the country.

Thus, food management in India becomes as important or even more important than food. However, there are many issues involved -

- Lack of cold storage facilities.
- Lack of logistics facility.
- No proper policy or legislation highlighting the rules & regulations to establish a cold storage or a food processing unit.
- Lack of clarity on the FDI status for

Remarks

the MNCs to invest in the sector.

- No future contracts to ensure early realisation of prices
- Reform of the APMC Act required
- Lackadaisical implementation of National Agriculture Market (NAM) by the states
- Lack of clarity or information asymmetry w.r.t. MSP prices with the farmers
- Reform of Food Corporation of India (FCI) needed. While prices of crops increase, wheat was rotting in FCI godowns
- Reducing the buffer stock limit in FCI
- Ending the monopoly of APMC, Aharatiyas & middle men.

Remarks

- Q5. "The poverty in India is measured by a Poverty Line, that is probably one of the most disputed and necessary attacked measure in the world; what we say is that it has a corrupt poverty Line". Explain this statement in the context of both Tendulkar and Rangarajan Committees recommendation. (12.5 Marks)

The determination of poverty line in India is a Unidimensional Exercise. It is focused only on the Calorie intake in the Urban & rural areas to determine poverty line.

The Tendulkar Committee had fixed the Calorie intake as 2300 Calories for Urban areas & 2600 Calories for rural areas. Which turned up to daily income per ₹36 for a family of 4 in urban areas & ₹32 in rural areas. This was severely criticised for its Unidirectional approach & a transiency of poverty in India.

on the other hand, Rangarajan Committee is an effort to take a more multidimensional

Remarks

Overview of the task of determining poverty line. Rangarajan Committee takes into account factors like education, clothing needs, etc. to make it more inclusive & realistic. #

However, this determination also suffers in the form that it excludes other expenses like ~~that~~ ^{rent} health cost, mobile cost, etc which are the prerequisites of modern time.

The correct approach would be to have an analysis of the Multi dimensional Poverty Index by the W.B which takes an extensive view of the poverty and pegs it at \$1.25 / day.

Remarks

- Q6. "Real estate (Regulation and Development) Act, 2016 will bring transparency in the real estate market, restoring the consumers trust of confidence. Critically examine the provisions of Bill. (12.5 Marks)

~~The regulations of~~
The Real estate bill is expected to provide a boost to the real estate sector which is the second largest employer after Agriculture & accounts for 9% of GDP.

The provisions of the bill are —

- ① Price should be decided based on the carpet-area & not on super-built up area.
- ② 70% of the project cost to be deposited in an escrow account to be used only for the project.
- ③ Registration of all projects with Real Estate Regulation Authority (RERA) provided for under this bill.

Remarks

- ④ To publish all the details of the project on the ~~companies~~ Companies website to ensure transparency.
- ⑤ Provide maintenance for first 5 yrs.
- ⑥ Right of the consumer to sue the real estate firm for not providing timely delivery.
- ⑦ Empower states to establish their own regulatory authority to track infra-projects

However, there are few hiccups to this act —

- ① RERA will lead to increasing bureaucratization & hence delay.
- ② ~~There are~~ Chances of corruption with the establishment of RERA.
- ③ 70% funds too much, might lead to slow down of other projects & hence the slow down of sector & economy

Remarks

Q7. "The concept of Smart Cities will not be a reality in our country until and unless we have meticulous planning for the slums". Elucidate. (12.5 Marks)

Smart Cities ~~are~~ are the creation of new cities or modifying the existing cities and making it technologically savvy to ensure smooth & systematic operation & working of the city infrastructure & administration.

The government has recently announced its ambition to create 100 Smart cities in India by the year 2025. However, the plan is good but there are many practical challenges ~~face~~ that the project can face with one of them being slums.

Slums in a city highlight the lack of ~~real~~ affordable residential spaces for the destitutes. Thus, not integrating & taking into cognizance this issue can lead to the failure of the smart cities plan. Bcoz slum are

Remarks

The den of squabers & disease which is a complete contradiction of Smart cities.

