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GENERAL STUDIES (TEST CODE : 1432)

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Medium Eng./Hindi	ENGLISH	Registration Number	315262
Center	ORN	Date	16/7/19

INDEX TABLE		
Q. No.	Maximum Marks	Marks Obtained
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20	15	

Total Marks Obtained:

Remarks:

INSTRUCTIONS

- 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)।
- There are **TWENTY** questions printed in **ENGLISH & HINDI** इसमें बीस प्रश्न हैं अंग्रेजी और हिन्दी 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 (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।
- 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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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.

All the Best

1. Explaining the reasons behind India's lower female labour force participation rates (LFPR), list the steps that have been taken to augment it. What more needs to be done? (150 Words) 10

भारत की निम्न महिला श्रमबल भागीदारी दर (LFPR) के पीछे उत्तरदायी कारणों को स्पष्ट करते हुए, इसे बढ़ाने हेतु उठाए गए कदमों को सूचीबद्ध कीजिए। साथ ही, बताइए कि इस दिशा में और क्या किए जाने की आवश्यकता है?

India ranks 108 in World Economic Forum's Gender Gap Index owing to its abysmal performance in economic participation.

Reasons for low female labour participation

- ① It has been seen that with increase in household income, Females tend to stay at home. [Economic Survey].
- ② Increasing income also leads to more enrolment of females in education. [Economic Survey].
- ③ Mechanisation of Agriculture → has led to women being unable to perform agriculture
- ④ Social evils like Caste [upper castes → did not allow women to step outside to earn] and eve teasing, sexual harassment, women safety.
- ⑤ No place to leave children → advent of

nuclear families.

The Government has taken multiple steps:-

- ① Maternity Benefit Act - paid leaves for upto 26 weeks + no loss in seniority.
- ② Creches at workplace with 50+ employees.
- ③ Vishakha guidelines + Sexual Harassment at Workplace Act.
- ④ Equal remuneration Act - to target the wide pay gap.
- ⑤ Enrolment fees, form fees is removed for women candidates to enable participation.
- ⑥ Various scholarships like Nai Udaan etc for minority women.

Conclusion

Christine Lagarde, IMF Chief had pointed out that if economic participation of women in India matches that of men, Our

GDP would increase by 26% points.

2. By rebalancing project risks between the public and private sectors, the HAM model has encouraged investments in the road infrastructure sector. Discuss. (150 words) 10

सार्वजनिक और निजी क्षेत्रों के मध्य परियोजना जोखिमों को पुनर्संतुलित कर, HAM मॉडल ने सड़क अवसंरचना क्षेत्र में निवेश को प्रोत्साहित किया है। चर्चा कीजिए।

HAM model refers to Hybrid Annuity Model of investment wherein the risks, rewards and responsibility are shared equally between the private & public sector.

ReBalancing

① BOT (Build Operate Transfer) → high risk on Public ~~Private~~ Sector

② EPC [Engineering Procurement Construction]
high risk on private sector

HAM tends to balance the two.

① 40% payment is made upfront as the construction is done by the private sector.

② 60% → rest of the payment in terms of annual payments based on performance of the project.

Advantages of HAM:-

- ① It is mostly a win-win situation with risk-rewards balanced.
- ② Payments are performance, quality based - private contractor accountable for a longer time period.
- ③ Used extensively in India - Highways (Bharatmala, Sagarmala), bridges (Chennai-Nashri) etc.

Disadvantages

- ① Delayed payments might drive off many private contractors.
- ② Almost exclusive to highways only. Hybrid Annuity Model has shown its potential in India. It has led to fast and efficient laying down of new infrastructure. It should be readily extended to other sectors as well.

3. Examine the need for a comprehensive policy on e-commerce in view of its domestic expansion as well as safeguarding India's interests globally.

(150 words) 10

ई-कॉमर्स पर एक व्यापक नीति की आवश्यकता का इसके घरेलू विस्तार के साथ-साथ वैश्विक स्तर पर भारत के हितों की सुरक्षा को देखते हुए परीक्षण कीजिए।

E-commerce in 2015-16 was valued at \$20 Billion and is projected to reach \$200 Billion ~~later~~ by 2020. Thus, it has seen tremendous growth (10 times).

Need for e-commerce policy

- ① It is a very fast growing sector [20B → 200B\$ in 4 years]
- ② India is a big market. [4 Billion+ customers]
- ③ ~~the~~ Issue that the e-commerce is dominated by few countries + few corporation

US / China

Alibaba / Amazon
- ④ Urgent need to protect Small Retailers which can not compete with predatory pricing, deep discounts etc.

⑤ E-commerce is a gold mine of data —
in light of GDPR [EU], Data Localisation
Circular [by RBI]. There is a need to
~~the~~ look at commercialisation of data.

