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GENERAL STUDIES (TEST CODE : 1491)

Name of Candidate	SHRADDHA GIDME		
Medium Eng./Hindi	ENGLISH	Registration Number	833853
Center		Date	

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 (Name, Registration Number and Test Code).
उत्तर पुस्तिका में सूचनाएं भरना आवश्यक है (नाम, प्रश्न-पत्र कोड, वि. 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 a medium other than the authorized one.
प्रश्नों के उत्तर उसी माध्यम में लिखे जाने चाहिए जिसका उल्लेख 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 लिखे 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।

16-B, 2nd Floor, Above National Trust Building, Bada Bazar Marg, Old Rajinder Nagar, Delhi-11006

Plot No. 857, 1st Floor, Banda Bahadur Marg (Opp Punjab & Sindh Bank), Dr. Mukherjee Nagar, Delhi- 110009

EVALUATION INDICATORS

1. Contextual Competence
2. Content Competence
3. Language Competence
4. Introduction Competence
5. Structure - Presentation Competence
6. Conclusion Competence

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

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. What do you understand by disinvestment? Highlight some of the merits and demerits of disinvestment.

विनिवेश से आप क्या समझते हैं? विनिवेश के कुछ गुणों एवं दोषों पर प्रकाश डालिए।

Budget 2020-21 saw
disinvestment target to be set around
1.75 lakh crore.

Disinvestment → process of selling
government stake/shares in a entity.
It is different from privatisation i.e.
Sale of 100% shares.

When government transfers control over
51% of the stake, it is termed as Strategic
disinvestment.

Merits

1. leverage private sector strengths
2. Promote private investment
3. Encourage technology transfer and
expertise diffusion

Eg- Hindustan Zinc after disinvestment
Saw record growth turning it
into profit making venture within years

4. Enable government to focus on other critical sectors
5. follows principle of "Government has no business to be in business"
6. Encourage optimal utilisation of resources and better decision making devoid of political considerations

Demerits

- may amount to abdication of responsibility when disinvestment occurs in key public good industries or sectors
- Some argue it is equivalent to Selling 'family gold' during stress times

- Profit shall not be sole consideration in few sectors like defense, energy
- Loss of revenue when profit making entities are sold

Nevertheless, disinvestment as potent tool to mobilise financial resources and redirect towards better purposes such as social infrastructure as seen in recent times.

2. The New Industrial Policy, 1991 signaled a marked shift from the features of pre-1991 policies. Discuss.
नई औद्योगिक नीति, 1991 ने 1991 से पूर्व की नीतियों की विशेषताओं में उल्लेखनीय परिवर्तन का संकेत दिया। विवेचना कीजिए।

Economic policies have been product of their times and New Industrial policy 1991 was no different.

Pre-1991 Policies

- Post-Independence State

- Concerns of food insecurity
- Absence of strong foundation of industry
- Agriculture sector highly impoverished

∴ Socialism with mix of private-public sector was adopted as goal of economic policy.

• 1956 Economic policy → Economic Constitution of India

- emphasised on role of state in key sectors including Heavy industries, infrastructure
- limited role of private sector
- Cautious of foreign investment due to historical circumstances (colonialism)

1970s Policies

- Shift towards greater role of private sector
- Mahalanobis Commission raised concern about License Raj, concentration of power in few hands & public sector inefficiencies
- MRTP Act passed

1991 Policy

Market shift towards privatisation, liberalisation and globalisation

Background

- Gulf crisis
- Rupee-Rouble trade crisis
- fall of Soviet Union
- high inflation, low foreign

Privatisation

→ Several sectors
dereserved and
private players allowed
except in critical ones like
Atomic energy
large scale disinvestment

Liberalisation

→ abolition of license Raj
Banks given freedom to decide
Interest rates
Scutt small scale industry limit ~ raised

Globalisation

→ foreign players allowed
in several sectors

1991 Policy therefore led to
marked shift towards market socialism
to unleash dynamism and competition in
economy.

3. Highlight the reasons for poor road safety in India. Also mention the measures taken by the government to address this issue.

भारत में निम्नस्तरीय सड़क सुरक्षा के कारणों पर प्रकाश डालिए। साथ ही, इस मुद्दे को संबोधित करने हेतु सरकार द्वारा उठाए गए कदमों का उल्लेख कीजिए।

Recent World Bank's report
on Traffic crash injuries claims at
approximate 4.5 lakh people are
involved in road accidents in India every
year, with 1.5 lakh losing their lives.

Reasons

1. Violation of traffic regulations

- Over 27% accident caused by drivers without license
- poor implementation of regulations - high corruption in issue of licenses, poor monitoring

2. High congestion

- National highway & State highway barely amount to 5% total length but cater to 70% traffic

3. Poor infrastructure

- low investment translates into poor quality and unsafe construction with inadequate speed bumps, large potholes

4. Rash driving & Negligence

Measures taken

1. Amendment to Regulatory framework such as Motor Vehicle Amendment Act, 2019

2. Infrastructure development

- key focus of National Infrastructure pipeline
- Initiatives like Bharatmala parijayana