So, Smart cities & Slums cannot coexist.

• However, there are few practical solutions in India ~~the~~ & abroad which provides a solution to this problem -

• The slum redevelopment project in Mumbai

• The project to provide an apartment to the slum dwellers in the land of the slum as executed by Shanghai Municipal government.

• The Addis Ababa slum ~~exp~~ redevelopment project

Thus, a meticulous planning & drawing on the best practices has to be taken to solve this slum problem to ensure the success of Smart cities.

- Q8. Recently government has issued E-waste management rule 2016. But considering the decentralized nature of E-waste generation the implementation going mammoth task. Suggest some suitable measures for effective E-waste management. (12.5 Marks)

Some suitable measures for effective E-waste management are —

① Extended Producers Responsibility (EPR) :-

To ensure that the producer should be in a position to buyback the used e-products & dispose it off in a scientific manner.

② Promotion given to exchange sales are programs by providing tax rebates so that customers exchange their old elec products for new through a formal channel.

③ Supporting the establishment of formal e-waste collectors which stands at only 35% at present.

④ Crackdown on informal sector which forms the major chunk & which processes the waste in a non-scientific and a harmful way.

Remarks

⑤ Establish a ^{technology} ~~primary~~ ~~market~~ to ~~process~~ a safe process the rare earth metals, gold & platinum from these e-wastes so that the ~~processors~~ ^{recyclers} can earn some decent ~~per~~ profit.

⑥ Empowering states & local bodies ~~to~~ for the effective implementation of the rules.

Remarks

Q9. What do you understand by polluter pay concept? What is the stand of COP 21 regarding this principle? Discuss why India is the key to a Climate Change Agreement in Paris and what are its major voluntary decisions to reduce pollution? (12.5 Marks)

The polluter pay concept tries to entail the "historic responsibility" of the developed countries for emitting most of the GHGs in the atmosphere today. So, this concept puts the onus on the developed countries to reduce their emissions immediately as they are the main culprits as well as provide financial & technical support to the developing countries for its transition to renewable green economy."

The COP 21 has tried to dilute the concept of polluter pay concept by replacing the annexure based emission target system of Kyoto Protocol to the Intended Nationally Determined Contributions (INDCs)

Remarks

INDCs rather than putting the historical responsibility on the developed countries to come up with their own contributions to climate which are legally non binding. Thus, COP 21 debates the concept of polluters pay.

→ India is one of the most important countries because ① It is the third largest emitter of GHGs ② Highest growth in GHGs' release, even higher than China ③ High dependence on fossil fuel based power generation

→ India's Contributions

- ① ~~Red~~ Reduce the emissions by 35% by the year 2025 as compared to 2002 level
- ② Ensure that 75% of electricity generation through non-fossil fuel by 2030.

Remarks

Q10. What are locational factor and distribution of Steel industry in India? Discuss major Challenges and steps taken by government to overcome them? (12.5 Marks)

The location & distribution based on 4 Considerations :-

① Nearer to coal field:

This will ensure that the fuel to run the steel plant is available from nearby while ~~steel~~ ^{iron} ore can be brought to the plant from the mines. As Coke is an important requirement of

② Nearer to ~~steel~~ iron ore? Steel production

This will ensure continuous supply of iron ore (the main raw material) & coal be brought to the plant from coal mines.

③ Nearer to the river:

Steel production requires huge amount of water.

④ Nearer to sea ports:

⇒ Coke limited in India, so has to be imported from Australia

Remarks

→ Objective of the steel plant is to export, so they can export easily through the port.

The government has taken the following steps to address this impediment:-

- ① National highway Mission to improve road infrastructure to ensure smooth logistics.
- ② Sagarmala Project - Development of ports to ensure better import of coke & export of steel.
- ③ MMRDA Act → to ensure better regulation & allocation of coal & iron mines → so continuous supply.
- ④ Reform of Coal India Ltd.