⑥ The policy, which is to be launched by
mid-2020 has to have an onus
to prevent monopolisation.

Eg. Current e-commerce rules allow

100% FDI in e-commerce → Marketplace Model
Automatic route and do not allow
any FDI through inventory model in
order to protect small retailers.

⑦ Empower Competition Commission of
India to prevent unfair practices etc

The historic rise of Ecommerce
marked by monopoly of a few corporations
threatening small businesses has to
be made to prevent Indian interests
at WTO as well as flourishing trade
by Indian startups / retailers

4. In view of the growing significance of FinTech innovations, discuss the potential and challenges of mainstreaming FinTech in Indian economy.

(150 words) 10

फिनटेक (FinTech) नवाचारों के बढ़ते महत्व को देखते हुए, भारतीय अर्थव्यवस्था में फिनटेक को मुख्यधारा में लाने की संभावनाओं और चुनौतियों पर चर्चा कीजिए।

FinTech relates to financial technology and the use of technology in finance field. The recent Bali Fintech Agenda discussed various potential as well as challenges.

Potential:-

① Decreased cases of financial frauds as everything would be automated, stored.
eg. Blockchain technology

② Offer faster as well as much efficient settlement of contracts

eg. $T+72 \text{ days} \rightarrow T+2 \text{ days} \rightarrow T+2 \text{ minutes}$
(before SEBI) (Now) [FinTech]

③ It will lead to growth in the GDP by above a percentage point

However, there are certain challenges as well.

① Cyber security - The country ranks very high in cyber attack vulnerability coupled with low digital literacy.

② Too much dependent on electricity and internet.
The economy can be virtually shut if there is a prolonged loss of electricity and internet.

③ Lack of awareness among the masses -
We still lack financial inclusion and introducing technology would further bring strict stratification.

Conclusion

While FinTech offers multiple potential and advantages and is highly successful in modern economies, in India, its implementation must be done along with digital literacy campaigns to promote inclusive growth.

5. With India striving to achieve its development objectives, examine how blue economy can help in pursuing the objectives of economic development and ecological sustainability. (150 words) 10

भारत द्वारा अपने विकास उद्देश्यों को प्राप्त करने के प्रयास में, परीक्षण कीजिए कि किस प्रकार नीली अर्थव्यवस्था आर्थिक विकास और पारिस्थितिकीय संधारणीयता के उद्देश्यों को प्राप्त करने में सहायता कर सकती है।

With a vast coastline of more than 7,500 Km, there is a lot of potential in exploring aquaculture, mariculture, fishing etc. for economic development.

How the blue economy can help:-

- ① The recent Blue Economy Summit held in Nairobi, Kenya highlighted the ways to achieve sustainable growth using ~~blue~~ aquaculture.
- ② It is yet an under developed sector with most fisherman using handboats and fishing very close to the shore or in rivers only.
Marine → 32% Only [Huge potential]
Riverine → 68%

③ Mariculture offers great potential [200 Nautical miles EEZ]. Need if electric/diesel boats are provided.

④ NABARD setup FIDF [Fisheries Infrastructure Development Fund] to the tune of around ₹ 7,500 crores to develop Fisheries.

⑤ Ashok Dalwai's Doubling the Farmers Income by 2022 also offers advised investment in allied sectors like Aquaculture to augment income.

⑥ Fishery Development can help in Nutritional Security as it is rich in Protein [India → Carbohydrate heavy] and Iodine [prevent Goitre]

⑦ If the focus is divided between Inland and Marine aquaculture - it will lead to Ecological balance as only one resource will not be exploited.

Fisheries thus offer immense potential to develop the economy while farmers and fishermen multiply their incomes.

6. Reliance on borrowings for capital expenditure in railways reflects a weakening financial position. Comment on the statement and discuss ways in which better resource generation and utilisation can be achieved therein.

(150 words) 10

रेलवे में पूंजीगत व्यय के लिए उधारी पर निर्भरता कमजोर होती वित्तीय स्थिति को प्रतिबिंबित करती है। इस कथन पर टिप्पणी कीजिए तथा उन उपायों पर चर्चा कीजिए जिनसे इसमें बेहतर संसाधन सृजन और उपयोगिता प्राप्त की जा सकती है।

The operating ratio of Indian railways remain very poor [$\sim 98\%$] reflecting little to no profitability, and leading to ~~add~~ borrowings for capital expenditures.

Reasons for weak financial position

- ① Since Independence, the passenger count has increased by as much as 16 times while the track length is multiplied by a factor of 4
- ② heavy Cross Subsidies → The passengers ticket costs are highly subsidised while being charged at cost of freight trains (comparatively less in number)

⑤ Populist Policies - Trains being the lifeline of cities like Mumbai and of transport between ~~the~~ two places in the country. → Political leaders have shown lack of political will to increase fairs of passengers.

