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GENERAL STUDIES (TEST CODE : 1024)

Name of Candidate	APARNA GUPTA		
Medium Eng./Hindi	ENGLISH	Registration Number	2071
Center	ONLINE	Date	15 Aug. 2017

INDEX TABLE

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

Total Marks Obtained:

Remarks:

INSTRUCTIONS

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

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

All the Best

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

12.5X20=250

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

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

Universal Basic Income (UBI) means that all citizens should have access to income to meet their basic needs. It has 3 characteristics:

- i) It is unconditional transfer
- ii) It is given to all citizens (universal)
- iii) It is given in the form of cash.

The idea of UBI gained appeal after Sweden's referendum on the issue and recommendation made by Economic Survey.

ADVANTAGES OF UBI

1. It gives agency to the people - regarding manner in which they wish to spend the money
2. It reduces administrative costs -

- if wasteful subsidies are replaced by Direct Benefit Transfer
- iii) It will help reduce poverty - 21% population is below poverty line according to Tendulkar Committee
 - iv) It gives support during risk/stress situations such as crop failure etc.
 - v) It reduces exclusion errors - because it is universal.

CHALLENGES IN IMPLEMENTATION

1. High fiscal cost - Economic survey estimated that UBI of around Rs 7500 for 75% population will require ₹ around 5% of GDP
2. Create moral hazard - reduce availability of labour and perpetuate dependence of people on state
3. It can be inflationary - the people will also not be protected against increase in prices if fixed income given to them.
4. It could be used for wasteful expenditure
5. There is unequal distribution of-

resources within family. The male member could use the money/cash for himself.

Despite limitations, UBI has potential for addressing inequality. Economic Survey 2015 said that India spends Rs 1 lakh crore as 'bounties for the rich' i.e. subsidies going to the rich. These subsidies could be rationalised and near universal UBI (covering 75% population) could be implemented using the JAM trinity.

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

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

In 2015-16 India's exports declined by almost 18% (Economic survey 2016-17).
The poor export performance is caused due to both domestic and international factors.

INTERNATIONAL FACTORS

1. slowdown in China - decline of iron and steel exports
2. Decline in crude oil prices - declined value of petroleum exports
3. ~~the~~ Continued global slowdown in American and EU economy.
4. Unfair competition due to regional agreements. For eg. textile exports from Bangladesh face 0 tariff in EU but Indian textile exports face 12-15% custom duties.

DOMESTIC FACTORS

1. Infrastructural bottlenecks - eg. cost of logistics is \$7/km for India

tentile industry while it is US\$ 4/km in Sri Lanka

2. Appreciation of rupee recently makes exports uncompetitive
3. Stringent labour laws - prevent formalisation of industry - only 2800 tentile units in formal sector
4. Inverted duty structure - eg for rubber - duty on tyres is lower than that for raw rubber
5. Tarication bottlenecks - eg. high ~~tar~~ taxes on synthetic tentiles.

The Foreign Trade Policy (2015-20)

aims at increasing India's exports to \$ 900 billion (3-5% of the global exports). The policy can help through following:

1. Comprehensive schemes for export promotion - Merchandise export from India (MEIS) and service export from India (SEIS) schemes
2. Promote Ease of Doing Business
 - single window clearance
 - simplification of Payat Niryat form

- launch of DGFT app.
- 3. Promote value addition - greater incentives under MEIS and SEIS for higher domestic value addition
- 4. Address infrastructural bottlenecks
 - creating towns for export excellence
 - creating new ports for export promotion.

India's current account became surplus for the first time in 2016 (March - Feb 2017). This reflects impact of new trade policy. This should be supplemented by promoting Make in India, Sagarmala project and ~~increase~~ infrastructure promotion for enhancing export competitiveness.

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

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

Advanced Pricing Agreements (APA) are agreement between the taxation authority and corporate regarding principles in taxation of related party transactions.

APAs are based on the principle of transparent transaction between a company and its subsidiary. These agreements prevent misuse of BEPS. Under BEPS, companies use the loopholes in tax laws to transfer profits to low tax jurisdiction. APAs prevent this as they lead to an agreement on how transfer pricing will be taxed.

APAs are relevant for India

- 1) To enhance tax base and tax compliance - currently tax to GDP ratio is only 16.1.