3. Awareness among general public
through road safety day,
steep rise in penalties

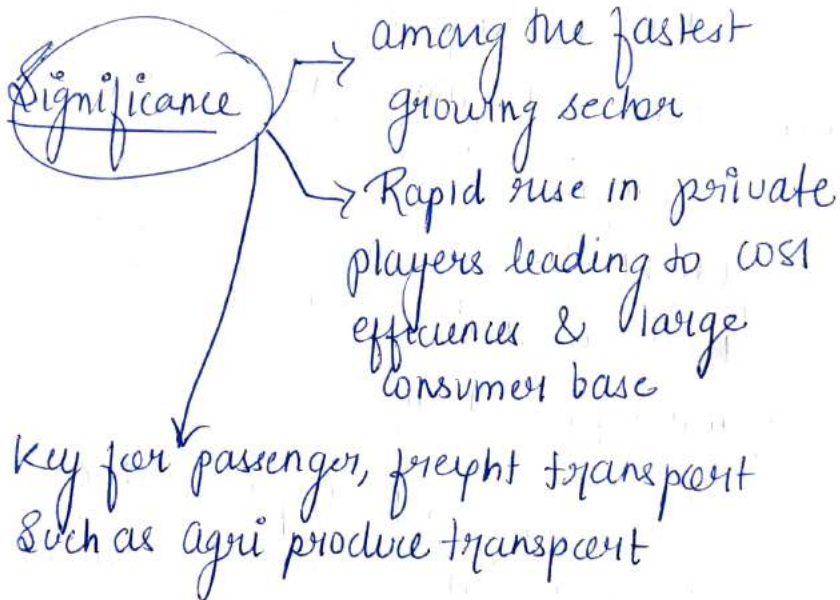
Measures Needed

- Independent study of the critical road infrastructure and immediate retrofitting work to be undertaken
- highlight the frequent zones of accidents and take measures like adequate lighting, speed bumps

Right to life, essential
Consequent of Article 21 is of paramount
importance and state has duty to
Safeguard it through prevention and
control of road accidents

4. Enumerate the constraints faced by the civil aviation sector in India. What steps have been taken by the government to address these constraints?
भारत में नागरिक उड्डयन क्षेत्रक द्वारा सामना की जाने वाली बाधाओं को सूचीबद्ध कीजिए। इन बाधाओं को दूर करने हेतु सरकार द्वारा कौन-से कदम उठाए गए हैं?

India has the
3rd largest domestic market in
civil aviation in the world.



Constraints

1. High cost of Aviation fuel
— amounts to approximately 45% of total cost expenditure

2. Poor safety mechanism and compliance

— seen from Kozhikode runway accident

3. Cut throat competition leading to increasing losses for the players

[Most companies highly indebted —
Air India is ^{text} ~~text~~ book example)

4. Import dependence for key parts and repair works

— high cost expenditure as well as delay

Measures taken }

- Regulatory reforms such as merger of different entities in director general of civil aviation
- Government Initiatives like UDAN — Subsidised transport to underserved networks

- Disinvestment where government resources stuck such as Air India

Way forward

- Improve cost efficiencies such as better fuel prices
- Better safety compliance and regular audits - capacity building
- International collaboration to reduce import dependence

Thrust on 'Make in India'
and promoting technology transfer
coupled with unleashing domestic expertise
is key to healthy civil aviation sector.

5. The railway sector in India is plagued by issues related to safety, inadequate infrastructure and insufficient financing. Elucidate.

भारत में रेलवे क्षेत्रक सुरक्षा, अपर्याप्त अवसंरचना और वित्तपोषण से संबंधित मुद्दों से ग्रस्त है। स्पष्ट कीजिए।

Indian railways
with 2nd largest railway network
in the world caters to highest passengers
and 4th largest freight traffic.

Significance {

- Mass transport
- Source of revenue for government
- key to linking Bharat with India

Concerns }

1. Safety

- 2019 saw human death due to railway accident after several decades
- followed by couple of rail accidents in year 2020-21, amidst covid pandemic

Causes {

- high congestion
- Poor safety compliance

2. Inadequate Infrastructure

- despite such large network, highly inadequate considering the passenger and freight needs

Freight transport share has declined from 86% to 18% (2020)

- Several sectors underserved
- Poor quality of trains infrastructure (hygiene, toilets, tracks)

3. Insufficient financing

- decisions marred by political considerations
- little incentive for government to invest in already loss making ventures

Measures taken

- o Railways as focus in National infrastructure pipeline of 11 lakh crore

- Stations like Shabarganj under National Monorail pipeline
- Private players participation in operation of private trains

eg- pilot Tejas train

expected to
bring cost
efficiencies and
attract private investment

Increase
network of
trains

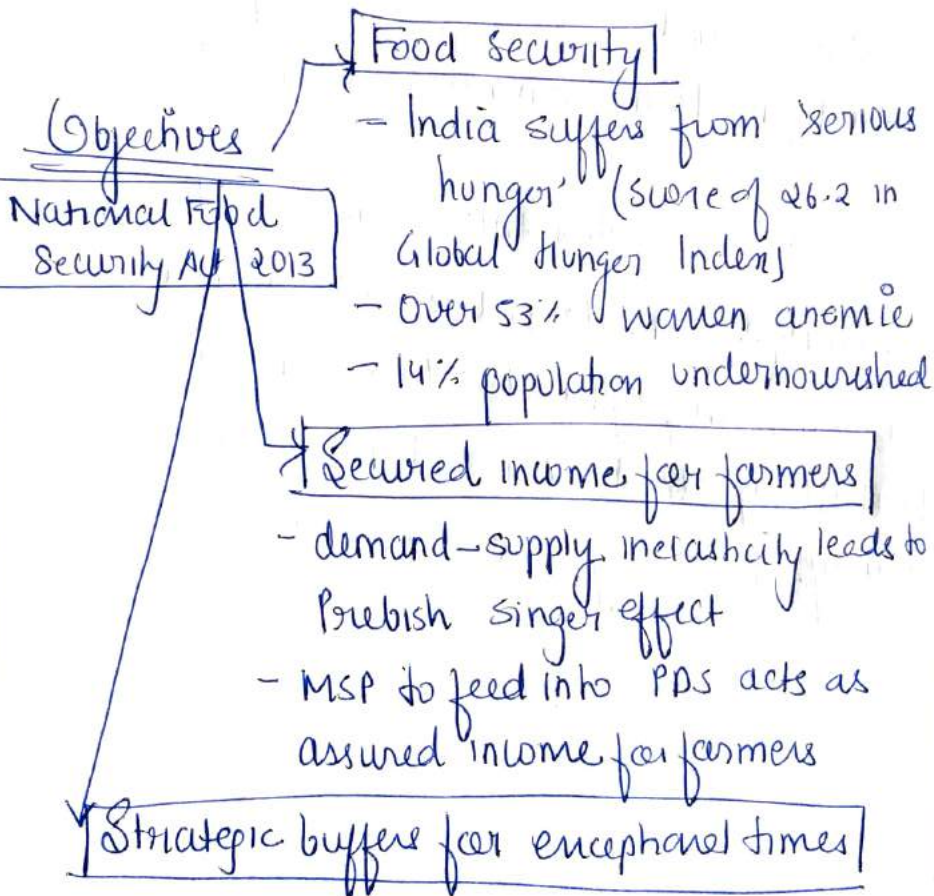
better consumer
services,
greater
safety

