



GENERAL STUDIES (TEST CODE : 706)

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Medium Hindi/Eng.	English	Registration Number	6713
Center	RN	Date	4/10/15

INDEX TABLE			INSTRUCTIONS
Q. No.	Maximum Marks	Marks Obtained	
1	12.5		<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 TWENTY questions printed in HINDI and ENGLISH. इसमें बीस प्रश्न हैं तथा हिन्दी और अंग्रेजी दोनों में छपे हैं।</p> <p>3. All questions are compulsory. 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>
2	12.5		
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18	12.5		
19	12.5		
20	12.5		
Total Marks Obtained:			
Remarks:			
Signature of Examiner			

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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.

Mudit Jain

All the Best

All the questions are compulsory and carry 12.5 marks each. NOT MORE THAN 200 WORDS

1. Even though the Pradhan Mantri Jan-Dhan Yojana is an accelerated effort towards financial inclusion, mere opening of bank accounts will not transform into financial inclusion in India. Analyse.

यद्यपि प्रधानमंत्री जन-धन योजना आर्थिक समावेशन की दिशा में एक त्वरित प्रयास है, लेकिन केवल बैंक खाते खोलना भारत में आर्थिक समावेशन में परिवर्तित नहीं हो पायेगा। विश्लेषण करें।

Financial inclusion as defined by 10th FYP means economic growth that produces broad based benefits & opportunities for all.

PMJDY has led to opening of about 18 cr bank accounts with 32000 cr sum. It has "banked the unbanked".

Features:-

- ① 32000 Rs collected.
- ② overdraft facility
- ③ accidental insurance
- ④ 18 cr accounts
- ⑤ Household approach etc.
- ⑥ Basis of JAM as per economic survey.

Hence it is "accelerated" effort towards financial inclusion but mere bank a/c opening would be financial inclusion due to various reasons & effects of inclusion in India:-

- ① It is a structural problem.
- ② Financial inclusion requires job creation & not mere redistribution.
- ③ Financial inclusion should counter genderization of labour, genderization of pay.
- ④ Paradigm shift from subsidy to participation is needed.
- ⑤ Sustainable inclusion calls for skill development, digital

India implementation, focus on MSMEs, unorganized sectors etc.

④ ~~the~~ Needs apart from bank accounts :-

- ① credit disbursement.
- ② sensitizing banks.
- ③ special banks for poor as per Muhammad Yunus.
- ④ Need to serve the last man in the last row.
- ⑤ still 42% people unbanked
- ⑥ creating legal & financial awareness
- ⑦ Including Mahila Banks into mainstream etc

Hence mere account opening is just the first step to financial inclusion.

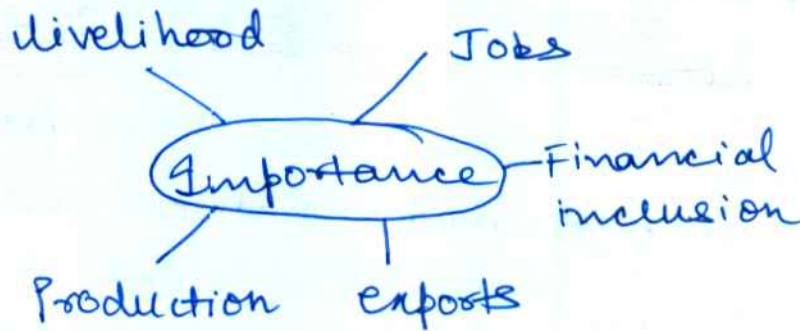
2. Discuss the importance of unorganised sector in the Indian economy. Examine the measures taken by the government to overcome the challenges faced by the unorganized sector in the country.

भारतीय अर्थव्यवस्था में असंगठित क्षेत्र के महत्व की चर्चा करें। देश में असंगठित क्षेत्र के सम्मुख आने वाली चुनौतियों से निपटने हेतु सरकार द्वारा किये गए उपायों का परीक्षण करें।

unorganized sector is defined as one which has less than 10 workers.

