



GENERAL STUDIES (Test Code : 487), 7 September

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Registration No. 2622

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Module 177

Place Delhi

Time

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Classroom

Distance Learning

Classroom & Distance Learning

INDEX TABLE

Q. No.	Maximum Marks	Marks Obtained
1	10	
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4	10	
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19	10	
20	10	
21	10	
22	10	
23	10	
24	10	
25	10	

Total Marks Obtained

Remarks:

Signature of Examiner

INSTRUCTIONS

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

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GENERAL STUDIES (Test Code : 487)

Overall Macro comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

All The Best

1. What do you understand by Monetary Policy Trilemma? How can it be resolved in Indian context? 10

आप मौद्रिक नीति त्रिविधा (Monetary Policy Trilemma) से क्या समझते हैं? भारतीय संदर्भ में इसका समाधान किस प्रकार से किया जा सकता है?

Monetary policy trilemma refers to how a monetary policy creates a balance between inflation, growth and exchange rates.

It is called a trilemma because inflation, growth and exchange rate does not go in the same direction.

→ In order to control inflation, government increases interest rates which impact growth.

→ To control exchange rate government through RBI goes for dirty floating which impacts inflation due to enhanced money supply.

Like wise the objective of the monetary policy becomes to create a balance between all three.

It Can be resolved in Indian Context

1. Instead of Inflation targeting government RBI should adopt eclectic approach as in UK that focus on inflation, growth, forex etc.
 2. Convergence, coherence and integration between fiscal and monetary policy
 3. RBI should avoid dirty float and if actually needed should be complemented with sterilization.
- comprehensive use of all mechanism following a middle path approach with effective coordination between government, RBI and financial regulators can solve the trilemma.

2. Indian manufacturing is lagging in the face of stiff competition from other developing economies in Asia and elsewhere, both in domestic as well as global markets. What are the main reasons that can be attributed for this scenario? Suggest few remedies for the same. 10

भारतीय विनिर्माण उद्योग, एशिया और अन्य क्षेत्रों की विकासशील अर्थव्यवस्था से कड़ी प्रतिस्पर्धा के कारण घरेलू एवं वैश्विक दोनों बाजारों में पिछड़ रहा है। इस स्थिति के लिए जिम्मेदार ठहराए जा सकने वाले मुख्य कारण क्या हैं? इसके लिए कुछ उपायों का सुझाव दीजिए।

though India has a fertile ground to be a manufacturing hub, yet both in ~~As~~ domestic and global markets Asian tigers give a stiff competition due to structural, economic, policy and other manifold reasons.

The reasons are:-

1. Tax structure

India has a very high tax rate for corporates. almost 29.5% which is 11% higher than the Asian counterparts. It thus ~~creates~~ makes Indian products uncompetitive.

2. Infrastructure

A high manufacturing growth is only possible when adequate infrastructure exist. Due to weak physical and soft infrastructure, cost and quality of goods suffer.

3. Policy making and Administrative structure

Indian policy making is not manufacturing friendly. It has failed to create infrastructure, provide tax incentive, even there are no standard policies or stability that further inhibits market growth. Lastly policy should promote inflow of FDI, technology but unfortunately china is an FDI hub and India.

FI.

Administrative and regulatory structure makes manufacturing further uncompetitive. due to diff in doing business, clearance and inspection mechanisms.

In order to achieve a high growth of 8% as envisaged in the 12 FYP following steps are a must! →

- ① Rationalise tax structure
Introduce GST, DTC and ease in filing returns.
 - ② Infrastructure
\$ 1 billion investment in next one decade.
 - ③ FTA, BIPA, BIT, DTAA should be promoted. Along with FDI in strategic and manufacturing sectors.
 - ④ Industrial zones, SEZs, clusters with relaxed rules and tax incentives.
 - ⑤ Stable government policy and single window clearance.
- India's 'Make in India' initiative along with opening up FDI, Infrastructure development as envisaged in budget are progressive steps.

3. What is inflation targeting? Describe the major recommendations of the Urjit Patel Committee for it. 10

मुद्रास्फीति लक्ष्यीकरण क्या है? इसके लिए उर्जित पटेल समिति की प्रमुख सिफारिशों का वर्णन कीजिए।

Inflation targeting means that the monetary policy should solely be based on inflation targeting. It means the priority of government and central bank should be inflation, not growth of exchange rates. Inflation hit poor the most and also impact growth and exchange rates, so it should be maintained in stable limits, others will themselves rectify.

In this direction Urjit Patel Committee made few recommendations:

1. By Jan 2016 the ~~governance~~ RBI should follow a inflation target approach.
2. The inflation target should be 4% with a band width of ± 2
3. The current inflation rate should be steadily brought down by 2%.

each year 2015 - 8% and 2016-6%..

