



# VISION IAS

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## GENERAL STUDIES (TEST CODE : 1147)

Name of Candidate	Omakarshi		
Medium Eng./Hindi	English	Registration Number	362399
Center	OPN	Date	30-july-2018

INDEX TABLE			INSTRUCTIONS
Q. No.	Maximum Marks	Marks Obtained	
1	10		<p>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)।</p> <p>2. There are <b>TWENTY</b> questions printed in <b>ENGLISH &amp; HINDI</b> इसमें बीस प्रश्न हैं अंग्रेजी और हिन्दी में छपे हैं।</p> <p>3. <b>All questions are compulsory.</b> सभी प्रश्न अनिवार्य हैं।</p> <p>4. The number of marks carried by a question/part is indicated against it. प्रत्येक प्रश्न/भाग के अंक उसके सामने दिए गए हैं।</p> <p>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।</p> <p>6. Word limit in questions, if specified, should be adhered to. प्रश्नों में शब्द सीमा, जहाँ विनिर्दिष्ट है, का अनुसरण किया जाना चाहिए।</p> <p>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।</p>
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<b>Total Marks Obtained:</b>			
<b>Remarks:</b>			

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

M-1/4, Plot No-A-12/13, 1<sup>st</sup> Floor, Ansal Building, Dr. Vidya Sagar Homeopathic Clinic, Mukherjee Nagar, Delhi-110009

## 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.

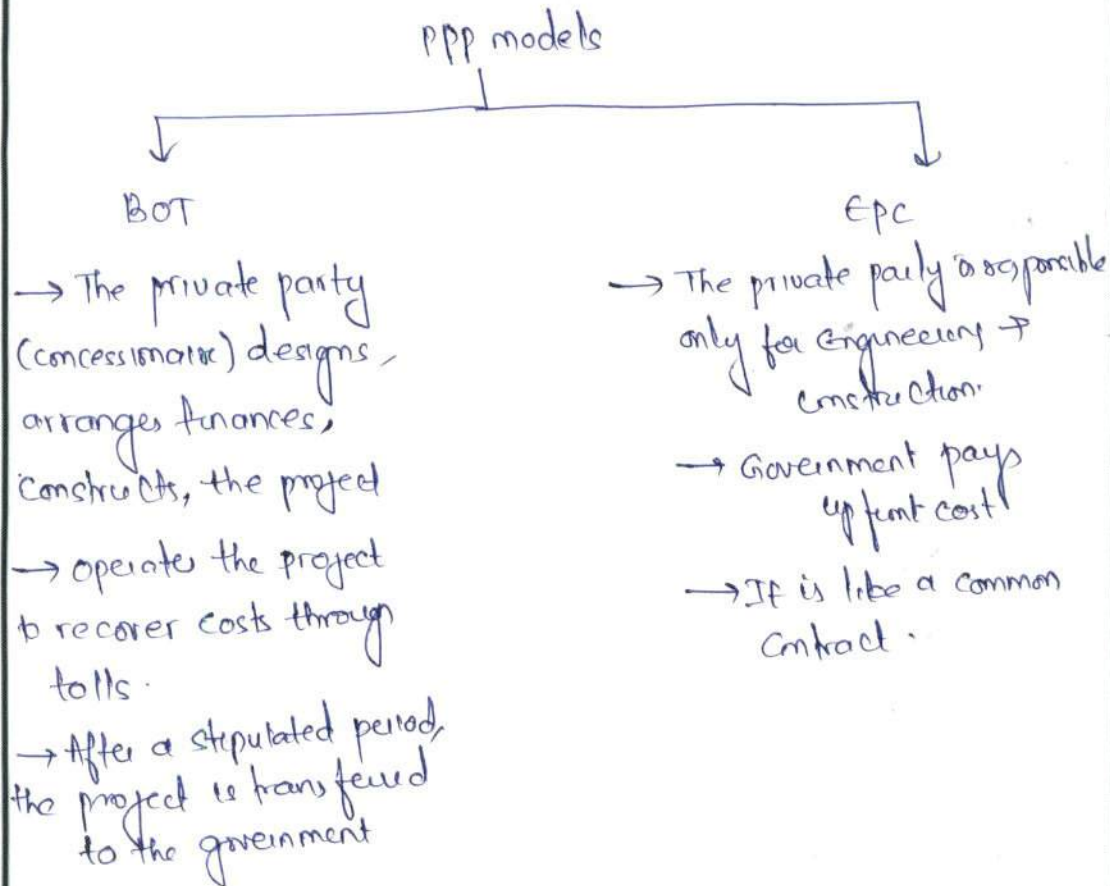
6.

All the Best

1. Highlighting the issues faced in BOT and EPC models of infrastructure investment, explain how HAM can address these. **(150 words) 10**

अवसंरचना निवेश के BOT एवं EPC मॉडल के समक्ष आने वाली समस्याओं पर प्रकाश डालते हुए व्याख्या कीजिए कि HAM इनका किस प्रकार समाधान कर सकता है।

Build operate transfer (BOT) and Engineering procurement construction (EPC) are two commonly used investment models in public private partnership.



### Issues with BOT

- The entire financial risk is borne by the private party. (Difficult to arrange finances in NPA <sup>crisis</sup> environment)
- private party faces difficulty in getting clearances.
- > Government can do this job better

- The cost may or may not be recovered through tolls in the given period
  - So the private parties are not interested
- Issues with EPC

- High upfront cost for the government
- private party has no stake — not incentivised against bad performance.

HAM in place of BOT and EPC

HAM addresses the limitations of both BOT and EPC.

- In HAM only 40% of cost is paid upfront (as in EPC)
- The rest 60% is paid on an annuity basis after the completion of projects.

→ The amount to be paid is determined by future profit projections & therefore the private party has incentive to do a better job

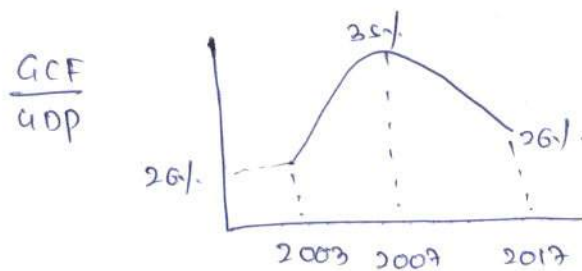
- Government can finance more than one project at a time rather than pour all funds in one project

In the environment of investment slowdown it is important to secure PPP through innovative models like HAM.

