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GENERAL STUDIES (TEST CODE : 863)

Name of Candidate	PIYUSH SINHA		
Medium Hindi/Eng.	English	Registration Number	18816
Center	ORN	Date	9/9/17

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:

Signature of Examiner

INSTRUCTIONS

1. Do furnish the appropriate details in the answer sheet (viz. Name, Registration Number and Test Code).
2. There are TWENTY questions printed in ENGLISH.
3. All questions are compulsory.
4. The number of marks carried by a question/part is indicated against it.
5. 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 that the authorized one.
6. Word limit in questions, if specified, should be adhered to.
7. Any page or portion of the page left blank in the Question-Cum-Answer Booklet must be clearly struck off.

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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. It is important for India to return to the path of fiscal consolidation while also increasing public investment. Explain why achieving both these objectives are important to revive the present economic environment in the country.

Ans) Fiscal consolidation is the exercise pursued by the government and other agencies in order to ensure that the deficit is under control. In case of India there is a focus on controlling fiscal deficit.

At the same time public investment refers to the expenditure incurred by the government in welfare schemes, infrastructure etc.

So there is an inverse relation between fiscal consolidation and public investment. In order to have a sound economy with strong macroeconomic fundamentals, a balance between the two is necessary.

Reasons

1. Very high public investment means that the government is borrowing beyond its capacity which is not good.

2. There will high inflation as ~~goods~~ supply of money increases.

3. Depreciation of rupee will take place

4. Since India is an overall importer of goods owing to dependence on crude from foreign countries, import bill will rise.

5. Trade deficit with countries like China will go further north.

At the same time it has to be ensured that public investment doesn't fall abruptly. India has adopted a welfare economy. Government expenditure is a major part for creation of public goods. According to Economic Survey, 24% of India's GDP came from government expenditure.

Hence, a balance is required. Unlike western countries like USA, India has a high inflation. ~~Hen~~ so policies like countercyclical fiscal management may not always work. ~~The~~ Government should better focus on ~~managing the~~ achieving both the objectives. New initiatives as increasing PPP investment can also be sought.

2. Although it is the right time for elevating the mission of 'Make in India' to 'Innovate in India', significant challenges exist in doing so. Elaborate. How can these challenges be overcome?

Ans) Make in India is a pet project of present government. It aims at reducing India's dependency on imports in ~~kau~~ key sectors including defence, manufacturing, technology, innovation etc. Thus, there is an increased thrust on domestic manufacturing capability.

In order to make in India, an ecosystem of innovation is equally important.

- Foreign countries are ~~mo~~ many a times hesitant in technology transfer.
- In case of defence manufacturing

of sukhoi ~~aircrafts~~ jets, we see that although the jets were manufactured in India but lack of technology transfer made them expensive than those imported from Russia.

- Innovation will fill the vacuum in the manufacturing process and help achieve self dependency.

challenges:

1. Lack of financial resources
2. Lack of skilled manpower: ~~More~~ According to economic survey, more than 80% of the ~~population~~ labour force is unskilled.
3. Issues in higher education: Barring few IITs & IISc, the higher education system doesn't thrust on innovation.
4. Industry support is also not present.

It is therefore required to overcome the challenges.

Measures required:

1. Create more job opportunities in innovation driven industries.
2. Need to impart skill to the manpower.
3. Disguised unemployment from unproductive sectors should be channelled to better jobs.
4. Long term vision with proper financial allocation is required.
5. Linkage between educational institutes and organisations like DRDO, ISRO should be established.
6. Industry should be encouraged to lay emphasis on innovation. Again a link with institutes will be beneficial.

3. 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.

Ans) Public debt refers to the ~~to~~ total debt owed by the government through RBI to the public. ~~It~~ includes currency in ~~supply~~ circulation, treasury bonds etc.

Public debt management aims at managing the debt ~~i.e. bonds~~, ~~eto~~ e.g. treasury bonds etc. to an optimum level so that the government is able ~~the d~~ to repay the debt as and when promised. Further public debt is channelized into welfare programmes. So the management ensures that such programmes remain sustaintable.