- ii) Prevent threat of tax terrorism - as there is transparency for corporates too.
 - iii) Gives clarity for transfer pricing mechanisms
 - iv) India has high FDI inflows - thus transfer pricing mechanisms need to be regulated.
 - v) APAs reduce further excessive litigation. For eg. Vodafone taxation case occurred due to lack of clarity on transfer pricing.
- Thus APAs hold relevance for taxation authorities in India. They need to be supplemented by implementation of GAAR provisions as suggested by Shome Committee.

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

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

Public Debt refers to the debt taken by the government. Under the Constitution of India government can borrow against security of Consolidated fund of India.

Objectives of public Debt Management

1. To make loans available to government at low interest rates
2. To ensure sustainable levels of debt to GDP ratio (N.K Singh Committee recommended 60% of GDP as combined debt of Centre and states)
3. To ensure sustainable level of interest payment
4. To reduce dependence on external debt

currently RBI performs the function

of Public Debt Management. But government is now setting up independent Public Debt Management Agency (PDMA).

1. Since RBI also decides the monetary policy it leads to conflict of interest - eg. as public debt manager it will want interest rates to be low for lowering interest rates can lead to inflation.
2. RBI is the regulator for all banks. Thus it can force banks to hold government securities.
3. External debt is managed by the ministry of finance. PDMA will help consolidate both internal and external debt under single agency.

However PDMA controlled by central government also creates conflict of interest as ~~govt~~ most of the banks are in public sector under govt control. Thus

Raghuram Rajan Committee recommendations should be implemented i.e.

1. Setting up Bank Based Bureau as holding company for all PCBs and removing govt interference
2. Reducing SLR requirements
3. Ensuring full convertibility of rupee.

Only with these measures, and independent FEMA will lead to transparent and efficient public debt management

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

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

India ~~now~~ needs nearly \$1 trillion for infrastructure financing in the next 10 years. Government budgets are insufficient for this and thus PPP become important.

But current investment models of PPPs, such as EPC, BOT, Swiss challenge model face many issues:

1. Inefficient risk management - BOT puts all ~~cost~~ revenue collection risk on private developer.
2. Delay in land acquisition and environmental clearances.
3. Lack of institutions for adjudication of disputes.
4. Financing challenges - because corporates are facing balance sheet

- crisis and banks have high NPAs.
5. Long term financing is not developed in India - investment rate is only 26%. The capital market is not developed.
 6. Weaknesses in model concessionaire agreements.
 7. Governance limitations - autonomy is low and government interference high. For eg. port authorities have to take consent from government for land leasing.
 8. Lack of independence in policy decisions.

Therefore PPP models need restructuring

1. Hybrid Annuity model - being implemented in road infrastructure projects is a good reform. It leads to more balanced risk sharing as govt has responsibility for revenue collection.

2. ZPI should be set up to suggest further PPP developments
3. Kelkar & Committee recommendation for setting up PPP Adjudication Authority and Infrastructure PPP review authority should be implemented
4. Bringing governance reforms -
eg. Ports Authority Bill that gives greater governance and pricing freedom to port authorities.

These reforms will help enhance viability and efficiency of PPP and meet India's infrastructural requirements.

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

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

In India only 4% of the people in voting age file their tax returns. out of this only 24 lakh people have shown their income to be more than Rs 10 lakh.

REASONS FOR LOW TAX BASE

1. High levels of poverty - 21% population is below the poverty line.
2. Agriculture is not under taxation.
3. Large amount of exemptions - Rs 6 lakh crore was tax foregone in 2015-16.
4. Low tax compliance
 - Base Erosion and Profit Shifting practices by companies
 - Practice of round tripping - through tax havens such as Cyprus
 - Largely cash based economy - India cash in circulation is 12% of GDP as against 4% of GDP

in Brazil.

- Firms don't issue proper bills
- Use of instruments such as Protes.

Steps to widen the Tax Base

1. Rationalisation of tax rates - reducing corporate tax rates
 2. ~~But~~ Increase realisation of property tax
 3. Bringing agricultural income under tax net.
 4. Implementation of OECD's BEPS agreement
 5. Implementing bilateral agreements with other countries. eg. FATCA with USA.
 6. Move towards less cash economy by promoting BHIM app, Aadhar Pay
 7. Indirect tax reform through GST.
 8. Review of Double Taxation Avoidance Agreements.
 9. Implementation of GAAR.
- The review of DTAA with Mauritius and Singapore were important first steps. These should be supplemented by bringing the Direct Tax Code for large scale reforms

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

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

Construction sector promotes multiplier effect by promoting other sectors such as transport, cement, steel industry, electricity and real estate services. However construction sector is facing challenges due to following:

1. Reduction in input availability -
 - operation of sand mining major,
 - slow down in cement production
 - slow down in iron and steel sector
2. Limitations in credit availability
 - large NPAs of bank
 - long term capital instruments are not developed.
3. Slow down in Market
 - global slowdown - reduced requirement of commercial construction

- demonetisation led to sudden cash shock - ~~that~~ led to decline in real estate prices.