⑥ High staff → no retrenchment can take place.
heavy unionisation in Railway.

Ways to better resource generation.

① Cross subsidies and populist policies have to go in order for the railways to earn.

② Railway Policy aims at atleast 95 % Operating Ratio.

③ Special Trains [Maharaja Express, T18] with relatively high prices to target foreigners, upper class etc.

④ Limited staff recruitment

⑤ Manning of barriers - to avoid accidents and losses → pay compensation + loss of Capital Asset

Railways, being one of the largest public enterprise should aim for self sufficiency and asset generation

7. With water increasingly becoming a scarce resource, large scale adoption of micro irrigation techniques could prove to be a game changer in India. Analyse. Also enumerate various steps taken by the government to promote micro irrigation in India.

(150 words) 10

जल के उत्तरोत्तर दुर्लभ संसाधन बनते जाने के कारण, भारत में सूक्ष्म सिंचाई तकनीकों का व्यापक पैमाने पर अंगीकरण निर्णायक सिद्ध हो सकता है। विश्लेषण कीजिए। साथ ही, भारत में सूक्ष्म सिंचाई को बढ़ावा देने हेतु सरकार द्वारा उठाए गए विभिन्न कदमों को भी सूचीबद्ध कीजिए।

NASA in its recent reports pointed out that Groundwater in some parts of India [Haryana, Punjab] going down by 0.3 Metre/year.

By 2022 → Cities like Hyderabad, Chennai etc would become extinct of water resources.

Thus, Micro Irrigation Systems in form of Water Sprinklers, Drip Systems, Deep Water Soil Moisturiser had been introduced via Pradhan Mantri Krishi Sinchai Yojana.

Potential

- ① Use very less water as compared to tubewell, or canal irrigation.
- ② Prevent Soil Salinization due to excess irrigation.
- ③ Fertigation → Fertiliser + Irrigation can be done easily. No / little toxicity compared to spraying.

Some challenges are present:-

- ① High cost
- ② Regular maintenance - not provided though needed.
- ③ Technical aspect not clear to ^{poor farmer}

Steps taken by the Government:-

- ① Pradhan Mantri Krishi Sinchai Yojana :
 'More Crop per Drop' + 'Accelerated
Irrigation Benefit Programme' - heavy
 investment on Microirrigation.
- ② NABARD - Long Term Irrigation Fund
 (LTIF) → ₹40,000 crore sanctioned in
 budget.
- ③ NABARD - Micro Irrigation Fund (MIF)
 Corpus increased from ₹2000 crore to
 ₹4000 crore.
- ④ DD-KISAN - Awareness generation.

The irrigation potential
 even at 100% efficiency cannot cover
 the ~~the~~ sown land → Thus, Micro Irrigation
 is the future of irrigation in India towards
water saving and food security.

8. Livestock farming not only contributes to climate change but is also affected by it. Elaborate the statement and discuss some measures that can be taken to make livestock farming more sustainable as well as resilient.

(150 Words) 10

पशुधन खेती (लाइवस्टॉक फार्मिंग) न केवल जलवायु परिवर्तन में योगदान देता है, बल्कि इससे प्रभावित भी होता है। इस कथन का सविस्तर वर्णन कीजिए और पशुधन खेती को अधिक संधारणीय के साथ-साथ लचीला (रिज़िलियंट) बनाने हेतु उठाए जा सकने वाले कुछ कदमों की विवेचना कीजिए।

Livestock Farming relates to farming involving the keeping of animals like cattle, goats, poultry etc.

Contribution to climate change

① Cows and Cattle → one of the largest source of Methane due to their digestive system [Cud].

Indian Nitrogen Assessment Report → Methane has replaced Nitrogen as second largest GHG in Agriculture.

② Hatcheries - run on Broilers → heat → warm up the surroundings → Global Warming → Climate Change.

③ Cattle, goats eat Grass → leads to desertification of Grassland.

Affected by Climate Change:-

- ① They are often the first victims of droughts [Marathwada, Vidharba]
- ② They are drawn in climate change related floods.
- ③ Productivity decreases [milk, eggs] due to rise in temperatures, extreme events.

