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GENERAL STUDIES (TEST CODE : 2208)

Name of Candidate	UTKARSH YADAV		
Medium Eng./Hindi	English	Registration Number	1344779
Center		Date	27 July 2022

INDEX TABLE			INSTRUCTIONS
Q. No.	Maximum Marks	Marks Obtained	
1	10		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	10		2. There are TWENTY questions printed in ENGLISH & HINDI इसमें बीस प्रश्न हैं अंग्रेजी और हिन्दी में छपे हैं।
3	10		3. All questions are compulsory. सभी प्रश्न अनिवार्य हैं।
4	10		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	10		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	10		6. Word limit in questions, if specified, should be adhered to. प्रश्नों में शब्द सीमा, जहाँ विनिर्दिष्ट है, का अनुसरण किया जाना चाहिए।
7	10		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।
8	10		
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20	15		
Total Marks Obtained:			
Remarks:			

16-B, 2nd Floor, Above National Trust Building, Bada Bazar Marg, Old Rajinder Nagar, Delhi-110060

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EVALUATION INDICATORS

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

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

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All the Best

1. An effective approach to green budgeting is underpinned by strong strategic framework, tools for evidence generation and an enabling budgetary governance framework. Discuss. (150 words) 10

हरित बजट के लिए एक प्रभावी दृष्टिकोण को सुदृढ़ रणनीतिक ढांचे, साक्ष्य निर्माण हेतु उपकरण और एक सक्षम बजटीय शासन ढांचे द्वारा सुदृढ़ता प्रदान की जाती है। विवेचना कीजिए।

Green budgeting is an approach which along with economic growth also takes into consideration various environmental concerns to address the impeding challenges of climate change.

Need for green budgeting

① As per ~~IPCC~~ IPCC Scenario 2018, climate change will decrease agri productivity by 25% in coming year.

② increasing harsh weather events - eg. recent floods in Assam.

③ rapid rate of deforestation for industrial growth.

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2. State the need for circular economy in India and the challenges associated with it. Also, discuss the measures that are required to build a circular economy in India. (150 words) 10

भारत में चक्रीय अर्थव्यवस्था की आवश्यकता और इससे जुड़ी चुनौतियों का उल्लेख कीजिए। साथ ही, भारत में एक चक्रीय अर्थव्यवस्था के निर्माण के लिए आवश्यक उपायों पर चर्चा कीजिए।

A circular economy is - the one in which the resources instead of being thrown away are continuously being recycled.

Need for circular economy

- ① Huge waste generation and lack of proper waste collection
- ② Save cost on importing essential items. eg. lithium ion batteries
- ③ prevent environmental damage caused by waste dumping
- ④ Achieve goals ~~and~~ under Glasgow pact.

Measures needed

- ① Promotion of 3Rs of reduce, reuse, recycle
- ② increasing participation of private sector in recycling.
- ③ strict implementation of waste management rule.
- ④ giving incentives to customers for recycling products.

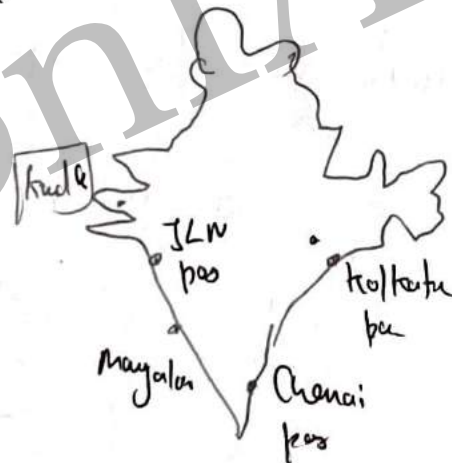
The government has recently launched the vehicle scrapping policy to give a boost to circular economy. Similar steps in other sectors along with FDI in the sector can further enhance Circular Economy.

3. The Major Port Authorities Act, 2021, seeks to grant greater autonomy and flexibility to the major ports and professionalise their governance. Discuss. (150 words) 10

प्रमुख बंदरगाह प्राधिकरण अधिनियम, 2021, प्रमुख बंदरगाहों को अधिक स्वायत्तता और लचीलापन प्रदान करने तथा उनके शासन को पेशेवर बनाने का प्रयास करता है। विवेचना कीजिए।

~~Major~~ India has a total of 12 major ports under the control of Central government. Recently the government has passed Major Port Authorities Act.

It will grant autonomy and flexibility and professionalism as.



- ① More power to ports in terms of borrowings
- ② reduced government interference in day to day functioning

- ③ independent audit machinery
- ④ freedom in appointment of staff etc
- ⑤ At present, India's ~~to~~ 90% trade is hurdled by major ports. Therefore, to act along with steps like Sagarmala for Port led development can give ~~a~~ further impetus to India's trade and help achieve 1st target of exports by 2030.

4. Increasing the share of rail freight in the overall modal mix could present a golden opportunity for India to shift to an efficient freight paradigm.
Discuss. (150 words) 10

समग्र मोडल मिक्स में माल ढुलाई में रेलवे की हिस्सेदारी बढ़ाने से भारत को एक कुशल माल ढुलाई प्रतिमान में स्थानांतरित होने का एक सुनहरा अवसर प्राप्त हो सकता है। विवेचना कीजिए।

As per the recent Economic survey,
the current share of Indian railway is
around 30%

Recently, the government has unveiled the
National rail plan with an aim to increase
freight share to 45% by 2030.