Monetary policy is the policy adopted by the RBI to change the supply of money by means of CRR, SLR, Repo rates. ~~to~~ It aims at controlling inflation, which the current target being 4±2%.

It is important to disaggregate debt management from the monetary policy because the function of both these systems is correlative. Changing the ~~public debt changes the~~ money supply ~~by~~ by means of monetary policy will also have an effect on the ~~to~~ public debt.

e.g. If the repo rates are decreased then money supply will increase and hence credit will be cheaper. Thus people will take more loans. Hence the public debt will also get altered.

Similary if the government wants to issue new bonds, then the monetary policy can be tweaked by enhancing the SLR quota.

Since both these ~~nee~~ are for two different purpose which are antithetical, it is prudent to remove one of them from the RBI's realm. steps in this direction for ~~o~~ the constitution of a public debt management cell are already underway.

4. 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.

Ans) India is considered the sweet spot amongst the major economies. To sustain a high level of growth, infrastructure ~~is~~ development is a prerequisite as it helps in improved logistics, and enhances the ease of Doing Business.

Hence infrastructure financing is very important. The idea of ~~Accord~~ PPPs' based investment model was therefore adopted.

According to Kelkar Committee there are several loopholes in ~~a~~ the current investment model.

Major issues:

1. Stalled projects : Due to reasons like ~~to~~ unavailability of promised land, many projects got delayed. ~~As a result, firms were not able to~~ This has also affected the finances of many companies and has further enhanced the NPAs of banks.

2. Risk management : The model operated ~~&~~ like Build Operate Transfer, ~~has led EPC~~ Engineering Procurement Construction are ambiguous on the risk part. Whenever there is a delay, blame game starts between the private party & the government.

3. Governance : There has been a lack of transparency and accountability in the existing

PPPs.

4. Institutional capacity: State lacks the institutional capacity as well as expertise. Further there is a threat of 4Cs - CBI, CVC, CAG and courts which decreases efficiency.

Hence measures need to be taken to resolve these issues. The new ~~no~~ model of PPP like HAM: Hybrid Annuity Model is a good step for infra projects. Further a tribunal to resolve the disputes is required. Fast tracking of compliances and amendment in Prevention of Corruption Act to protect honest errors which are genuine is required.

5. 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.

Ans) According to Finance Minister's speech in ~~tok~~ the Parliament, less than 2% of the population is paying the income tax.

Thus there is a very low tax base when it comes to direct taxes.

Reasons:

1. Laxity on part of tax officials.
2. Unawareness of the complications of not filing income tax returns.
3. Agriculture sector which also has some high earners is not taxed.
4. Behaviour of the citizens to evade tax.
5. ~~High~~ Large number of transactions in cash.

Don't write anything this margin (इस भाग में कुछ ना लिखें)

6. Prevalence of informal jobs.

Issues associated with low tax base:

1. Government revenue takes a hit.
2. Indirect taxation which is regressive is enhanced.
3. Welfare schemes could not be implemented.
4. Large scale tax evasion.
5. Litigations in the court which further consumes government's time and resources.
6. Those who are genuine and honest tax payers are impacted.

In order to overcome the above issue it is required to widen the tax base.

Steps:

1. ~~1~~ strict enforcement of law against tax evaders.

2. High value transactions in cash should be prohibited.

3. PAN card should be made mandatory for more transactions.

4. According to economic survey, high income earners ~~fr~~ from all sectors should be taxed.

5. Move towards a ~~ct~~ less cash economy.

6. Income Declaration scheme for those who want to come clean.

In this way the tax base can be enhanced.

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6. 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.

Ans) According to the report on road accidents by the Ministry of Road Transport & Highways, year 2016 had the highest number of road accidents. Chennai followed by Delhi are the two major cities with maximum fatalities occuring in Delhi.

On an average there are more than 3 accidents per minute resulting in fatalities.

As India is developing, there is a thrust on infrastructure. We have more and more 4-laned roads. But the example of cities like Delhi & Chennai show that there is an increase in accidents.

