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GENERAL STUDIES (TEST CODE : 1024)

Name of Candidate	KEERTHI VASAN V .		
Medium Eng./Hindi	ENGLISH	Registration Number	143707
Center	ORN	Date	14/8/17

INDEX TABLE

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

Total Marks Obtained:

Remarks:

INSTRUCTIONS

1. Do furnish the appropriate details in the answer sheet (viz. Name, Registration Number and Test Code).
उत्तर पुस्तिका में सूचनाएं भरना आवश्यक है (नाम, प्रश्न-पत्र कोड, विद्यार्थी क्रमांक आदि)।
2. There are TWENTY questions printed in ENGLISH & HINDI इसमें बीस प्रश्न हैं अंग्रेजी और हिन्दी में छपे हैं।
3. All questions are compulsory.
सभी प्रश्न अनिवार्य हैं।
4. The number of marks carried by a question/part is indicated against it.
प्रत्येक प्रश्न/भाग के अंक उसके सामने दिए गए हैं।
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 than the authorized one.
प्रश्नों के उत्तर उसी माध्यम में लिखे जाने चाहिए जिसका उल्लेख आपके प्रवेश पत्र में किया गया है और उस माध्यम का स्पष्ट उल्लेख प्रश्न-सह-उत्तर (क्यूसीए) पुस्तिका के मुख्य पृष्ठ पर अंकित निर्दिष्ट स्थान पर किया जाना चाहिए। उल्लिखित माध्यम के अतिरिक्त अन्य किसी माध्यम में लिए गए उत्तर पर कोई अंक नहीं मिलेंगे।
6. Word limit in questions, if specified, should be adhered to.
प्रश्नों में शब्द सीमा, जहाँ विनिर्दिष्ट है, का अनुसरण किया जाना चाहिए।
7. Any page or portion of the page left blank in the Question-Cum-Answer Booklet must be clearly struck off.
उत्तर पुस्तिका में खाली छोड़ा हुआ पृष्ठ या उसके अंश को स्पष्ट रूप से काटा जाना चाहिए।

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

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

EVALUATION INDICATORS

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

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

All the Best

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

12.5X20=250

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

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

Universal Basic Income (UBI)

refers to the provisioning of a minimal amount of money to the subset of the society, which would help them come out of the poverty net.

This is another way of covering the social security of the citizens. The economic survey has discussed about this idea and estimates a fiscal burden of 3-4.1% of GDP on its implementation.

Challenges in implementation :

Fiscal burden .

What amounts to the basic income is still not clear.

Universalisation : why should it cover the economically well off. How to identify beneficiaries otherwise.

Will it substitute or substantiate existing beneficiaries

can lead to conspicuous consumption pattern (spending on liquor, cigarettes)

Might lead to moral hazard issue - disincentivising job seeking.

UBI is advocated to be transferred directly under the DBT framework and it can potentially reduce the leakages.

But we are yet to analyse the complete ~~tot~~ efficacy of DBT in totality.

There have been cases of corruption in the banking network which might hinder DBT as well.

The UBI is estimated to be around Rs. 1500 - Rs. 2000 per person per month. While this may provide a vision for the EBW section, it is far from reducing the inequality in the economy as much more needs to be done to establish equality.

Way forward :

UBI is a desirable way to increase the social stature of the economically weaker sections. Much can be learnt from the pilot projects initiated in Madhya Pradesh and Chhattisgarh.

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

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

The foreign trade policy 2015 is considered to be one of the best in recent times.

In spite going in the right direction, India's poor export performance can be attributed to the following factors :

Fall in global demand.

Falling oil prices \Rightarrow affecting our oil processing industry's profit.

FDI inflow into India \Rightarrow currency appreciates \Rightarrow discourages export.

Non competitive Indian exports on account of poor quality.

Strict trade norms in form of IPR, phyto-sanitary and packaging requirements.

The FTP, 2015 makes the following provisions for export promotion:

Integration and coordination among various initiatives such as Make in India, Skill India and Digital India.

Coordination among ministries to enhance sector compatibility.

Higher concentration on R&D to improve quality of Indian exports.