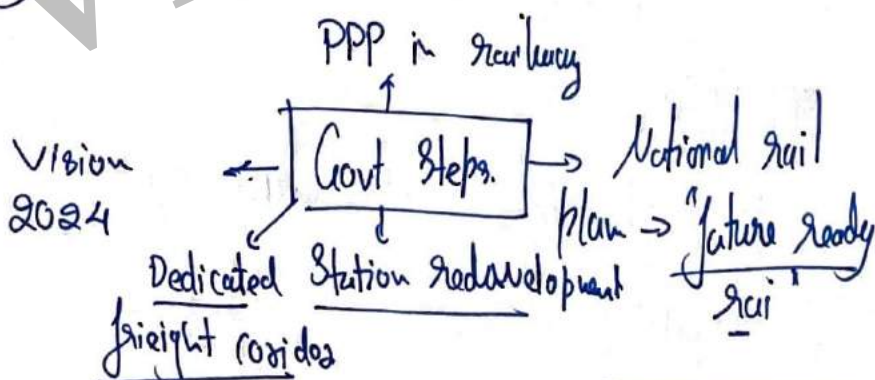
Increasing rail freight share could present
a golden opportunity as:

- ① lower the logistics cost (currently
13% of GDP)
- ② generate more employment and boost
"Make in India"

- ③ Give thrust to Atmanirbhar Bharat
- ② increase share of India's export.
(presently 1.7% of global exports,
China = 13%)

However many challenges remain :

- ① single line for freight and passenger train
- ② ~~low~~ Capital Output ratio is high
leaving less money for Capex.
- ③ Cross subsidisation.



To further strengthen freight share, Bibek Debroy
Committee recommendation should be implemented.

5. Investment in infrastructure is pivotal for accelerated and inclusive socio-economic development of a country. In this context, discuss the significance of the National Monetisation Pipeline. (150 words) 10

किसी देश के त्वरित और समावेशी सामाजिक-आर्थिक विकास के लिए बुनियादी ढांचे में निवेश महत्वपूर्ण है। इस संदर्भ में, राष्ट्रीय मुद्राकरण पाइपलाइन के महत्व की विवेचना कीजिए।

National Monetisation Pipeline (NMP) unveiled
by Niti Aayog aims at monetising ₹2
assets worth 6 lakh crore during 2021-
24 five period.

The proceeds will help fund 6%
of the contribution to National Infrastructure
pipeline of 111 lakh crore.

Infrastructure investment is pivotal to accelerate
inclusive and socio-economic development
as:

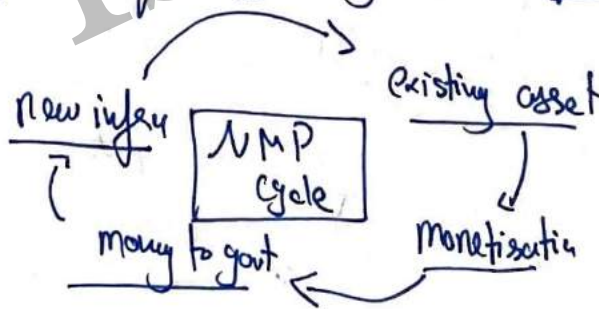
- ① As per World Bank, 1 Rs invested
in infrastructure generates returns of 3 Rs.

② Investment in education, health generates human capital must to further growth.

③ helps in development of backward region
eg. Bhilai steel plant helped develop backward
tribal districts

Significance of NMP

- ① to unlock capital in underutilized assets.
- ② allow govt. to create new infrastructure.
- ③ improve efficiency by fast private participation.



However, care must be taken to allocate resources in a transparent manner. Vijay Kelkar Committee recommendation on PPP model can be a way ahead.

6. Discuss the need for a National Employment Policy in India. What should be taken into account while formulating such a policy? (150 words) 10

भारत में एक राष्ट्रीय रोजगार नीति की आवश्यकता की विवेचना कीजिए। ऐसी नीति के निर्माण में किन विषयों का ध्यान रखा जाना चाहिए?

As per the Periodic labor force survey, India has a total workforce of around 52 crore with 40% LFPR.

However, the recent agitation during Agraspathi and migrant crisis during covid brought to light the need of National Employment policy.

Need for National Employment Policy

- ① 85% workforce in unorganised sector (NSSO)
- ② Female labor force participation declined by 20% from 2004-09.
- ③ Increasing gig economy (Niti ~~at~~ layoff project 23.5 mn by 2030)

④ Skill Mismatch.

The following be taken into account while formulating the policy :

- ① Adequate social security benefits.
- ② Incorporation of gig economy by launching Platform India initiative as suggested by Niti Aayog.
- ③ Assured minimum wage guarantee (Niti Strategy for New India @ 75)
- ④ Special provisions for migrant workers, domestic workers, etc.

To Conclude, government has launched schemes like Skill India Mission, Startup India, etc to boost employment. To make India 5th economy by 2024, an employment policy can be a step in right direction.