It is also true that the infrastructure in holistic terms like availability of footpaths, skywalk, cycle lane have not come up. Thus with increasing population and higher standard of living which ~~gives~~ results in higher ~~no~~ number of vehicles has actually ~~proved~~ made padestrians more vulnerable.

People are often not following traffic signals, indulging in drunk driving ~~which~~ and over-speeding which further enhances the problem.

The government has taken following steps.!

1. Motor Vehicle Bill has been brought which enhances the punishments not only for drunk driving & overspeeding but also for other acts like ~~non o~~ not wearing helmets etc.

2. Government has launched awareness campaigns.

3. Safety compliances of the ~~to~~ 4-wheelers is being enhanced mandatorily as per governments orders.

Apart from this, what is required is to take individual responsibility.

7. Explain the concept of 'green economy'. Highlight the costs and benefits in making a transition towards green economy for developing countries like India. Also discuss the associated challenges.

Ans Green economy is focussed at an economy which progresses in an eco friendly manner. It aims at increasing renewable sources in the economy, moving away from conventional sources like coal, petroleum. The term has gained importance in light of the global effort towards saving the earth and preventing and mitigating climate change. Green economy puts responsibility on the individual countries as well as collective responsibility.

Costs in making transition:

India is a developing country. For the whole history, countries have relied on coal and conventional sources for development. To move away & make a transition would cost India atleast in the short term. Non conventional energy sources are still not as competitive as coal. Hence the cost would be on the poors who still don't have access to electricity. It will be against the principle of differentiated responsibility.

Benefits: It will be moral for India to take steps. Economically also it will put India on the high pedestal in future negotiations. Also, we are already witnessing the impacts of pollution in cities like Delhi. This will provide opportunity to develop an alternative. Hence, it will not only enhance the Green GDP but also fuel innovations and help in Make in India scheme.

Challenges:

1. Lack of financial capital.
2. Lack of technology.
3. Lack of skilled manpower.
4. India's abundant coal reserves will go waste.
5. Major power plants which are coal based will be impacted.

Hence a step is required ~~to~~ towards green economy but in a gradual manner.

8. 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.

Ans) For any emerging economy, majority of jobs are created in the construction sector. Hence on one hand it provides job and on the other hand it provides adequate infrastructure on which the economy can thrive. Thus, construction sector has a multiplier effect on the economy.

Recently we see signs of stress due to following reasons:

1. Projects are facing hurdles from environment clearance, land availability.

2. As a result of stalled projects, many companies are unable to repay their debt. As a result ~~they~~ banks NPAs have risen.

3. The global economy is going through a slowdown whose impact is also visible on the Indian economy. Thus there is a slowdown in the construction sector.

4. Banks are taking extra care before giving new loans and as a result credit supply has gone down.

5. Labour laws are yet to undergo an overhaul. This coupled ~~to~~ with high minimum wage has impacted profitability.

The government has taken several steps in this regard. There is a focus on improving the Ease Of Doing Business. Model Shops & Establishments bills has provided elasticity to the employed labour. Further there are new schemes from the RBI to address the debts. There is quicker and smooth sanction of projects.

9. As India eyes a resurgence in port-led activities in the country, it first needs to identify the challenges which have marred their development. Elaborate various challenges faced by ports in India and highlight the steps taken to overcome them.

Ans: For a thriving economy, ports and port led activities are a must. 70% of India's (overseas) trade by value and 90% by volume takes place through ports. Hence emphasis on the port led activities ~~as~~ is necessary.

Challenges

1. Oversilting of lack of timely dredging activities e.g. in Haldia port.
2. Lack of mechanization at the ports. Paradip port is still continuing with manual operations
3. Most of the VLCC (Very Large

container carriers) have to be routed to Colombo due to inhouse facilities.