4. Monetary policy committee should be set up with an objective to determine monetary policy, interest rates. Such a committee will be accountable for the monetary policy of India.

The above recommendations have been partially accepted and taken up in recent decision of government with a difference that inflation targets will be set by the government and implemented by RBI.

4. "To ensure that banks give adequate attention to Financial Inclusion, they must view it as a viable business proposition rather than a regulatory obligation". In this context, discuss the challenges faced in Financial Inclusion in India with special reference to Nachiket Mor Committee recommendations.

10

इस बात को सुनिश्चित करने के लिए कि बैंक वित्तीय समावेशन के लिए पर्याप्त ध्यान दें, उन्हें यह सुनिश्चित करना होगा कि वे इसे एक करने योग्य व्यवसाय के रूप में न कि नियामक दायित्व के रूप में इस संदर्भ में, नचिकेत मोर की सिफारिशों के विशेष संदर्भ में भारत में वित्तीय समावेशन के समक्ष आ रही चुनौतियों पर चर्चा कीजिए।

India currently has a very poor financial inclusion record. 54% in rural and 86% in urban areas. It is also because of compulsions of opening branches in rural areas and priority sector lending. Thus the inclusion is limited because it is considered unprofitable by banks.

Blackbox more committee on financial inclusion has given few recommendations to ensure universal coverage.

1. Universal electronic bank account to everyone by 2016, linked to Aadhar.
2. Ensuring bank is accessible to everyone within a reach of 15 minutes.
3. Opening up differentiated banks. payment banks for payment and deposit, whole sale banks for loans.
4. Promote financial inclusion through bank account, credit, insurance and investment facilities.

challenges in financial inclusion include

1. ~~opening up account~~ opening up account does not mean facility of investment, credit or insurance.
2. Most of these accounts will be ~~not~~ working only becoming a liability.
3. Administrative, financial burden on the banks.

this it is important to overcome these issues:-

1. Financial inclusion should not be treated as a liability but a business opportunity to cross mass banking and promote savings.
One fruitful step in this direction is differentiated banking as proposed by more committee.

2. Administrative cost can be reduced through mobile banking, electronic banking and micro-atms etc.

This financial inclusion is not a cost burden but a way to tap savings of the middle class and poor people. Only effective strategy, change in govt policy and business approach will make it happen.

5. India is being accused of sabotaging the trade facilitation agreement with its rigid stance on the issue of public stockholding of food grains. Bring out the major reasons for India's stand at WTO negotiations related to the Trade Facilitation Agreement (TFA). Do you think India's stand was justified? 10
- अनाज के सार्वजनिक भंडारण के मुद्दे पर कठोर रुख अपनाने के कारण भारत पर व्यापार सरलीकरण समझौते को विफल करने का आरोप लगाया जा रहा है। व्यापार सरलीकरण समझौता (टीएफए) के सम्बन्ध में डब्ल्यूटीओ वार्ता में भारत के इस रुख के प्रमुख कारणों को स्पष्ट कीजिए। क्या आपको लगता है कि भारत का रुख जायज़ था?

After a decade of failure since Doha round, Bali meet gave some fruitful results. The developed and developing countries agreed to ratify Trade facilitation agreement that will add \$1 billion to world economy by easing trade. However India acted as a blockage due to failure of the developed world and WTO to show any progress on issue of minimum support price getting a permanent immunity.

The reasons why India blocked TFA are:

1. Blocking TFA was the only way India could create pressure to bring out reform in subsidy provisions of Agreement on agriculture that limits government subsidy for public stockholding and Minimum support price.

2. Time and again developed countries have used this approach of temporarily delaying issues of developing countries which among their concerns are codified and ratified. "peace - clause" was a part of it.
3. India waited till Geneva meeting, when ~~the~~ ^{no} sign of progress on finding a permanent solution were there, it blocked TFA.

Though TFA blocking can be justified on two grounds :

- ① It was the only way India could ensure a permanent solution is found on public stockholding that will help in dealing with poverty and hunger.
- ② It helped in demonstration of the fact the WTO is no more west dominated.

However it can not be completely justified that the stand was right because

1. After a decade WTO showed some successful results, India sabotaged advance of multilateral focus.
2. Nation vs Global society debated initiated. how everyone would blackmail for self interest.
3. It was a progressive move to pass TTA for India and world economy.

6. What is gender budgeting? Is setting up of the 'Bharatiya Mahila Bank' a genuine attempt to bring women in the mainstream or is it merely a symbolic gesture?

10

जेंडर बजटिंग या लिंग आधारित बजट क्या है? क्या 'भारतीय महिला बैंक' की स्थापना महिलाओं को मुख्यधारा में लाने के लिए एक वास्तविक प्रयास है या महज एक प्रतीकात्मक संकेत है?

Gender budgeting is a budgeting mechanism that ensures that women interest, needs, requirements are exhaustively and comprehensively covered while preparing the budget and separately allocates money for gender for their welfare also.