2. The investment rate in India has gradually declined after a historic high in the mid 2000s. Examine the reasons behind this trend. Discuss the steps required to revive investment for a sustained growth. (150 words) 10

भारत में निवेश दर, 21वीं सदी के प्रथम दशक के मध्य में एक ऐतिहासिक उच्चाल के उपरांत निरंतर घटती रही है। इस प्रवृत्ति के पीछे निहित कारणों का परीक्षण कीजिए। निरंतर वृद्धि हेतु निवेश को पुनर्जीवित करने के लिए आवश्यक कदमों पर चर्चा कीजिए।

Investment or gross capital formation is an important channel for economic growth of a country. Investment rate in India has seen a sharp decline since mid 2000s due to various reasons, thereby necessitating targeted efforts to revive investment.



### Reasons for investment slowdown

- Global economic slowdown due to 2008 crisis
- Twin balance sheet problem of Indian economy
- No remarkable program on ease of doing business.
- Bank frauds and corporate frauds eroding investor confidence
- High interest rates to control inflation
- Similar fall in savings.

### Steps required to revive investment

- Faster recognition of stressed assets with banks
- Sticking to timelines of IBC — while also not ignoring recovery aspect
- Faster clearances to projects — compulsive litigation by bureaucracy must be avoided
- Improving infrastructure & logistics in the economy
  - ↳ Granting infrastructure status to logistics is a timely action.
- Leverage NBFC to better channelise small savings into investments.
- REIT (real estate investment funds) and infrastructure investment funds be given attractive tax exemptions.

3. The measurement of the extent of formal sector and formal employment is yet an unsettled matter in our economy. Comment. Also, mention the steps which the government has taken to improve its extent.

**(150 words) 10**

औपचारिक क्षेत्रक और औपचारिक रोजगार के विस्तार का मापन हमारी अर्थव्यवस्था में अभी भी एक अनसुलझा मामला है। टिप्पणी कीजिए। साथ ही, इसके विस्तार में सुधार हेतु सरकार द्वारा उठाए गए कदमों का उल्लेख कीजिए।





4. In the context of major challenges that have restricted industrial growth, there is need for a new industrial policy to enable the industry to fulfill its role as the engine of growth and shoulder the responsibility of adding more value and jobs. Comment. (150 words) 10

औद्योगिक संवृद्धि को बाधित करने वाली प्रमुख चुनौतियों के संदर्भ में, उद्योग को संवृद्धि के वाहक के रूप में अपनी भूमिका के निर्वहन एवं अधिक मूल्यवर्धन और रोजगार में वृद्धि का उत्तरदायित्व संभालने में सक्षम बनाने हेतु एक नई औद्योगिक नीति की आवश्यकता है। टिप्पणी कीजिए।

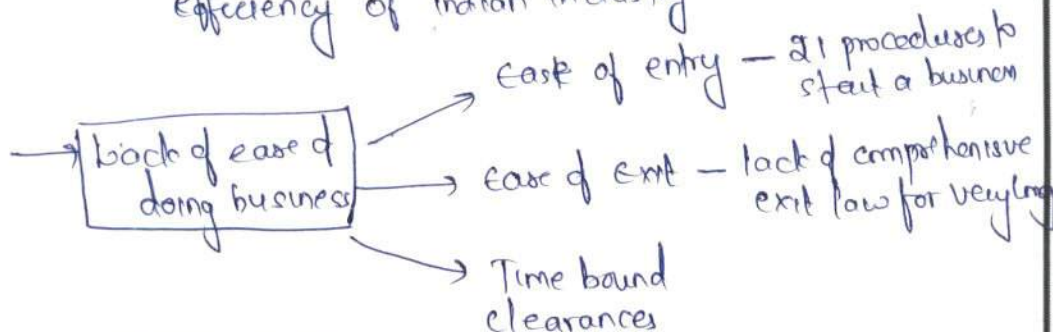
Unlike all major economies, India has not seen a transition from agriculture to industry before transitioning to services sector. Skipping of industry phase has had serious implications for Indian economy.



- Implication
- the large agricultural surplus labour could not be absorbed
  - shortage of formal jobs

To address the issue New industrial policy was launched in 1991. However, despite efforts industrial growth struggle because

- The reservation, <sup>licensing</sup> policy prior to that continues to impact efficiency of Indian industry



→ High logistics cost — 13% of GDP in India compared to 8% in Germany & 9% in USA

→ Banks unable to extend fresh credit due to NPA crisis.

→ Rigid input policies — land and labour

These factors are preventing industrial growth which has potential to ensure formal employment and balanced regional development.

In this light, <sup>draft</sup> new industrial policy has been brought in 2019, with objective to increase employment by creating jobs and raise living standards of people. It includes measures for

- improving ease of doing business
- increasing investment in infrastructure & logistics
- attracting FDI
- easing labour laws to prevent informalisation

Further NITI Aayog's land leasing law, Odisha's land bank project are worth exploring to ease act land acquisition — one of the major hurdles in industrial growth.

5. Providing social security, especially to those working in unorganised sector, is an important requirement to achieve the goal of inclusive growth. Discuss. (150 words) 10

सामाजिक सुरक्षा प्रदान करना, विशेषकर उन लोगों को जो असंगठित क्षेत्र में कार्यरत हैं, समावेशी विकास के लक्ष्य को प्राप्त करने के लिए एक महत्वपूर्ण आवश्यकता है। चर्चा कीजिए।

According to NSSO (2011-12), about 80% of employment in India occurs in unorganised sector. However, employment in unorganised sector is characterised by low wages, lack of social security — medical benefits, pension, maternity leave, etc, which seriously impacts wellbeing of workforce.

Why is social security need in unorganised sector?

- unorganised sector workforce includes — small and marginal farmers, landless labourers, rural artisans, women — all of whom are generally from socially and economically backward sections.
- lack of social security has strong correlation with poverty.
  - > in absence of medical benefits → high out of pocket expenditure pushes people into poverty.
- lack of paid maternity leave — child birth may lead to unemployment of women
- The potential of a worker is not fully utilised in absence of social security

In the light of above importance, government has taken up many initiatives to provide social security — Atal pension yojana, Dashkrige Swasth Bima Yojana, Pradhan mantri Swasth Bima Yojana, Janani Swasth Yojana etc.