4. Lack of autonomy of port authorities wrt tariffs, policies etc.

5. Road connectivity to ports is not full proof & ~~well~~ maintained

As a result the government has taken following initiatives:

1. SAGARMALA project aims at improving the port led activities, port connectivity, coastal community development etc.

2. Railways are also being extended to ports for better connectivity.

3. A new port in Enayam as a major port is being developed.

4. More autonomy for tariffs is being provided under new Major Ports Trust Act.

5. Mechanization, automation such as use of RFID is being done in JNPT and Cochin port.

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10. India's rail infrastructure has failed to keep pace with the rate at which both passenger and freight traffic has increased substantially over the years. Comment. In light of the Kakodar committee recommendations, enumerate the measures that can be taken in this regard.

Ans) Railways is considered the lifeline of India. It is the most commonly sought mode of transport for Indians. Not only for passengers but also for freight, cargo, railways is most important.

However with increasing demand we see that the railways has become overburdened.

- Still, there is no separate corridor for goods trains
- Railway lines are yet to

connect properly to the hinterlands of North east states like Nagaland & Meghalay.

- single one way lines are yet to be doubled.
- Train speed has remained stagnated.
- ~~Overd~~ Overburdening results in delays of trains which affects the GDP of the nation.
- Erstwhile rail budgets were used as popularity gimmicks.

However we see that of late several steps are being taken to ameliorate the situation.

- There is a new dedicated freight corridor ~~between~~ under construction between

Delhi & Mumbai as well as between Delhi & Howrah.

- Line doubling is going on.
- There are efforts to connect North East.

Kakodkar Committee had stressed upon rationalizing the cost incurred and rate at which services are offered. A new ~~[illegible]~~ rail tariff policy was suggested. Further the committee has stressed upon PPP projects in Railways for finances.

Measures ranging from new tariffs, ~~[illegible]~~ PPPs in railway pantry, enhancing tariff fare need to be worked upon.

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11. Despite the government claiming excess electricity production, the power situation for households continues to remain bleak in many parts of the country. Explain the reasons behind this. How can the UDAY scheme help in improving the current situation?

Ans) Recently, for the first time India has achieved a power surplus situation. However contrary to this many households still see electricity as a distant dream.

Reasons:

1. Many villages are yet to be electrified.
2. Though power is available in the grid, yet there is no demand from the states.
3. States claim that it the cost of electricity to be purchased from the grid is too high.
4. Lack of infrastructure. We

see that in villages and even towns transformers are overloaded.

5. There is still large scale ~~of~~ electricity theft which results in dropping voltages and ultimately power cuts.

6. Situation of the power discoms remain a cause of worry. Discoms are under high debt. Infact many discoms ~~are beginy~~ had begun to shut down for lack of adequate tariff.

Don't write anything this margin
(इस भाग में कुछ ना लिखें)

UDAY scheme i.e. Ujjwal Discom Yojana aims at rejuventating the Discoms with a cooperative federalism model. The debts of the Discom are to be taken up by the state under assistance from the Central government. Also this won't add to state's fiscal deficit.

Once the Discoms are rejuvenated, the supply chain of power supply chain will be strengthened. UDAY coupled with transparency tools like Vidyut Pravah will put accountability on the discoms and make them answerable for the power cuts.

12. Despite the potential of Special Employment Programmes in alleviating poverty, their impact has largely been limited. Comment. Also discuss how they can be made more effective.

Ans

13. Enhancing the competitiveness of the Textile sector can create employment as well as promote inclusive growth. Elaborate with reference to government initiatives for promotion of the textile sector.

Ans Textile sector is one of the most job intensive sector. Economic survey 2015-16 had held that ~~impor~~ textile sector should be shifted to Tier II cities for the scope of employment potential. Apart from this textile sector also provides job elasticity.

Textile ~~k~~ sector employs women in large numbers. Thus it can work towards women empowerment, financial stability as well as inclusive growth.

Further textile sector provides opportunity to exploit the export market as Indian textile & handloom products ~~are~~ have high demand in overseas.

The textile sector infact also acts as a source of self employment. There is very less capital requirement as compared to other sectors. Hence it also has a high return on investment.