Importance :-

- ① About 93% of Indian workforce in unorganized sector as per economic survey.
- ② Accounts for more than 45% of production.
- ③ Accounts more than 50% exports
- ④ Largely involves women & serves as a gender inclusion sector.
- ⑤ focus on low skill jobs hence increases employment.



Challenges:-

- ① lack of social security.
- ② working conditions are poor.
- ③ women get lesser pay
- ④ Lack of collective bargain
- ⑤ poor economy of state
- ⑥ Credit disbursement low
- ⑦ Not part of financial inclusion focus.

Government schemes:-

- ① Unorganized workers social security act is not

implemented in letter & spirit.

② MI I

make in India has poor focus
on unorganized sector

③ NCEUS

National commission on enterprises
in unorganized sector's report
& recommendations for sector's
development have been in cold
storage.

④ Factories act, labour reforms
etc are stringent. Leads to
easy lay off of workers (<300)

⑤ PMJJBY → ↑ insurance.
Hence various schemes have
largely failed but skill India,
make in India, MSME entrepreneur
ship, skill loan scheme, AIM,
MUDRA bank etc have reignited
hopes for the sector.

3. "Labour reforms are often cited as the key to unlock the potential of Indian economy." In this context discuss the importance of labour reforms in India. Enumerate the measures taken by the government recently in this regard.

"श्रम सुधारों को भारतीय अर्थव्यवस्था की क्षमताओं को खोलने की कुंजी के रूप में उद्धृत किया जाता है।" इस सन्दर्भ में, भारत में श्रम सुधारों के महत्व पर चर्चा करें और सरकार द्वारा किये जाने वाले उपायों के रेखांकित करें।

Labour reforms range from pay, working conditions to workers skills, certification etc.

Potential of Indian economy, as per IMF, is about 2.1-3% GDP more than it's current realization. It has blamed slow labour reforms for it.

Importance of reforms :-

- ① Increase GDP
- ② social concerns need to be addressed like creation of social infrastructure, inclusion of differentially abled people, child labour abolition etc

With their respective externalities on Indian economy.

③ Trade

Non-trade barrier like labour reforms would be solved & increase Indian exports. (IMF)

④ Increase of worker Movak to boost production & productivity.

⑤ Usher in transparency in how worker contracts are made & implemented leading to curbing labour informalization.

⑥ Bringing labourers under social security net, pensions etc increasing savings & investments in economy. etc.

Government has hence taken measures like: -

- ① Deen dayal Upadhyaya labour reforms.
- ② Shram sovidha portal.
- ③ Apprentice scheme to increase worker's skills.
- ④ Unique ID to workers.
- ⑤ self certification leading to ease of business.
- ⑥ Easy worker. Day off (<300)
- ⑦ Skill India (skill loan, SMILE, entrepreneurship scheme)
- ⑧ Unorganized sector social security act etc.

All these measures increase efficiency, effectiveness, productivity, social security, ease of business & investments leading to economic potential realization.

4. MUDRA bank has been termed as a game changer for micro finance sector in the country. What are the objectives of MUDRA Bank? Is there a need of such an institution when there already are multiple schemes and institutions operating for the same purpose?

मुद्रा बैंक को देश में नूक्षम वित्त (माइक्रो फाइनांस) क्षेत्रक में परिदृश्य परिवर्तक के रूप में देखा जा रहा है। मुद्रा बैंक के क्या उद्देश्य हैं ? जब पहले से ही समान उद्देश्य हेतु अनेकों योजनायें और संस्थाएं कार्यरत हैं तो क्या ऐसी किसी संस्था की कोई आवश्यकता है ?

Mudra bank is formed under Prime minister mudra yojana (PMMY) with corpus of 20000 cr along with credit guarantee fund of 3000 cr. Announced in Budget.

It is termed as game changer for Micro finance due to its holistic objectives :-

- ① Micro units Development & refinance agency to refinance MFIs.
- ② Registration of MFIs.
- ③ Accreditation of MFIs.
- ④ Ratings to MFIs.
- ⑤ overall policy guidelines framing for MFI & its

regulation.