Further efforts should be directed at better implementation (overlap with state schemes), generating awareness, exploring the possibility of Universal basic income as suggested by Economic Survey (2016-17)

6. Assigning infrastructure status to the logistics industry is a good first move, but there are several other problems related to this sector that need to be addressed. Discuss. (150 words) 10

लॉजिस्टिक्स (संभार-तंत्र) उद्योग को अवसंरचना का दर्जा देना एक अच्छी आरंभिक पहल है, लेकिन इस क्षेत्रक से जुड़ी अन्य कई समस्याएं हैं जिनसे निपटने की आवश्यकता है। चर्चा कीजिए।

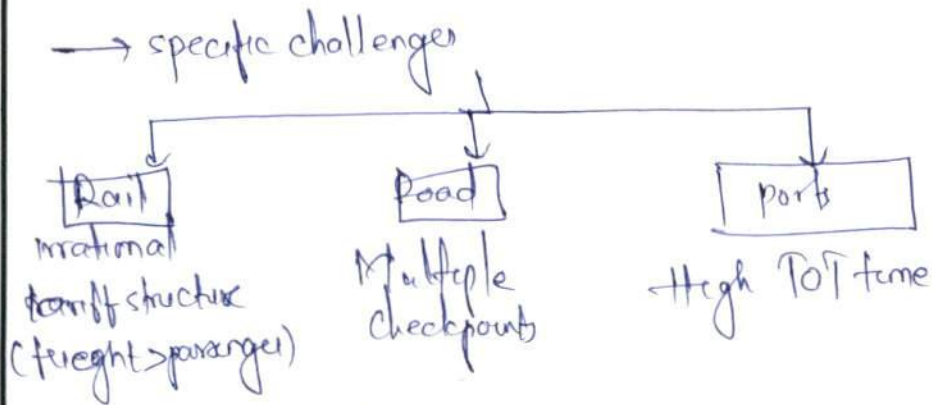
Logistics sector includes processes that take place between production and consumption. It includes storage, packing, transport, flow of information etc. The logistics cost in India is comparatively high (13% of GDP), adversely affecting India's competitiveness.

In the above light recently infrastructure status has been awarded to logistics industry. It's a good first move because:-

- logistics sector can now avail cheaper & long duration credit at ease
- can tap external commercial borrowings to finance its needs

This move greatly helps the sector improve in terms of investment needs. However, there are several other problems that need to be tackled

- The industry is largely unorganised & fragmented
- unfavourable modal mix (60% road + 40% rail)



- lack of skilled manpower
- low adoption of technology - like FASTags, online tracking of consignment etc.

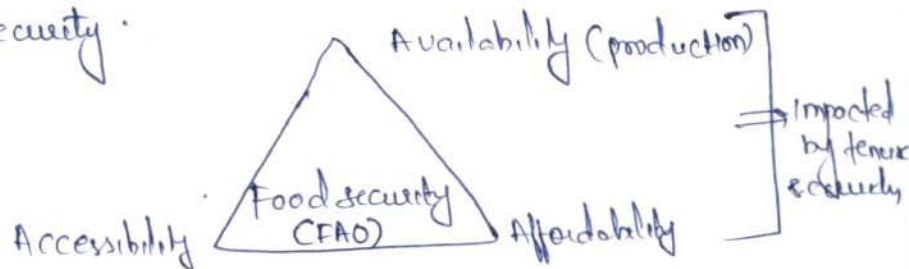
Adoption of e-way bill, impetus to logistic parks  
 use efforts in right direction. <sup>Effective</sup> implementation of GST  
 would bring <sup>more</sup> logistic enterprises under formal sector.

7. In view of the direct link between tenure security and food security, there is need for a conducive legal framework for land rights in India. Discuss.

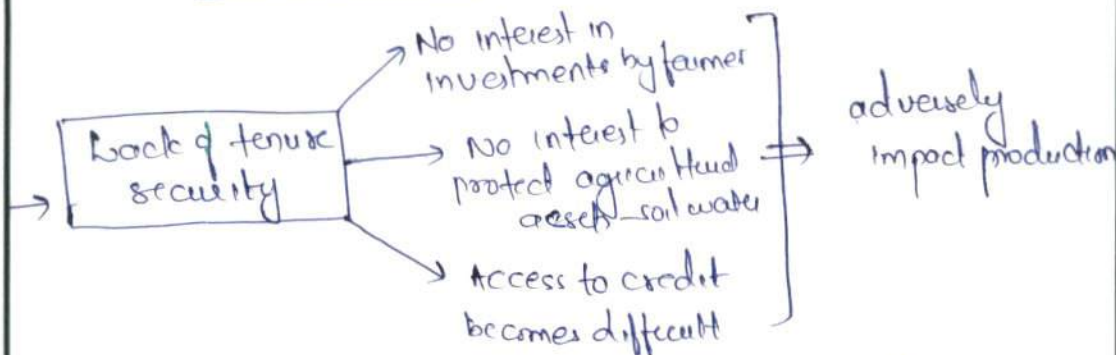
(150 words) 10

पट्टे की सुरक्षा और खाद्य सुरक्षा के बीच प्रत्यक्ष संबंध को ध्यान में रखते हुए, भारत में भूमि अधिकारों के लिए एक हितकर कानूनी ढांचे की आवश्यकता है। चर्चा कीजिए।

Agricultural production and productivity rarely depend on natural factors alone. Institutional factors — land ~~ownership~~ tenure security have equal or even more bearing — thereby impact food security.

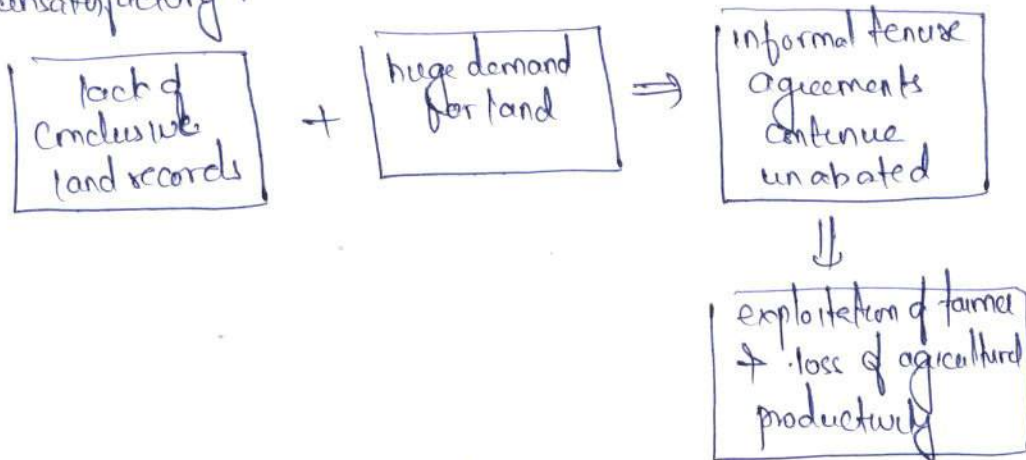


How does tenure security impact food production & affordability



→ Indian agriculture is largely subsistence agriculture. Arbitrary eviction from land ~~base~~ means farmers can't afford food any more.

Therefore we need  
However the status of tenure security in India is unsatisfactory.