Giving impetus to Indian manufacturing by making available required inputs in form of raw material, credit, etc.

Rationalising the inverted tax structure.

Protection against cheap dumping of foreign products.

Improving packaging and phyto-sanitary standards of Indian exports.

Way forward:

The FTP, 2015 is a progressive step and if implemented properly on the planned lines has a huge potential to help India capture a good share of the international trade.

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

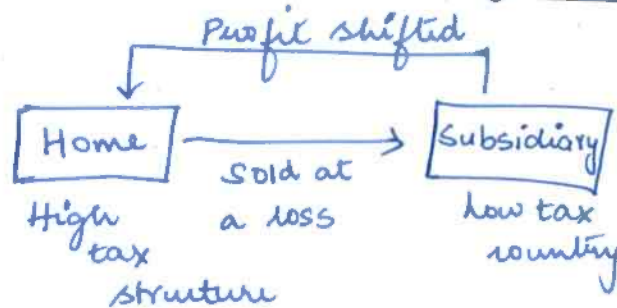
एडवांस प्राइसिंग अग्रीमेंट (अग्रिम मूल्य निर्धारण समझौते) क्या हैं और वे बेस इरोजन एंड प्रॉफिट शिफ्टिंग (BEPS) (आधार क्षरण और लाभ का स्थानांतरण) से किस प्रकार संबंधित हैं? भारत के लिए इनकी प्रासंगिकता पर चर्चा कीजिए।

Advance Pricing Agreements refer to the contract between the tax authorities and domestic firms that have a subsidiary unit in a foreign nation, which has a low tax.

Many firms use this subsidiaries to evade taxes by shifting their profits. So the tax authorities, in advance, fix the prices under which the home unit can sell or transfer its products to the subsidiary unit.

Base erosion refers to the transfer of products from home unit to the subsidiary unit at a deliberately lower

price, thus accounting for loss in the home country. They make profit in the foreign nation and pay lower taxes there and bring the profit back to home nation → profit shifting.



This leads to a loss for the home country as the firm utilizes the resources and does not pay any tax there or pays a very low tax.

It is highly relevant for India, as many firms establish an unit in India and make use of the cheap labour and other infrastructure.

which brings down production costs
and the firms involve in BEPS by
operating a subsidiary in countries
like Cyprus, Singapore or Maldives.

Way forward:

The loopholes in the taxing
structure are to^{be} plugged and measures
such as APA and DTAA have to
enforced in letter and spirit.

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

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

Public debt refers to the total borrowing requirements of the government in order to plug the fiscal deficit arising out of the capital and revenue transactions. In general, any sovereign government borrowing can be termed as public debt.

Objectives of Public debt management:

In order to analyse the internal and external liabilities of the government

To prevent any default in the payment which could amount to sovereign default (as seen in Greece).

To uphold the commitment of
the government to repay the debt.

To plan better for the future
borrowing requirements and investment
capabilities.

Currently the RBI takes care of
public debt management for the Govt
and the state governments.

The finance ministry has proposed
for an independent Public Debt
management Agency (PDMA) and has set
up a PDMA cell which will help in
transition in 2 years.

Need for independent PDMA:

Conflict of interest in the dual
role of RBI.

RBI manages public debt, as well

as issues government securities.

If RBI acts as an efficient debt manager, it may find it difficult to alter bond rates and vice-versa.

RBI is better suited to concentrate well on monetary policy and PDMA will relieve some pressure off RBI.

Way forward:

PDMA is a progressive step, but it has to be institutionalised for the state governments as well. Still the conflict in government would remain as GoI owns majority stake in PSBs.

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

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

Infrastructure financing is a key aspect for economic growth and it is very relevant after the 1991 reforms. It could help India achieve the goal of social justice and reduce inequality.

After the reforms, many investment models have been experimented with and major infrastructure projects such as highways, power plants, affordable housing, etc. are implemented under the PPP model.

The poor performance of this model

can be attributed to :

Non availability of timely
financing ⇒ which leads to a stall
in the projects.

Stalling would require re-estimates
of finances, which might push the
costs upward.

less risk being borne by the
Government. For example in Build -
Operate - Transfer model, less risk on
government and the private players
face huge risk during the building
and operating phases.