Recent decisions like
encourage private public cooperation
are steps in right direction for railway
that is expected to cater to 40% of world
railway traffic by 2050.

6. State the objectives and limitations of the Public Distribution System (PDS) in India. What steps have been taken by the Government to deal with these limitations?

भारत में सार्वजनिक वितरण प्रणाली (PDS) के उद्देश्यों एवं कमियों का वर्णन कीजिए। इन कमियों से निपटने हेतु सरकार द्वारा कौन-से कदम उठाए गए हैं?

Public distribution system is world's largest food security program in the world catering to over 45% of rural population and 50% urban population in India.



Additional benefits — food security directly linked to reduced poverty incidence, lower out of pocket health expenditure (currently over 58%)

Limitations

1. Market inefficiencies

Economic Survey 2019-20 raised concern about anachronistic role of government as largest buyer

2. Unbalanced & Inequitable support

— 90% of grains picked from select States like Punjab, Haryana

— exclusive emphasis on wheat, rice

(pulse procurement is less than 10% of market surplus)

3. Poor infrastructure

— Power outage, poor internet

Penetration results in failure of authentication
via Aadhar - deprived of rations
(Jharkhand tragedy)

4. Corruption
- good quality grains sold in open market
 - monopolies by fair price shops
 - fake ration cards

Measures taken

- Integrated management of PDS - ensure inter state portability of ration cards (crucial for migrants social security)
- Direct benefit transfer during Covid -
- promoting local habits (food) along with food fortification targets.
- Initiatives like geo-tagging of trucks transporting grains

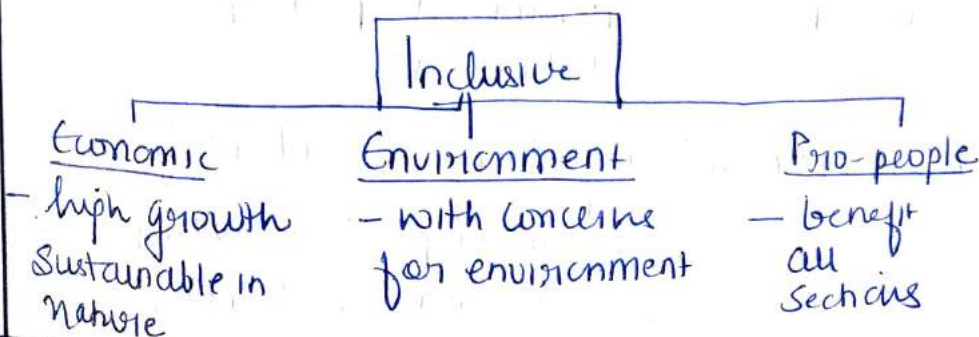
These measures aim to strike judicious balance between right to food of citizens and goals of socialist economy.

7. Explaining the concept of inclusive growth, examine its significance for overall development in India.
- समावेशी विकास की अवधारणा की व्याख्या करते हुए, भारत के सर्वांगीण विकास हेतु इसके महत्व का परीक्षण कीजिए।

Inclusive growth refers to process and outcome everywhere every section of society participates in organisation of growth and benefits from it equally [UNDP]

[IMF Chief Economist] Ms. Gopinath, argues that growth is Inclusive when it

- focuses in sector where poor work
- use resources that poor produce (labour)
- create value in sectors on which poor depend (health, education)



Significance for India

① Nature of Growth

— Jobless growth (Nick Piore) in India has failed to meet the needs of vast majority

[eg - 2001-2011 → economy grew at 7.7% while employment increased by mere 1.8%]

— Agriculture continues to employ 49% population while contributing only 16% to GDP

② High Inequality

Oxfam - top 1% own 43% of national wealth

Global gender gap Report 2021 — women earn 1/5th of men wage
labour force participation is below 20%

Global Hunger Index — largest incidence of hunger
— Stunting (37%), Wasting (17%)
Undernourished (14%)

3. Poor social Infrastructure as highlighted by covid pandemic

Inclusive growth therefore becomes crucial to ensure

- Balanced growth → Capitalising on labour intensive sectors like textile
 - Increased social infrastructure investment
(National Health policy 2017 — increase health expenditure to 2.5% of GDP)
 - Reduced Inequality
 - └ High formalisation [GST]
 - └ Social security for gig, platform workers
 - Impetus to Agriculture Sector
 - └ Agriculture Infra fund of 1 lakh crore
 - └ diversification of market like seen in recent times — Yemen, Puerto Rico
 - Environmental ethics as reflected in commitment to go carbon neutral by 2070
- As highlighted by prime minister,
Inclusive growth is not mere slogan but driving force of our policy.