Therefore we need a strong legal framework to ensure tenure security. NITI Aayog's model land leasing law rightly focusses on balancing owner's and farmer's interests. It also proposes availability of credit by pledging future harvest.

E-Bhumi project of Karnataka is an example worth emulating as far as agricultural land leasing is concerned.



8. Minimum Support Price (MSP) of crops is a short term solution for agricultural distress which creates long term problems. Examine. Suggest measures to overcome the the limitations of the MSP regime.

(150 words) 10

फसलों के लिए न्यूनतम समर्थन मूल्य (MSP) कृषि संकट का एक अल्पकालिक समाधान है जो दीर्घकालीन समस्याएं पैदा करता है। परीक्षण कीजिए। MSP व्यवस्था की कमियों से निजात पाने हेतु उपाय सुझाइए।

Msp is the minimum guaranteed price offered by government for farmer's produce. The idea is to avoid losses for the farmers.

How is Msp a short term solution?

- It sets a floor price for farmer
- It is insurance against post harvest market risks
- It can incentivise production crops which are in shortage
- It makes farmer take agricultural decisions - what to grow, when to grow easily.
- Msp led procurement do ensure food availability through PDS.

Why does Msp create long term problems?

- May skew the cropping pattern in favour of certain crops for ex: Rice + wheat in Punjab → Haryana
- Distorts market mechanism

→ Not in line with WTO norms

How to overcome these issue?

→ Design Msp as per agroclimatic region/season.  
ex: Higher Msp for oil seeds + pulses in  
dry areas

→ Price deficiency payments (MSP's Bhuvanar Yojana)

→ Investment support scheme rather than Msp  
ex: Rythu bandhu scheme of Telangana.

Further, the fundamental problems of lack of quality  
inputs, irrigation, market access, post harvest management needs  
to addressed to solve agrarian distress holistically

9. With women playing an increasingly significant role in the Indian agriculture sector, gender specific interventions can be the key to improving agricultural productivity. Discuss. (150 words) 10

भारतीय कृषि क्षेत्रक में महिलाओं की बढ़ती भूमिका को ध्यान में रखते हुए, कृषि उत्पादकता में सुधार लाने के लिए लिंग विशिष्ट हस्तक्षेप महत्वपूर्ण हो सकते हैं। चर्चा कीजिए।

Economic survey (2019-20) points out that with increasing number of men migrating from rural to urban areas, there is increasing feminisation of agriculture taking place → thereby necessitating gender specific interventions to address agricultural distress in the economy.

Why do we need gender specific interventions?

- Women constitute 30% of cultivators and 50% of labourers  
→ yet only 12% hold land titles.
  - > Access to credit becomes difficult
  - > more vulnerable to tenure security related exploitation
- Women not integrated in extension services
- Agricultural machinery not made ~~created~~ keeping women's body in mind
- Women lack representation in agricultural societies and voice at PFI

The above factors are negatively impacting productivity of agriculture.

The Economic Survey calls for a transformative inclusive agricultural policy.

Globally there is empirical evidence that women play an important role in ensuring food security & conservation of biodiversity. Therefore it is important that women be provided access to land, credit, inputs, training, education so that they can fully utilise their potential towards agriculture.

10. Enumerating the factors that determine a nation's energy-mix, comment on the need for having a diversified fuel basket for meeting India's future energy demands. (150 words) 10

किसी राष्ट्र के ऊर्जा-समिश्र (एनर्जी-मिक्स) को निर्धारित करने वाले कारकों को सूचीबद्ध करते हुए, भारत की भावी ऊर्जा मांगों को पूरा करने हेतु एक विविधकृत फ्यूल बास्केट के होने की आवश्यकता पर टिप्पणी कीजिए।

Energy mix of a nation refers to specific combination of energy resources used to meet ~~are~~ its energy demands.  
A diverse energy mix is good for energy security of a country

### Factors determining energy mix

- Domestic availability of energy resources and the options to import
- Technology quotient to harness available domestic resources  
For example India has plenty of solar + wind resources but due to technology issues they contribute less than 1% each.
- The activities energy is needed for.  
For example transport sector is heavily dependent on Crude oil
- climate concerns.  
post paris climate deal countries are trying to increase renewable in their basket.
- Favourable trade agreements with countries

→ New discoveries may change the mix from time to time  
ex: Shale gas discovery in USA

### India's need to diversify

→ currently, India's energy mix highly skewed towards non renewables. (coal - 60%)

> The future energy consumption needs are only going to increase. still depending on coal is against our climate commitments.

> Technology has brought down cost of renewable energy  
> so we should increase its share from current 16%.

→ To become self reliant in complicated geopolitics condition  
> harnessing India's own renewable energy

Decentralization of energy provides great prospects for India to diversify its energy mix. Further it also offers environmental, economical, social benefits.

11. Highlight the importance of MSME sector in India's economy. Also, identifying the challenges, suggest some policy recommendations to ensure their sustenance and competitive growth. **(250 words) 15**

भारत की अर्थव्यवस्था में MSME क्षेत्र के महत्व पर प्रकाश डालिए। साथ ही, चुनौतियों की पहचान करते हुए उन्हें संपोषित करने और उनके प्रतिस्पर्धात्मक वृद्धि को सुनिश्चित करने के लिए कुछ नीतिगत अनुशंसाओं का सुझाव दीजिए।

MSME abbreviation for micro, small and medium enterprises are pillars of developed and developing economies, and are rightly termed as pillar engines of economic development of India

Importance of MSME sector in India's economy

- Employment generation — second largest employment generator after agriculture
- Use of locally available raw material and labour — creates demand for agriculture → generates 'near farm' jobs
- Balanced regional development — because MSMEs do not tend to concentrate in metropolitan areas
- Women empowerment — for instance women borrowers comprised of 7% out of 10 cr borrowers under Mudra scheme (finance assistance to MSME)
- Relatively low investment required

However, MSME sector is facing challenges as explained below.

- Lack of access to credit, especially when banks are under NPA problem and MSME do not have a great track record to prove creditworthiness.  
(credit to medium enterprises reduced by 2% in 2017-18 - Economic Survey)
- low technology quotient
- lack of better access to markets
- Delay in getting statutory clearances
- Red tapism, logistics and infrastructure problems in the economy. — Backward & forward linkages
- Heavy competition after LPG reforms & entry of global firms
- Rigid labour laws

Suggestions to improve the situation

- better access to credit can be provided through NBFC

> The finance industry development council suggested that banks financing MSME through NBFC is a win win for all

- Area based regional strategies  
for ex, in North East region the major problem is lack of infrastructure.



→ Subsidies to invest in capital.

→ Relax labour laws.