Risk management is a forte of
the government and suitable models
should be evolved.

Governance issues arise due to
less expertise in the private sector.

There is also a lack of institutional capacity as strong as the government and the project proponents may quit mid-way undermining the project.

Way forward:

New models of PPP such as hybrid annuity model and Engineering - Procurement - Operate model have restructured the flaws in the traditional PPP models and have been successful in many projects such as Hyderabad metro and Kandla port.

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

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

Tax base refers to the section of the population who contribute to the tax revenue of the government.

Lower tax base is a phenomena that has been inherited by modern India from the India of 80s and 90s.

This can be attributed to the following reasons:

Irrational tax structure.

Very high rate of income tax, as high as 80-90%.

Inverted tax structure in foreign trade ⇒ Import of finished goods being cheaper than raw material.

No incentives among the citizens to pay taxes.

Retrospective taxation, leading to unfavourable litigation (Vodafone case).

All such factors have led to the erosion of tax base and today only 1 among 7 voters in India pay their taxes.

Associated issues:

lower tax revenue to government.

Higher fiscal deficit \Rightarrow more borrowings.

less expenditure on infrastructure development and social sector schemes.

Generation of black money.

Funding anti-social activities such as terrorism and LWE.

Steps to be taken:

Strict laws in the form of

GAR, Benami property act, etc. in order to deter evaders.

Initiatives like Project Insight in order to identify defaulters.

Laws like GST which would bring more people into the formal sector.

Reducing informalisation of economy.

Way forward:

The tax base has to be expanded by reducing tax rates and by improving compliance.

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

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

The construction sector is one of the key employers of the economy after agriculture. The strength of this sector has a direct impact on the consumption demand which could potentially affect the health of other sectors such as food processing, consumer goods, etc.

In recent years, it has shown signs of stress due to weaker demand. This is also due to the mounting debt on the corporate sector which also leads to the mounting NPAs in

the banking sector.

The prices of real estate has also been volatile depending on various factors such as monsoon, rural demand, availability of inputs, etc.

Stress in other sectors such as cement and steel also contribute to the stress in construction.

The government has identified certain areas which could help enhance the health of this sector.

In the budget 2017-18, affordable housing has been accorded infrastructure status which could help boost demand.

Initiatives like PM Awas Yojana with

an objective of housing for all would help boost demand.

Fly Ash use policy by certain state governments like Maharashtra, could relieve pressure on cement industry.

Steel production is also being improved by protecting domestic manufacturer.

Way forward:

The construction sector is a key area of promoting growth and all efforts of the government has to be enforced properly.

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

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

Road safety is a primary cause of concern for modern day India. It kills more people every year than terrorism and left wing extremism put together.

This is further complicated by ever growing population and increasing number of vehicles on the road.

The National Highways contribute to less than 5% of total road network but carries 40% of total traffic. Such irrational spread leads to more fatalities.

The increasing ~~so~~ number of vehicles is not being supported in proportion ^{with} to widened roads and increased capacity.

Two wheelers contribute to a significant number of fatalities.

Increased population \Rightarrow more demand for goods \Rightarrow more transportation \Rightarrow proliferation of trucks and trailers on the roads.

Lack of lane discipline among the people.

Steps taken by the government:

Enhancing highway capacity by the National Highway development program.

Bharatmala project to increase

the number of roads.

Golden quadrilateral, North South
and East west corridors.

Transit oriented development policy
in urban areas.

Revisiting the Motor Vehicles (Safety)
Act, with improved provisions.

Way forward:

The road networks serve as the
Veins and arteries of modern India
and the state governments should also
take proactive measures to strengthen
state highways.

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

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

Poverty in India is a highly contested concept and various measures have been adopted in the past in order to estimate poverty in India.

Today poverty is measured based on the Tendulkar committee recommendations as well as the data available under Socio-Economic Caste Census.

Parameters used by the government to determine extent of poverty:

Consumption basket of households - different for rural and urban.

Expenditure on health.

Expenditure on education.

Nature of house (Pucca or Kachha).

Number of rooms in the house.

Availability of electricity, etc.