2014 budget of India also allocated 82000 crore solely for women empowerment and welfare. This budget becomes a tool for socio-economic development and upliftment of women.

One progressive step towards gender development taken by government is setting up 'Bhartiya Mahila bank'. It will help in gender women upliftment in a genuine way in following ways:

1. 25% of bank branches will open in rural areas to help poor, vulnerable and rural women.
2. Know your customer norms are relaxed, no collaterals, only on insurance premiums will ensure that out of mainstream society are actually included.
3. Financial loans with a priority to women for multiple reasons like education, home need, running a small business, etc. etc. Even disbursement of loans to SHG etc.

However few limitations includes:-

1. The fund, functionaries given to Bhashiya Mahila bank are not sufficient to ensure women financial inclusion and upliftment.
2. In short term the rural outreach is going to be very limited
3. Financial viability of the bank is also in question.

7. "Unspent provisions in a grant or appropriation indicate either poor budgeting or shortfall in performance or both". Elaborate this statement in the context of budgeting in India. Also suggest few remedies to overcome it.

10

अनुदान या विनियोग में अव्ययित प्रावधान या तो घटिया बजट या निष्पादन में कमी या दोनों की ओर संकेत करते हैं। भारतीय बजट के संदर्भ में इस कथन की व्याख्या कीजिए। इसे दूर करने के लिए कुछ उपायों को भी सुझाइए।

Budgeting in India is highly skewed exercise. The unspent provisions, poor outcomes are an example of it. It is generally noticed that money is appropriated to the schemes but either it is not released or untimely released, especially in the last quarter. The March rush is a common phenomena in India.

~~Be transparent~~
It usually happens due to multiple reasons. Firstly the money is allocated to schemes out of political compulsions or populism. Nibhaya fund was created with 1000 crore but no money was spent till the end of the year. Such schemes usually gets neglected.

~~Many times new things~~

Secondly budgeting follows an incremental budget process, i.e. the money is allocated to scheme even if it has lost its relevance today.

Thirdly due to administrative, functional blockades money remains unspent.

This poor budgeting process, adding poor performance in implementation are largely responsible. It is imperative that

firstly allocation should be made using zero based budgeting or performance budgeting. Money be timely released and monitored if appropriately spend.

And outcome budgeting be used to ensure ~~with~~ if objectives are achieved.

8. "Public debates in India often reflect either an uncritical faith in market (market mania) or a blind opposition to it (market phobia). However, there is a deep complementarity between market efficiency and state action." Comment on the applicability of this statement with respect to the current state of the Indian economy.

10

“भारत में सार्वजनिक बहसों अक्सर या तो बाजार के प्रति एक हितैषी विश्वास (बाजार उन्माद) या तो बाजार के प्रति एक अन्ध विरोध (बाजार भय) दर्शाती हैं। यद्यपि, बाजार दक्षता और राज्य कार्रवाई के बीच एक गहरी पूरकता है।” इस कथन की प्रयोज्यता पर वर्तमान भारतीय अर्थव्यवस्था की स्थिति के संबंध में टिप्पणी कीजिए।

The attitude and perception towards market and its

The attitude and social perception towards market and market ~~status~~ efficiency in pre-independence era was shaped by anti-colonial and imperialistic attitude. State actions reflected the same through license raj, MRTP Act

However today the social perception towards the need and efficiency of market is slowly changing since 1991 reforms and today private sector is considered the linking pin of development, employment and growth of Indian economy.

Today state has changed its perception towards market. It has not only emulated opened up the economy, but emulated professionalism in public sector. Going a step ahead state has now partnered with market leading to emergence of PPP model of growth, development and infrastructure creation.

Today ~~market~~ mixed economy is practised with state acting as facilitator and regulator.

This open backedness of state and proactive action have also created great leap of faith in market. Today market is considered the driver of economic growth. The new Govt proactiveness and

support to market , promotion of
"Make in India campaign" reflects the
same

9. An efficient financial system is regarded as an essential prerequisite for higher economic growth. In this context, elaborate on the recommendation given by FSLRC for strengthening the Financial Sector in India. 10

“एक कुशल वित्तीय प्रणाली को उच्च आर्थिक विकास के लिए एक आवश्यक शर्त के रूप में माना जाता है।” इस संदर्भ में, भारत में वित्तीय क्षेत्र को मजबूत बनाने के लिए FSLRC द्वारा दी गई सिफारिशों पर प्रकाश डालिए।

Indian financial sector is made up by patchwork of different financial laws and regulatory bodies, these often archaic, obsolete with lot of gaping holes.

financial sector legislative reform commission was set up with an objective to ~~repeal~~ establish a sophisticated legal and regulatory framework.