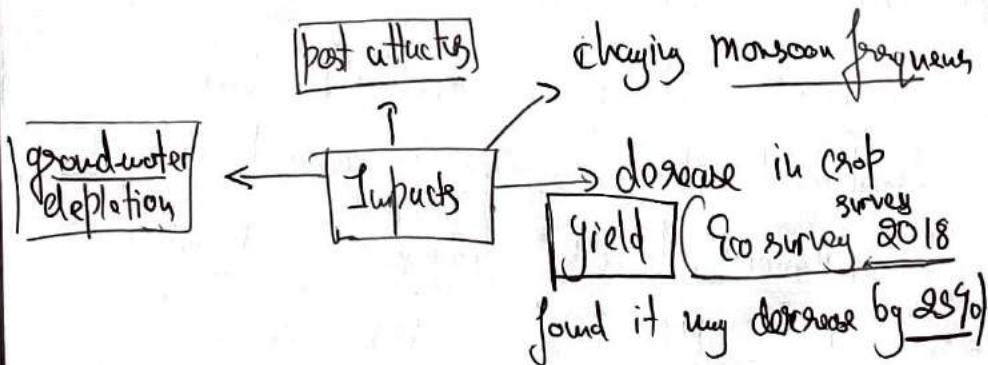
7. Planning for the potential long-term impacts of climate change on agriculture needs to be prioritised to mitigate threats it poses to India's food security. Discuss. (150 words) 10

भारत की खाद्य सुरक्षा के समक्ष जलवायु परिवर्तन से उत्पन्न होने वाले खतरों को कम करने के लिए, कृषि पर इसके संभावित दीर्घकालिक प्रभावों की योजना बनाने को प्राथमिकता दिए जाने की आवश्यकता है। विवेचना कीजिए।

As per the 6th Assessment report of IPCC, climate change will increase uncertainty in monsoon rain thereby impacting Indian agriculture which has heavy dependence on monsoon.

Poent destruction of wheat crops due to hot waves in North India has raised concerns over food security.

Long term ~~results~~ impacts of climate change on India agriculture are.



The above impacts may pose threat to food security as ~~India's population~~:

- ① India's population will soon reach 1.7 bn by 2050.
- ② productivity of land is declining.
- ③ due to urbanisation, land is limited.

Govt steps to mitigate the threat

- ① National Action Plan on Climate Change.
- ② Promotion of drought tolerant varieties.
- ③ Promoting crop diversification and less water intensive crops like pulses.
- ④ NICAR by ICAR ~~for~~

To conclude, it is crucial to deal with threats of climate change in agriculture as it may spillover to other sectors and impact progress to SDGs by 2030.

8. In light of various issues being faced, discuss the need for a revamped and need-based PDS in India. (150 words) 10

सामना की जा रही विभिन्न समस्याओं के आलोक में, भारत में एक पुनर्निर्मित और आवश्यकता-आधारित पी.डी.एस. की आवश्यकता की विवेचना कीजिए।

Public distribution system is the world's largest food distribution system under National Food Security Act (NFSA) aimed at ensuring food security and eliminating hunger.

However various issues in its implementation has raised voices for its reform.

Issues faced in PDS

- ① high leakages in the order of 40%
- ② poor storage infrastructure of FCI godowns
- ③ issues of migrants without ration card.
- ④ only focuses on cereals leading to hidden hunger. (101/136 in Global Hunger index)

⑤ Very high coverage (67% at present) leading to fiscal burden (nearly 2.7 lakh crores)

Need for granarpool an need based PDS

① Curbing leakage.

② Providing diversified options of food items as per needs of consume.

③ Reducing administrative cost of FCI (Current debt of 3 lakh crore)

Govt steps.

① Qud to end Computerisation ~~by~~ using C-POS machine.

② One Nation One ration card.

③ PM AAY during covid ④ doorstep delivery by some states.

Following the recommendations by Niti Aayog,

PDS can be further strengthened by incorporating DBT.

9. Analyse the need for shifting from presumptive land titling to conclusive land titling system in India. Also, highlight the hurdles in its implementation. (150 words) 10

भारत में अनुमानित भूमि स्वामित्व से निर्णायक भूमि स्वामित्व प्रणाली में स्थानांतरण की आवश्यकता का विश्लेषण कीजिए। साथ ही, इसके क्रियान्वयन में आने वाली बाधाओं को रेखांकित कीजिए।

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10. What do you understand by methanol economy? Critically discuss its role in achieving India's energy security and economic prosperity. (150 words) 10

मेथनॉल अर्थव्यवस्था से आप क्या समझते हैं? भारत की ऊर्जा सुरक्षा और आर्थिक समृद्धि प्राप्त करने में इसकी भूमिका की समालोचनात्मक विवेचना कीजिए।

Methanol or methy alcohol is a clean fuel that can be used for energy generation as an alternate to diesel, petrol, etc. An economy which relies on methanol as an important fuel in its fuel mix can be called Methanol Economy.

Role of Methanol in achieving India's energy security and economic prosperity :

① India currently imports 85% oil. 1 dollar price rise increase import bill by 10000 crore.

② ~~It will~~ will help in macro economic stability by managing current account deficit.

③ clean fuel → less emission → net zero target.

④ produced for agriculture residue → help in

doubling farmers income (Ashok Dalwai Committee)

However, challenges remain in its adoption

① Cost of methanol production is high.

② slightly less efficient than diesel engine.

③ will require changes in engine design.

which may increase cost.

④ May threaten food security due to diversion of agri produce.

Niti Aayog has called for ~~increasing~~ increasing share of methanol economy. Methanol along with other initiatives like ethanol blending has potential to give significant boost to India's energy security and the Atmanirbhar Bharat (economic prosperity).

