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GENERAL STUDIES (TEST CODE : 1694)

Name of Candidate	Satyam Gandhi	Registration Number	803048
Medium Eng./Hindi	English	Date	01.11.2020
Center	Online		

INDEX TABLE

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

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।

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

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

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.

1. In light of the renewed focus on strategic disinvestment in recent times, examine the rationale behind it and also discuss the concerns raised against it. (150 words) 10

हाल के दिनों में गणनीतिक विनिवेश पर नए सिरे से ध्यान केंद्रित किए जाने के आलोक में, इसमें निहित औचित्य का परीक्षण कीजिए तथा साथ ही इसके विरुद्ध व्यक्त चिंताओं की भी विवेचना कीजिए।

strategic disinvestment means reducing government stakes in public sector enterprises below 51%.

→ Recent - strategic disinvestment under process
 + Air India
 + Power Finance limited

Why strategic disinvestment

- ① government is running out of resources, disinvestment will help in raising resources
- ② philosophy of ~~govt~~ state has no role business to be in business
- ③ improving efficiency of PSUs

- ④ controlling fiscal deficit (~9%)
and debt-to-GDP ratio (~85%)
- ⑤ increasing non tax revenue

Concerns

- ① Rangrajan committee → privatisation
does not essentially lead to
better efficiency
- ② concern about social security
and job losses
- ③ poor will be disadvantaged if
essential service providers PSUs get
disinvested.
- ④ reduced dividends in future
- ⑤ fear of crony capitalism

Strategic disinvestment is good way
to raise resources in this difficult
period but those resources should
be used for capital expenditure instead
of covering revenue deficit.

2. For minimising distribution losses in the power sector, public private partnership (PPP) and input-based distribution franchisee models can provide the solution. Discuss. (150 words) 10

विद्युत क्षेत्रक में वितरण घाटा कम करने के लिए, सार्वजनिक निजी भागीदारी (PPP) और आगत-आधारित वितरण फ्रेंचाइजी मॉडल समाधान प्रदान कर सकते हैं। चर्चा कीजिए।

Niti aayog in its India@75 report recommends franchisee models for discoms. eg - Delhi.

Points

- ① High AT&C losses (~25%). Private DISCOMS can bring efficiency.
- ② DISCOMS owes ~95000 crore to various states leading to depleted resources of ~~the~~ states
- ③ Can bring better technology
- ④ PPP based DISCOMS would be able to carry out business according to sound principles.

⑤ PPP based DISCOMs would generate employment along with efficiency.

⑥ These DISCOMs would be able to attract better talent and FDI.

However, concern remains

① state is the biggest defaulter of electricity @ Bills. So, how DISCOMs will deal with state is not clear

② privatisation may not bring efficiency - Rangrayan committee.

③ job losses and inadequate social security.

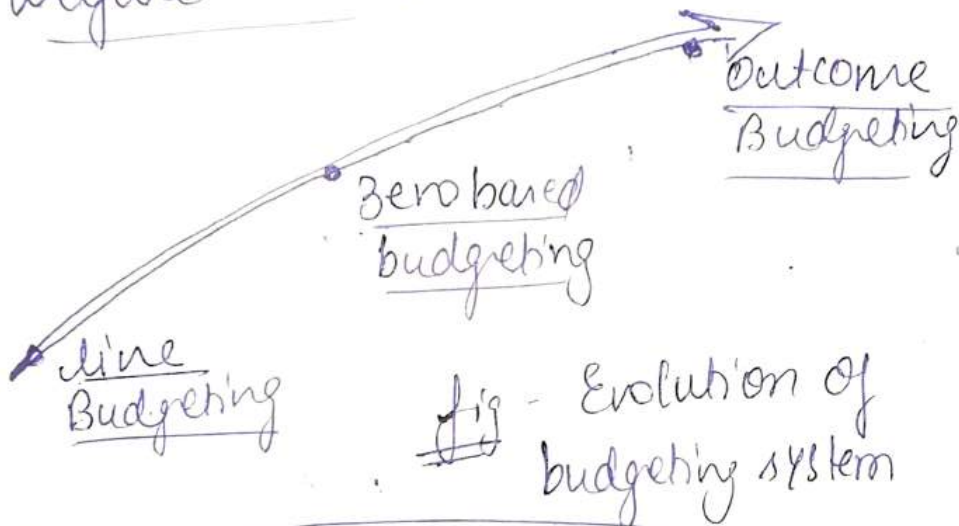
④ PPP would not work if other reforms are not carried out (eg- labour reform)

It is essential to construct efficient, effective power sector in India. It would help to achieve the aim of 'Utan ghan Bijli' + financial viability.

3. It is imperative that the present system is re-engineered and a transition towards Outcome Budgeting is made for effective Public Finance Management in India. Discuss. (150 words) 10

यह आवश्यक है कि भारत में प्रभावी लोक वित्त प्रबंधन के लिए वर्तमान प्रणाली को पुनर्व्यवस्थित किया जाए और परिणाम बजट की दिशा में संक्रमण किया जाए। चर्चा कीजिए।

Public finance management has always been cause of concern in India due to meagre resource and welfare state purpose



problems in present system

- ① only output is measured, outcome is ignored.
- ② Resources are wasted in ensuring efficiency but not effectiveness.

Outcome budgeting is a system where funds are allocated according to the outcomes that it produced or is going to produce

↓
Why Needed

① Ensuring long term and short term qualitative outcomes rather than quantitative outputs

② accepting the fact that some sectors such as Education, outcome will be measured over a long period of time.

③ Ensuring efficiencies of spending.

Constraints → Measuring outcome
→ bureaucratic resistances

Outcome budgeting would help to efficiently and effectively manage public finance along with ensuring high economic growth.

4. The recent Union Budget has proposed corporatizing at least one major port. In this context, highlight the benefits of a corporatized port, as compared to ports run by public authorities. (150 words) 10

हाल ही के केंद्रीय बजट में कम से कम एक प्रमुख पत्तन के निगमीकरण का प्रस्ताव रखा गया है। इस संदर्भ में, सार्वजनिक प्राधिकरणों द्वारा संचालित पत्तनों की तुलना में, निगमीकृत पत्तन के लाभों पर प्रकाश डालिए।

India has 12 major ports and around 205 ~~major~~ minor ports which handle bulk of national and international trade.

- Only Ennore port (Major) is currently run by private sector.

Why corporatizing port

- ① It will free up previous government resources.
- ② It will bring advanced technology.
- ③ corporatised ports may attract FDI due to strong economic fundamentals in India.