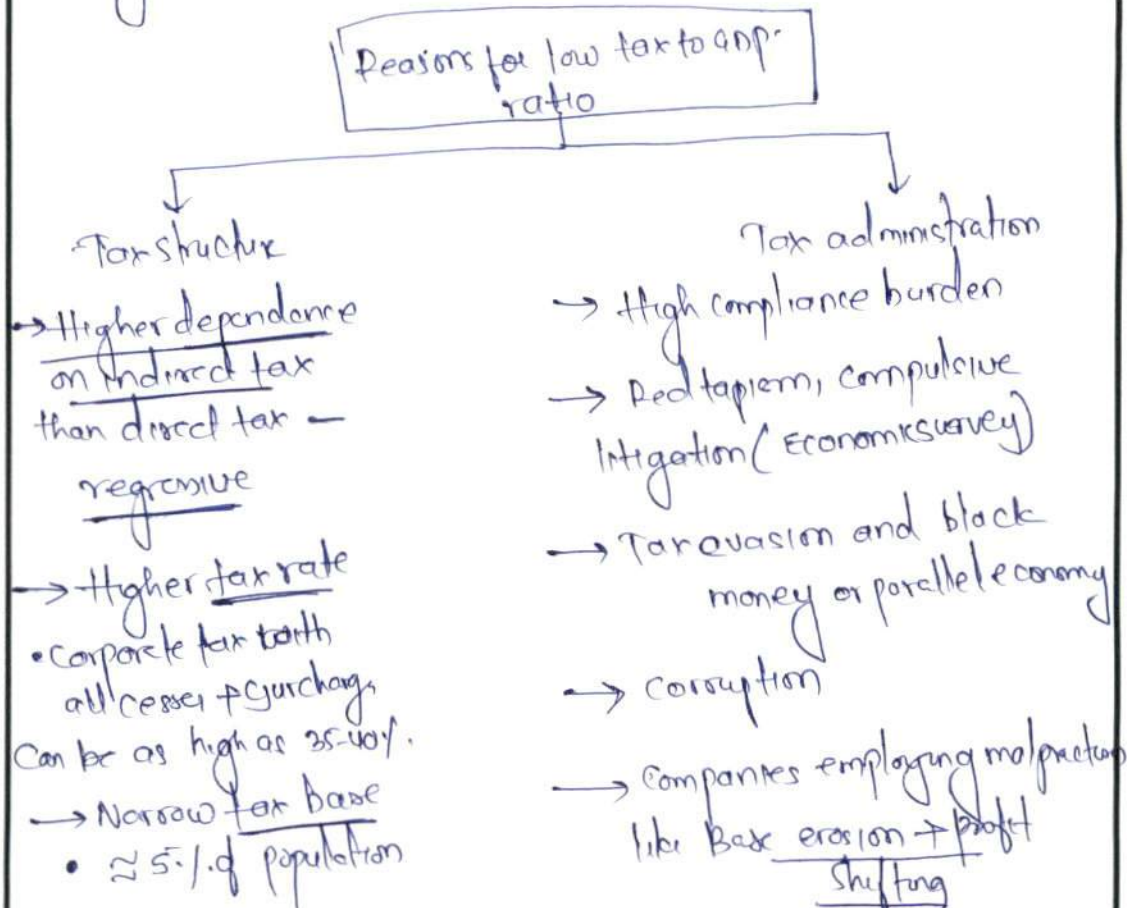
initiatives such as credit guarantee scheme, credit linked capital investment, MODPA scheme are in the right direction. ~~Further~~ MSME sector has great potential to ensure resilience of economy and bring about inclusive development

12. A near stagnant tax to GDP ratio for the country since decades reflects not only non-fruitful efforts to increase it but also underlying structural issues with tax regime. Comment. (250 words) 15

राष्ट्र के लिए कई दशकों से कर-GDP अनुपात का लगभग स्थिर रहना, न केवल इसको बढ़ाने हेतु किए जाने के प्रयासों के फलीभूत न होने, अपितु कर व्यवस्था में अंतर्निहित संरचनागत समस्याओं को भी प्रतिबिंबित करता है। टिप्पणी कीजिए।

Tax to GDP ratio is a measure of tax revenues earned by government as a percentage of GDP. The tax revenues of government are important to ensure sustainability of socio-economic development programmes as well as macroeconomic stability.

However, in India tax to GDP ratio has remained stagnant at 16% since 1980s, despite many efforts of government



The recent initiatives of government are rightly directed at these <sup>structural</sup> issues.

- Digital technology to ease tax administration (SARATHAM)
- renegotiation of Double tax avoidance agreements (DTAA) to prevent mal practices like BEPS.
- implementation of GST - 50% increase in <sup>unique</sup> individual tax payers.
- Attempting to curb black money through demonetisation.

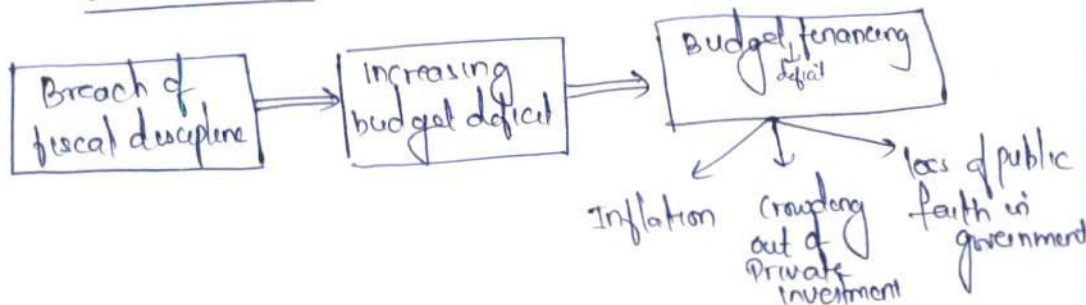


13. Adhering to fiscal discipline is considered as a hallmark of sound financial management by government. Elaborate. To what extent does the Budget 2018 incorporate fiscal discipline vis-a-vis competing targets of the government? **(250 words) 15**

राजकोषीय अनुशासन के पालन को सरकार द्वारा स्वस्थ वित्तीय प्रबंधन की एक कसौटी माना जाता है। सविस्तार वर्णन कीजिए। 2018 का बजट किस सीमा तक सरकार के प्रतिस्पर्धी लक्ष्यों एवं राजकोषीय अनुशासन को समाविष्ट करता है?

Fiscal ~~disc~~ discipline means having a balance between government revenue and expenditure. Fiscal discipline has important implications on economy, as explained below.

What happens if fiscal ~~defect~~ discipline is not maintained?



Therefore it is important to maintain fiscal discipline even with increasing demands in the economy.