8. Highlight the potential, significance and challenges facing the food processing sector in India.

भारत में खाद्य प्रसंस्करण क्षेत्र की क्षमता, महत्व एवं इस क्षेत्र को द्वारा सामना की जा रही चुनौतियों पर प्रकाश डालिए।

Food processing sector represents the sunshine sector contributing to over 13% of our GDP and 1/3rd of total food market.

Potential

- Consumer demand
 - ↳ high growth in organic food sector
 - ↳ rise in middle class, increasing consumerism and income
- Favorable climatic conditions
 - ↳ 46 out of 60 soil types in India
 - ↳ over 100 agro climatic zone types
- Natural strengths
 - ↳ leader in production of milk (22% of world produce), Spices, mango etc
 - ↳ net exporter of agricultural produce since 1991

Favourable regulatory environment
such as 100% FDI, PM-SAMPADA

Significance &

- Crucial for Industrial growth
due to backward and forward
linkages
- ensure income security (target of
doubling farmer income by 2022)
- Promote diversification in agricultural
basket [eg- larger share of organic food,
cereals, millets]
- Employment generation & entrepreneurship
- Export led growth of agricultural
sector (current share less than 2.5%
of total world trade)

Challenges

- High informalisation of industry
(over 70%)

- Inadequate infrastructure like Cold Storage, ^{chain} supply etc.
- Lack of trained workforce (NITI-Syng - India needs 5 Lakh manpower by 2022)
- High post harvest loss (over 20%)

Way forward

- Increased investment such as PM-
[SAMPADA] (focus on mep & food park)
- Promoting Farmer producer organisation
(Implement goal of 10,000 by 2022)
- Channelised One district one product policy
- Training of manpower - Specialised courses
in agri-processing in higher institutes

Food processing sector holds unbound potential to promote expedited growth along with realising goal of doubling farmer income by 2022 (Ashok Palwai Committee)

9. What is unemployment? Highlight the various types of unemployment that exist in a developing country like India.
 बेरोज़गारी क्या है? भारत जैसे विकासशील राष्ट्र में विद्यमान विभिन्न प्रकार की बेरोज़गारी पर प्रकाश डालिए।

Unemployment refers to the situation where individuals who are willing and available for work are unable to find employment.

Various Types

1. Open unemployment

- willing to work, available but unable to find

[ex - Unemployment rate in India in 2020 was around 4.8 %]

2. Disguised unemployment

- though seemingly employed but labour productivity and contribution is close to nil

[ex - Agriculture sector in India employs 47% workforce but contribute only 16% to GDP]

3. Cyclical Unemployment

— caused due to business cycles like recession, boom, depression

[eg— covid-19 pandemic saw unemployment rise to over 20%]

4. Seasonal Unemployment

— when during lean seasons in industry/sector, workers laid off

[eg— agriculture, leather]

5. Frictional Unemployment

— when individual shifts job, remains unemployed in transition period

6. Structural Unemployment

— due to nature of growth such as capital intensive, need for specialised skills

[eg— service sector contributes 56% to GDP but employs merely 27%]

17. Educational Unemployment

- when educated individuals unable to find

[eg - India adds additional 10 lakh labour force every year, mostly graduates]

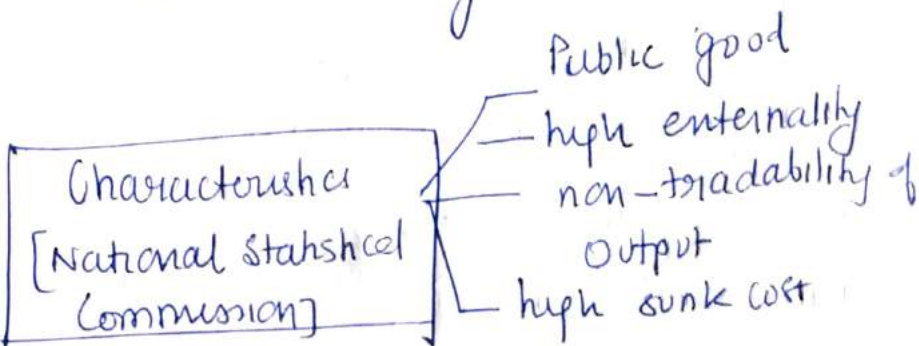
Rising unemployment has emerged as major challenge due to increasing poverty, food insecurity and demographic disaster.

Need of the hour is to invest in human capital formation (National Skill Mission), tailor made policies given nature of employment (eg - develop skills in IR 4.0) and promote eased doing business.

10. Why is infrastructure considered as a key determinant of economic development of a nation? Discuss the issues faced in infrastructure financing in India.

अवसंरचना को किसी राष्ट्र के आर्थिक विकास का मुख्य निर्धारक क्यों माना जाता है? भारत में अवसंरचना के वित्तपोषण में सामना किए जाने वाले मुद्दों की विवेचना कीजिए।

Infrastructure is key to quality of public life and level of economic activity in a nation.