Measures to be taken:-

- ① Climate Smart Agriculture - related to Resilience of Agriculture to climate change
- ② Vaishno, Vedic Farming, ZBNF → to be adopted which uses livestock excrements to increase productivity.
- ③ Precision Agriculture → carefully selecting breeds, feed, etc to make sure they remain resilient to climate change

Ashok Daluwal Committee

Doubling the Farmers Income by 2022 explicitly mentions livestock as one of the ways. Thus, it needs to be grown adopted in a sustainable, climate resilient way

9. The cropping pattern of a region is influenced by geo-climatic, socio-cultural, economic, historical and political factors. Substantiate with relevant examples. (150 words) 10

किसी क्षेत्र का शस्य प्रतिरूप भू-जलवायविक, सामाजिक-सांस्कृतिक, आर्थिक, ऐतिहासिक और राजनीतिक कारकों से प्रभावित होता है। प्रासंगिक उदाहरणों के साथ पुष्टि कीजिए।

Cropping Pattern is highly influenced by various socio-economic and geographical factors. This can be seen as follows:

① Geoclimatic

- a) Tea → requirement { 21-29°C
150+ cm rainfall
no standing water

Thus, it is highly concentrated in Assam, upper reaches of West Bengal [Darjiling], Himachal Pradesh [Palampur].

- b) Jute → requirement { warm climate
heavy water use
flowing water

Heavily concentrated in Ganga-Brahmaputra Deltaic Area, Krishna Godavari Delta.

- c) Cotton { black soil
frost free 210 days

Present in Maharashtra [black soil]

② Socio-cultural

- i) ~~Areas of socio~~ Rice being the staple crop among South Indians → heavy paddy culture while Wheat being staple among North Indians

is not found beyond Madhya Pradesh (Drumhead)

③ Economic

The poorer farmers are related to coarse grains like Millets and Pulses [$> 70\%$ pulses by dryland agriculturists] while prosperous farmers go for wheat & Rice [MSP is high]

④ Historical

- Tea introduced in Darjiling by Britishers is still a flourishing Business
- Kesar in Kashmir Valley • Indigo in Bihar

⑤ Political factors

The MSP (Minimum Support Price) has invariably led to agricultural distortion as farmers are more attracted towards high MSP offered by Government than sowing pulses etc.

Thus, it can be seen that cropping pattern is a derivative of multiple factors.

10. A developed Inland Waterway Transport (IWT) will not only augment the overall transport capacity of the country, but also help correct the multi-modal transport mix. Discuss. (150 words) 10

एक विकसित अंतर्देशीय जलमार्ग परिवहन (IWT) न केवल देश की समग्र परिवहन क्षमता को बढ़ाएगा, अपितु इससे मल्टी-मॉडल परिवहन मिश्रण को सुधारने में भी सहायता मिलेगी। चर्चा कीजिए।

Inland Waterway Transport relates to transportation of people and goods using inland waterbodies and rivers. There are more than 100

National Waterways in India.

Augmenting Transport Capacity :-

- ① Free of traffic jams i.e. faster transport.
- ② More efficient & cheaper.
1 HP on land → 500 Kg.
1 HP in water → 5 Tons
- ③ environment friendly
- ④ efficient use of natural resources.

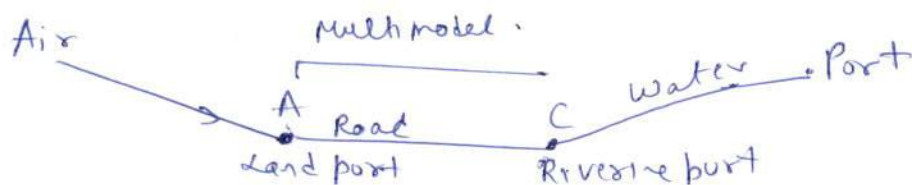
Augmenting Multimodal Transport Mix:-

- ① It relates to having multiple modes of transport: air, water & road merging at a single port/station

- ① Jal Marg Vikas Project:- • World

Bank aided NWI: multimodal transport has been put in place. It is also the first Freight Village in India.

② Different modes of transport can converge and work in synergy for



faster and efficient logistics.

③ Due to Inland Transport, LADIS [Least Available Depth Information System] has been setup which would help in multimodal operations.

It can be clearly seen how Inland Waterway Transport and multimodal transport are converging & can help each other in a mutualistic way.

11. Can the consolidation of banks help in stemming the existing problems in the banking sector? Discuss. (250 words) 15

क्या बैंकों का समेकन बैंकिंग क्षेत्रक में वर्तमान समस्याओं से निपटने में सहायता कर सकता है? चर्चा कीजिए।

Consolidation of Banks relates to mergers and acquisition of smaller banking entities to form a much greater conglomerate.

The efficacy of bank consolidation in India has been widely debated.

In Favour of Consolidation:-

① Narsimhan Committee in 1991 recommended have 3-4 large banks and 10-11 smaller banks.

② PJ Nayak Committee also called for bank consolidation.

③ Merger of SBI + 5 Associate banks + Bharatiya Mahila Bank is a success story.