- ④ Will result in reduced turn
around time.
- ⑤ May increase capacity of ports.
- ⑥ current hybrid port service model
creates conflict between state and
private player

Problems with
ports run by public
authority

- less efficiency
- high cost
- corruption
- bureaucratic delays

Way forward

- ① Need to ensure corporatisation
according to sound risk-benefit sharing
framework
- ② Rakesh Mohan committee - all ports
should be run on landlord model
- Corporatising ports will help not
only in generating revenue but increasing
India's trade competitiveness but it should
be done effectively to avoid crony capitalism

5. Discuss why land pooling is being seen as an effective and dependable tool that can replace the traditional land acquisition mechanism.

(150 words) 10

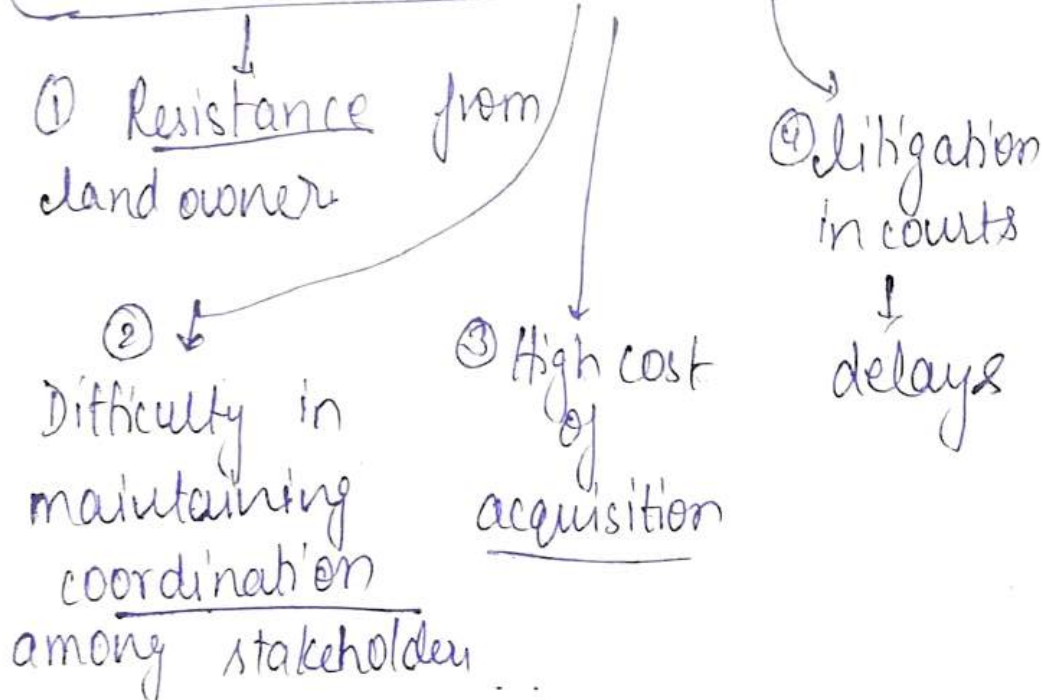
चर्चा कीजिए कि क्यों लैंड पूलिंग को पारंपरिक भूमि अधिग्रहण तंत्र को प्रतिस्थापित कर सकने वाले एक प्रभावी और विश्वसनीय माध्यम के रूप में देखा जा रहा है।

Traditional land acquisition methods
focused on

- land ceiling
- collectivisation
- consolidation

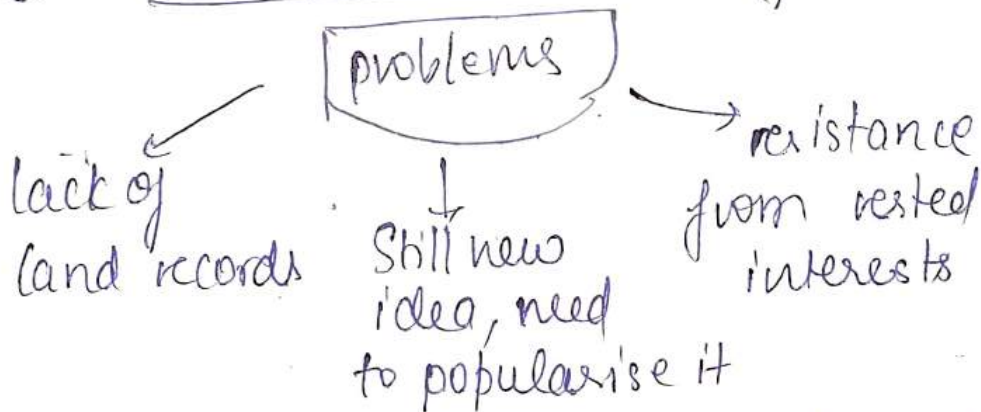
Land pooling refers to voluntarily coming together for a specific purpose without losing the ownership of land.

problems in traditional mechanism



Why land pooling - More viable -

- ① It does not involve force, it is completely voluntary.
- ② less chances of matter landing in courts, hence less delays
- ③ Bottom-up process, rather than top down
- ④ better coordination among stakeholders



Thus, land pooling presents vast opportunity for modern land Reforms. However, people need to be aware about it for better fruitful result.

6. Identify the ^①challenges faced by the railways in India. In this context, also discuss the ^②ways in which the Railways can be transformed into an efficient public service provider as well as ^③commercially viable entity.

(150 words) 10

भारत में रेलवे के समक्ष व्याप्त चुनौतियों की पहचान कीजिए। इस संदर्भ में, उन तरीकों की भी विवेचना कीजिए जिनके माध्यम से रेलवे को एक कुशल मार्बजनिक सेवा प्रदाता के साथ-साथ वाणिज्यिक रूप से व्यवहार्य निकाय के रूप में रूपांतरित किया जा सकता है।

Indian railway is world's largest railway under single management and largest passenger service provider.