Government has taken following steps to promote construction sector

1. Legal Measures

- Real Estate Regulation Authorities Act was passed. The act sets up state level ~~the~~ Real Estate Regulation Authorities
- developers have to deposit 70% of funds in separate account for development
- state govt's responsibility to enhance digitalisation of land records, single window clearance etc.

2. Funding

- Real Estate Investment Trust (REIT) promoted - SEBI brought guidelines for REITs
- This will provide long term financing for the sector.

~~These measures should be supplemented~~
~~by~~

3. Promoting Housing construction
under PM Awas Yojana.

These measures should be
supplemented by bringing real-
estate under GST, as recommended
by chief economic advisor. This
will promote real estate
development and prevent property
hoarding.

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

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

According to the National Crime Records Bureau, 20 people die in road accidents every hour in India.

The road safety situation is complicated in India due to existence of weaknesses in multiple factors:

1. Weak enforcement of traffic laws
2. Education and licensing
 - licenses are granted without stringent driving checks
 - lack of regulation of driving schools
3. Road engineering and road discipline
 - large number of vehicles with lack of lane driving
 - potholes etc and bad road design.

4. Vehicle Engineering - Indian cars ~~are~~
got zero rating at New Car Assessment
Program in Europe
- lack of child safety features in car.

5. Weak laws
Motor Vehicles Act, 1988 does not
cover important aspects such as
holding contractor accountable for
bad road design.

Government is taking a number
of measures to address this menace

1. Enactment

~~At~~ Motor Vehicles (Amendment)
Bill 1988 2017 carries salutary
provisions such as:-
→ transparency in licensing
→ electronic enforcement
→ vehicle recall
→ mandatory insurance for all road
users
→ stringent penalties for drunk
driving and hit and run.

2. Engineering

→ NCAP ~~is~~ initiated for assessment
of ~~the~~ cars

- Anti lock braking system made mandatory
- Identification of danger zones on roads by MoRTH and improvement in road design

3. Enforcement

- use of UAVs in enforcement - eg in Bangalore

4. Emergency Case

- Good Samaritan Protection guideline issued by MoRTH under PIL filed with Supreme Court
- Motor Vehicles Amendment Bill also provides for good Samaritan protection - ensure emergency case in golden hour.

These measures will help meet the goal under Brazil Declaration of reducing road crash fatalities by half.

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

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

Poverty identification is an important problem for economists. Earlier India followed Lakshmi Committee recommendations. Under this calorie intake was used as parameter for determining poverty.

Now, poverty line is based on Tendulkar committee report. It includes:

- 1) Calorie intake for rural and urban areas
- 2) Non food expenditure - health, education, housing etc.

The poverty line is fixed by Planning Commission. States identify the actual poor households.

These parameters are also undergoing reform through Socio-Economic Caste Census. Under

SECC households are identified based on deprivation indicators - certain marginalised HH such as manual scavengers, household without adult literate member etc are automatically included. Other HHs are ranked based on multiple deprivations.

In post reform era - economic growth helped in poverty alleviation:

- i) BPL households reduced to 22%
- ii) Govt funds increased - it could implement programmes such as NREGA, food security Act etc.
- iii) Tertiary sector employment such as construction sector expanded.

But there were limitations:

1. Agriculture sector did not receive fruits of reforms
2. skewed employment ratios - agriculture employees 48%.

workforce but contributes 15% of GDP.

3. Reforms led to increased contractualisation of workforce. According to NSSO, contractual labour in organised sector increased from 38% (2000) to 54% in 2011.

∴ we need 2nd generation reforms to address poverty. These include promoting employment generating sectors such as textile, engineering, entrepreneurship through ASPIRE, stand up India etc. Agriculture sector also should be promoted to enhance farm income and reduce rural poverty.