11. State finances in India present a worrying picture, with debt sustainability being a major concern. Discuss in context of the recent RBI report on state finances. (250 words) 15

भारत में राज्य वित्त एक चिंताजनक स्थिति प्रस्तुत करता है, जिसमें ऋण संधारणीयता एक प्रमुख चिंता का विषय है। राज्य वित्त पर आर.बी.आई. की हालिया रिपोर्ट के संदर्भ में विवेचना कीजिए।

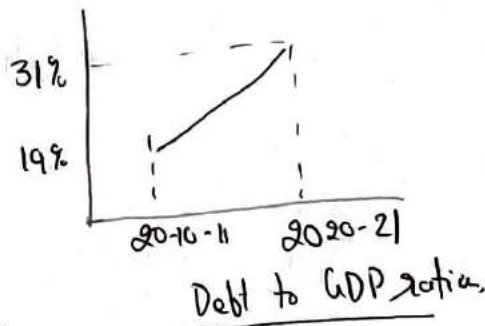
State governments in India are responsible for $\frac{2}{3}$ of total capital expenditure and provide 5 times more employment than Centre.

In this light a robust state finance becomes crucial. However during COVID many strains have emerged in states' finance.

RBI report findings presenting a worrying picture

are as follows :

- ① States debt to GDP ratio increased.



- ② State taxes contribute 48% of state revenue.

③ Property tax collection lowest among
states (0.2% which is least among
OECD target)

④ Nearly all states to breach
3% borrowing target

⑤ Urban local bodies expenditure
rose ~~by~~ but income decrease

Rise in exp = 75%
Fall in income = 70%] during
covid

⑥ Power sector is most stressed
and UPAY scheme failing to bring
results.

Given the above issues ^{Central} govt and 1st
Finance Commission has take following steps:

- ① Increase borrowing limit from 3% to 5%
- ② 1% increase linked to refor. in.
 - a) Power sector
 - b) urban local bodies
 - c) privatization of SPSUs.
- ③ Budget 2021-22 announced interest free 50 year loan worth 50k cr.
- ④ FC recommended Performance linked grants to ULBs (Million Plus cities Challenge fund)
- ⑤ FC called for aligning state FRBM with central FRBMA act.

Way ahead ① implementing Nk Singh Committee recommendations of establishing fiscal council.

② increasing Property tax collection.

To conclude, in the spirit of "Co-operative federalism" both center and state should work together to strengthen finances.

12. The Indian experience provides several lessons of an inclusive digital economy model that enables formal digital governance structure at a low cost and with easier access. Discuss. (250 words) 15

भारतीय अनुभव एक समावेशी डिजिटल अर्थव्यवस्था मॉडल के कई सबक प्रदान करता है जो कम लागत पर और आसान पहुंच के साथ औपचारिक डिजिटल शासन संरचना को सक्षम बनाता है। विवेचना कीजिए।

As per RBI's financial inclusion index, financial inclusion in India jumped from 100 (base year 2018) to 323 in 2022.

Recently, RBI has released its vision 2030 to further strengthen digital inclusion.

Indian experience of an inclusive digital economy:

① Direct benefit transfer saved money worth 11k crore.

② PM - Jan Dhan Yojana led to 45 crore bank to a/c

3) UPI for digital transacti.

4)

However, challenges include

1) lack of digital infra

2) lack of digital literacy.

3) privacy and data protection.

The government, therefore should.

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13. To capitalize on its demographic dividend, India must create well-paying, high productivity jobs. In view of this, discuss the challenges in creation of such jobs in India. What policy measures can help in addressing these challenges?

अपने जनसांख्यिकीय लाभांश का दोहन करने के लिए, भारत को अनिवार्यतः बेहतर भुगतान करने वाली व उच्च उत्पादकता वाली नौकरियों का सृजन करना चाहिए। इसे दृष्टिगत रखते हुए, भारत में ऐसी नौकरियों के सृजन में आने वाली चुनौतियों पर चर्चा कीजिए। इन चुनौतियों से निपटने में कौन-से नीतिगत उपाय सहायक हो सकते हैं? (250 words) 15

The average age of Indian population is 29 years. As per World Population Report India has entered a sweet spot of demographic dividend with a young population which will end till 2055.
Therefore, it is a golden opportunity for India to capitalize on its demographic dividend.

Need of creating well paying, high productivity jobs:

- ① Proper channelisation of energy of youth.
- ② prevent dividend from becoming a liability.
- ③ emerge as a global export hub (currently only 1-7% share)

- ④ will act as an insurance for future.
- ⑤ correct imbalance between various sectors
of economy

	Jobs	Contribution to GDP
Agric	43%	18%
Industry	20% 20%	25%
Services	34%	20% 55%

- ⑥ The above imbalance leads to concentration
of wealth and ~~hampers~~ hampers inclusive growth.

(World Inequality Report: \uparrow 10% \rightarrow 77% wealth)

Challenges in creation of such jobs.

- ① less spending on education & health.

1.3% on health GDP 3% on education GDP

China = 6% on health.

- ② lack of manufacturing base due to
tough global competition.

- ③ ~~social~~ strict labor laws leading to Contractualisation of workforce.
- ④ growing gig economy leading to platformisation of work.
- ⑤ social impediments for female labor force participation.

Measures to address these challenges.

- ① Correcting skill mismatch across sectors.
- ② ~~increase~~ labor intensive industry promotion
- ③ increase participation in global value chains.
- ④ Vocational training at school level as per NEP
- ⑤ quicken implementation of 4 labor laws.

Government has taken steps like boosting FDI, simplifying labor laws, Atmanirbhar Bharat, Skill India Mission, ~~at National~~ NLRM, etc to boost wage paying and productive jobs. Further promotion to Make in India and Ease of doing business reforms can be for any ahead.

14. Though Special Economic Zones (SEZs) can play a significant role in export promotion in India, they are struggling with multiple challenges. Discuss.