We can see the government

schemes like Coir Udhyami Yojana, Textile focussed schemes in this regard. Government is also promoting the handloom industry. There are exhibitions for the advertisement and awareness of textile industry.

14. Digitalisation of transactions is a panacea to address the problems of corruption and tax evasion as well as achieve financial inclusion. Critically evaluate. Also enumerate the impediments for India to transit to a digitalised cashless economy.

Ans) Recently with the exercise of demonetisation there has been a debate on digitalisation of transactions.

Digitalization is considered helpful in tackling corruption and tax evasion as:

1. Tracking of transactions becomes easier.
2. Cash is not involved. Hence, the demand for over the board money and bribe decreases.
3. Black money which is stored in cash is not created.

4. It becomes impendent on the receiver to answer the authorities over taxation as the transactions are well recorded.

5. Since internet and digital world can be accessed by anyone, proponents argue that it provides a level playing field & equal opportunities to all.

6. ~~Since~~ With digitalization, those who don't have bank accounts & digital means are forced to have that & hence it results in financial inclusion.

However considering it a panacea will be exaggeration. It is just one of the means which needs to be supplemented by other steps.

- Not all cash is stored in cash.
- Properties, land can become new

means of storing black money.
- Tax authorities lack ~~the~~ capacity to have an eye on each transaction.
- With the coming ~~of~~ up of new modes like Bit Coins it is difficult to consider digitalization ~~it~~ a panacea.

Impediments for India

1. Only around 300mn of Indian population has internet connectivity.
2. There is a lack of financial knowledge of online transactions & associated costs.
3. ~~Most~~ Majority of Panchayats are yet to come under internet ambit.
4. People find it easier and comfortable to deal in cash. Hence there is a need for behavioral change.

15. The recently launched UDAN scheme to develop the regional aviation market will not only ensure affordability and connectivity but also growth and development of the civil aviation market. Elaborate.

Ans UDAN scheme - Udey Desh ka Aam Nagrik is a major part ~~towards~~ of the aim of the ~~Civia~~ Civil Aviation Policy to make India 2nd Larget Civil Aviation Market by 2022.

It ensures affordability as the ticket prices are capped at ~~Rs~~ ₹1200 & ₹2500 for half hour and one hour journey respectively.

Further the overall emphasis is on connectivity as it rejuvenates the otherwise unused or underused airstrips in tier II & tier III cities to ensure air connectivity.

India's civil aviation market is amongst the fast-est growing market in the world. It is due to this reason that it ~~it~~ has been ~~being~~ the point of focus.

The use of the Viability Gap Funding ensures that the operators are not forced to operate under loss. Also they get monopoly over that particular route ~~s~~ which will further enhance the positioning of the airlines.

Thus, the Indian civil aviation which is otherwise depicted by ~~famous~~. great failures like Kingfisher and debt ridden Air India will get the opportunity to develop as the markets size increases.

16. Budgetary reforms announced by the government include merging of railway budget with general budget and advancing the date of its presentation. Examine the rationale behind these reforms. What are the anticipated issues that may arise because of these?

Ans) Railway Budget & General Budget were separated in 1921 as per the recommendations of Acworth Committee in British India.

The 2016-17 budget has merged the railway & general budget.

Rationale!

1) earlier in British India, Railways expenditure as a percentage of overall budget was ~~very high~~. very high. Hence it was required to have a separate railway budget. But at present the percentage ~~to~~ is not that large.

Don't write anything this margin (इस भाग में कुछ ना लिखें)

Further, ~~the~~ it has been argued that railway budget has been used by Railway ministers for the purpose of ~~vote~~ populism. New projects and trains were announced with due consideration of finances or infrastructure.

The Bibek Debroy Committee had also recommended the merger of the two budgets.

This year the Annual Buget was presented ~~in east~~ on 1st February.

Rationale behind advancing budget date.

With the advancement, there will be a synchronisation between expenditure and availability of budget. There will not be a requirement of Vote of Account. Further state governments can get their devoluted money from the start of the financial year itself. Hence, the advancement will also help in accounting and auditing purpose.