However, Railways is facing many challenges

- ① Very high operating ratio (~102%)
- ② working in departmental silos has reduced efficiency.
- ③ uneconomic price structure
 - ↳ high freight charges
 - ↳ low passenger charge
- ④ loosing to roadways in freight movement.
- ⑤ Pressure of populist demands
- ⑥ Over-utilisation of many routes
(Delhi-Howara)

Way forwardA] efficient public service provider

- 1 → focus on early completion of dedicated freight corridor
- 2 → restructuring railway
- 3 → fastening railway station redevelopment work
- 4 → Debray committee → set up independent regulatory authority

B] Commercially Viable

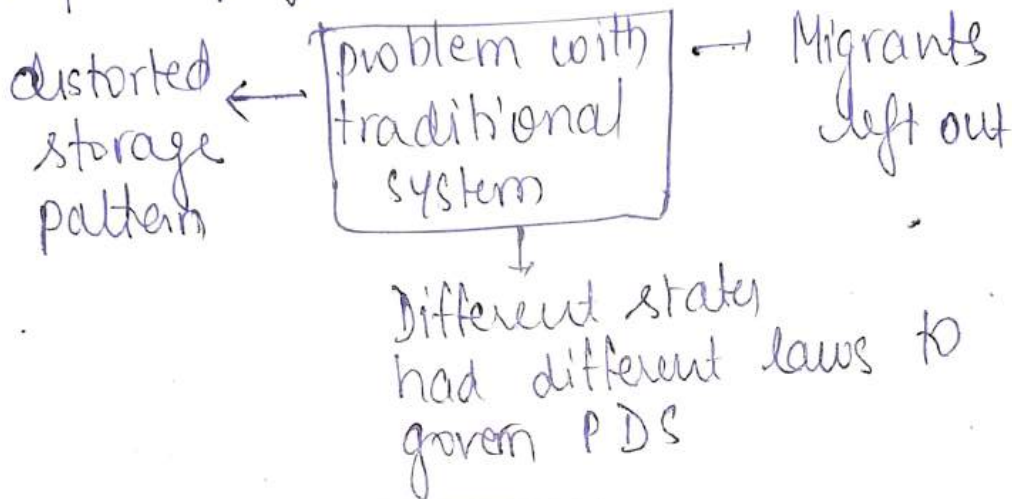
- 1 → Correct the distorted price structure
- 2 → Monetising assets like land (Debray committee)
- 3 → Advertisements like Delhi Metro
- 4 → Promote private trains under viable revenue sharing formula
- 5 → transfer non-core works to private players (Niti aayog)

Efficient and effective functioning of Railways is not only important for good governance but also for rapid economic growth.

7. Give an account of the benefits that can accrue from the One Nation One Ration Card scheme. In this context, also discuss the challenges that need to be addressed for the scheme to become a success. **(150 words) 10**

एक राष्ट्र एक राशन कार्ड योजना से प्राप्त हो सकने वाले लाभों का विवरण दीजिए। इस संदर्भ में, इस योजना के सफल होने के लिए, जिन चुनौतियों का समाधान किए जाने की आवश्यकता है, उनकी भी विवेचना कीजिए।

Recently, government rolled out One Nation One Ration Card scheme as a pilot project in 6 UTs.



Benefits of ONORC

- ① would cover migrant population
- ② would keep check on fake beneficiary due to Aadhar-seeding
- ③ would lead to reduced hunger, malnutrition (SDG goal 1, 2, 3).

- ④ would increase purchasing power of migrants by reducing out of pocket expenditure.
- ⑤ would lead to standard system of Ration Card across the country.

Challenges

- ① Federal strain - will need to take states into confidence
- ② Ensuring aadhar-card seeding with Ration card.
- ③ Need seamless movement of PDS grain across state borders
- ④ Need to create efficient information management system.

Thus, One Nation One Ration Card would be revolutionary in ensuring Inclusive growth and implementing directive principles of state policy.
(ensuring good health)

8. Highlighting the need for Participatory Irrigation Management (PIM) in India, discuss the constraints in implementing PIM. (150 words) 10
भारत में सहभागी सिंचाई प्रबंधन (PIM) की आवश्यकता को रेखांकित करने हुए, PIM के कार्यान्वयन में आने वाली बाधाओं की विवेचना कीजिए।

In India, around 112 million hectares of land has irrigation infrastructure, rest ~50% of arable land is still dependent on Monsoon.

In this context, Participatory Irrigation management is outed as solution

↓
[Need]

- ① to implement context specific irrigation strategies
- ② democratise use of water
- ③ To save water and increase irrigation efficiency
- ④ To better manage irrigation infrastructure as they would have more knowledge of requirements.

⑤ To cover the gap between irrigation potential created and irrigation potential utilised.

⑥ to empower and strengthen water use associations (WUA)

Constraints

- ① Timely water usage fees.
- ② checking efficient water usage
- ③ low awareness among people
- ④ People lack adequate skills to manage irrigation

Way forward

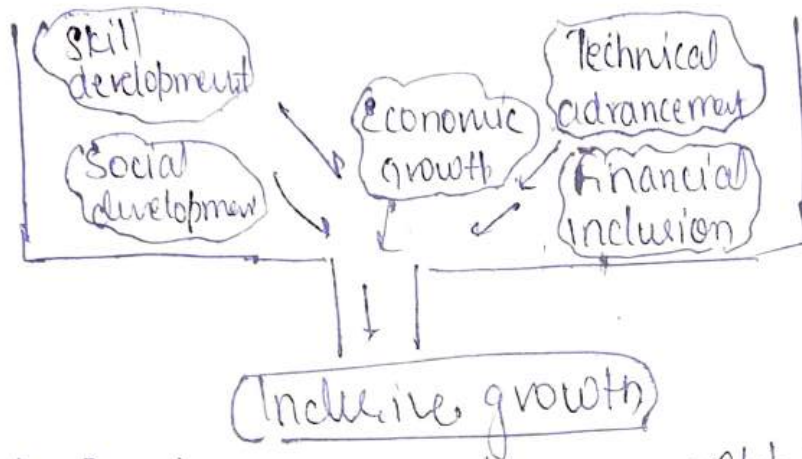
- ① Bring water user associations under priority sector lending.
- ② link SHG - WUA.
- ③ Provide them skill training under PMKVY
- ④ Awareness generation about efficient water use.

Participatory Irrigation management would usher new era in achieving 'Har Khet to Jal' target under PM Krishi Sinchayi Yojna.

9. Inclusive growth in an economy itself negates the need for a Universal Basic Income. Discuss in the context of India. (150 words) 10

किमी अर्थव्यवस्था में समावेशी विकास स्वयं ही सार्वभौमिक मूलभूत आय की आवश्यकता को नकारता है। भारत के संदर्भ में विवेचना कीजिए।

OECD defines Inclusive Growth as growth that is fairly distributed across all sections in society.



Universal Basic Income is a concept to grant definite amount of cash to everyone.

Why Inclusive Growth negates the need for UBI

- ① Inclusive Growth raises purchasing power of individual
- ② will result into skill development and thus increase in employment.

③ would result into financial inclusion

④ Important to remove inequality

But, UBI may be irreplaceable because

- + assure guaranteed income
- + Direct support
- + Gives choice to individual
- + Maintains human dignity
- + Most important for vulnerable who cannot find job.