Some of its recommendations include:

1. creating a united financial authority comprising of SEBI, IRDA, FMC etc to overview financial sector - it is done to overcome interdependence, regulatory gaps issues that led to funds like Sahara, Sharada etc. or issues with ULIP which fall short with IRDA, SEBI, RBI etc.

2. financial appellate authority to act as a tribunal ^{where} ~~against~~ regulatory bodies orders can be challenged. It will ensure transparency.
3. RBI to look after credit and payment management along with bank supervision. debt management Agency will look into debt of government.
4. financial redressal authority a single authority to resolve customers grievances.
5. financial stability development council to ensure financial stability and risk.
6. Resolution Authority to deal with failing companies.
7. Indian financial code → a comprehensive, coherent financial code to deal with all aspects of financial sector.

The above recommendations are a progressive step to create effective integration ~~also~~ between regulatory authorities, comprehensive laws and proper checks mechanisms.

However it can drastically impact the role, relevance and performance of regulatory bodies including RBI.

10. List out the strategies that can be employed to make India a global leader in the aviation sector. 10

भारत को उड़डयन के क्षेत्र में वैश्विक अधिनायक बनाने हेतु आवश्यक रणनीतियों की सूची बनाइए।

India has aviation sector of worth 16 \$ bn and has a capacity to become the biggest aviation hub by 2030. However currently it is struggling with plethora of issues relating to taxation, infrastructure, stiff competition and profitability.

Some progressive steps Indian aviation can take include:

① Taxation reforms

It will encourage more players and expansion. So aviation turbine fuel tax reform, too many cess and charges should be rationalised.

② Expansion

200 new full airports can be opened in small cities to open up a large market.

③ Investment and Infrastructure

FDI can be eased to 100% to bring foreign players - Already Air asia, Singapore airlines and Etihad has shown interest. Opening to 100% will lead to large scale expansion.

④ Privatisation of development of airports, new full airports will help in creating required infrastructure.

⑤ Manufacturing of aviation products
i.e. aircrafts and other equipments

⑥ Modernisation of aviation sector →
Gagan satellite was a progressive
step in this direction.

⑦ offering aviation services and
aircrafts to countries like Maldives,
Vietnam.

A comprehensive policy, proper regulation
and positive business sentiment can
greatly help India.

11. PPP based infrastructure projects have displayed good progress in some sectors, whereas limited success in others. Substantiate. Also explain the various challenges being faced by them. 10

सार्वजनिक निजी भागीदारी आधारित परियोजनाएं कुछ क्षेत्रों में अच्छी प्रगति को प्रदर्शित करती हैं जबकि कुछ क्षेत्रों में सीमित सफलता को प्रदर्शित करती हैं, पुष्टि कीजिए। इनके सामने आने वाली विभिन्न चुनौतियों की भी व्याख्या कीजिए।

Today India has more than 900 PPP projects running i.e. second highest in terms of number and investment.

PPP projects have helped in transformation of infrastructure ^{infrastructure} and ^{sector} ~~and~~ ~~sector~~ ^{infrastructure} of India.

The success of PPP is greatly visible in development of roads, airports, energy sector etc.

However it is greatly limited in projects that either related to offering public services or exploratory projects like energy exploration. There are very few investment in NEEP, Gas exploration, same is the ~~for~~ case in electricity sector or offering public services.

The challenges faced by PPP projects include:-

- ① High headedness of government → though its a partnership but govt tries to dominate every sphere.
- ② Clearance and regulation → land and forest clearance often leads to high cost and time loss.
- ③ Fair and stable govt policy → leads to loss and uncertainty.
- ④ Contract model, its rigidity, compliance norms with no exit policy further creates issues.
- ⑤ Contract or revenue sharing policy also at times does not interest the PPP.

India needs \$1 trillion in next one decade, for this private sector and PPP are must. Thus the resolution of challenges and issues faced by private sector is a must.

12. "Despite being one of the largest employers in the world, the Indian Railways is several decades behind global standards when it comes to safety." Comment. 10

दुनिया के सबसे बड़े नियोक्ताओं में से एक होने के बावजूद जब सुरक्षा की बात आती है तो भारतीय रेलवे वैश्विक मानकों से दशकों पीछे है, टिप्पणी कीजिए।

Railways is the lifeline of Indian public transport with more than 3 crore daily commuters and millions of metric tonne of freight goods.

In spite of the fact of its relevance for economy railways lack modernity in infrastructure and security which has led to thousands of victims every year.

India lags behind global standards
in security because:

① Investment → It makes a poor investment
to ensure security is properly addressed.
Kha Kodher committee on railway
safety estimated 90000 crore is needed
just for security modernisation.

② Unmanned railway crossing is one big cause
of accidents. Government of India recently has
decided to man all crossings.

③ Poor signalling system → There is a need of
automatic signalling system like in
China and other countries to avoid collision.

④ Poor Infrastructure → Railways has obsolete
infrastructure / In fact the material
used in train is fire sensitive.