④ Government is going for a merger between Vijaya Bank, Dena Bank & Bank of Baroda.

- ⑤ It would be able to utilise the economies of scale.
- ⑥ Reduced unhealthy competition between similarly placed banks.
- ⑦ Higher ability to tackle NPA's and balance sheet problems.
- ⑧ Able to take losses - augment the Capital Adequacy Ratio.
- ⑨ No need for multiple branches in each village → Cost cutting.
- ⑩ Higher management would be limited in number:- 1 CMD versus 5 CMDs (big bank) for 5 smaller banks.
- ⑪ It is the global practice as well.

However, there are a number of issues:-

- ① The fall of these Systematically Important Domestic banks will lead to extensive effect on the economy → can stall growth.
- ② End of competition can lead to monopolisation.
- ③ Human Resource Issue → Voluntary Retirement etc → issue needs to be addressed.
- ④ No guarantee of NPAs decreasing

Bank Consolidation offers an attractive opportunity to have global level banks which can absorb losses and accelerate growth. However, there remains a systemic as well as a moral hazard towards fall of a Big bank and the belief that it would bring down NPAs.

12. Why has the contribution of manufacturing sector, as a percentage of the GDP, remained stagnant in the recent years? In this context, analyse the achievements of National Manufacturing Policy, 2011 with regards to its intended objectives. (250 words) 15

विगत वर्षों में GDP के प्रतिशत के रूप में विनिर्माण क्षेत्र का योगदान स्थिर क्यों रहा है? इस संदर्भ में, अपने लक्षित उद्देश्यों के संबंध में राष्ट्रीय विनिर्माण नीति, 2011 की उपलब्धियों का विश्लेषण कीजिए।

Manufacturing sector is generally associated with high labour intensity and a healthy proportion of GDP. However, in India, despite various reforms, it has remained below 25% of GDP.

Reasons for contribution being stagnant:

① Pre 1991 - There were issues of

- ① Regulation
 - ② Licensing
 - ③ Control - ~~control~~ and low industrial growths
 - ④ Reservation
- led to monopolisation

② Post Liberalisation

- ① Concentration of workers in Agriculture - marked by disguised unemployment + lack of income & productivity

② Quick shift to service sector skipping manufacturing sector:-

- a) Boom in IT & ITES - Service & Mode 4 exports: Infosys etc came up
- b) Ready to be trained workforce
- c) English speaking workforce chose service sector.

③ Manufacturing sector had several defects:

- a) Lack of Ease of Doing Business:
we have improved immensely from 142 (2015) to 77 (2018) in World Bank's index - still → lack of ease of Doing Business
- b) labour laws → lack of ~~the~~ easy retrenchment policies.
- c) Red Tapism.
- d) Problems in land acquisition - Land Acquisition Act 2013 → very stringent.
- e) Unskilled labour.

National Manufacturing Policy 2011.

- ① Increase ~~per~~ contribution of Manufacturing sector to 25% of GDP
- ② 10 crore jobs in Manufacturing sector.
- ③ Improve skills of labour, enable environment of setting up of industries.

This policy was unable to achieve its objectives : GDP contribution around ~~20~~ 22% while having jobless growth.

The policy was again reinforced by Make in India 2015 which identified 25 sectors of Manufacturing Growth Potential.

It can be seen that to increase our GDP, GDP growth, tackle jobless growth. It is important to make manufacturing sector efficient & skilling the labour, relaxed labour laws, SEZs, NIMZ etc.

13. One of the goals that a developing economy aspires for is to bring down the Incremental Capital-Output Ratio (ICOR). In this context, what are the constraints that underlie the efficient conversion of savings rate to investments in the Indian economy? Also suggest some measures to improve this efficiency. **(250 words) 15**

एक विकासशील अर्थव्यवस्था जिन लक्ष्यों की आकांक्षा रखती है उनमें से एक वृद्धिशील पूंजी-उत्पाद अनुपात (इंक्रिमेंटल कैपिटल-आउटपुट रेश्यो: ICOR) में कमी लाना है। इस संदर्भ में, भारतीय अर्थव्यवस्था में बचत दर के निवेश में कुशल रूपांतरण के समक्ष आने वाली बाधाएँ क्या हैं? साथ ही, इसकी कुशलता में सुधार हेतु कुछ उपायों का भी सुझाव दीजिए।

14. Highlight the factors responsible for rise in the number of start-ups in India in recent years. Analyzing the challenges in the existing start-up ecosystem, suggest some measures to resolve them. (250 words) 15

विगत वर्षों में भारत में स्टार्ट-अप की संख्या में वृद्धि के लिए उत्तरदायी कारकों पर प्रकाश डालिए। वर्तमान स्टार्ट-अप पारितंत्र की चुनौतियों का विश्लेषण करते हुए, उनका समाधान करने हेतु कुछ उपायों का सुझाव दीजिए।

Start Ups: is defined by Department of Industry Promotion of Industry and Industries, Internal Policy (DPIIT) as a business venture with turnover less than 100 crore and set up less than 10 years ago.