Way forward

① Increasing public service delivery efficiency

② Placement tracking under skill development

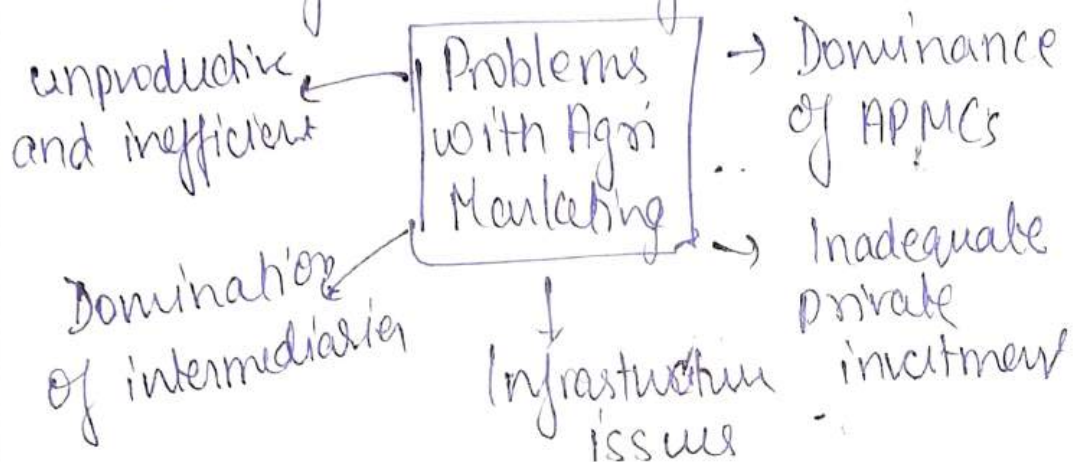
③ focus on labour intensive sectors

Inclusive growth is sine-qua non for an egalitarian society and can negate the need for very costly UBI.

10. E-commerce holds the potential to revamp agriculture marketing in India in multiple ways. Discuss with suitable examples. (150 words) 10

ई-कॉमर्स भारत में अनेक तरीकों से कृषि विपणन में सुधार लाने की क्षमता रखता है। उपयुक्त उदाहरणों के साथ विवेचना कीजिए।

Agriculture marketing is a important component of supply chain to ensure farmers' welfare.

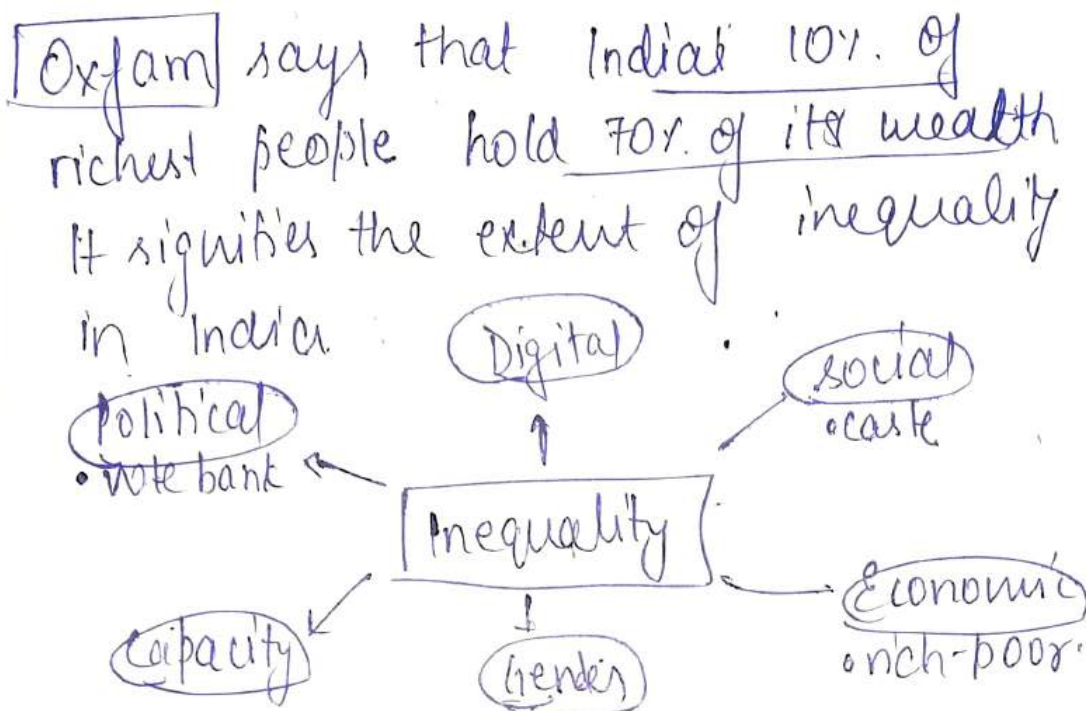


Benefits of E-commerce

- ① will raise income of farmer by removing intermediaries
- ② will provide farmer's produce to all over the country negating the impact of APMC's

11. While some associate increased penetration of technology and industrialization with increase in inequality in India, the reasons for the same lie somewhere else. Discuss. (250 words) 15

यद्यपि कुछ लोग प्रौद्योगिकी और औद्योगिकीकरण की पैठ में वृद्धि को भारत में असमानता में वृद्धि के साथ संबद्ध करते हैं, तथापि इसके कारण कहीं और निहित हैं। चर्चा कीजिए।



Increased penetration of technology and industrialization as reason:-

- ① technology has created wide gap between haves-haves nots
- ② people having access to technology can afford better standard of living

- ③ Industrialization decreased social security cover of workers
- ④ Industrialisation weakened bargaining power of workers
- ⑤ Industrialisation made capitalists rich through extracting 'surplus value'
- ⑥ Increased flow of money resulted into exclusion of financially unbacked people.

However Real Reasons

- ① decrease in public expenditure by state especially after LPG reforms.
- ② Failure of enforcing rules, laws against social crimes (untouchability)
- ③ Poor governance and corruption.