⑤ Lack of proper equipment to control tragedy -
Early fire extinguishers, warning system,
signal system missing.

⑥ Proper precautionary steps also missing →
Use induction cooker, fire insensitive
material, use siren etc.

Thus it is imperative for India to make
necessary investment and take adequate

steps to deal with the issue.

13. Rational energy prices provide the right signal to both producers and consumers and also lead to a demand-supply match. Highlight the steps taken by the government for rationalizing the energy prices in different sectors. 10

तर्कसंगत ऊर्जा कीमतें उत्पादकों और उपभोक्ताओं के लिए सही संकेत उपलब्ध कराती हैं एवं माँग-आपूर्ति की बराबरी सुनिश्चित करने का कार्य भी करती हैं। विभिन्न क्षेत्रों में ऊर्जा की कीमतों को युक्तिसंगत बनाने के लिए सरकार द्वारा उठाए गए कदमों पर प्रकाश डालिए।

Energy pricing mechanism in India unfortunately adds to subsidy burden, fiscal deficits, under-recovery of Oil marketing companies, demand-supply mismatch and unsustainable energy consumption.

The above issues can be resolved by rationalizing energy prices. Government has taken certain progressive step in this direction :

- ① Petroleum → The prices of petroleum are deregulated, no more administered prices but market determined prices are followed.
- ② Diesel → Recently govt deregulated diesel prices as well.

- ① Electricity → Many states have started privatisation of electricity and rationalise prices.
- ② LPG Gas → By putting a limit on number of cylinders, govt has indirectly rationalised use of LPG.
- ③ ~~QPPS~~ central government is encouraging states to rationalise use of Aviation turbine fuel.
- ④ Government is slowly moving from import price parity to export price parity prices to rationalise consumption and correct prices.

The above steps have to a great extent helped in creating an equilibrium between demand—supply. benefiting govt, customers and companies. Also promoting rational consumption.

14. Highlight the problems in the BOT mode for road transport. How will switching to the EPC mode solve these problems? 10

सड़क परिवहन की बीओटी प्रणाली की समस्याओं पर प्रकाश डालिए। ईपीसी प्रणाली अपनाने पर इन समस्याओं का समाधान कैसे होगा?

PPP model is the life wire of Infrastructure development in India - Government need to create an enabling environment to promote it.

Build operate transfer is one of the most common way of contract model followed for road transport. It has certain limitations and issues:-

1. It is the public sector that makes all the investment and state has to provide charances etc. But due to issues of land eviction, protest or delay private sector greatly suffers.
2. It is difficult to determine expenditure in the beginning, the period for which private sector can collect toll at times does not sufficiently make the investment profitable.
3. Private sector has started losing interest due to lower benefits and higher risk.

However switching to EPC model can help in resolving some issues:→

1. In EPC → the contract model is such that government is the owner and ~~provides~~ and make investment, private sector is the responsibility to engineer, procure and construct only.
2. It reduces the financial risk and makes ~~the~~ it profitable for private sector to engage in the project.

However its limitation is that
government is short on funds. It
needs PPP not just for technical
expertise but financial investment.

15. The National Land Reforms Policy 2013 focuses on those aspects of land reforms, which if implemented in true letter and spirit will have the potential to tilt the balance in favor of the landless and poor. Critically Analyse.

10

राष्ट्रीय भूमि सुधार नीति 2013, भूमि सुधार के उन पहलुओं पर केंद्रित है जिन्हें यदि अक्षरशः और सही भावना से लागू किया गया तो, यह संतुलन को भूमिहीन और गरीब लोगों के पक्ष में मोड़ सकती है। आलोचनात्मक व्याख्या कीजिए।

~~The colonial hangover in India is~~
~~clearly depicted in the archaic land~~

Land reform policy 2013 can significantly help the poor and landless.

- ① Computerisation of land records → It can help in establishing occupancy rights, resolving disputes, help in leasing or renting of land.
- ② Tribunal to resolve land disputes will facilitate the provide speedier justice.
- ③ Land leasing → government is planning of renting some land to the poor and vulnerable.
- ④ Comprehensive land management → to ensure land is properly utilised and all sectors forest, farming, urban areas can be monitored.

However the above clauses only partially help the poor and vulnerable people as they are more focused on streamlining issues arising out of poor regulation and management of land.

What is needed is return in tenancy act that rendered 30 crore people landless or a comprehensive land leasing plan where government will rent out some land to people. Also govt need to implement its earlier plan to give $1/10$ acre land to every homeless person.