Key determinant of economic development

• Pillar of every sector

Agriculture → Storage, transport, marketing are core of the sector

[Agriculture infrastructure fund of 1 lakh crore created recently]

Manufacturing → key to reducing logistic cost (approx 14% of GDP)

Service sector — crucial to promote
Sectoral expertise in
technology such as telecom

• Determines market efficiencies

Eg — poor mechanisation (less than 40%)
and inadequate supply chain
management primary causes of poor
Sectoral growth in agriculture

— Food processing industry — absence of
cold storage facilities etc

• Multiplier effect

— promote employment, quality of
public life, blue economy

Eg — Bharatmala parikyojana
— National Infrastructure pipeline

Issues faced }

1. Low financial options

— over 50% dominated by banks/NBFC

2. Low private sector participation
3. Absence of robust bond market

Why

- high risk areas — high sunk cost and scaled investment
- Poor & non-uniform risk sharing framework

Way forward

- Focus on bond market such as municipal bonds
- tools like monetisation (National monetisation plan are steps in right direction)
- National Infrastructure pipeline proper utilisation

(banks/bonds — 31%)
 Center — 20%, States — 26%

Infrastructure holds the key to unlocking unbound potential of dynamic economy like India and reaching goal of \$ 5 trillion economy.

11. Examine why investment in human capital formation is considered critical for India.
परीक्षण कीजिए कि क्यों मानव पूंजी निर्माण में निवेश भारत के लिए महत्वपूर्ण माना जाता है।

With 54% of population
below the age of 25 years, demographic
dividend is India's most critical asset.

Human Capital formation

- refers to acquisition of skills and
increase in productivity of workforce
through investment in education and
health.

Current status — demographic dividend
began in 2008 and
will peak by 2046
largest share of english
speaking, young workforce
Need
Investment
to check
dividend
turning into demographic disaster

Why outcast for India

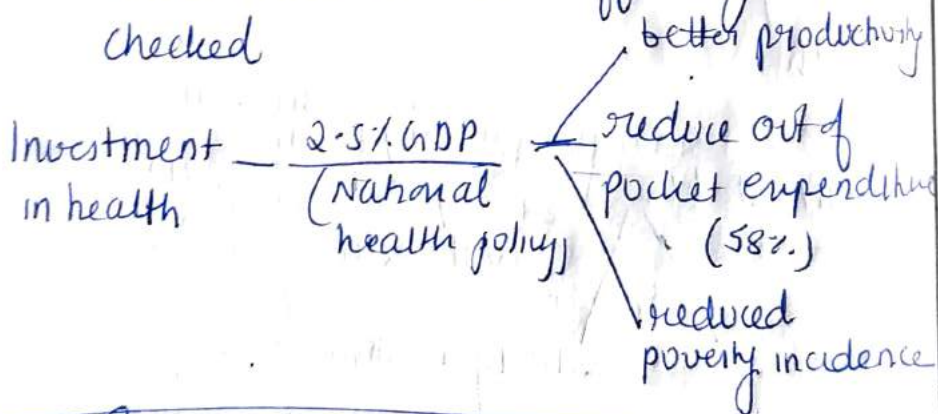
1) Economic development

- aim of \$5 trillion economy impossible without investment in human resource

Eg - service sector dependent on Skilled individuals (AI, IIR4-0)

2) Social development

- Rising poverty, unemployment and social tensions can be effectively checked



3) Environmental Sustainability

Climate resilient agriculture, Smart Industry etc dependent upon the human capital

Eg - Israel capitalised on its tech expertise
to turn into agriculture exporter
despite less than 20% arable land

4. Political goals - Social justice (Article 38)

- reduction in inequality, gender balance
need investment in human resources

Eg - KIRAN scheme - Women in Science
National Apprenticeship scheme

Way forward →

- Increase Investment in social infrastructure
- Promote vocational education (NEP 2020)
and skill acquisition (Digi Saksham)
- Reduce inequalities through gender sensitive policies (Women in informal economy under social security code)

Human capital is our biggest
Strength and must be leveraged in our
quest for being global super power

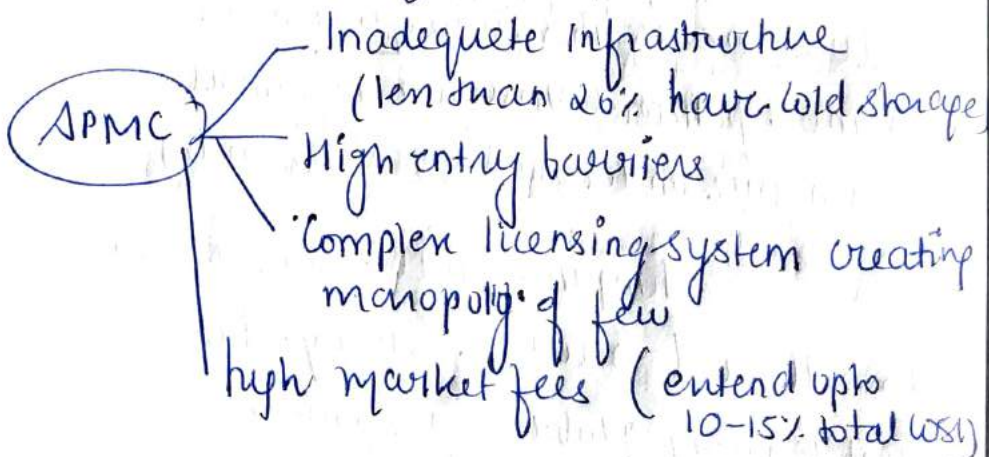
12. Discuss the issues faced by the agricultural marketing system in India.
भारत में कृषि विपणन प्रणाली द्वारा सामना किए जाने वाले मुद्दों की विवेचना कीजिए।

Agricultural marketing system is key pillar in achieving the dual goal of food security and income security for producers.

Includes sum total of operations undertaken in making available the produce to final consumer from farm gate.