④ Businessmen - politician - criminal
nexus has ~~the~~ marginalised
vulnerable sections

⑤ Inadequate focus on exploitative
gender relations results into gender
pay gaps

Way forward

① CSR, NRI funding in hospitals,
schools (Mih'ayog 3 year action agenda)

② Increase tax and non-tax revenue

③ Enforcement of rules like Equal
wages act, Protection of Civil Rights act

④ financial inclusion through increased
penetration of banks

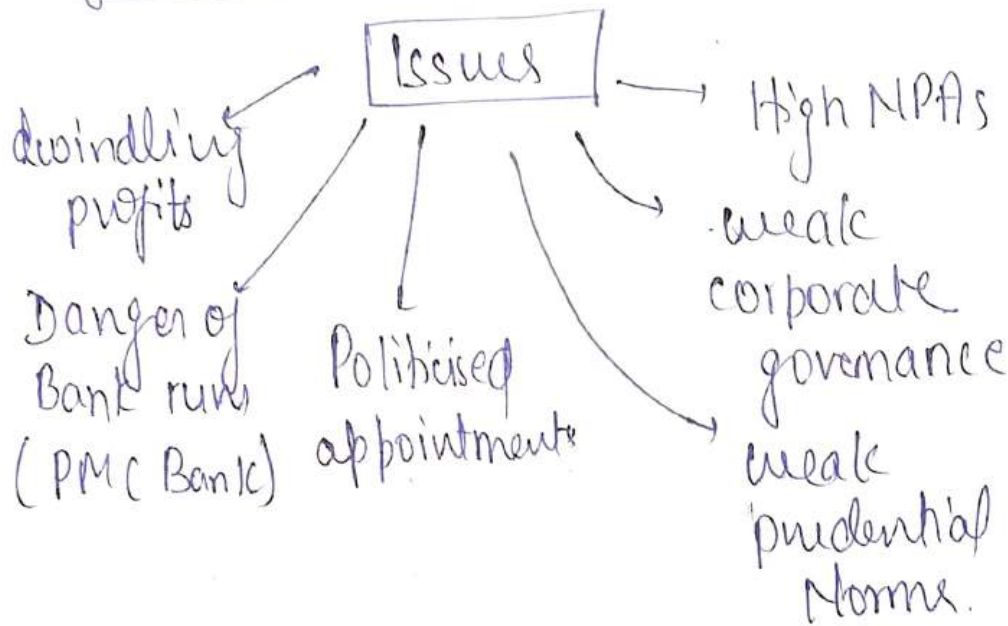
⑤ Improve public service delivery capacity

~~Corruption is~~ Inequality threatens not
only economic base of society but
also social and political thus it is
important to eradicate it.

12. Urban Cooperative Banks (UCBs) in India are in need of urgent reforms addressing their Regulatory, structural and operational issues. Discuss. (250 words) 15

भारत में शहरी सहकारी बैंकों (UCBs) हेतु उनकी नियामकीय, गठनात्मक और परिचालन संबंधी समस्याओं को दूर करने वाले तत्काल सुधारों की आवश्यकता है। चर्चा कीजिए।

Urban cooperative Banks are registered under states cooperative bank society acts and regulated under Banking regulation act, 1949



Need for Reforms

A) Regulatory Issues

- ① they are under dual regulation. Both RBI and Registrar general of states regulate them.

- ② strong norms such as Prompt corrective actions are not applied to them
- ③ weak corporate governance -

2 Structural

- ① Politicised appointments
- ② Board of governors is often not aware of malpractices.
- ③ inefficient accountability mechanism

3 Operational

- ① Politician-Bank official links lead to loan defaults
- ② Inadequate scrutiny before granting loans.

⑤ Lack of skilled professionals and infrastructure.

Way forward

① Malegam committee recommends to establish board of management to manage affairs

② convert VCBs to small finance bank (R Gandhi committee)

③ Recent Act - Banking regulation (amendment) act 2020 to regulate VCBs should be implemented in letter and spirit

④ fix higher CRAR, CAR, SLR norms

Banking system is backbone of economy and its efficient functioning is necessary for public confidence and fast economic growth.

13. Why is participation in Global Value Chains (GVCs) important for India? Highlighting some of the concerns associated with GVCs, suggest some measures for India to reap benefits from participating in them.

(250 words) 15

वैश्विक मूल्य श्रृंखलाओं (GVCs) में भागीदारी भारत के लिए क्यों महत्वपूर्ण है? GVCs में संबद्ध कुछ चिन्ताओं को रेखांकित करते हुए, भारत के लिए इनमें भागीदारी में लाभ प्राप्त करने के कुछ उपायों का सुझाव दीजिए।

Global value chains refer to distributed network of products components across the nations which are essential for complete manufacturing of any item. GVCs work on principle of comparative advantage of trade.

Why important

- ① Reap the benefits of globalisation
- ② Needed to achieve speciality in any product manufacturing
- ③ Can increase Export competition by reducing input cost.

- ④ India is not self sufficient in every component of manufacturing.
- ⑤ GVCs will bring cost effective technology and necessary expertise

Concerns

- ① Any global Economic crisis can have profound impact on Economy of India
- ② Violation of Rules of Origin.
- ③ May stop development of indigenous industries
- ④ Countries ^{having} ~~with~~ already advanced technology will be winner, while developing nation like India may lose.

③ Issue of market access in foreign countries

④ It may compromise with India's Economic sovereignty (eg. API-china, needed for medicine)

Measures

① Promote indigenous industry through production linked incentives

② Negotiating trade deals on equitable terms

③ develop self sufficiency in critical areas (API of medicine)

④ Ensure emergency response mechanisms during global crisis

⑤ GVCs are integral component of Globalised world. However, a balance is needed between trade liberalisation and self sufficiency

14. What is the significance of state finances for macro-economic stability in India? Also, highlight the issues with states' fiscal management in India.

(250 words) 15

भारत में समष्टि-आर्थिक स्थिरता के लिए राज्य वित्त का क्या महत्व है? साथ ही, भारत में राज्यों के राजकोषीय प्रबंधन में संबद्ध मुद्दों को भी रेखांकित कीजिए।

According to (Economic survey 2019), states together spend more than centre, thus it signifies the importance of state finances.

Significance

- ① states have around 45% contribution to Debt-GDP ratio.
- ② important for keeping general government fiscal deficit under control
- ③ important for keeping the bond yield low in the market.

④ efficient utilisation of states
finance directly increases
purchasing power of people

⑤ weak states finance may
reduce spending → ↓ demand
↓
↓ Economic growth

⑤

Issues

According to RBI annual states
finance report 2019

① → states have high revenue expenditure
resulting in high revenue deficit.

② states are borrowing from market
to cover revenue deficit

③ overall Debt-GDP ratio of states
have increased marginally to
around: 45%.

- ⑤ Inadequate revenue generation
- ⑥ Overdependence on grants and tax share from centre
- ⑦ Inefficient fund utilisation
- ⑧ some states like Maharashtra have exceptionally high debt.