Anticipated issues:

1. There is a confusion ~~of~~ over dividend ~~to be t~~ which Railway used to pay to government.
2. The ~~it~~ is anticipated that discussions will be over hastened.
3. Short term issues in computing and some programmes may come.

Overall ~~it~~ these reforms are well thought off and in the right direction.

17. 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.

Ans: Hydrocarbon exploration licensing Policy overcomes the several lacunae of the New ~~economic~~ & exploration licensing Policy.

~~It has~~ HELP is a way forward:

1. Provides a revenue sharing model instead of profit sharing which was misused as in the case of KG-D6 basin.

2. Open acreage policy is there in HELP. So, the explorer ~~so~~ doesn't not have to wait for formal licensing ~~&~~ bidding rounds.

3. Single license is there for exploration of all the hydrocarbons

including gas, shale etc.

4. ~~8~~ Under HELP, data will also be provided to make the job easier for the company.

In case of NELP, we see the issue of Reliance Industries and ONGC in the Krishna Godavari Basin where it has been alleged that the production is not taken up for the company wants a higher gas price. These issues will be taken care off by the revenue sharing model of HELP.

HELP provides a single license which will be valid for exploring all the resources in a particular field ranging from gas, to shale, to oil to coalbed methane. Thus, it improves the ease of doing business by reducing the complexity.

This will also enhance competitiveness amongst the exploration companies as non conventional sources are ~~Thus it~~ also involved in a single license.

Hence, ~~it~~ HELP has the potential to transform India's E&P ~~pa~~ activities. ~~but~~

18. 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.

Ans) Disinvestment has been aimed at reducing the government's ownership in a PSU. It has come into picture after India adopted the New Economic Policy (NEP), in 1991. NEP paved the way for privatisation and disinvestment is a means to it.

~~However we see that the disinvestment targets are not always met.~~

~~Reasons~~

1. Government seeks following targets:
1. Increasing privatisation.
2. Efficiency of loss making PSU's ~~it~~ can be increased under private hands.
3. Ownership change will bring behavioral change in the employees.
4. Status quoist approach is amended.
5. It is not beneficial to, keep pumping in taxpayer's money ~~in~~ a loss making PSU.
6. Decrease of government's ownership signals the openness of the country economy for foreign investment.

It has been noted that the targets are often not met.

Reasons

1. Protests from the employees who resent that they should not be brought under private control.
2. Intensive terms & conditions make the private sector apprehensive.
3. There are litigations.
4. Often the PSUs are so loss making that it is not beneficial for the private sector to own it.

e.g. Indigo refused to bid for Air India as it was not beneficial even in the long run.

According to Economic Survey ambivalence over disinvestment needs to be cleared.

19. 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.

Ans Government since independence has undertaken the exercise of poverty determination multiple times. Earlier it was based on net calorie intake.

Presently the poverty line is determined based on Tendulkar Committee reports.

Following parameters are used in the determination of poverty
- Income
- No. of family members
- Ownership of assets
- Ownership of automobiles
- number of adult male members.

Post reforms India has seen a high economic growth. The GDP has grown at a rate of 8% in the last decade. In terms of ~~PPP~~ purchasing power parity, GDP is third largest in the world.

However we see that the growth has remain limited to only some sections. Inequality has increased as per the Oxfam reports. Hence, it has been argued that the growth has not trickled down.

As a result, the poverty has not been alleviated. Although the percentage of poors has decreased but in absolute terms the number of poors has increased.

However with high growth we have brought new rights like Right to Food and Right to education which may help in achieving socio economic equality & eliminating poverty.

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20. Clearly explain how the proposed GST regimen is different from the current system of indirect taxation in the country. Analyse the challenges which the new taxation system may pose to the economy in the short term.

Ans) GST engulfs many different indirect taxes. ~~Also, it brings~~ ~~A~~ ~~Excise~~ Excise duty, Value Added Tax, ~~as~~ Service Tax etc. are now replaced by a single GST.

Don't write anything this margin
(इस भाग में कुछ ना लिखें)