Issues faced

1. Inefficient marketing system
dominated by APMC



Eg - APMC Model Act 2003 - impose fee even when sold outside

2. Lack of diversified marketing options

- Producers critical of Contract farming due to unequal bargaining power, low per capita holding

3. Poor Infrastructure

- poor & ill connected warehousing facilities
- Warehouse continue to use unscientific storage methods of plinth & cover

4. Lack of Organised farmer group such as farmer producer Organisation

Measures Undertaken

- Government introduced farm bills (now withdrawn) allowing trade outside market limits of APMC
- E-Nam (2016) - Integrated all India market with transparent price discovery system

- Promotion of FPOs } 10,000 by 2022
- Infrastructure development
 - Agriculture Infrastructure development fund of 1 lakh crore
- Promoting forward commodities market [AGRIDEX]

Way forward

- Key lies in proper implementation of projects undertaken including capacity building of FPOs, accessible finance options and promoting agri-entrepreneurship

Agri marketing system must therefore be given due importance in our pursuit of doubling farmer income by 2022 and creating climate resilient system.

13. Explain the need for promoting energy efficiency in India. Mention some of the government measures taken in this regard.
- भारत में ऊर्जा दक्षता के प्रोत्तयन की आवश्यकता की व्याख्या कीजिए। इस संबंध में सरकार द्वारा किए गए कुछ उपायों का उल्लेख कीजिए।

Energy Efficiency refers to optimal utilisation of produced output with minimal wastage/loss in its transmission or consumption.

Current status

- India among top 3 consumer of energy in the world
- heavy reliance of coal (50%) and oil (20%) in overall energy basket

Concern

- Electricity - High A&T loss (21%)
- Coal - huge import dependence & oil (oil - 80% imported)

Opportunity

- emerging as renewable energy champion (4th largest)
- energy efficiency can strike judicious balance

Why need for energy efficiency?

1. Climate change risk

- Increasing incidence of heat waves, extreme events will lead to sudden rise in demand for AC/heaters etc

2. Increasing consumerism in light of rising national income

- most households equipped with multiple energy consuming instruments

3. Promote Sustainable living

- optimal utilisation of resources
- increased revenue for companies

Measures Undertaken

- Statutory framework like Energy efficiency services limited
- Schemes like GRIHA (green Rating of buildings)

- Energy efficiency in Transport Sector -
FAME
- Commercial building Codes like ECBC

Energy efficiency has therefore become a major emphasis area in our pursuit of going carbon neutral by 2070.

14. Differentiating between direct and indirect farm subsidies, give an account of their merits and demerits.

प्रत्यक्ष और अप्रत्यक्ष कृषि सब्सिडी के मध्य अंतर स्पष्ट करते हुए, उनके गुणों एवं दोषों का विवरण दीजिए।

Farm subsidies cost

Approximately 2.5-3% of our GDP and
account of over $\frac{1}{5}$ th of total farm income.

Direct & Indirect farm subsidies

Direct farm subsidies include
Support / subsidy transferred directly
into farmer hands.

Whereas, indirect farm
subsidies are inherent in pricing of
inputs such as subsidised seeds,
power subsidy.

Merits

1. Crucial to Secure farmer income
- farm size in India - less than 2.6 acre per capita

- farmer income less than 4000 (average)

2. Smart Agriculture

- require judicious use of resources and adequate mechanisation

- need for scale neutral technology -
Subsidy crucial to it eg - Happy Seeder
Custom hiring center

3. Promote food security

- Subsidy is also means to influence cropping pattern, choice of crop

eg - 1960s - MSP for wheat, rice

4. Environment Sustainability

eg - Nutrient Benefit Subsidy Scheme -
promote non-urea nutrient
based fertilizer

Demerits

1. ~~Ecological~~ Ecological threats

eg - heavy use of urea (under highly
controlled & subsidised framework)

2. Distortion in market functioning

Eg - subsidy in power in States like Punjab & Haryana - heavy dependence on groundwater extraction for crops like wheat & paddy

3. Huge cost to exchequer & high opportunity cost

4. less incentive for optimal use of resources

like community points, zero based natural farming

Recent initiatives like

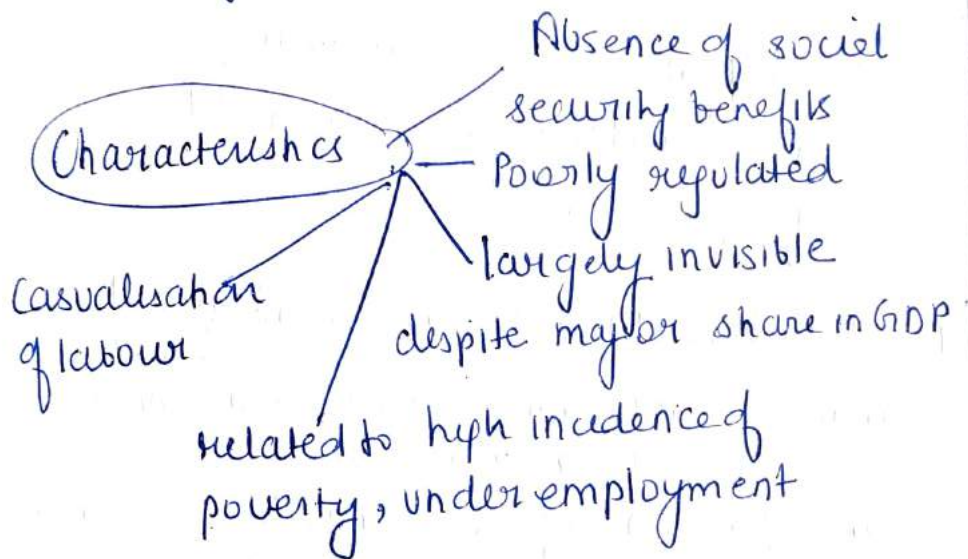
PM-KUSUM and KISAN-SAMMAN

aimed towards direct benefit transfer in ecological & economically sustainable processes are key to checking short sighted distortionary subsidy mechanism.