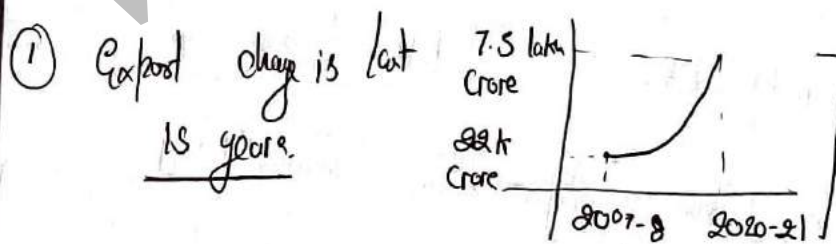
(250 words) 15

हालांकि विशेष आर्थिक क्षेत्र (SEZs) भारत में निर्यात को बढ़ावा देने में महत्वपूर्ण भूमिका निभा सकते हैं, लेकिन ये कई चुनौतियों से जूझ रहे हैं। विवेचना कीजिए।

Special Economic Zones were setup under SEZ Act, 2005 to improve foreign investment and boost export. SEZs are not considered as domestic territory various domestic laws on taxation etc do not apply.

However, in recent times, the exports of SEZs have seen a decline.

SEZ can play a significant role in export promotion in India as:



(2) generated employment of 17.5 million people.

Export from 21 SEZs as per Ministry of Commerce

3) They get tax incentives, so more competitive
export.

4) It helps build backward linkages for
domestic industry, enabling them to export.

However multiple challenges faced by them include:

1) WTO challenges on export subsidy

2) Tax incentives gradually withdrawn.

3) Condition of net foreign exchange positive in
5 years.

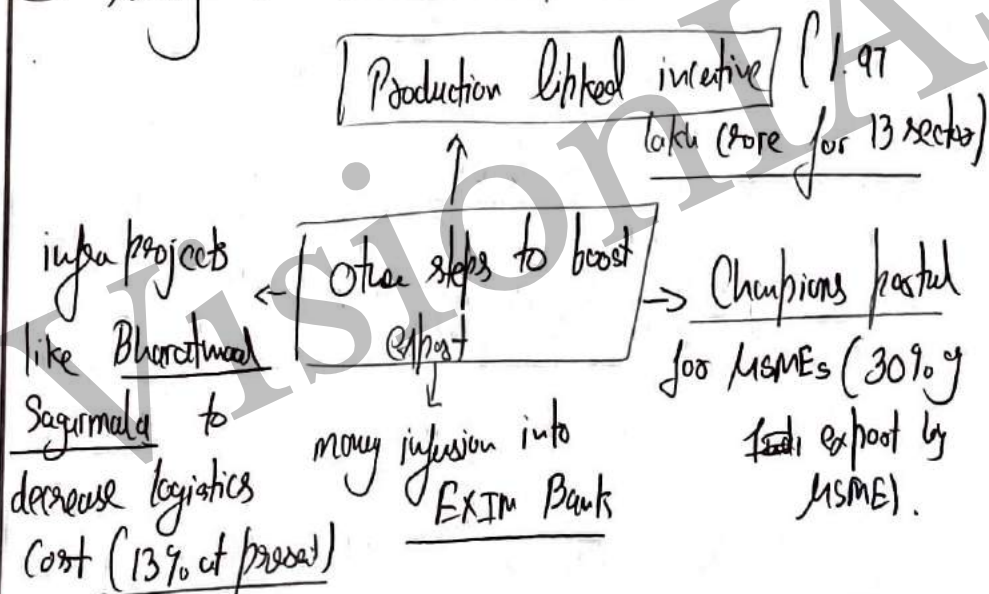
4) labor exploitation issues as labor laws
don't fully apply.

5) role of states is limited (top down approach)

6) Exports in 2021-21 declined by 10-20% (Eco.
Survey)

To solve the issue government has introduced the DESH, Bill 2022 to replace SEZ act. with following ~~steps~~ provision...

- ① removing Net foreign exchange positive requirement
- ② increasing participation of state.
- ③ making them WTO compliant



Capturing the global export market after supply chain shifting away from China is a golden opportunity. In this light, reforming the SEZs is a step in the right direction.

15. Do you agree with the view that the mixed results of economic reforms in the last three decades can be attributed to the reforms being half-baked and incomplete? Discuss.

(250 words) 15

क्या आप इस विचार से सहमत हैं कि पिछले तीन दशकों में आर्थिक सुधारों के मिश्रित परिणामों का श्रेय अनियोजित और आधे-अधूरे सुधारों को दिया जा सकता है? विवेचना कीजिए।

In 2021, India completed 30 years of Economic ~~liberalisation~~ reforms which included liberalisation, privatisation and globalisation (LPG) reforms.

However, the results of the reforms have been mixed one.

Mixed result.

Positive

Negative

- ① Indian Companies became global eg IATA
- ② more options available to customer, eg, 2 TV channels in 1980s to more than 200 now.
- ③ increased FDI inflows (80 bn dollar in 2020)

- ① unorganized sector grew (85%)
- ② jobless growth.
(growth rate = 0.6% in 2010-20)
2.6% in 1980-90)
- ③ tax to GDP ratio (16%) remaining constant.

④ Shift from agri → service
bypassing industry.

⑤ Growing NPA crisis
in banks

~~The mixed~~

One reason for mixed results is reform
being half baked and incomplete as seen

from :

① labor laws remained strict →
led to informalisation of workforce

② banking reforms in public sectors banks
not adequate lead to NPA crisis

(Narsimhan Committee recommendation not fully
implemented.)