Factors responsible for rise in Start Ups

- ① Global Phenomena: - The recent times throughout the world [US, Europe, China] are marked by a considerable growth in startups.
- ② Aspiring Youth moving away from traditional models of living - Startups in India are usually a phenomenon.

among the younger section

- ③ Conducive policies by the Government
right from childhood to startup management
- Atal Innovation Mission
 - Smart India Hackathon
 - Start Up India
 - Stand Up India
 - Tax breaks for startups
 - Incubation Centres

- ④ Presence of Capitalists (Angel Investors)
(VGF) to fund & accelerate startups.

Challenges

- ① Lack of Innovation - Simply copying foreign startups.
- ② Angel Tax Issue → Flat rate of 30.9% on Angel Investments.
- ③ Startups being used for Money Laundering
- ④ 'Fair Value' method of accounting versus 'Cash Flow Model'

Measures to Resolve challenges

① Have a conducive environment since childhood towards entrepreneurship.

② Angel Tax Issue : Department of Commerce.

→ exempted in various cases like

→ Turnover above 250 crore of Investor

→ Investment below 100% → no tax.

→ No tax if not used for buying car, 10 lakhs
→ immovable property

③ Stop raiding startups & use technology to find out Money Laundering etc like

Operation Clean Money, Shell Companies etc.

④ Tax Break in Budget 19-20

Startups thus have immense potential

to accelerate economic growth and

provide employment opportunities in this

era of jobless growth. Thus, the Government

should provide impetus to their growth

by giving Tax Breaks, ease of doing

business etc

15. There is a high cost of compliance as well as complexities associated with existing labour laws at centre and state levels. Discuss. What steps have recently been taken by the central government to address these challenges? (250 words) 15

केंद्र और राज्य स्तरों पर वर्तमान श्रम कानूनों के साथ अनुपालन की उच्च लागत के साथ-साथ जटिलताएँ भी जुड़ी हुई हैं। चर्चा कीजिए। इन चुनौतियों से निपटने के लिए केंद्र सरकार द्वारा हाल में क्या कदम उठाए गए हैं?

Labour law complexities have been sighted as a major reason towards unsustainable, low growth of Manufacturing sector in our country.

Issues: [Compliances & complexities]

- ① Strict Retrenchment laws: If the number of workers exceed 100 → need permission from Government to remove workers.
- ② Minimum Pay: It is not clearly defined and leads to exploitation of labour.
- ③ Social Security, Industrial health: lack of proper laws and their implementation have led to loss of lives and bad health of workers.

④ No fixed Term employment upto recently:

The industrialists avoided hiring → Jobs growth.

⑤ Unskilled labour

Recent step taken:

① Fixed Term Employment Rules

The labour ministry has extended fixed term employment to all sectors
[previously limited to apparel & textiles]

② Retrenchment Policies: Various states have modified their policies for easy hire & fire:

eg Rajasthan: 100 to 400 workers;

③ National Minimum Wage

to be statutorily set. Punishment for having wages below it.

⑦ Labour Code [4 in numbers] have been Introduced [44 laws → 4 Code]

- a) Labour code on Wages
- b) Labour code on Social Security
- c) Labour code on Health
- d) Labour code on Industrial Relations

⑧ Champion Sectors identified by NITI Aayog: Textile, Footwear → Sops for employment generation

⑨ PM Kaushal Vikas Yojana - for Skilled

Manufacturing Sector remains the employment driving sector of the economy and this lack of proper labour laws had left

to low hiring or exploitation of labour

The Government has identified the specific lacunas and is attempting to accelerate growth in the sector.

16. The contribution of coal based power generation is not expected to substantially go down in the next few decades, despite growing importance of renewables. Comment on the statement in light of increasing demand for power in India. (250 words) 15

नवीकरणीय संसाधनों के बढ़ते महत्व के बावजूद, कोयला आधारित विद्युत उत्पादन के योगदान में अगले कुछ दशकों में मूलतः कमी आने की उम्मीद नहीं है। भारत में विद्युत की बढ़ती मांग के आलोक में इस कथन पर टिप्पणी कीजिए।

Coal based power generation accounts for more than 60% of the total power generated today.

Growing importance of Renewable:

① INDC targets to UNFCCC:

a) 175 GW of Renewable energy
 { 100 GW - solar, 60 GW - Hydro,
 10% Biomass, 5 GW - Small hydro }

b) 40% renewable energy by 2022

② International Solar Alliance: World's
 biggest Solar Park in India

③ Sustainable Growth and India's
 commitment to Paris Agreement.