Way forward

- ① Implement FRBM act in letter and spirit
- ② Increase efficiency to reduce revenue deficit
- ③ Give constitutional status to State Comptroller and auditor general
- ④ Innovative ways to increase own revenue generation

States finances are important and thus the need is to maintain a balance between expenditure and receipt for overall financial stability

15. Bring out the need for organizing farmers into structures like producer organizations. Also, identify the challenges that need to be addressed for such initiatives to achieve their desired objectives. (250 words) 15

उत्पादक संगठनों जैसी संरचनाओं में किसानों को संगठित करने की आवश्यकता को रेखांकित कीजिए। साथ ही, ऐसी पहलों के वांछित उद्देश्यों को प्राप्त करने के लिए उन चुनौतियों की पहचान कीजिए, जिन्हें दूर किए जाने की आवश्यकता है।

Farmer producer organisations are legal entity that brings farmers under a collective identity.

→ Budget 2020 → Announced creation of 10000 FPOs in India in next 5 years

Need

- ① to improve the bargaining power of farmers
- ② important for effective functioning of contract farming.
- ③ Gives marginalised farmers voice that generally aren't available

④ Easier for government to deal with one organisation rather than many farmers

⑤ Can increase agriculture productivity under voluntary collectivisation.

⑥ increases their competence to hire advance technology, credit, etc.

Challenges

① Majority of FPOs are still in nascent stage

② Ensuring sustainability of such organisations

③ FPOs may get hijacked by political parties to strengthen their vote bank.

- ④ individual farmer's voice may be ignored under a strong leader
- ⑤ FPOs can be inequitable due to difference between bargaining power of small and large farmers

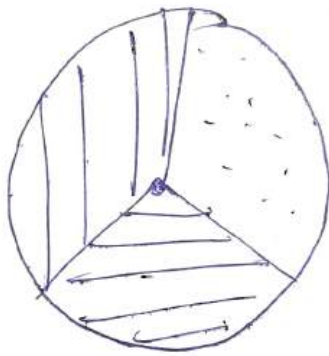
Way forward

- ① Provide them credit and other facilities through PSU, Custom hiring center
 - ② Ensuring sustainability through legal, financial, operational helps.
 - ③ forming FPOs among farmers having similar bargaining power may reduce influence of big farmers
 - ④ Connect FPOs with E-commerce and Agri-Business companies
- FPOs are important tool for farmer's welfare and can be useful to achieve the target of doubling farmer income by 2022

16. National Infrastructure Pipeline is an ambitious step in the direction of achieving multiple development goals. In this context, discuss its features and significance. (250 words) 15

राष्ट्रीय अवसंरचना पाइपलाइन विविध विकास लक्ष्यों को प्राप्त करने की दिशा में एक महत्वाकांक्षी कदम है। इस संदर्भ में, इसकी विशेषताओं और महत्व की विवेचना कीजिए।

National infrastructure pipeline is a blueprint for investment of Rs 102 lakh crore in the infrastructure sector in next 5 years.



☐ state - 39%

☐ Centre - 39%

☐ private - 22%

Fig - division of 102 lakh crore among states, centre and private sector.

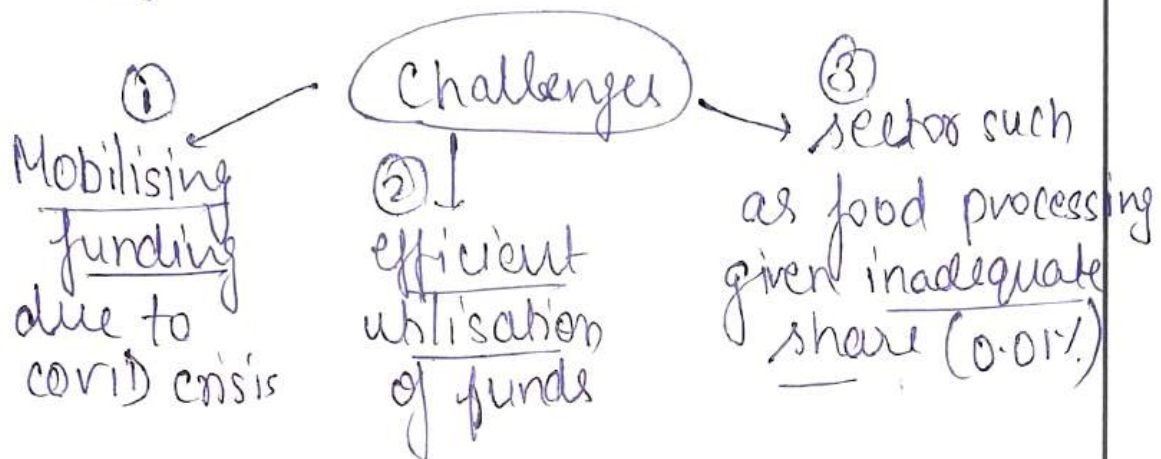
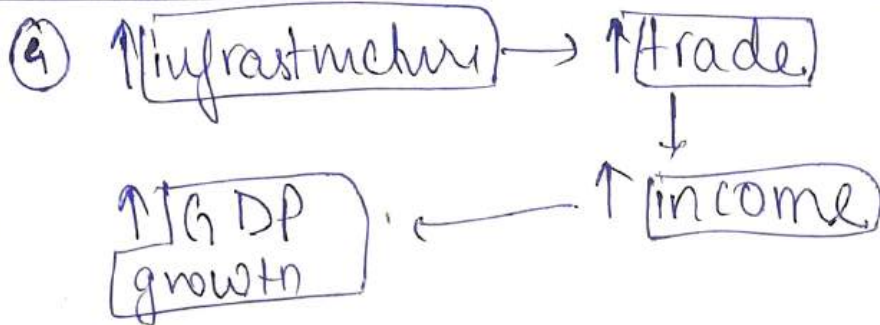
NIP is an ambitious attempt to increase capital expenditure along with economy's growth

Feature

- ① focuses both and physical infrastructure, and social infrastructure
- ② sectors such as energy and roads have been given more priority
- ③ ~~to~~ involve private sector too.

Significance

- ① would give necessary push to infrastructure
- ② important for reducing logistics cost
- ③ provides a direction for time bound spending.



Way forward

- ① preparing blue print for not only spending but also mobilisation
- ② Increase allocation to social infrastructure.
- ③ develop an index to gauge state's performance.