Competing targets of government in Budget 2018

- increasing MSP to 1.5-times cost of production
- Pradhan Man Bharat or national health protection scheme
- recapitalization of banks.
- increase in allocations for marginalized and vulnerable section

The above target may heavily burden the government in ~~managing~~ maintaining fiscal prudence, especially given ~~that~~.

→ The revenue deficit of <sup>target</sup> 2017-18 was breached

→ The fiscal deficit target had been set at 3.3% of GDP rather than earlier decided 3%.

→ The government stopped targeting revenue deficit altogether.

→ Financing of NHPS not clear.

Given the importance & urgency of the demands it is only fair to postpone the fiscal consolidation path set by FRBM. Further it's welcome that government has not given away to populism (gops) keeping 2019 election in mind.



14. The role of international trade in achieving a quicker pace of economic development is well recognized. What are the benefits of international trade for a developing country like India? Highlight the challenges that India faces in improving its share in world trade. (250 words) 15

आर्थिक विकास की द्रुत गति को हासिल करने में अंतरराष्ट्रीय व्यापार की भूमिका को बखूबी मान्यता प्राप्त है। भारत जैसे विकासशील राष्ट्र के लिए अंतरराष्ट्रीय व्यापार के क्या लाभ हैं? विश्व व्यापार में अपनी भागीदारी बढ़ाने में भारत द्वारा सामना की जाने वाली चुनौतियों पर प्रकाश डालिए।

The rapid rise of South East Asian economies (Philippines, Taiwan) and South Asian economies (China) has proven beyond doubt that trade can be the basis of development of developing countries.

How does trade benefit a developing economy like India?

- Allow India to better utilize its comparative advantage for ex - large agroclimatic diversity, cheap skilled labour.
- Access to markets
- generates demand and therefore increasing production & employment in the economy
- Inflow of FDI - non-debt financing of
- possibility of technology transfer and mobility of labour
- can import cheaper products  
ex: Natural gas imports from central Asia than producing it in the country.



→ Trade as the basis of geopolitical relations for a more peaceful world

For ex, trade equation between India and China helped prevent war during Tibetan standoff

Challenges faced by India in improving its share in world trade

Despite great prospects India's share in world trade remains less than 2% while that of emerging countries like China is 14%.

- > Lack of competitiveness due to
  - > infrastructure shortages
  - > logistics
  - > ease of doing business

> India competes with its own neighbours & therefore couldn't form a free trade agreement like ASEAN with its neighbours.

> Lack of value addition in the country
 

- > Trade prefers/rewards value added produce better than raw materials.

> Competition due to Export subsidies given in developed countries

> barrier of policies like special economic zone.

Trade has great prospects to ensure balanced regional development and inclusive development of India. sector-specific initiatives like Agricultural export policy, phar~~ma~~ceutical are right moves.

Further, efforts must be directed at improving infrastructure especially in the North East region, which because of its geographical & cultural proximity to SEA, can become export hub of India.

15. In the light of increasing NPAs and frauds, the twin balance sheet problem has grown immensely. Comment on the issue and analyse the potential of the Insolvency and Bankruptcy Code to be a game changer for Indian economy's health and long-term growth. (250 words) 15

NPAs एवं धोखाधड़ी की बढ़ती घटनाओं के चलते, दोहरे तुलन पत्र (ट्विन बैलेंस शीट) की समस्या में अत्यधिक वृद्धि हुई है। इस मुद्दे पर टिप्पणी कीजिए तथा भारतीय अर्थव्यवस्था की दशा और दीर्घकालिक संवृद्धि के लिए दिवाला एवं दिवालियापन संहिता में एक गेम चेंजर होने की क्षमता का विश्लेषण कीजिए।

Twin balance sheet problem refers to stress on balance sheet of banks because of NPAs on one hand and increasing corporate indebtedness on other.

Twin balance sheet (TBS) has resulted in reduced investment in the economy because banks are unable to extend fresh credit, while corporates are unable to make profits to repay. The scenario is worsened by frauds (PNB scam) that eroded investor confidence in Indian economy why do we have TBS in the first place!

- Aggressive lending by banks in the boom period just before 2008 economic crisis,
- 2008 crisis led to global slowdown + erosion of investor confidence
- Heavy competition faced by companies with increasing liberalisation
- Delay in obtaining clearances, lack of adequate infrastructure + logisties have negatively impacted corporate profits
- Judicial delays and lack of comprehensive exit law

In the light of these issues Insolvency and Bankruptcy Code has been brought out.

- IBC to ensure time bound resolution of sick firms, in 180 (+90) days.
- A regulator - Insolvency and Bankruptcy board of India (IBBI) to keep watch on the entire process.
- A comprehensive code which covers Indian as well as foreign banks.
- Every body (minority shareholders, employees, creditors) get their due.

Together recapitalization of banks and IBC will help solve TBs to great extent. Bringing FRDI for resolution of companies in financial sector is welcome move.

Further focus should be on sticking to timeline, adequate importance to recovery are needed to fully utilize the potential of IBC.



16. Enhancing private infrastructure spending and revival of stalled projects is critical to the success of Bharatmala Pariyojana. Discuss. Also enumerate measures taken by the government to revive stalled projects on National Highways. **(250 words) 15**

निजी अवसंरचना व्यय में वृद्धि एवं अवरुद्ध परियोजनाओं का पुनरुद्धार भारतमाला परियोजना की सफलता हेतु महत्वपूर्ण है। चर्चा कीजिए। साथ ही, राष्ट्रीय राजमार्गों से संबद्ध अवरुद्ध परियोजनाओं के पुनरुद्धार के लिए सरकार द्वारा उठाए गए कदमों को सूचीबद्ध कीजिए।







17. Going forward, the allied sectors will play a critical role in increasing the resilience and improving economic returns in agriculture. Discuss.