16. India has seen significant progress towards increasing production, yield levels and crop diversification in last three decades. Still, the agricultural productivity in India is among the lowest in the world. In this context, analyse the reasons for low productivity and suggest some measures to improve the same

10

भारत ने पिछले तीन दशकों में बढ़ते उत्पादन, उपज के स्तर और फसल विविधीकरण की दिशा में महत्वपूर्ण प्रगति देखी है। फिर भी, भारत में कृषि उत्पादकता दुनिया में सबसे कम है। इस संदर्भ में कम उत्पादकता के कारणों का विश्लेषण कीजिए और इसको सुधारने हेतु कुछ उपायों को सुझाएं।

The adoption of new agriculture policy in 1960s along with various other measures helped in doubling India's agriculture production from 125 mn tonnes in 1970 to 264 mn tonnes. The agriculture production rate is today more than population growth rate. However, inspite of sporadic rise in productivity through green

revolution even today the productivity is between 30 to 50% of the best. 240 million producers in India equal 6mn in USA.

It is mainly because fragmentation of land, practice still being largely traditional, lack of irrigation, credit, marketing facility. All ~~cumulatively~~ cumulatively leads to poor productivity.

Some measures government of India should take include:

- ① Promote cooperative farming to overcome fragmentation of land, lack of resources.
- ② Integrated and organised agriculture marketing to enhance productivity and reduce losses.
- ③ Creation of seed banks that provide high yielding variety of seeds along with fertilisers and pesticides.
- ④ Irrigation facility extension to other areas by multipurpose or ~~river~~ river linkage. Also promote micro irrigation.
- ⑤ Organic farming, use of technology to promote precision farming.
- ⑥ Provide agriculture credit, soft loans

① Promote R&D in agriculture

② Use of biotechnology, contract farming, technology are other progressive steps -

Together they will help in swiftly achieving the 12th target of 4% growth

17. (a) What are the sources of Irrigation in India? Mention the contribution of each source in the total irrigation capacity and their geographical distribution. 5

भारत में सिंचाई के क्या स्रोत हैं? कुल सिंचाई क्षमता में प्रत्येक सिंचाई स्रोत के योगदान का उल्लेख कीजिए और उनके भौगोलिक वितरण को भी बताएं।

India is largely a monsoon dependant country with only 40% of its area under irrigation.

Various sources of irrigation include

- ① Canal Irrigation → Mainly in the plain land of north India and delta areas of south India. ~~It is~~ 30% of overall is canal irrigation.

- ② Well and tubewell → It is prevalent in area with high groundwater level - UP, Bihar, Haryana, Punjab, Maharashtra, Gujarat, coastal areas of S. India. 60% of total area.

- ③ Tanks → It is prevalent in S. India esp. TN and Andhra Pradesh where topography is rugged and mostly tanks are naturally ~~not~~ existent. 6 to 8% of total area.

Other irrigation practice include micro irrigation like sprinkle and drip irrigation etc.

17. (b) What are the methods of irrigation used in India? Give few positives and negatives of each.

5

भारत में सिंचाई की क्या पद्धतियाँ हैं? प्रत्येक के कुछ सकारात्मक और नकारात्मक बिन्दु बताइए।

The various methods of irrigation
in India include:-

18. One of the principal aims of improving agricultural marketing is to make agriculture more viable for the small farmers in India. In the above context, comment on the strengths and weaknesses of Cooperative and Contract farming in India. 10

कृषि विपणन में सुधार लाने के प्रमुख उद्देश्यों में से एक, भारत में छोटे किसानों के लिए कृषि को और अधिक व्यावहारिक बनाना है। उपरोक्त संदर्भ में, भारत में सहकारी और अनुबंध खेती की शक्तियों और कमजोरियों पर टिप्पणी कीजिए।

Cooperative farming

Strength of cooperative farming includes

- ① Overcome issues of fragmentation of land and lack of resources. Each and every member contribute resources and collectively take on loan to enhance production and productivity.
- ② High bargaining power and good remuneration for every member.
- ③ Cooperative farming also act as a primary collection ~~centre~~ centre where ~~several~~ activities like grading, cleaning and sorting are also performed.

However some weaknesses include

1. Cooperatives lack resources thus they are not able to enhance production or productivity.
2. Cooperatives are at times dominated by political powers so poor don't benefit.

On the other hand ~~costs~~ contract farming is another ~~emerging~~ emerging model.

Benefits:-

1. Farmers don't have to worry of cost risk, only production risk. It's a future contract and poor farmer get good remuneration.
2. It enhances production and productivity as corporates give farm inputs as well.
3. It reduces losses and cost as intermediaries are shunted and agriculture market becomes highly productive.

Weakness

1. A single farmer is not in a situation to bargain.
2. There are cases of exploitation or poor remuneration.
3. Contract farming is feared as control of rich and corporates over poor farmer.

India need to have a multiprolong and multiple model for agricultural marketing.

19. What is precision farming? What are its benefits and limitations? Examine whether it can be used in India for agricultural development. 10

सूक्ष्म कृषि क्या है? इसके लाभ और सीमाएं क्या हैं? परीक्षण कीजिए कि क्या इसको भारतीय कृषि के विकास के लिए प्रयोग किया जा सकता है?