The multi-dimension poverty index considers 10 parameters under health-education and standard of living in order to estimate poverty (VNDP).

In the post reforms era, the economic growth has improved the status of the poor, but it has widened the gulf between the rich and the poor.

While the extent of poverty might

have come down, there is no improvement in other substantive aspects, say Capacity as advocated by Amartya Sen.

The decline in rate of poverty is attributed to the fixing of poverty line and actual poverty alleviation will happen only when there is proper resource redistribution and narrowing of gap between rich and poor.

Way forward:

The trickle down approach has to be replaced with bottom-up approach. In order for economic growth to benefit the lower strata, development should begin at the grassroot level.

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

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

The HELP refers to the exploration and licensing policy of the government for private contracts. The shift to HELP from NELP helps the government in the following ways:

Shift from production sharing to revenue sharing model, transferring responsibility on the private players to ensure growth.

Reduces the liabilities on the government for ensuring efficiency

of mineral blocks.

Freedom to private players to explore all hydrocarbons in the allotted block.

Shale gas exploration has also received an impetus under the scheme.

India imports around 80% of crude oil and 40% of natural gas. The revised policy would help reduce import dependence and help save significant forex.

The HEPLP has the potential to transform EAP activities in the following ways:

Greater exploration power for the private players to explore alternative sources of energy.

Non-conventional energy sources
like shale gas could also be
explored which would significantly
reduce India's import dependence.

Way forward:

The private players should also
be taken into consensus before
further revision of policy as they
would deal with E&P first hand.

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

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

Disinvestment refers to practice of selling ownership stake of the government to private players. This is done in order to earn revenue for the government coffers.

Disinvestment has been a popular phenomena in the post-reform era. The post-independence development model had undue reliance on the public sector which led to high inefficiency of the system.

Targets the government seeks :

Generating revenue for investment in infrastructure and other social sectors like education, health.

Giving impetus to private sector, which would enhance corporate taxes.

Transfer of attention from non-core areas to core areas.

Private players may have the required expertise and will improve efficiency of the PSUs.

Reasons for poor disinvestment in the past :

Poor price realisation in the sale of assets.

Protest by workers unions fearing retrenchment and job loss.

More number of litigation in courts

against disinvestment .

Post 1991 - no government had
the required majority to take unpopular
decisions, fearing losing power .

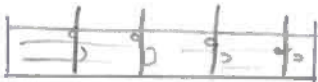
Way forward :

The government should focus more
on less remunerative areas like
health and education in rural
areas, without compromising on the
protection needed for the people from
profit-motivated corporates .

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

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

Hydroponics refers to a new system of agriculture which does not require any soil. Plants are grown in water tanks, which can be arranged in a vertical fashion and can be accommodated indoors in a smaller space.



It can also be supplemented with required nutrients and artificial

LEDs are provided in order to substitute for sunlight.

This model has been successfully experimented in Bengaluru and has huge potential in meeting the food security needs of the country.

The availability of land is reducing with time and the quality is also degraded with excessive fertiliser use and other forms of pollution.

This innovative method takes care of the land non-availability as well as the nutrient requirement from soil.

It can also be practiced in any household on a small space, for subsistence farming.

The initial cost of setup may be high, but it would serve as a good method to cultivate horticulture crops.

Way forward:

The efficacy has to be tested further and the government can also play a key role in setting up mega hydroponics farms.

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

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

Land reforms refer to the key process of land redistribution in order to achieve the constitutional value of social justice in the country.

Land reforms can be carried out in many ways such as tenancy reforms, ceiling on land holdings, abolition of intermediaries, etc.

Land is a state subject and the efficacy of land reforms vary from state to state. West Bengal and Kerala serve as prime examples for effective reforms. The need for such reforms :-

Improving farm productivity .

Improving livelihood of farmers, by
better remuneration and reduced
exploitation of intermediaries .

Promote food security .

Tenancy reforms, incentivise tenants
by giving them rights against eviction
and reduced exploitation by the owners .

Tenants will also feel incentivised
to increase farm outputs .

Impediments :

Lack of political will .

Non acceptance of owners for tenancy
reforms .

Most of the government records of
land holdings are not clear and there
is huge bureaucratic discretion involved .