**(250 words) 15**

आगामी समय में, संबद्ध क्षेत्रक कृषि में लचीलापन बढ़ाने एवं आर्थिक प्रतिफल में सुधार लाने में एक महत्वपूर्ण भूमिका निभाएंगे। चर्चा कीजिए।

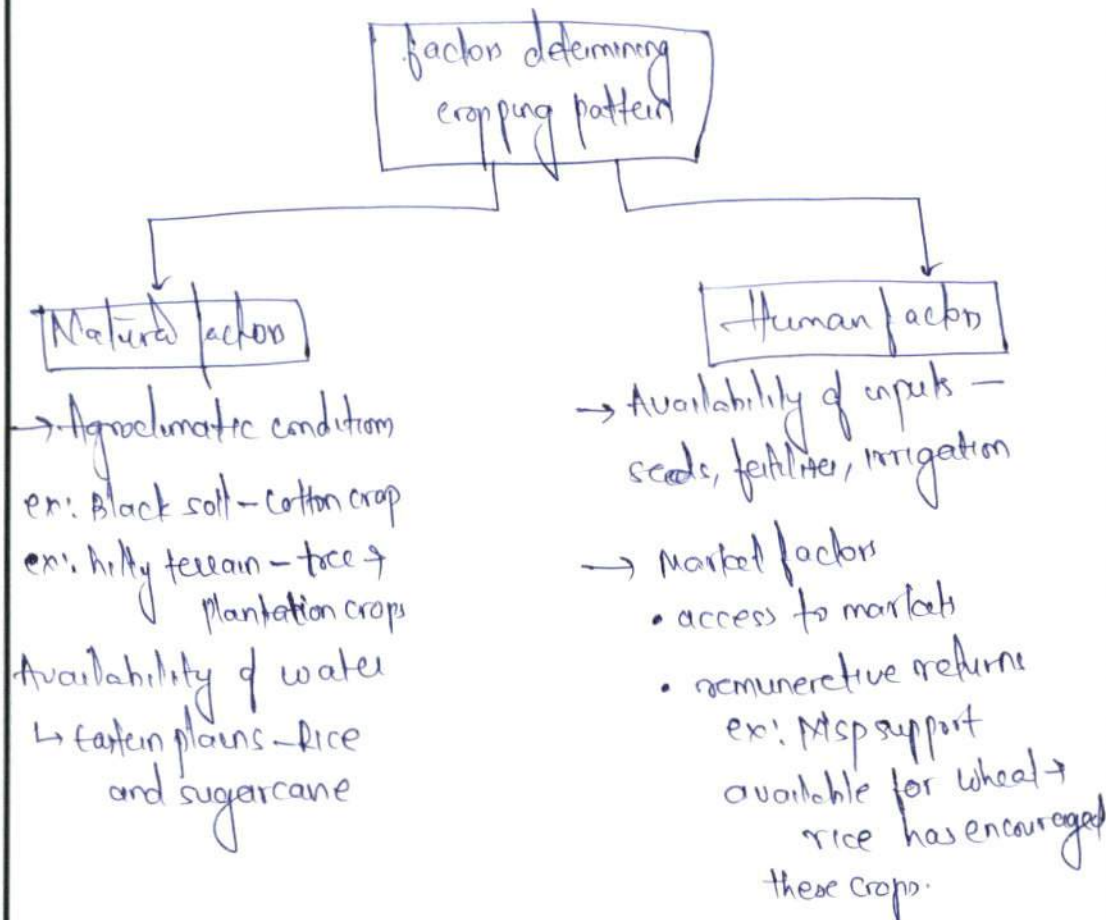




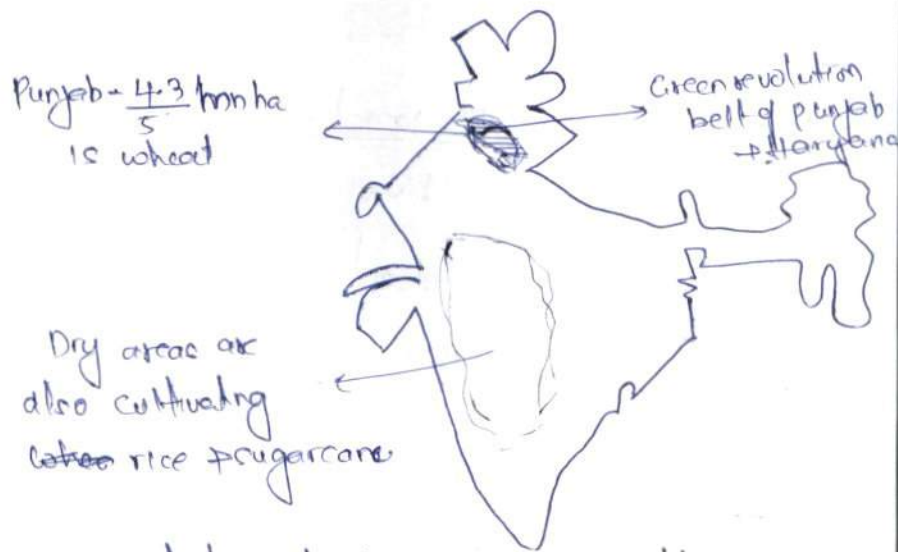
18. Enumerate the factors that determine cropping pattern in an agricultural region. Discuss the need for diversification in context of problems being faced by monoculture regions in India. (250 words) 15

किसी कृषि क्षेत्र में फसल पद्धति को निर्धारित करने वाले कारकों को सूचीबद्ध कीजिए। भारत में एकल फसली क्षेत्रों द्वारा सामना की जा रही समस्याओं के संदर्भ में फसल विविधीकरण की आवश्यकता की चर्चा कीजिए।

Cropping pattern refers to crops sown at different points of time in an agricultural region. Cropping pattern is an important determinant of productivity of agriculture, and is determined by natural as well as human factors.



Today cropping pattern is largely determined by the human factors mentioned above. MSP led procurement of rice & wheat has ~~encouraged~~ encouraged their cultivation



Why do we need diversification of cropping pattern?

→ Cropping pattern that doesn't reflect Agroclimatic diversity is not sustainable.

→ Cultivation of input intensive rice & wheat in GR belt

↓  
overuse of fertilizer → overuse of water

↓  
damaged agricultural assets - soil and groundwater

↓  
declining yields in these regions.

→ Excessive dependence on one crop (monoculture)  
is risky for the farmer when prices fluctuate

→ Indian agriculture large part is subsistence -  
diversified cropping pattern ensure food & nutritional  
security of farmer as well as nation.

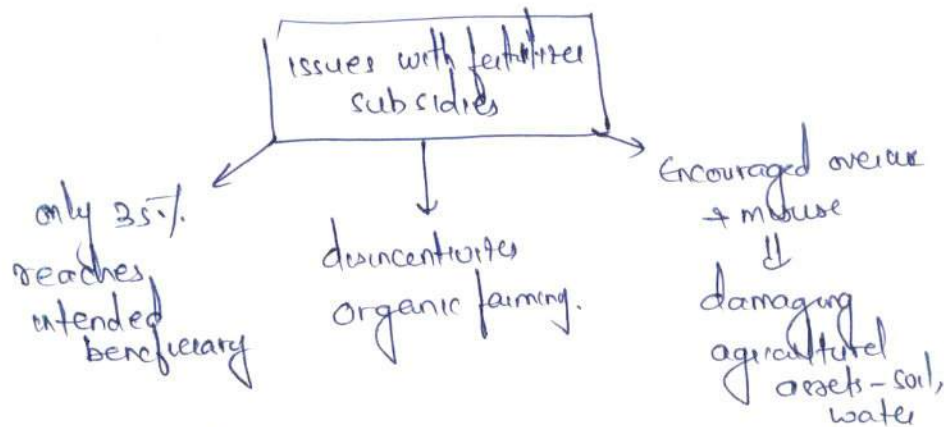
What needs to be done?