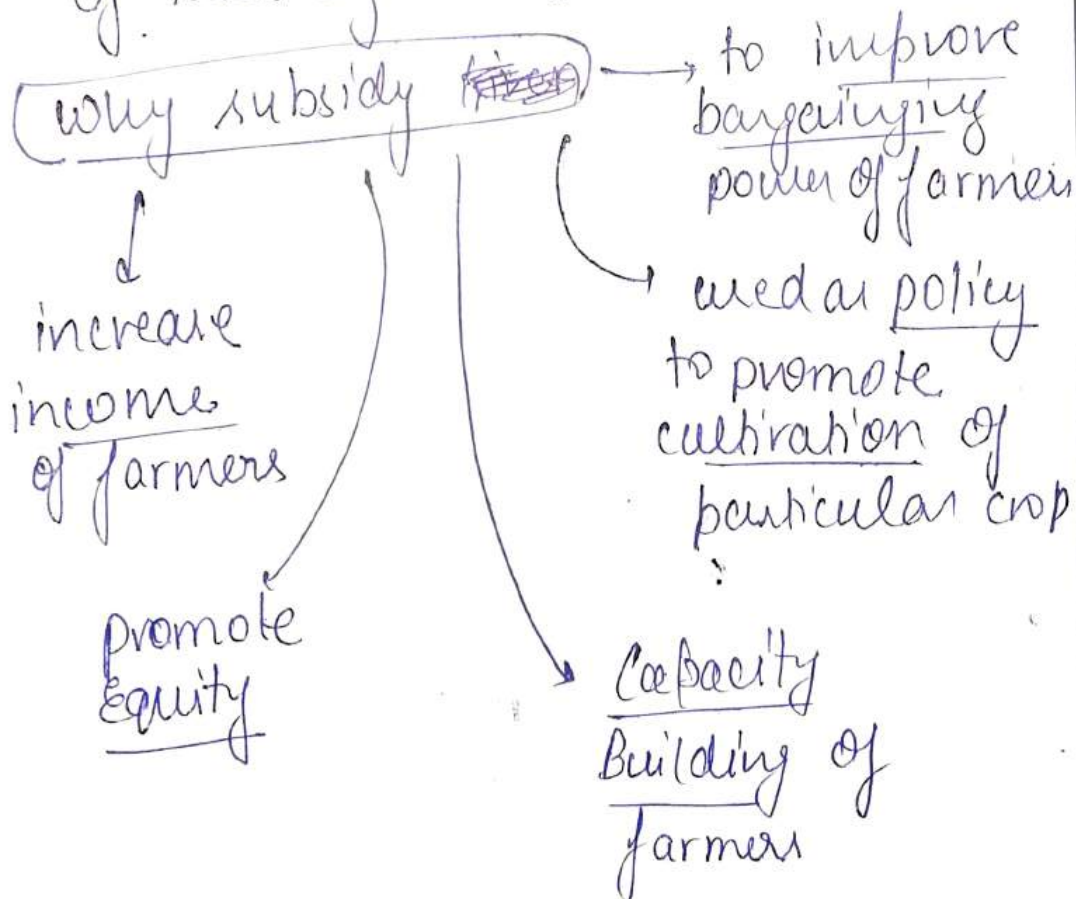
Infrastructure is a backbone of any economy and thus INF would go long way in achieving the aim of ₹5 trillion economy.

17. The government should prioritize capital investments over subsidies to improve the economic situation of farmers. Discuss. (250 words) 15
सरकार को किसानों की आर्थिक स्थिति में सुधार करने के लिए सब्सिडी की तुलना में पूंजी निवेश को प्राथमिकता देनी चाहिए। चर्चा कीजिए।

India spends over 3 lakh crore every year on different type of subsidies

Food > Fertiliser > Petroleum

- Due to increasing fiscal deficit, concerns are raised on viability of subsidy in agriculture.



However, increasing subsidies have demerits too

- ① comes at the cost of investment
- ② increases inefficiency in production
- ③ very high fiscal burden
- ④ Results into chain of wastage
(power subsidy → water wastage → soil wastage through erosion)
- ⑤ no incentive to farmer to bring efficiency and adopt technology.
- ⑥ leakages, corruption leads to wastage of resources
- ⑦ results in distorted cropping pattern and inflation.

Thus, experts are arguing to increase capital investment rather than subsidy!

- ① will result in ~~the~~ building of infrastructure
- ② efficient usage of public money
- ③ would incentivise farmers to adopt new technology
- ④ would decrease revenue deficit

Way forward

- ① Nih Aayog → replace MSP with price deficiency payment system
- ② Shanta Kumar Committee → flat cash per hectare basis and remove subsidy
- ③ Incentivise farmers to give up subsidy on the line of Give it up campaign (GIU)

Allocating meagre resources effectively is key to ensure farmers' welfare along with financial stability and sustainability

18. Highlighting the ^①potential of micro and small enterprises in the food processing sector, enumerate the ^②challenges that they face. In this regard, discuss the importance of the Scheme for Formalisation of Micro Food Processing Enterprises (FME). -^③ (250 words) 15

खाद्य प्रसंस्करण क्षेत्रक में सूक्ष्म और लघु उद्यमों की क्षमता पर प्रकाश डालते हुए, उनके द्वारा मामना की जाने वाली चुनौतियों को सूचीबद्ध कीजिए। इस संबंध में सूक्ष्म खाद्य प्रसंस्करण उद्यम औपचारीकरण (FME) योजना के महत्व की विवेचना कीजिए।

Food processing sector is emerging as important constituent for inclusive and fast Economic growth

Potential

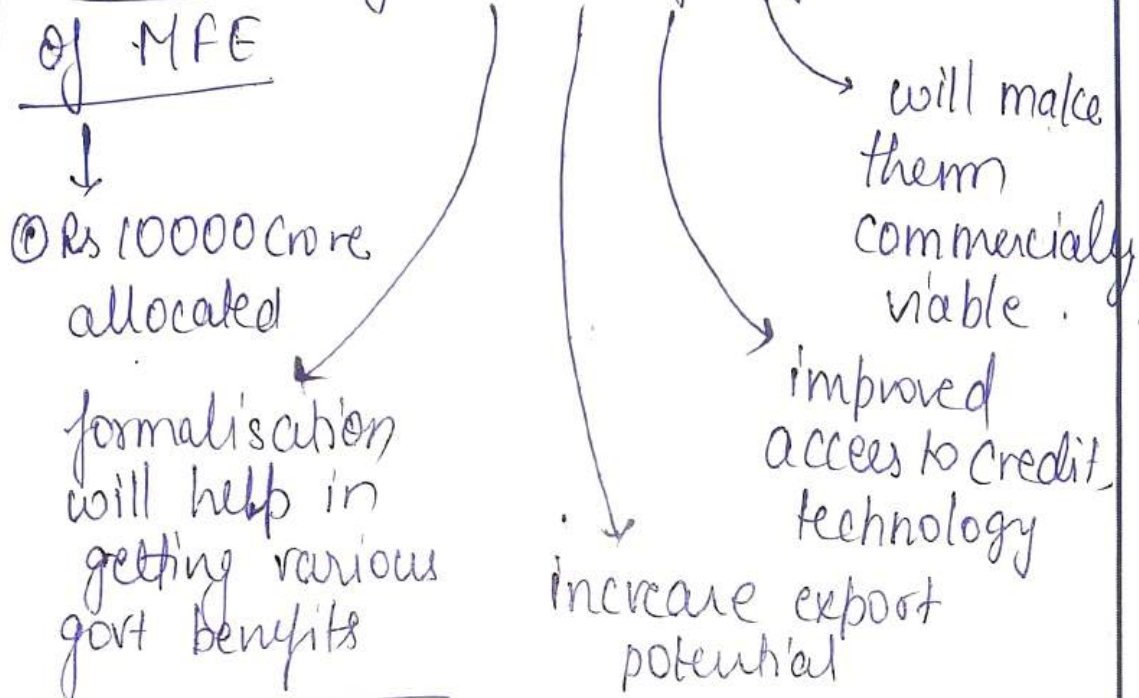
- ① High availability of raw materials
- ② Cheaper workforce in India
- ③ Consumerism and urbanisation is increasing demand for processed foods
- ④ Round the year availability of raw material
- ⑤ Resilience to downturns in economy.