Many are against land consolidation fearing loss of ownership rights.

Benefits from reforms:

land consolidation would help reap the benefits of economies of scale.

Tenancy reforms would protect rights of tenants.

Computerisation of land records would help reduce discretion.

Way forward:

The central government should develop consensus among states to go for an improved land law, keeping in mind the greater interest of the public.

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

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

Horticulture refers to the cultivation of fruits and vegetables and these crops are highly remunerative to the farmers.

This has a large potential to double the farm income of farmers.

This could help meet the nutritional security of the nation of the farmers.

More horticulture crops could also enhance India's exports earning more forex.

It is highly remunerative considering the very short maturity period of

3 to 4 months.

It could serve as an additional source of income to farmers apart from that in the regular Kharif and Rabi crops.

Challenges to be addressed:

The government should reform APMC rules, giving freedom to the farmers to sell their produce anywhere.

These crops are easily perishable and so have a lower shelf life. Poor price realisation in APMCs could lead to huge loss for farmers as seen in the recent crisis on tomato farmers.

They also become victims to exploitation by the middle men.

Poor forward and backward
linkages in the form of transportation,
marketing, processing and storage facilities.

Way forward:

Horticulture has to be given more
impetus in line with National
Horticulture mission to realise the
goal of doubling farm income by 2022.

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

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

The crop choice plays a key role in determining the farm income for any farmer.

The contemporary cropping pattern of India is highly unscientific and the farmers must be advised to resort to crops that suits the agro-climatic prospects of any region.

Other factors determining cropping pattern include:

MSP declared by the government.

Monsoon.

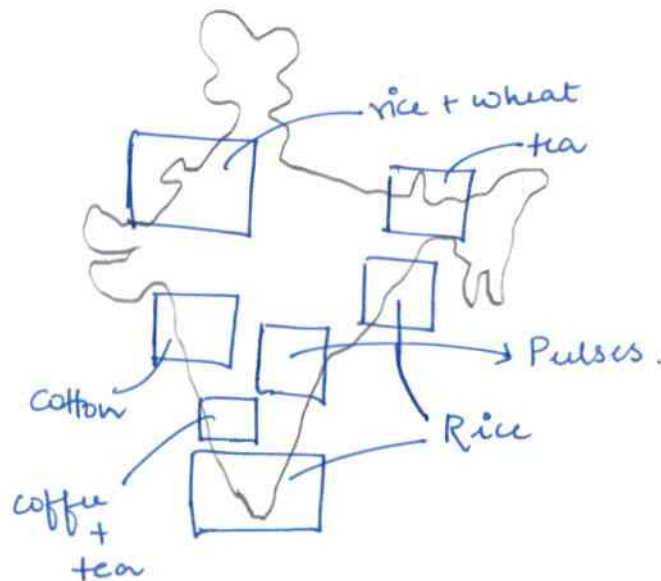
Availability of irrigation facility.

Climatic factors - Kharif or Rabi.

Expected demand for the produce.

Recent trend in price of the
crop, etc.

Such practices like MSP has led
to market disruptions and it results
into surplus production bringing
down the cost of produce.



The cropping pattern has to be rationalised by providing sufficient information to farmers.

Water-intensive rice in water-deficient Punjab is an irrational choice.

Farmers produce it on the purchase obligation of the government.

This leads to groundwater depletion and other environmental issues.

Way forward:

The government should refrain from populist policies and can announce better MSP for other crops such as pulses and horticulture crops in order to diversify the crop pattern.

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

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

Food Processing Industry in India is a sunrise industry which has a huge potential for economic growth.

It can enhance the employment opportunity for the population while ensuring the nation's food security needs.

It helps provide a forward linkage to the farmers and could help farmers double their income by 2022.

It could also enhance the export potential of the country and earn significant \$ forex.

It could help reduce wastage of food crops by better processing and packaging.

Challenges to be tackled:

Availability of credit has to be ensured.

It is capital intensive and may require viability gap funding and hand-holding during the initial stages.

Other supplementary infrastructure like cold storage and transportation has to be promoted.