However, due to various factors,
demand for power is increasing:

- ① Schemes like Deen Dayal Upadhyay
Gram Jyoti Yojana, UJALA, Saubhagya
etc i.e. Universal Electrification has
increased power demand.
- ② Explosion in Population.
- ③ Cooling Requirements in near future.
- ④ Prosperity / Development in India
→ the demand is increasing
 - Ⓐ Manufacturing — Increase in demand
 - Ⓑ Irrigation — Increase in demand
 - Ⓒ households —
- ⑤ Government push to electric vehicles
(FAME) → Increase in demand.

While India's net demand for
power will remain greatly below
the world Average of developed

countries. It would still be beyond the potential of renewable energy that we would ~~never~~ be able to generate.

Moreover, we have adequate coal fields [Raniganj, Jharia] which offer cheaper electricity, employment etc.

Conclusion

It can be seen ^{that} while India is highly committed towards its climate pledges [Paris pledge], it is impossible for India to 'limit' coal based power generation to a great extent as our ~~potential~~ ^{capacities} is only around 160 GW while demands exceeds it by a huge margin.

The Indian INDC to achieve 40-1% renewable power mix is a step in the right direction.

17. Elaborate the strategic and operational elements of the Agriculture Export Policy, 2018 and discuss the role it can play to achieve the target of doubling farmers' income by 2022. (250 words) 15

कृषि निर्यात नीति, 2018 के रणनीतिक एवं परिचालन-संबंधी तत्वों का सविस्तार वर्णन कीजिए और 2022 तक किसानों की आय को दोगुना करने के लक्ष्य को प्राप्त करने में इसके द्वारा निभायी जा सकने वाली भूमिका की विवेचना कीजिए।

Agricultural Export Policy, 2018

- ① Increase the exports of Indian Agriculture from \$30 Billion to \$60 Billion (2022) and finally to 100 B \$.
- ② Diversify —

markets

(export basket)
- ③ Double the farmer income by 2022
- ④ Adequately deal with SPS - Sanitary and Phyto Sanitary mechanism of WTO.
- ⑤ Increase exports via Food Processing and value addition.
- ⑥ Investment in Organic agriculture & export.

Role of Agricultural Export Policy in Doubling Farmers Income :

① Prices available in foreign market is much higher than available locally due to Purchasing Power Parity.

② Several Indian exports have been restricted due to SPS. (Indian Mangoes)

Thus, addressing this issue would lead to seamless exports.

③ Food Processing & Value addition [Fruit → Jam] increases the worth as well as the shelf life of product.

④ The Indian Agricultural export [Basmati Rice, mangoes] is relatively inelastic → fixed income.

The focus is on diversifying the export basket → horticulture [apples, oranges [Nagpur - GI], tea etc].

⑤ The traditional exports have been to modern-western countries. The policy aims at diversifying markets as well → Africa [Prosperity is coming] West Asia etc.

⑥ There is great demand of Organic Food in western countries. National Programme on Organic Production (NPOP) has to be strengthened. → Reg certification → better price delivery.

The Agricultural Export Policy is a right step in the direction towards doubling farmers income. However, the exports should not be limited only to well off - rich farmers but be inclusive of small & marginal farmers & FPOs as well.

18. Write a brief note on 'Dry Ports' and their significance in mitigating logistic challenges in India. Also, discuss the challenges in their development and measures needed to address them. **(250 words) 15**

भारत में लॉजिस्टिक्स की चुनौतियों को कम करने में 'शुष्क पत्तनों' एवं उनके महत्व पर एक संक्षिप्त टिप्पणी लिखिए। साथ ही, उनके विकास में आने वाली चुनौतियों और उनके समाधान हेतु आवश्यक उपायों पर चर्चा कीजिए।

Dry Ports: relates to a geographical place wherein all the functions of traditional ports: handling, loading, unloading etc is done at land itself. They are far away from waterbodies.

[Worldwide], close to 70% functions of port take place at Inland port while India's share of function in Dry Ports is abysmally low

Significance of Dry Ports:

- ① Most production centres in India [e.g. Ludhiana, Manesar, Bangalore] are located Inland far away from sea ports.

② In absence of transportation by waterways → the 'transportation costs are very high to water ports'.

③ 270+ logistic handling at worldwide level takes place at inland ports.

④ Ports in India are overly crowded → take pressure off.

⑤ Labour is easily available.

Challenges

① Heavy Investment is needed as it is a capital intensive sector.

② Lack of multimodal transport links would render it inefficient.

③ Over-reliance on water based ports in India.