- ⑥ gives priority sector lending status
- ⑦ High domestic demand and large market
- ⑧ Important for inclusive growth as ~~the~~ decentralised food processing enterprises help in distributing wealth.

Challenges

- ① lack of advanced technology
- ② lack of adequate credit
- ③ lack of Quality testing facilities
- ④ Competition from imports
- ⑤ Requires high working capital
- ⑥ Dispersed marketable surplus across India
- ⑦ Inadequate lab-industry linkages

Importance of scheme for formalisation of MFE



Way forward

- ① NITI aayog - create 40 testing labs across country
 - ② Improve quality checking mechanism
 - ③ Ensure adequate credit
 - ④ policy framework for lab-industry linkage
 - ⑤ Provide subsidy for marketing
- Food processing enterprises have high potential to accommodate workforce from agriculture and ensure fast economic growth rate

19. Discuss how the idea of Aatmanirbhar Bharat goes beyond the traditional view of self-reliance. (250 words) 15

चर्चा कीजिए कि आत्मनिर्भर भारत का विचार किस प्रकार आत्मनिर्भरता के पारंपरिक दृष्टिकोण से परे है।

Central government announced Atma Nirbhar Bharat Yojna to overhaul India's economic system towards more self sufficiency.

total outlay - Rs 20 lakh crore.

~~Experts are criticising~~ Atma Nirbhar Bharat features

- ① making India self reliant
- ② 3 lakh crore collateral free loan to MSMEs
- ③ opening space sector, ~~and~~ coal and mineral mining to private sector
- ③ Push to Agriculture through Agri infrastructure fund.
- ④ Freeing farmers from shackles of APMC.

Experts are questioning if we going back to the Era of Import Substitution

↓
Reasons

- ① increased import duties on imports,
- ② providing incentives to domestic industries
- ③ Prohibiting foreign lenders upto 200 crore

However, Atma-Nirbhar Bharat goes beyond the traditional notion of self-sufficiency and import-substitution

↓
Reasons

- ① It focuses on strengthening domestic capacity to ensure safety from global shocks

- ② focuses on increasing export of various food items and products.
- ③ focuses on giving more space to private sector in the growth process of India.
- ④ Indigenous capacity building is important for guarding economic sovereignty.

Way forward

- ① Adequate implementation of the scheme in the Atma Nirbhar Package
- ② taking advantage of GVCs to attain speciality in network product manufacturing (Economic survey 2019)


Thus, Atma Nirbhar Bharat is a right step in right direction towards making India more economically empowered and self-reliant.

20. The cropping pattern in India is highly skewed towards crops that are
 (i) water-intensive. In this context, discuss the need to shift the focus from
 land productivity to irrigation water productivity. (250 words) 15
 भारत में शस्य प्रारूप जल-गहन फसलों की ओर अत्यधिक झुका हुआ है। इस संदर्भ में, भू
 उत्पादकता से मिंचाई जल उत्पादकता पर ध्यान-केन्द्रण की आवश्यकता पर चर्चा कीजिए।

Cropping pattern refers to the
 spatial and temporal distribution
 of crops.

Cropping pattern in India is highly,
skewed towards water-intensive
 crops.

 - Rice belt

 - Sugarcane

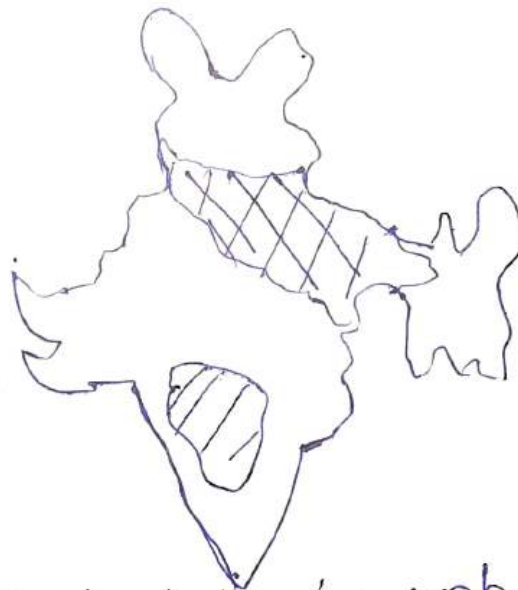


fig. water-intensive crop
distribution

Due to this distortion, ~~there~~
 it has given rise to problems.

problems

- ① Intense water depletion in Haryana Punjab, Maharashtra.
- ② Soil salinity and degradation
- ③ Increase in concentration of harmful elements like Uranium (cancer train in Punjab)
- ④ Drought like situation in Maharashtra
- ⑤ stubble burning - pollution

Thus, the need is to shift towards (water productivity)

↓
per unit of water required by the crops in different regions.

- ① states like Bihar, East UP are more suitable for rice and sugarcane cultivation.

- ② states like Maharashtra should focus on cotton, bajra etc.
- ③ Need to evolve policy for agro climate specific cropping pattern.

Way forward

- ① Incentivise farmer in North West India to move towards cereals and pulses through increase in MSP, etc
- ② Evolve GM crops that are drought resistant and require less water
- ③ Promote rice and sugarcane cultivation in East India through public procurement of rice and providing subsidies.

Thus, focus on water-productivity will ensure food security along with achieving SDG goal 12 (Responsible consumption and production)