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

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

India imports more than 80% of its crude oil requirements. The adoption of HELP in place of NELP holds importance in this regard. The ~~new~~ ~~existing~~ NELP had the previously existing limitations that necessitated a new policy:

1. It was based on production sharing contract - this led to inflating of initial expenditures by companies and low revenues for government.
2. It did not incentivise development of non-conventional resources such as shale gas etc.
3. The auctioning of blocks was held intermittently only.
4. It failed to enhance exploration as import dependence continued.

HELP has potential to transform exploration and production activities in India.

1. It offers uniform license to the bidder. This means that license holder can carry out E&P activities for all hydrocarbons in the field.
2. It gives pricing freedom - this will incentivise E&P for costly non-conventional resources like coal bed methane, shale gas etc.
3. It gives option of open acreage - bidder can bid for blocks anytime and not wait for govt auction.
4. It is based on revenue sharing contract - this will incentivise early production and prevent front loading of expenditure.

Thus HELP aims to meet govt's goal of reducing import dependence by 10% by 2022. This policy along with Dept Energy Policy 2017 of NITI Aayog will help us meet

India's growing energy needs along
with commitments of environment
~~sub~~ sustainability.

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

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

Disinvestment means selling off government shareholding in public sector companies.

Targets of govt through disinvestment

1. Increase government resources
2. Meeting fiscal deficit targets
3. Depoliticise non essential services
4. Meeting resources for enhancing capital expenditure
5. Addressing the problems of exit in Indian economy. For eg. privatisation of loss making Air India.

However disinvestment targets could not be met due to:

1. Over pricing of govt assets.
2. Slow down in private sector.
3. Private sector had low availability

- of funds due to high NPAs.
4. Slowdown in crude oil prices -
reduced interest share prices of
OMCs that were put up for
disinvestment.
5. Global slow down - reduced
international buyers and reduced
FPI inflows.

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

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

Hydroponics is the practise of growing plants in water medium without use of soil.

Hydroponics is relevant in the context of increasing land degradation around the world and particularly in India

1. The land availability for agriculture will reduce to increasing urbanisation and population pressure
2. soil erosion and land degradation is reducing soil fertility
3. soil fertility is also being impacted by salination in green revolution areas and acidification due to excessive use of fertilisers.

4. with climate change and flooding of coasts - land availability will further reduce.

Hydroponics offers advantages

- i) Food crops ~~with~~ can be grown directly in water media
- ii) Nutrients easily and quickly dissolve in water medium.
- iii) Meet food security demand in wake of reducing land availability.
- iv) waste water can be used

But hydroponics is costly.

It requires technological inputs and extension services. water availability is also limited in India. Thus hydroponics offers new solutions to meet future agricultural demands. Government support is needed to meet technical and funding requirement.

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

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

The land reforms implemented during 1950-70s lead to land ceiling and stringent tenancy laws. Now the Hague committee set up by NITI Aayog has recommended reforming tenancy laws and promote tenancy.

Factors for need of Reforms

1. Stringent ~~tenancy~~ land ceiling prevent consolidation of land that is needed for mechanisation.
2. Now gram panchayats are strong. Thus tenants will not be exploited - hence tenancy should be promoted.
3. Existing laws restrict growth of contract farming.
4. Existing laws have prevented

availability of land to tenants -
30% tenants landless according to
NSSO.

5. They have caused adverse
occupational ratio - 50% population
dependent on agriculture

IMPEDIMENTS TO REFORMS

1. Land is a state subject - states have
not brought reforms.
2. Fear of emergence of absentee
land lords.
3. Lack of land records in most of
the states
4. Low land-man ratio
5. High fragmentation of land.

BENEFITS OF REFORMS

1. Secure tenancy will incentivise
tenant farmers to increase
productivity
2. Tenant will get increased access
to credit and agricultural inputs
against leased land
3. It will help address adverse

occupational ratio - if there is security of ownership then owners can lease land and adopt non-agricultural occupation.

4. It will promote contract farming and food processing industries.

Thus Model Land leasing Act as recommended by Hague committee should be adopted by states. Land records modernisation, on the lines of e-Bhoomi of Karnataka should also be implemented.

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

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

Horticulture sector include growth of flowers, fruits and orchards. It accounts for 33% for total agricultural productivity in India.

Horticulture sector carries immense potential for realising govt's vision of doubling farm income.

1. There is high export potential for ornamental plants.
2. The increasing demand due to increasing urbanisation and rising per capita income.
3. It has high employment generation.
4. It employs large number of women - eg. fruit plucking in Himachal Pradesh.
5. The acreage under horticulture has increased by 18% in 2015.
6. It will lead to diversification of

agricultural income.