Precision farming is use of space along with information communication technology to enrich the agriculture production and productivity by using sustainable and good agro nomical practices. It makes use of Geographical information system, GPS and spectral analysis of soil.

Benefits:

1. It gives a detail of soil nutrient, moisture and which crop is best.
2. Limited use of fertilizer, water and right crop can be grown.
3. Reduces farm input cost, sustainable agriculture.

Limitations

- It is dependent on remote sensing satellites and ICT which are both limited in coverage.
- Farming delivery is poor and mechanisms need to be created to provide the info which itself is a difficult task.

It can be used in India by overcoming the above deficiencies. India can deploy satellites specifically for precision farming, secondly it can use mobile, soil health cards and agri-clinics for information & convey to the farmer to practice precision farming.

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20. There is an urgent need to put into effect an expenditure switch from subsidies to investment in order to lift Indian agriculture from its current stagnation. Discuss. 10

भारतीय कृषि को वर्तमान स्थिरता से उबरने के लिए सब्सिडी के खर्च को, निवेश के खर्च में बदलने की तात्कालिक आवश्यकता है। चर्चा कीजिए।

India has 70% of its agricultural farmers who own less than 2 acres of land. The 6 decade long subsidy experiment has proved that subsidy can only provide limited benefits to enhance production that too to a limited group of people, the small and marginal are actually deprived of it also.

Agriculture subsidy is form of net, free electricity, irrigation, fertilizer subsidy, credit subsidy has limited returns and stagnated agriculture growth to 2 to 3%. What is needed today is creating a infrastructure and investment base to enhance production and productivity.

Investment can help in following ways:-

1. Investment in irrigation → today only 40% of land is irrigated. It will help in multi cropping and increasing cropping intensity.

- ① Investment in farm inputs →
 R&D Research and development
 through focus in biotechnology,
 seed production, new farming practices
 will enhance productivity.
- ② Rural Infrastructure → Warehouses,
 granaries will reduce losses by 20 to 33%.
 increasing production and productivity.
- ③ Space and ICT development, informed agriculture,
 precision agriculture.

This investment is a must as agriculture is
 must but it should not replace subsidy,
 infant subsidy should be rationalised.
 Both together are needed.

21. Comment on the following:

(a) The quality of TPDS is not equally bleak across the entire country. 5

'लक्षित सार्वजनिक वितरण प्रणाली' की गुणवत्ता सम्पूर्ण देश में समान रूप से निराशाजनक नहीं है।

TPDS is often considered to be a unproductive and unviable system, this to be replaced by direct subsidy.

It is because of high cost of delivery, poor targeting, bogus people getting food and high leakages and corruption.

However certain innovative ways have helped in overcoming the issues in states like Chhattisgarh, Andhra Pradesh to some extent. As it includes

- ① GPS tracking of trucks
- ② Cooperatives operating fair price shop
- ③ Real time tracking of food
- ④ barcoded cards.

Such innovations have helped in success of TPDS in dealing with hunger and food security.

20. (b) The sustainability of Public Distribution System is a matter of concern. 5
सार्वजनिक वितरण प्रणाली की निरंतरता बनाए रहना एक चिंता का विषय है।

PDS is made with an objective to provide continuous supply of essentials especially food to the poor and vulnerable members to ~~assure~~ ensure their food and nutritional security. However its sustainability is a matter of concern:

- ① ~~Forgetting~~ cost factor → for every 1 Rs, 3.5 Rs is spent on administrative cost.
 - ② leakages → only 10% of PDS actually reaches the poor.
 - ③ wastage → 20 to 30% of food in FCI godowns go waste.
 - ④ high cost for govt leading to rising fiscal deficit for them.
 - ⑤ Other factors include poor targeting, growing corruption.
- However what is needed is not closing down PDS as it is a food infra source to provide food in rural areas through

fair price shops. only rationalisation and cost management with monitoring needed to ensure its sustainability.

22. With the disheartening condition of farmers in India, "farmer security" is the biggest hurdle the food security needs to overcome. Discuss. 10

भारत में किसानों की निराशाजनक स्थिति के साथ, "किसान सुरक्षा", खाद्य सुरक्षा की आवश्यकता पूरा करने में सबसे बड़ी बाधा है। चर्चा कीजिए।

Food security is possible through adequate production and productivity of agriculture so as to ensure affordability, availability and accessibility of food grains.

~~However~~ Though the food production today exceeds rate of population rise, yet farmers security is the upcoming hurdle in food security.

It is because

1. In India more than 70% of farmers are small and marginal who are facing credit and production risk. It is due to such reasons the productivity is so low.
2. farmer security is threatened with rising land acquisition for development and their eviction. Their eviction will lead to loss of productive land producing food.
3. Climate change threat also ~~creates~~ threatens farmer security. It can reduce the production of food crop and create food insecurity.