15. Highlight the various issues faced by the informal sector in India. Also, mention the various measures taken by the government towards addressing the same.

भारत में अनौपचारिक क्षेत्र को सामना किए जाने वाले विभिन्न मुद्दों पर प्रकाश डालिए। साथ ही, इससे निपटने हेतु सरकार द्वारा किए गए विभिन्न उपायों का उल्लेख कीजिए।

High informalisation
(around 90%) of Indian economy has
been among the biggest challenges.



Issues }

1. Poor Security net

- Most welfare legislation & labour laws apply to organisations employing workforce beyond certain limit
- Informalisation results in organisations outside purview of such laws

2. Regulatory incentives to remain informal

- Complex maze of labour laws coupled with high compliance cost
- easy lay off, entrenchment

3. Workmen exploitation

- Unhygienic work conditions, inadequate wages, absence of safety measures

4. Careless and Useless manpower

- Employer - no incentive to invest in capital formation
- Employee - no loyalty towards organisation

Measures taken

1. Social Security Code

- Includes gig worker, platform worker and unorganised worker within the ambit

2. Occupational Safety hazard code -

Apply to all hazardous industries irrespective

of size and number of workmen

3. PM-SVANIDHI → targeted at
Street vendor income security

4. Formalisation of economy
Eg- GST (registration compulsory to
claim input tax credit)

5. Skill ~~formation~~ training
Eg- National Skill Mission
Prati Saksham

Success of these initiatives
hinges upon political will and
regulatory oversight to ensure
inclusive growth.

16. Analyze how the port led development envisaged under Sagarmala Project would be beneficial for India.

सागरमाला परियोजना के अंतर्गत पत्तन आधारित विकास की परिकल्पना भारत के लिए किस प्रकार लाभप्रद होगी, विश्लेषण कीजिए।

Importance of port led development can be gauged from the fact that 90% of total volume and 70% of total value of trade is via sea route in India.

Sagarmala Project

- Triple objective of promoting infrastructure development, creating value for community and developing blue (resource) economy.
- Ensure connectivity of ports to hinterland through network of roads; port area development with necessary infrastructure

Benefits

I. People → Increased connectivity will promote export led growth

Eg- export promotion zones in vicinity as hub and spoke model

- Infrastructure enhance quality of life
- Investment leads to multiplier effect - Increased employment, income

II. Profit — Promote economic growth by giving necessary impetus to India's trade (esp maritime sector)

- reduce logistic cost
- enhance fleets

III. Planet — Promote blue economy — optimal utilisation of maritime resources

Benefits to people, profit & planet would translate into —

- Reduced inequalities
(currently, 40% of our exports led by 5 states)
- Balanced growth — regional diversification
- Enhance well being of coastal communities,
- Create climate resilient infrastructure
in light of increasing climate change risks

Sagarmala project is thus opportunity for India to build back better while promoting blue economy and balanced growth.

17. What are farmer producer organizations (FPOs)? Explain how setting up of FPOs will help the Indian farmers.

किसान उत्पादक संगठन (FPOs) क्या हैं? व्याख्या कीजिए कि किसान उत्पादक संगठनों का गठन किस प्रकार भारतीय किसानों के लिए सहायक होगा।

Central Sector Scheme
of formalisation of farmer producer
Organisations (FPO) aims to set up
10,000 FPOs by 2022.

FPOs }

- They are organised grouping of primary producers, farmers in this case
- United by common interest i.e. promoting group welfare through better access to market, finance and technology

Setting up — could be organised as
cooperative (under cooperative
Act) or as society (Society Registration
Act)

Significance}

1. key to doubling farmer's Income
(Ashok Dalwai Committee)
2. FPOs enable better access to credit mechanism
[ability to provide collateral, formal documentation]
3. Improved access to market
eg- FPOs entering into contract farming get access to assured quality raw material, market intelligence
4. Reduce Information asymmetry
[eg- E-SUVIDHA portal]
5. Greater bargaining power
6. Enable hedging against market risk
eg- trading on forward commodity market
Contract farming agreements

FPOs therefore are
significant to promote income security
of farmers while ~~checking~~
promoting right flow of funds, information
and support to the producers.

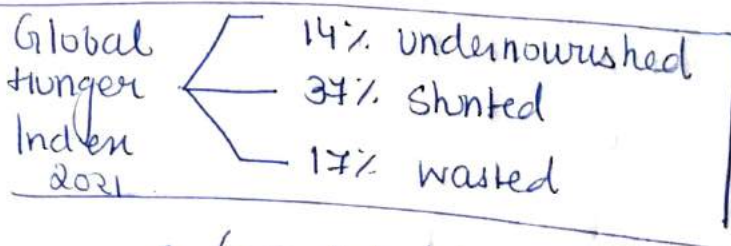
18. Even though prevalence of poverty has reduced in India, inequality remains a cause of concern. Analyze.

यद्यपि भारत में निर्धनता की व्यापकता में कमी आई है, तथापि असमानता अब भी एक चिंता का विषय बनी हुई है। विश्लेषण कीजिए।

Recently released
Multi-dimensional poverty Index
lauded India's success in bringing 271
million people out of poverty in last decade.