However there are certain Challenges that need to be addressed

1. Infrastructural Challenges

- i) lack of cold storage infrastructure
- ii) low road connectivity and logistics particularly in North Eastern states where horticulture output is high
- iii) low backward - forward linkages
- iv) existing irrigation coverage is low (only 34% agricultural land under irrigation)

2. Legal Challenges

- i) Land leasing and land tenancy restrictions
- ii) Marketing restrictions - fruits and vegetables are under state APMC Acts
3. low credit availability for employing high productivity seeds and mechanisation.

The government is implementing

Integrated mission for Horticulture
Promotion, Natural Bamboo
Mission etc. for promoting horticulture
sector. Marketing reforms such as
enactment of the new Agriculture
Production and Livestock Marketing
Act and promoting food processing
will help realise potential of
horticulture sector

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

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

Cropping pattern refers to the temporal and geographical arrangement of crops. The choice of crops cultivated by a farmer depends on geographical and economic factors.

1. GEOGRAPHICAL FACTORS

- i) Availability of monsoon ~~rate~~ rain and/or irrigation. For eg. jowar, bajra is grown in dry peninsular India.
- ii) Kind of soil - eg. cotton is grown in Maharashtra due to black soil.
- iii) Topography and drainage - eg. coffee and tea in western ghats due to topography.
- iv) Local winds - eg. blossom showers, coffee showers etc.

2. ECONOMIC FACTORS

- i) Government policies - eg. MSP

- require ~~to~~ promote growth of wheat and rice
- ii) Availability of market - sugarcane is grown in Maharashtra because large number of sugar mills provide ready market
- iii) Availability of inputs like seeds, credit, fertilisers → eg. growth of paddy in Punjab, Haryana due to availability of HYV seeds during Green Revolution.
- iv) Availability of artificial irrigation - eg. Indira Gandhi Canal in Rajasthan promoted irrigated agriculture

The cropping pattern in India is cereal centric and water intensive due to govt policies of MSP.

Thus to promote sustainable cropping pattern there is a need to promote market for other crops such as pulses and oilseeds through reforms in MSP.

2. Increase efficient irrigation under drip irrigation and sprinkler irrigation
3. Promoting mixed farming by encouraging agro-forestry and livestock rearing
4. Promoting food processing and contract farming - this will encourage horticulture and perishable crops.

This way cropping pattern needs to be reformed.

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

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

Food Processing Industry is a sunrise sector for India. It contributed to 9% of GVA in manufacturing in 2016-17.

It is significant for economic development of India because:

1. It has high employment generation potential - particularly women employment.
2. Increase potential for exports → eg. export of meat and fish products to south-east Asian countries.
3. Increasing demand for processed food - due to increasing urbanisation, women participation in work force.
4. It provides backward-forward linkages.
5. Increase farmer income and

reduce their dependence on MSP.
6. Promote 'make in India' and manufacturing sector

However the sector faces following challenges:

1. Agricultural Productivity

- low irrigation potential
- low productivity
- current production is cereal centric

2. Marketing Restrictions

- State APMC acts restrict direct buying and selling
- contract farming is restricted

3. Infrastructural Challenges

- lack of warehousing and cold storage
- weak logistics infrastructure - esp. low hinterland connectivity in North East
- low availability of processing infrastructure

4. Tariff and nontariff barriers

- European countries put phytosanitary barriers. For eg. mango exports from India were stopped
- high tariffs on agricultural products from India.

National Mission on Food Processing seeks to address these challenges. Its salient features are:

1. Support to state govt to meet infrastructural requirements
2. Credit availability to MSMEs for meeting technological requirements
3. setting up of mega food Parks as hub and spokes model.

Government has launched the SAMPADA scheme that covers the existing schemes on food processing to encourage the sector.

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

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

Farmers face multiple risks such as monsoon risk, productivity risk, market risk. Thus governments give financial support to farmers through different measures like

- minimum support price
- subsidy on inputs - fertiliser, electricity
- Insurance schemes - like Fasal Bima Yojana

The current scenario face multiple limitations. Direct Benefit transfer and universal crop insurance would help address following concerns:

- 1. Ecological Benefit
- current subsidies have adverse impact on soil health through

current situation of user. DBT will
lead to better fertilizer decisions
→ it will reduce dependence on MSP.
thus lead to crop diversification.