Remarks

Q11. Water scarcity is increasing in India with availability of water for industries being reduced. Do you think that the PPP model for water-intensive industry is viable? Discuss. (12.5 Marks)

With the depleting river water as well as ground water levels in India, the water intensive heavy Industries have been severely hurt. Acc. to a NITI Aayog report the cut for the water-intensive Industries can be in amount of 12-15%.

To tackle this government has announced the PPP model for water-intensive Industries —

- It involves the government in the process to ensure that the water is not misused in the industrial processes.
- The PPP model makes it compulsory for the industries to setup water treatment plants to reuse the discarded waste water.

Remarks

- The PPP model will lead to the implementation of the ^{International} best Industrial practices in the industries.
- These industries will be made to use up its 2% of CSR on water related goals or targets of SDGs.

However, this model suffers from the following lacunae —

- ① Does not involve the state or the local ~~authorities~~ as water is a state subject.
- ② No regulatory mechanism to oversee the implementation.
- ③ No clarity on the increased prices of the product due to ~~increased~~ increasing compliance cost & its impact on export competitiveness.

Remarks

Q12. Being water stressed nation category, there is a danger that whole nation may become water scarce in the near future. Discuss in the context of rational policy on water has necessarily to start with an overarching framework that recognizes the attributes of the remarkable natural phenomenon. (12.5 Marks)

The National Framework Convention on climate change (NFCCC) has pointed out that with the current rate of water consumption ~~use~~ & pollution we risk turning into a water scarce country & will impact our future generations.

The government while trying to make a national policy on the depleting water issue, must take into consideration

The factors like the climate change phenomena & its ramifications on water scarcity.

Mihir Shah panel's recommendations on the issue of water storage as well as management of ground water resources are quite progressive.

Remarks

With the recent climate change, the traditionally higher rainfall receiving areas are receiving lesser rainfall (Cherrapunji) while the traditionally water scarce region are receiving higher rainfall (Jaisalmer). Thus the govt. should take into consideration this anomaly as well.

Due to the increasing natural phenomenas like droughts, policy should also focus on efficient agriculture practices, promoting less water-intensive crops, etc.

Remarks

Q13. After 2008 Mumbai terror attack, marine security has got immense importance in security. Critically analyze the measures taken by government with respect to marine security. (12.5 Marks)

In a country with a large ~~cost~~ coastline like India, ~~more~~ it becomes one of the easiest route to attack Indian establishments & infrastructure. Also, India's some of the major cities as well as defence & nuclear installation are by the sea, which makes marine security even more important.

The govt. has taken the following measures w.r.t. marine security —

- ① Inducting more frigates & stealth boats to increase the strength, intensity, mobility & speed of the Coast guards
- ② Ensuring collaboration with the locals living in the Coastal Villages because the boat kuber used for

Remarks

- 26/11 attack belonged to a local.
- ③ Realignment & Reconfiguration of the Coast guards administration to ensure a unified command structure.
 - ④ Greater integration between the ~~main~~ navy & intelligence units like RAW, IB to ensure action on the intelligence inputs. Failure to do so led to Pathankot attack.
 - ⑤ Formulating National Security Doctrine, to ensure a synergical response in case of such attacks.
 - ⑥ Establishing Standard operating Procedures (SOPs) for the coast guards to act.
 - ⑦ Establishing Chief of Defence Staff (CDS) to enable coordination between three forces. As marine security is the responsibility of all the three forces

Remarks

Q14. Almost every country is suffering from terrorism, yet there is no common consensus to deal with terrorism on a global platform, comment. Also highlight the India's efforts on international platforms against terrorism. (12.5 Marks)

There is a lack of common consensus on how to deal with terrorism on the international stage ^{because} ~~because~~ of the lack on consensus on What is Terrorism?

The world is divided over the definition of terrorism. There is a functional dividing line between "good terrorists" & "bad terrorists". If terrorists hurt us then they are bad but if they hurt the enemy they are good.

The US considered "Mujahideens" ~~not~~ ^{as} ~~as~~ terrorists (i.e. good terrorists) because it hurt its enemy Russia but it considered Al Qaeda as terrorists (bad terrorists) because it attacked America.