④ High railway freight charges due to cross subsidisation.

⑤ High taxes on Airline Turbine Fuel (ATF)

Measures needed to address:-

① Development of Multimodal Transport Linkages (eg. Varanasi)

② InvITs - Investment Trust Model can be used to gather funds to develop.

③ Employing Global Best Practices in Dry Ports.

④ Developing freight corridors and Inland Water Transport

Dry Ports thus offer huge potential in decreasing logistic cost (to 10% against 14%), increase employment and investment. The Government can come up with a policy to develop land based ports

19. Development of food processing industry will help in achieving the twin goals of inclusive growth and food security. Discuss. Also, account for the competitive advantages enjoyed by India in the food processing sector.

(250 words) 15

खाद्य प्रसंस्करण उद्योग के विकास से समावेशी विकास और खाद्य सुरक्षा के दोहरे लक्ष्यों को प्राप्त करने में सहायता मिलेगी। चर्चा कीजिए। साथ ही, खाद्य प्रसंस्करण क्षेत्रक में भारत को प्राप्त प्रतिस्पर्धात्मक लाभ का भी विवरण दीजिए।

Food Processing industry is related to value addition in traditional food to increase its shelf life, nutrition, taste, and portability. This is complemented by a rise in income of the farmer.

It is a driver of achieving the twin objective goals.

① INCLUSIVE GROWTH

a) Ashok Dalwai's Report: Doubling the Farmer's Income by 2022 focuses on food processing industry to augment incomes of our poor farmers.

b) PM SAMPADNA Yojana, Mega Food Park Scheme make available to the

poor farmer, various institutional and infrastructural resources like cold chain storage etc which were hitherto inaccessible to the marginal-
small farmer → Inclusive Growth.

c) Government Agricultural Export Policy also aims at improving the price delivery via food processing.

d) Processed food → Fortification is possible
→ poor eat it [Mid Day Meal] →
Human Capital Enhancement → Inclusive Growth

Food Security

① Food processing increases the shelf life of the product → decreased wastage of food → more accessibility

② Food processing enables food fortification -

Iodine, folic Acid, Iron, Vitamin A

→ targets hidden nutrition

③ makes the food appealing to kids →
food security ensured.

Comparative Advantage ~~by~~ with India

① It is a sunshine sector in India

CAGR - 12-13%. 2018\$ to grow to

1 Trillion Dollar (potential).

② India has excess food → wasted →
can be processed and exported.

③ All varieties of food, vegetable, fruits
available in India.

④ Workforce to work in food processing
factories → shift from disguised
unemployment in Agriculture.

Food Processing Industry
is highly promising sector with
unprecedented growth potential.

20. Identify the problems faced by Indian agriculture as a consequence of changing land holding pattern as witnessed in the findings of Agriculture census, 2015-16. In light of these problems, suggest suitable ways to resolve such structural issues in agriculture. (250 words) 15

जैसा कि कृषि संगणना, 2015-16 के जाँच परिणामों में देखा गया है, परिवर्तनशील भू-धारण प्रतिरूप के परिणामस्वरूप भारतीय कृषि के समक्ष आने वाली समस्याओं की पहचान कीजिए। इन समस्याओं के प्रकाश में, कृषि में ऐसे संरचनात्मक मुद्दों का समाधान करने के लिए उपयुक्त उपायों का सुझाव दीजिए।

Agriculture Census held by Agriculture Ministry once in 4 years came up with interesting results:-

- ① Operational holdings (in numbers) have increased.
- ② Fragmentation of farms have taken place.
- ③ Increased feminisation of Agriculture
- ④ Increase in small & marginal farmer decrease in big farmers (>5 Ha)
- ⑤ Land holdings of SC-ST down.

Problems

- ① less productivity owing to higher population pressure.
- ② Inability to shift from agriculture to other sectors of the economy.
- ③ Male migration → feminisation of Agriculture → no conclusive rights with women → unable to take help of Government schemes
- ④ Mechanisation becomes difficult due to ~~smaller~~ ^{smaller} land holdings.
- ⑤ SC-STs being further exploited.

Ways to Resolve

- ① Urgent need to move people out of agriculture into manufacturing or services

PM Kaushal Vikas Yojana - skill people

coupled with Make in India.

- ① Digitalisation of land records to give conclusive rights to women → prevent exploitation.
- ② Consolidation of farmland - to be able to have remunerative farming & be able to afford mechanised agriculture.
- ③ Increase productivity of land via MKShi Sanchai Yojana, Soil health Card, Krishannati Yojana - Green Revolution etc.

The Indian Agriculture scene is marked by overpopulation of farmers and constant fragmentation with each generation. The Government must take active steps to shift focus from agriculture to other sectors