- Designing MSP as per agroclimatic regions will  
discourage monocultures  
ex: Higher MSP for oil seeds in dry areas
- Rationalizing input subsidies
- price deficiency payments to allow farmer to  
grow as per agroclimatic conditions.

19. It is argued that fertilizer subsidies have a negative impact on promoting Organic farming in India. Comment. Also, critically analyse the advantages of replacing direct benefit transfer in fertilizers with direct income support for farmers. (250 words) 15

यह तर्क दिया जाता है कि भारत में जैविक खेती को बढ़ावा देने में उर्वरक सब्सिडी का एक नकारात्मक प्रभाव रहा है। टिप्पणी कीजिए। साथ ही, उर्वरकों के लिए प्रत्यक्ष लाभ अंतरण के बदले किसानों को प्रत्यक्ष आय सहायता प्रदान करने के फायदों का आलोचनात्मक विश्लेषण कीजिए।

fertilizer subsidies are the second biggest subsidies after food, are facing multiple issues.



Fertilizer subsidies have a negative impact on organic farming  
because:-

- It make synthetic fertilizer cheaper
- Farmer would show no interest in investing in organic farming.
- organic products will be relatively costly.

However, removing fertilizer subsidy may not drastically improve organic farming in India, because, we don't yet have organic fertilizer to cover entire cropped area.

Therefore efforts should be to rationalize fertilizer subsidy and reduce leakages.

- Replacing direct benefit transfer with direct income support will help allow farmer to buy fertilizer inputs as per his soil requirement
- Market determined prices will encourage rational usage by farmers

However, India is not self sufficient in fertilizer production. Direct income support to farmer may result in availability issue because fertilizer companies will divert fertilizers where it pays the most.

Therefore, government must direct its effort to attain self sufficiency in fertilizer production, prevent cartelization of fertilizer companies before introducing direct income support. Until then issues in DBT — digital infrastructure, finger print mismatches need to be addressed.



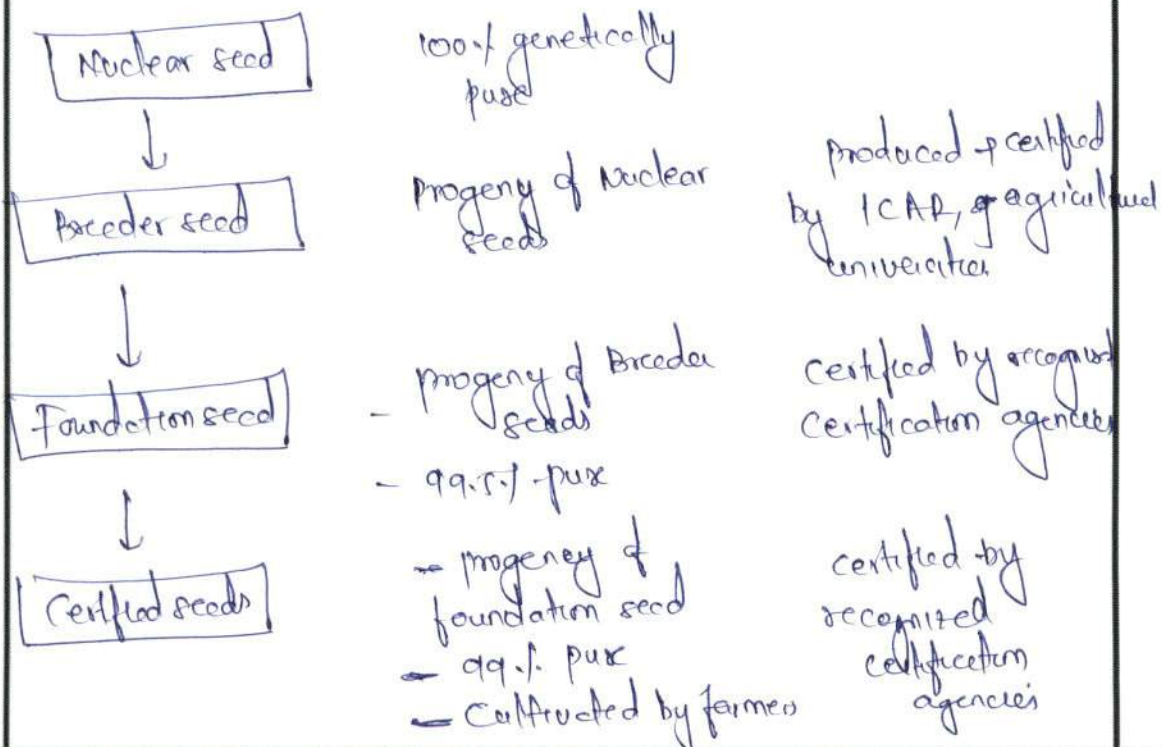


20. What do you understand by Seed Replacement Rate? Explaining the concept of breeder, foundation and certified seeds, highlight the major policy initiatives taken in order to address the challenge of quality seed availability to farmers. (250 words) 15

बीज प्रतिस्थापन दर (सीड रिप्लेसमेंट रेट) से आप क्या समझते हैं? ब्रीडर, फाउंडेशन और प्रमाणित बीजों की अवधारणा की व्याख्या करते हुए, किसानों के लिए गुणवत्तापरक बीजों की उपलब्धता की चुनौती का समाधान करने हेतु की गई प्रमुख नीतिगत पहलों पर प्रकाश डालिए।

Seed replacement rate refers to the percentage of cropped area under certified seeds as compared to farm saved seeds. Seed replacement, which is an important determinant of productivity, continues to be less than desirable 20% for most crops in India.

The quality of seeds important for better growth, drought + pest resistance etc. the quality is ensured through certification, as explained below.



Keeping in mind the importance of quality of seeds government has taken many initiatives.

→ Initiatives under National seed policy.

> Plant varieties & farmers right authority to register  
existent & new seed varieties

> gene fund to compensate communities for their efforts  
in seed quality seed preservation & production

→ National seed rolling plan for states to identify  
better varieties of seeds

→ National mission on oilseeds & palm deals with  
production & distribution of quality seeds

The quality of seeds has greatly improved in the  
last few decades. Further efforts should be directed at

→ Community seed banks to ensure affordability

→ Better storage to ensure germination

→ Tigher regulation to prevent sale of spurious  
seeds

→ Efforts to prevent monopolies in seed market