Remarks

In the UN as well as there is no consensus on common definition of terrorists as highlighted in CCIT bill as it would make self-determination movements as terrorists movements. It can also lead to severe human rights violations & attacks by the state on its own people like in Syria.

There is also a factor of secessionist leaders like Dalai Lama being recognised as a terrorist & may lead to heavy repression by china on Tibet nationalists.
 ⇒ India has taken many efforts:-

- ① India introduced the Comprehensive Convention on International Terrorism (CCIT) bill in UN.
- ② Indians, besides from the largest group of Peace Keeping forces (IPKF) to fight against terrorism in Afg. & Africa.
- ③ Raised its voice against many countries that
 Remarks supports terrorism & declaring them as state sponsor of terrorism.
- ④ Provided funds ^{in UN} for campaigns against terrorism.

Q15. India's internal security challenges are multidimensional, however, radicalisation is evolving as a major threat; discuss. What strategy government should adopt to deal effectively with radicalization? (12.5 Marks)

The recent arrest of Hasan Mehdli by the government, who was the recruiter for IS in India as well as of Zakir Naik for spreading indoctrinated dictums points towards the increasing problem of radicalization in India.

The radicalisation as a major threat is evolving due to -

- ① The increased spread, reach & access of social media, chat ~~forums~~ forums & messaging apps.
- ② Easy accessibility to the indoctrinated videos on youtube.
- ③ Trusted & orthodox message of a particular religion being propagated eg - Wahabbism in Islam.

Remarks

- ④ Radicalization of the youths since their childhood in various Madrassas.
- ⑤ Breakdown of the social & secular fabric of the society will lead to growing disillusionment among the youths.

⇒ The government has taken the following steps:-

- ① Tried to include religious & leaders, parents, community to ensure ~~down~~ de-radicalization.
- ② Asking the Maulavis to spread the true meaning of Islam i.e. of love, peace & tolerance.
- ③ Taking help of CERT-In & to crackdown on radicalising ^{sites} ~~sites~~ & its operators.
- ④ Introducing scientific studies in Madrassas by taking minority community into confidence.

Remarks

Q16. How urbanization in India is itself a cause of urban floods? Suggest measures to address the urban flood problem in Indian cities. (12.5 Marks)

The recent floods in Chennai which wreaked havoc on the city was a primary cause of the haphazard urbanization that has happened in the city. Chennai, along with many other cities share the same problems -

- ① Encasement on lakes, swamps, marshes which ~~is~~ earlier were the natural storage of water.
- ② ~~The~~ Construction on reclamation of flood plains of the rivers & the reclamation of the seas has led to a vulnerable situation in the city in case of heavy rainfall.
- ③ Heavy Construction as well as the empavement of the roads has led to a situation that there is no ground water seepage in the city.

Remarks

- ④ Improper handling & maintenance of storm water drainage.
- ⑤ Lack of the initiative to ^{make} ~~make~~ rain water harvesting compulsory as part of the building codes.

The following measures has to be taken to address this problem :-

- ① Proper channelisation & desilting of storm water drainage as well as the river passing through the city.
- ② Promoting rain water harvesting.
- ③ Declaring flood plains, swamps, marshes as inviolable areas where no construction can be allowed.

Remarks

Q17. Government recently launched National Academic Depository. How it is going to benefit the Digital India initiative. What are the possible challenges that it is going to face? (12.5 Marks)

National Academic Depository will be a collection of all the book titles as well as academic researches which can be accessed by any citizen through their Aadhaar card ~~use~~ through web.

This depository will lead to digitization of government records, land records, scheme related data as well as other useful information.

It can also be used by various government department as a part of movement towards paperless paperless transaction.

It can also function as an online library so that book can be provided to those who cannot afford a physical one.

Remarks

⇒ However, there are few challenges to this initiative :-

- ① Copyright infringement ~~related~~ issues related to books.
- ② It will have all the data at single location. Threat of cyber-theft.
- ③ Citizens privacy related issues if the information is misused.