③ high focus on capital intensive industries
→ jobless growth.

4) tax reforms like GST delayed → led to low tax to ~~GDP~~ GDP ratio.

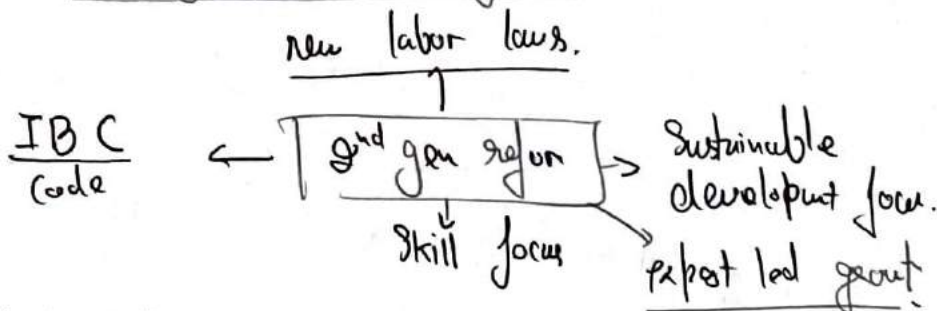
However, other reasons for mixed response also exist.

1) Stagnant health and education expenditure led to poor social capital.

2) more focus on service industry like tax incentives.

3) Climate change leading to poor agri performance.

The above observations brings to need for 2nd generation reform.



Without 2nd gen reforms, 1st gen reforms will remain "half baked" and incomplete. Therefore, focus now should be on 2nd gen reform.

16. Dairying is a viable livelihood option for a large section of the population. In this context, discuss the significance, challenges faced and associated government initiatives for the dairy sector in India. (250 words) 15

डेयरी व्यवसाय, आबादी के एक बड़े हिस्से के लिए आजीविका का एक व्यवहार्य विकल्प है। इस संदर्भ में, इसके महत्व, विद्यमान चुनौतियों और भारत में डेयरी क्षेत्र के लिए सरकार द्वारा की गयी पहलों की विवेचना कीजिए।

India's dairying sector contributes 5% to national economy (Economic survey 2021-22) with India's share in total milk production is 23% globally.

Recently, a brucine disease has ~~found~~ been spreading fast raising concerns about dairy farming.

Significance of dairying sector

- ① livelihood for 8 crore farmer.
- ② acts as insurance against crop failure
- ③ ~~is~~ milk important source of protein dealing with hidden hunger.

4) generates many forward and backward
linkages leading to indirect employment

5)

Challenges faced by dairying

1) loss of indigenous breeds.

2) spread of bovine disease.

3) lack of credit facilities.

4) Shortage of cold chain infrastructure

(As per National Centre for Cold Chain,
Shortage of 33 million tonnes)

5) Lack of bargaining power to small
and marginal farmers (85% of total
farmers as per Agri Census)

Government Initiative

① Ministry of Co-operation
to strengthen co-operatives
("Sahkari se Samridhi")

② National dairy development
program

③ Animal husbandry
infrastructure
fund

④ Kisan Credit
Card Scheme
(KCCS)

⑤ National Animal
disease Control
Programme (food
and mouth disease
like Bovine)

⑥ Mobile Health
care units

The Ashtok Dalwai Committee on doubling
farmers income suggested crop diversification
and focus on allied sectors like dairy
as a solution to improve farm income. In this
light, focus on dairy can serve the twofold
objective of economic growth and inclusive growth.

17. The imperative to increase farmers' income must shift to creating value chains and must not be reliant on the MSP regime and subsidy bias prevalent in the current Indian agricultural system. Examine.

(250 words) 15

किसानों की आय बढ़ाने की अनिवार्यता को मूल्य श्रृंखलाओं के सृजन से जोड़ा जाना चाहिए और इसे वर्तमान भारतीय कृषि प्रणाली में प्रचलित एम.एस.पी. व्यवस्था एवं पूर्वाग्रहयुक्त सब्सिडी पर कतई निर्भर नहीं होना चाहिए। परीक्षण कीजिए।

The government has set a the target
of doubling farmers' income by 2022.

(Ashok Dalvi Committee)

However, the present system largely
focuses on subsidy and MSP as can be
seen from:

- ① Public investment only 20% of govt. spending.
- ② Nearly 80% of government support is
in form of subsidies like.

→ fertilizer subsidy = 80000 crore

→ food + MSP subsidy = 2.7 lakh crore.

→ power subsidy (Punjab spend 6k crore)

Increasingly more should not rely on
subsidy and MSP because.

① wastage of resources.

eg, 1 kg of rice → 8000 litres of
water.

② lowers investment in storage infrastructure
leading to post harvest losses.

- 93000 crore worth loss (Eco Survey
2014-22)

③ skewed cropping pattern toward rice and wheat

④ does not benefit actual farmers.