The land productivity in India is between 30 to 50% of best in the world and farmer security is one of the chief reason. Adequate financial, social, economic and policy decisions are needed to adequately deal with it.

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23. "Compared to animal husbandry's contribution to the Indian economy, the sector has received much less resources and institutional support." Analyse the above statement in the light of challenges faced by livestock sector in India. 10

"भारतीय अर्थव्यवस्था में पशुपालन के योगदान की तुलना में इस क्षेत्र को बहुत कम संसाधन और संस्थागत समर्थन प्राप्त हुआ है।" भारत में पशुधन क्षेत्र के समक्ष आने वाली चुनौतियों के आलोक में उपरोक्त कथन का विश्लेषण कीजिए।

Animal husbandry is important sector of Indian agriculture. It provide food and nutrition, large scale employment, integrated farming, side income etc. Its contribution to Indian economy is 29% today. It is also an important source of raw material wool and leather for industries.

Despite of its contribution it has received much less resources and institutional support compared to other agriculture and allied sectors. It has led to various issues and challenges the livestock sector is facing.

challenges include:

1. Credit support
no proper financial support is
given for livestock promotion.
2. Protection of Indigenous species
3. Science and technology usage to
promote cross breeding and high yield
breeding line stock.
4. Marketing of livestock products.
5. Feed and fodder programs merely
exist on paper.

~~India has the~~
India is one of the largest livestock
countries and a capacity to provide
employment to millions, adequate institutional
policy support is a must.

24. "Despite continuous efforts and initiatives of the Government to provide the required stimulus to the food processing sector, processing activity is still at a nascent stage in India with low penetration". In the above context, examine the challenges ailing the food processing sector in India. 10
- खाद्य प्रसंस्करण क्षेत्र हेतु आवश्यक प्रोत्साहन प्रदान करने के लिए निरंतर प्रयास और सरकार की पहल के बावजूद, प्रसंस्करण गतिविधियां भारत में निम्न निवेश के साथ अभी भी उदीयमान अवस्था में हैं। उपरोक्त संदर्भ में भारत में रुग्ण खाद्य प्रसंस्करण क्षेत्र की चुनौतियों का परीक्षण कीजिए।

Food processing sector in India is still a amateur child yet to mature and reap the benefits of large raw material and domestic market for finished goods.

The obstacles faced by it include:-

1. This sector is dominated by small unorganised sector. Incubators for organised sectors are missing.

2. Rural Infrastructure, food processing needs a high end infrastructure in form of warehouses, cold storages, laboratories. it is missing.
3. Small and fragmented farming majority for subsistence.
4. poor research and development in food processing sector.
5. ~~regulated~~ ~~fragmented~~ ~~regulated~~ market through APMC or essential commodity act create further obstacles.
6. lack of privatisation of agriculture markets, contract markets.
7. ~~less~~ poor investment and promotion by government
~~however~~ 105 YP → 600 crore.

However things are changing - Government has plan to invest 10000 crore in 12 YP and national mission on food processing has following objective - by 2018.

- increase food processing from 7 to 20%
- increase value addition from 20 to 35%
- create 1 million job.

Govt has adopted a comprehensive
approach to achieve the same.

25. What is the role of forward and backward integration in ensuring success of Supply Chain Management in the Indian Food Processing industry? 10
- भारतीय खाद्य प्रसंस्करण उद्योग में आपूर्ति श्रृंखला प्रबंधन की सफलता सुनिश्चित करने में अग्र और पश्च समायोजन या लिंकेज की क्या भूमिका है?

Agriculture marketing does not simply means buying and selling of agricultural crops. It is a complete chain that includes preharvest, post harvest and marketing. It includes the complete value chain that makes the supply chain which

Food processing industry needs an effective supply chain management with forward and backward linkages to ensure optimal success. The forward linkages refer to



• supply chain in food processing
needs forward and backward
linkage to ensure an integrated,
high end value chain from
farm to food.

Food processing industry need to make sure
that the backward linkage is strong.
It will ensure high and quality yield.
supply chain need investment in rural
infrastructure like cold storage, warehouses
to ensure ~~minimally~~ ~~minimally~~ minimal losses.

Setting up collection centre, primary
processing and secondary processing centres.

Also effective transport mechanism is
also important. Cooperative and
contract farming are very important for
strong backward linkage.

Forward linkage is important for selling
the processed food in domestic and
international markets. The supply
chain need to ensure that quality
is maintained, losses are minimal. proper
packaging, grading, sorting and processing is
done.

Reaching out to direct consumers,
industries, exporting goods are
all essential elements of an
effective supply chain management.

It is only by these linkage ~~product~~
the ~~extra~~ the farmers, processing industry
and consumers can collaboratively benefit.