Remarks

Q18. In recent government fixed the trait value of Bt-Cotton seeds. This raised questions over the IPR regime in India. In light of the above statement highlight the efficacy of patent regimes in Indian socio-economic system. What efforts must be taken to harmonize the both? (12.5 Marks)

The government in its recent pronouncement has decided to slash the royalty ~~on~~ by 75% on Bt-cotton seed seeds given to Monsanto. This decision has raised questions about the protection provided to IPRs in India.

In a country like India where ~~about~~ majority of the population cannot afford new technologies, higher ~~costs~~ charges of patents charged by MNCs becomes a technology inhibitor & will be detrimental to the penetration of technology to the grass-root level.

The recent cases regarding the evergreening of drugs as well as the Celiver drug

Remarks

Compulsory licensing (Hexavar) & the decision taken by SC against the MMCS' points towards the pro-people stance taken by the government as well as the SC. Thus, considering India's socio-economic status, royalties should be reasonable & not excessive.

However, these decisions have impacted the integrity & protection provided to IPR in India by the ~~state~~^{government} to the MMCS. This might impact FDI in various sectors like Pharma, etc.

However, the government needs to harmonize between the ~~two~~^{two} contradicting stands by releasing an IPR policy which is WTO TRIPS compliant. TRIPS provides sufficient safeguard to the country to fulfill its socio-economic goal as well as provides protection to IPRs. India should not

Remarks

succumb to Special Report 301 of the US TR to ~~change~~^{overhaul} India's IPR regime

Q19. India has recently signed an agreement with Russia for co-operation in the field of food irradiation? What is food irradiation? What are its benefit for India's food processing sector? (12.5 Marks)

Food Irradiation refers to the process of removing those genetic components of a part which might have a trace of radiation in it & if consumed can cause side effects or illness.

This pact over food irradiation with Russia can provide a big boost to food processing sector in India.

① The exports to US & Europe will increase as there would be no restrictions due to WTOs.

Sanitary & Phytosanitary restrictions.

② More FDI into food processing as MNCs' would now like to exploit this position of India having irradiated food or plants.

Remarks

- ③ India will get an "Irradiated Country Status" which very few European countries have.
- ④ Consumption among health conscious domestic public will also increase.
- ⑤ Will lead to increasing investment in cold storage & logistics value chain.
- ⑥ Profit margins can be increased as ~~these~~ of irradiated food will have a monopoly in national market.

Remarks

Q20. What is Assisted Reproductive Technology? What impact the recent draft Surrogacy Bill is going to impact the sector in India? (12.5 Marks)

Assisted Reproductive Technology^(ART) is the method of planting a sperm & an ovum into ~~some~~ a donor's uterus to which finally will lead to a formation of a foetus. Another name of ART is In-vitro fertilisation. This method is generally used when a couple is incapable of having a child & take help of a donor who'll provide them a Womb at a price.

~~The~~ India has been considered as the surrogacy capital of the world due to its relatively cheap medical facility as well as conducive legal environment. However, after the SC judgement post the Japanese Baby (Manghi) crisis has asked the govt.

Remarks

to formulate a bill. The govt. has formulated a surrogacy bill which will impact the surrogacy industry in a big way:-

- ① It bans Commercial Surrogacy
- ② It allows only Altruistic Surrogacy
- ③ Altruistic Surrogacy can be availed only by those couple who are childless even after 5 yrs of marriage & someone in the family is ready to provide the womb. (no commercial womb)
- ④ It bans surrogacy (even altruistic) for foreigners, homosexuals, live-ins, unmarried, etc.

This will have the following impact:-

- ① Stop exploitation of women for money.
- ② Earlier disabled child produced had been abandoned by the parent.
- ③ Surrogacy deaths due to negligence in post-natal care of donor.
- ⑤ \$36n dollar industry → may impact foreign reserve.

Remarks ⑥ Donors do it because they are poor, might be pushed back to poverty → rehabilitation needs to be done.