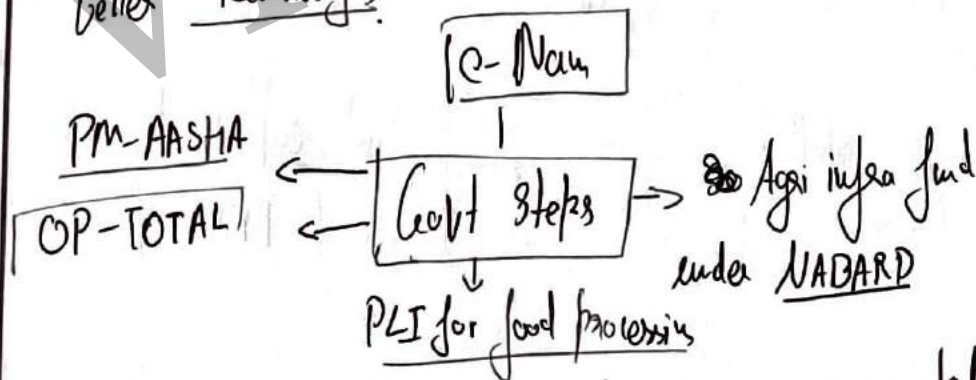
as per ICRISAT survey 2018, 40%

farmers never heard of MSP.

⑤ high leakages especially in area subsidy

Need to focus on Value chain development by building forward and backward linkages ~~link~~ as it will:

- ① bring down post harvest losses
- ② more choice to farmers and prevent cartelisation in APMC mandis
- ③ create a unified national market.
- ④ help in crop diversification to pulses, millet, etc.
- ⑤ benefit small and marginal farmers with better technology.



The long term solution for farmers as suggested by Prof Ranish Chud of Anti Aayog is to make markets function well and increase investment in value chain development.

18. Food processing industry provides a vital link between the two pillars of the economy, i.e. agriculture and industry. In view of this, examine the constraints faced by the agri-food supply chain system in India. Suggest suitable solutions as well. (250 words) 15

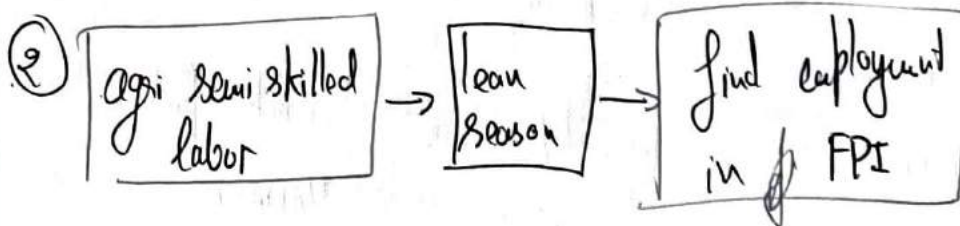
खाद्य प्रसंस्करण उद्योग अर्थव्यवस्था के दो स्तंभों अर्थात् कृषि और उद्योग के मध्य एक महत्वपूर्ण कड़ी है। इसे दृष्टिगत रखते हुए, भारत में कृषि-खाद्य आपूर्ति श्रृंखला के समझ आने वाली बाधाओं की जांच कीजिए। साथ ही, उपयुक्त उपायों का सुझाव भी दीजिए।

As per Economic Survey 2021-22 food processing

industry (FPI) contributes around 9% of manufacturing output and provides employment to nearly 10.2 million people

Food processing as link

① help in reducing post harvest losses
(93000 Cr of profit)



However, various constraints in agri food-supply chain are:

① low level of value addition (3-10% in India, 86% in USA, 40% in China)

② Most of FPI units are informal and small scale.

③ infrastructure bottleneck of due to lack of unimodal transport.

④ less exposure to global value chains (1.7%) and poor marketing and branding support.

⑤ poor storage infrastructure leading to post harvest losses.

⑥ regulatory hurdles like Essential Commodities Act.

⑦ lack of private sector participation.

Solution to remove hurdles.

- ① formalisation of existing processing units.
- ② private participation in storage infrastructure.
- ③ income support to farmers to diversify food products (Niti Strategy @ 75)
- ④ skill training under PM- Kaskh Vikas Yojana
- ⑤ Marketing and branding support.

Geti Shakti
Soa infra

formalisation of Micro & Small
processing enterprises

PLI scheme
for food processing
(13000 crore)

Govt initiative

PM- SAMPADA

One district
one product

Operation TOTAL
to decrease post harvest
loss

Given the labor intensive nature of food processing industry, streamlining the agri food supply chain can help in smooth movement of labor from industry to agriculture to industry.

19. Availability of adequate storage infrastructure has a direct bearing on agricultural yield and farmer's income. Comment. In this context, discuss the measures that can be undertaken to enhance India's agriculture storage capacity.

(250 words) 15

पर्याप्त भंडारण अवसंरचना की उपलब्धता का कृषि उपज और किसान की आय पर सीधा प्रभाव पड़ता है। टिप्पणी कीजिए। इस संदर्भ में, भारत की कृषि भंडारण क्षमता को बढ़ाने के लिए किए जा सकने वाले उपायों पर चर्चा कीजिए।

With the record production of food grains in 2020-21 of around 296 million tonnes, there has been a shortage of storage infrastructure.