Salient features of the NMFP:

It creates an umbrella program combining all initiatives under MoFPI.

The mega food park scheme and

the integrated cold storage and supply chain management programs are integrated under the mission.

Providing support for establishment of cold storage units upto Rs. 10 Cr.

Way forward:

The future of the industry is full of potential and it could serve as a way to enhance the nation's growth and food security.

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

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

Financial support to the farmers has been a key objective of successive governments in power. The farming community forms the backbone of the nation and their health is very important for growth.

Various instruments through which government provides financial support would include MSP, subsidised fertilisers, subsidised seeds, free electricity, irrigation facilities, crop insurance schemes, etc.

But the system has been plagued with leakages at various levels. The

government ends up spending 2-3
times the intended cost of delivery
of service.

So, direct benefit transfer has
recently been mooted in order to
reduce the leakages. But care has
to be taken in moving to this
method.

The entire farming community
are yet to be covered under financial
inclusion. Unless complete financial
inclusion and Aadhaar penetration
is achieved, this proposal may also
go in vain.

Same applies to universal crop
insurance. The relatively better off

farmers may reap all the benefits
and proper identification of beneficiaries
is crucial for the success.

Way forward :

The proposed alternatives can definitely
be implemented once there is an
universal coverage of the JAM trinity.
Till then pilot projects have to be
studied in order to understand the
problems involved.

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

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

Buffer stocking of food grains refers to the storage and procurement of food grains by the government in order to meet the food demand in the future periods of ~~low~~ lean agricultural growth.

This is done by the government agencies such as Food Corporation of India and the government is under obligation to purchase food grains at the announced MSP from all farmers.

Once the announced MSP is high,

there is surplus production of the particular crop, which leads to the breach of capacity of the FCI storage.

The non-availability of proper cold storage facilities, timely transportation and excessive leakages during transportation has led to the development of consensus that the programme is not only costly but imprudently wasteful.

While public procurement assures return to the farmers, it leads to increased fiscal burdens, which the government could have effectively spent on other sectors.

Such policies create market disruptions that reduce the prospects of crops in the market and leads to huge scale

wastage of crops as seen for onions
in Maharashtra and Tomatoes in
Andhra Pradesh.

Non-availability of sufficient
storage also leads to mass wastage
of the procured food crops by FCI.

Way forward:

The government should partner
with private players to increase the
cold storage capacity and to reduce
the wastage.

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

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

Minimum Wages Act mandates any employer to pay a minimum pre-determined salary to all the employees irrespective of gender, place of residence, etc.

But the agricultural labourers are yet to benefit from this legislation as it does not cover farms employing less than 10 labourers.

Moreover most farming is subsistence in nature and does not fall under the organised economic structure.

There is also a problem in
identifying the farming households
where the law has to be implemented.

Other measures to improve the
situation of labourers :

Assured wages for employees .

Tenancy reforms to improve
status of tenants .

Covering them under National
Pension Scheme, which is universal.

Providing other benefits available
for employed women such as
maternity benefits, etc .

Safer working environment .

Regular labour board insputions .

Formation of unions to put

forward demands, etc.

Way forward:

The minimum wages act has to be implemented in letter and spirit and the local governments and gram sabha can play an active role in this direction.

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

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

Animal rearing is a sunrise sector in India, whose potential is underutilized. There is no scientific program for the reaping of benefits and most farmers consider it as only an additional source of income.

Challenges faced :

Irregular demand in the market, due to prevalence of diseases such as bird flu, swine flu, etc.

less support from the government in the form of forward and backward

linkages such as food and medicines
and marketing, packaging, etc.

less knowledge on the cooperative
setup, which can be utilized effectively

Meat and poultry sector has a
huge potential for export.

There is lack of sufficient storage
and processing units.

Meat industry faces criticism from
the right-wing on grounds of meta
narratives.

Measures for accelerated and sustained
growth:

Improving storage and processing
facilities.

Govt support for meat and poultry
farmers.

Delinking from APMC regulations.

Export promotion schemes for
the sector.

Providing sufficient forward
and backward linkages.

Way forward:

The cooperative setup is considered
highly successful and remunerative
and has to be replicated in this
sector for its sustained growth.