Prevalence of Poverty

- Despite the decrease, India is home to over 350 million poor
- Reflected in hunger status
- largest malnourished population



- Co-related to other indicators like high unemployment, Covid-pandemic induced poverty

Reduction

Government Initiatives like
National food security Act, 2013
PM-SVANIDHI

Development programs like
National Apprenticeship program,
National rural livelihood mission

Employment generation program like
MNRGA, Atmanirbhar Yojana

Inequality as Concern

- Oxfam Report — among most unequal nation
top 1% hold 43% national wealth
- Global Gender Gap 2021 — only nation with economic inequality higher than political
[gap of 99.5 years (to fill)]
- High Informalisation of economy (90%)
- Rural v. Urban divide
 - Smartphone penetration in rural is mere 28%
 - Only 4.2% rural household own computers

Causes

- ① Inequality is product of jobless growth and inequitable distribution of resources

Eg - COVID-19 saw income of billionaire in India rise by 35%

- ② Poor social infrastructure (expenditure on health at dismal 1.2% of GDP)
- ③ Rising unemployment coupled with poor ~~so~~ human capital formation

Solution lies in investment in human capital (Skills mission, PM Jan Shiksha Yojana); formalisation of economy and promoting inclusive growth benefiting people, planet and economy.

19. What are the domestic support measures available to WTO member countries under the Agreement on Agriculture? Analyse the provision of 'peace clause' in this context.

कृषि समझौते के अंतर्गत WTO सदस्यों हेतु घरेलू सहयोग के कौन-से उपाय उपलब्ध हैं? इस संदर्भ में, 'पीस क्लॉज़' (शांति खंड) के प्रावधानों का विश्लेषण कीजिए।

Agreement on
Agriculture, crucial aspect of Doha
Dialogue under WTO, aims to arrive
at consensus on extent of domestic
support countries can extend to their
agriculture sector.

Domestic Support Measures

- Food security program
Eg - National food security Act, 2013
and India's public distribution
system
- Poverty alleviation programs
undertaken to secure income of
producers and access to nutritious
food to consumers
- Subsidies (non-distorting in nature
such as green box, blue box)

aimed at domestic support

Concern

- Developing nations like India have been seeking exemption from limitations on domestic support as the support does not distort global trade & rather protect its domestic stakeholders
- Developed nations extend subsidy hundred times of developing nations
(Eg - US - \$7,477 ; India - \$442)
- Non-tariff barriers like Sanitary & phytosanitary restrictions create greater distortion

Peace Clause

Doha Amendment allowed India to extend domestic support in encest of 10% limit for next 4 years

The provision serves as temporary relief measures to continue with its programs like MSP, PDS.

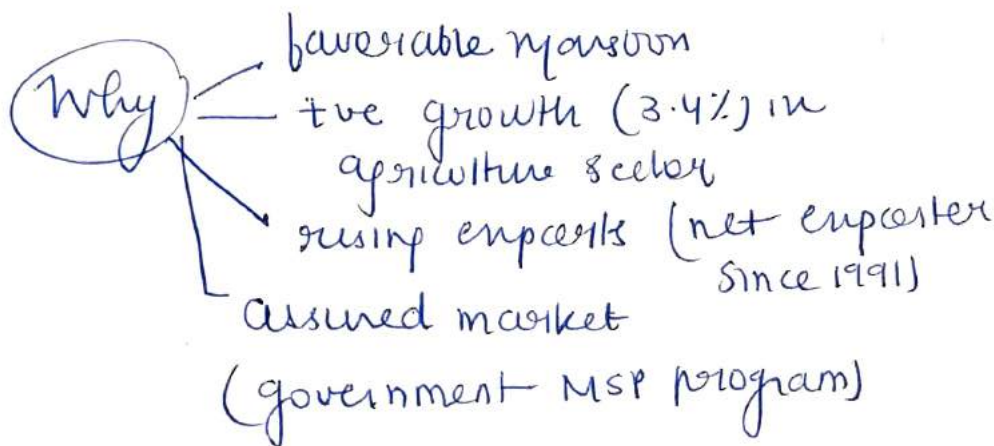
However, India has been insisting on complete exemption in light of peculiar socio-economic circumstances.

The subsidies are not directed at export promotion rather security of income and livelihood of its population and thus, must not be limited by external actors.

20. Enumerate the issues associated with storage and management of food grains in India. Also mention the steps taken by the government to address these.

भारत में खाद्यान्न के भंडारण एवं प्रबंधन से जुड़े मुद्दों को सूचीबद्ध कीजिए। साथ ही, इन मुद्दों को संबोधित करने हेतु सरकार द्वारा उठाए गए कदमों का भी उल्लेख कीजिए।

Continuing with the recent trend, year 2020-21 saw record food grain production despite the black swan event of COVID-19.



Issues with storage

Biggest challenge however lies in minimizing post harvest loss through effective network of storage and management.

Current status

- Unscientific storage practices like cover & plinth
- Poorly connected & ill-distributed network of warehouses

- Inefficient transport mechanism from farm gate
- Everydayness of rotting of food grains due to rain, pest infestation
- Distortionary government policy
 - 90% procurement from select states like Punjab, Haryana
 - emphasis only on wheat & rice (pulse, oilseeds ignored)

Steps taken

- Scientific storage practices like PUSA bin
- Warehouse trading receipts to promote efficient trading mechanism

- Infrastructure development —

Cold storage facilities, warehouses

[PM-SAMPADA; Agriculture Infrastructure fund]

- Transparency in procurement and storage eg- open trading by FCI

- Schemes like Operation Green
Leveraging technology

like GIS to tag trucks, map warehouse and connect producers to them through apps like SUVIDHA are measures in right direction.