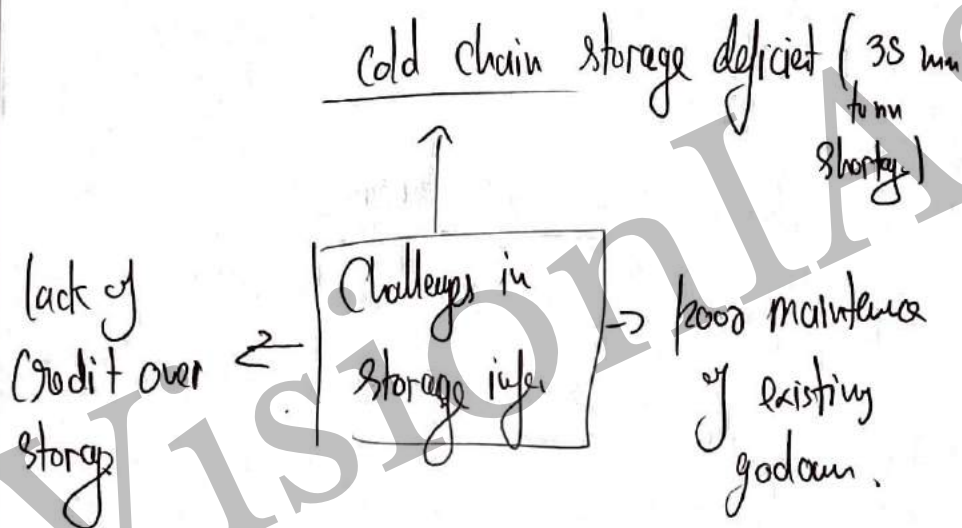
A robust storage infrastructure is a must to prevent a farmer from making a distress sale.

Storage infrastructure has a direct bearing on agri yield and farmer's income as:

- ① prevents post harvest losses. → more income to farmer.
- ② more storage → more investment by farmer → more yield.

③ increases bargaining power of farmer by giving time to delay sale.

④ especially useful for perishable commodities.



Measure to be taken

- ① Increase private participation.
- ② allow FDI inflows.
- ③ change in Essential Commodities act to disallow imposing storage limits (Niti Strategy @ 75).

4) promotion of Contract farming

3) Giving trust to FPOs

Steps taken by Govt

1) Negotiable Warehouse Guarantee Schemes

2) Private Entrepreneurship promotion schemes

3) National Cold Chain Value Development Programme

Apart from storage infrastructure, other steps like crop insurance, crop diversification, credit support under KCC and fisher drones ~~be from~~ can be promoted to double farmers income.

20. Owing to rapid depletion of water resources, there is an urgent need to increase water use efficiency. In this context, discuss the status of irrigation in India and challenges faced. Also, suggest suitable measures to address the challenges. (250 words) 15

जल संसाधनों के तीव्र ह्रास को देखते हुए, जल उपयोग दक्षता बढ़ाने की तत्काल आवश्यकता है। इस संदर्भ में, भारत में सिंचाई की स्थिति और सामना की जाने वाली चुनौतियों पर चर्चा कीजिए। साथ ही, उन चुनौतियों से निपटने के लिए उपयुक्त उपायों का सुझाव दीजिए।

As per recent Niti Aayog's Composite Water Management Index, the water demand will be twice the water supply by 2030.

India being a country with 4% of water resources but 16% of population faces severe water stress.

Status of irrigation in India as per Pro survey, Grand water Board,

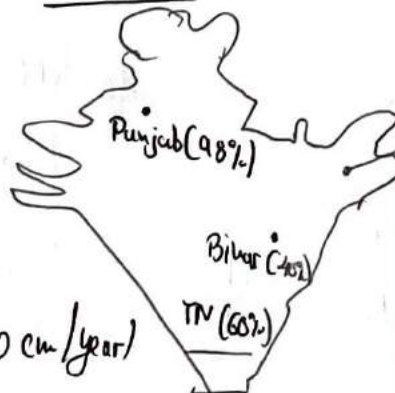
① Canal irrigation = 38%

② tubewell irrigation = 60%

③ total irrigated area = 45%

④ decline in water table (30 cm/year)

Punjab decline by 70 cm



Assam
Pondicherry (6%)

Irrigation coverage across region

(5) ground water extraction = 38%
130% in Punjab. Haryana

Given the rapid decline as seen from
above, there is urgent need to boost

irrigation use efficiency.

However, challenges exist:

(1) high cost of efficient methods like
~~ways of~~ drip, sprinkler.

(2) lot of maintenance needed.

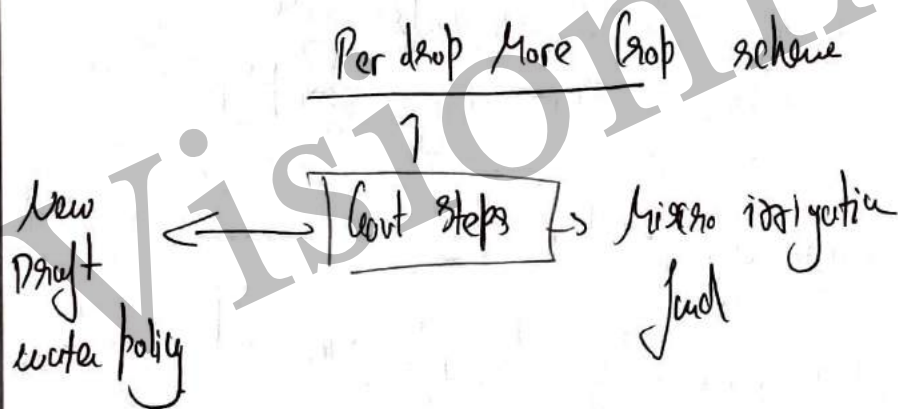
(3) skewed price policy towards rice and

wheat.

(4) high export earnings from rice preventing
diversification leading to virtual water
export.

Measures to ~~best~~ address challenge

- ① Crop diversification to pulses, millet.
- ② Subsidies for adoption of efficient technology.
- ③ Rationalizing MSP by giving incentives for other crops.



The impending water crisis can ~~seriously~~ seriously harm India's growth prospects in the long run. Therefore, special focus is required especially on agriculture which consumes 80% of total ground water.