2. Economic Benefit

- reduce administrative costs
- reduce leakages. For eg. Economic
survey 2015 noted that
₹ 23000 crore of fertilizer
subsidies goes to rich farmers
- promote regional equity as
currently MSP based procurement
only from few states.
- Prevent market distortion -
enhance private markets,
food processing etc.

3. Better returns to farmers

- currently schemes face delay in
disbursement - leading to farmer
suicides
- low financial inclusion leads
to dependence on non-institutional

credit - DBT will enhance financial inclusion
- universal insurance will help meet stress situations such as droughts, floods etc.

Thus DBT and universal insurance for crops will help address farmer distress and enhance efficiency. These should be supplemented by market reforms such as adoption of e-NAM and model APMC by states.

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

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

The food corporation of India maintains buffer stocks in India. It aims to achieve twin objective:

- i) Market security for farmers - government buys their produce at MRP
- ii) food security - buffer stocks are used to supply FDS
- iii) Stock to meet strategic demand in case of food shortage.

But buffer stock programme is criticised because of

1. Lack of storage infrastructure - leads to large scale wastage as noted by supreme court
2. It leads to market distortion - increase prices in the market

3. It leads to grain centric cropping pattern - leading to shortage of other crops such as pulses, oil-seeds.

4. Despite large stocks, malnutrition continues - 38% children stunted according to global hunger index.

5. Procurement is regionally biased - limited to few states

6. Ecological Problems - it incentivises water intensive cropping pattern and prevents growth of dry land farming.

7. International Commitments - these ~~these~~ programmes lead to high Ambedkar subsidy under WTO's agreement on Agriculture. Currently WTO has adopted a peace clause that have led to continuation of public stock-holding program.

Thus there are needs for reforms in buffer stocking.

Procurement should be decentralised ~~as~~ to states as recommended by shanta kumar committee. Storage infrastructure should be promoted under private sector. Gradual movement towards ~~the~~ Direct Benefit Transfer and food coupons for PDS and DBT for farmers should be explored

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

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

Article 39 of Indian constitution makes it a directive principle for State to ensure minimum and equal wages for men and women.

However agricultural labourers get much below the state's minimum wages. These lacunae exist because of:

- i) low bargaining power of agricultural labourers.
- ii) seasonal nature of job
- iii) lack of formalisation of work — no records of wages
- iv) In some states wages under MGNREGS is kept much below minimum wages.
- v) Agricultural market is not developed — this pushes the prices

down and thus labourers are also paid less.

ii) Plantation workers are exploited in big plantations.

Government should implement following measures to improve status of agricultural labourers:

1. Ensure availability of work under MGNREGA
2. Reduce dependence on agriculture by promoting employment generation in other sectors.
3. Skill generation for food processing related employment such as packaging etc.
4. Promote self employment through ~~the~~ NRLM and ASPIRE
5. Diversification of employment through promotion horticulture, livestock rearing etc.

This way agricultural labourers
income should also be doubled
by 2022.

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

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

The livestock rearing sector holds great potential for enhancing employment, ~~agricultural growth~~ and farmer's income. But the meat and poultry sector faces following challenges:

1. UPSTREAM

- i) Low productivity of Indian breeds
- ii) Decline in common pastures - reduce availability of feed for livestock
- iii) Threat of diseases such as avian influenza in poultry and FMD among livestock.
- iv) Livestock markets for slaughter are not developed.

2. MIDDLE STREAM

- i) low level of processing

- ii) Lack of cold storage and abattoirs infrastructure
- iii) Lack of storage infrastructure.
- iv) ~~Threat~~ Lack of proper dealing with poultry waste such as feathers etc.

DOWNSTREAM

- i) ~~Threat~~ of use of antibiotics
- ii) Tariff and non-tariff barriers in exports. eg. EU has currently recalled eggs imported from Netherlands due to use of insecticide in poultry feed.

Measures for growth in sector

- i) Promoting veterinary availability through schemes like NAKUL swasthya Patra and Rashtriya Gokul mission
- ii) Developing livestock markets through passage of Agricultural Produce and Livestock Market Act
- iii) Research and extension services for poultry and livestock feed

- (iv) Enhancing cold storage and processing infrastructure through AMPADA scheme for food processing
- (v) Regulating use of antibiotics
- (vi) Increasing exports by completing FTA with Europe. ~~the~~

The livestock and poultry sector can help meet the aim of doubling farmer income by promoting diversification. Thus these sectors should be promoted to support 'pink revolution' in India.