- ⑥ Increase financial inclusion
- ⑦ credit guarantee to MFI
financers.
- ⑧ credit disbursement at low
rates.
- ⑨ helping MSME sector &
financers increasing last
mile connectivity & inclusion.

Multiple schemes & institutions
operating for same purpose :-

- ① National housing Bank
- ② SIDBI
- ③ NABARD
- ④ Financers for MSMEs &
unorganized sector etc

still there is need for
"holistic" scheme like Mudra

as :-

- ① It will cater to needs of MFIs across various sectors.
- ② single window & single point for credit disbursement
- ③ will take responsibility of regulation from RBI & also perform other tasks.
- ④ previous institutions lacked coordination, credit disbursement, credit at rates like 12-15% to MFIs etc.
- ⑤ MUDRA will reach unbanked areas etc.

But recent measure of small banks will clash with Mudra's objectives & hence there is need for demarcating these functions.

5. Despite being an efficient and cheap means of transport, railway has consistently lost its share of freight to road transport. Enumerate the reasons for the same. How far can the high speed freight corridor help in addressing this issue?

परिवहन का सस्ता और प्रभावी साधन होने के बाद भी, माल-भाड़े में सड़क परिवहन के सापेक्ष रेलवे का अंश लगातार कम होता जा रहा है, इसके कारणों को स्पष्ट करें। उच्च गति माल गलियारा (फ्रेट कॉरिडोर) किस सीमा तक इस समस्या का समाधान करने में सहायता कर सकता है?

Freight transport is for transportation of goods, vegetables, machineries, minerals etc.

Railways had benefits like:

- ① reach
- ② large capacity
- ③ lesser environment challenge than road transport
- ④ lesser leakages etc.

Still it is losing share to roads

① cross subsidization, in railways by increasing freight fares for lower passenger fares, has made it unviable.

- ② railways restricted in the hilly regions of Ladakh, north east
- ③ Poor hinterland linkages in Chotanagpur region.
- ④ Poor linkages with ports leads to poor evacuation efficiency.
- ⑤ Road highways have been 6 laned, creation of expressways etc has acted as pull factors.
- ⑥ lack of seamless connectivity across various rail gauges.
- ⑦ other railway issues like railway accidents, need of larger land acquisition, Union strikes etc has also hampered. (↑ operational cost).

High speed freight corridors :-

- ① western freight corridor from Nehru port to dadri.
- ② Eastern port from dankoni to Amritsar.
- ③ span 1800 km & 1500 km respectively
- ④ will increase evacuation efficiencies.
- ⑤ connect major cities, smart cities leading to hinterland connectivities
- ⑥ Decrease travel time
- ⑦ will save perishable products etc.
- ⑧ would make railway freight cost effective, efficient & hence help to increase it's share but other challenges also need to be countered.

6. What are Offshore Rupee Boncs? Giving examples, discuss their benefits with regards to mobilisation of resources for domestic sector. Also, comment on their role in internationalisation of Indian Rupee.

ऑफ-शोर रुपया बांड क्या होते हैं? उदाहरण प्रस्तुत करते हुए, घरेलु क्षेत्र के लिए संसाधन जुटाने के संदर्भ में उनके लाभों की चर्चा करें। इसके अतिरिक्त, भारतीय रुपये को अंतर्राष्ट्रीय स्वरूप देने में उनकी भूमिका पर भी टिप्पणी करें।

Offshore Rupee bonds are bond instruments denominated in rupee & introduced in foreign capital markets to raise money in rupee but repay in dollar or other currency.

Example is Masala bond introduced by international finance corporation, offshore bonds allowed by RBI etc.

Benefits from these :-

- ① Resource mobilization for domestic sector.

- ② leads to increased infrastructural development by foreign institutions.
- ③ Now domestic firms can also raise ECBs & hence be part of resource mobilization.
- ④ would lower pressure on banking sector.
- ⑤ would help in containing NPA of Indian banks.
- ⑥ would provide long term capital which infrastructure bonds look forward to raise.
- ⑦ leads to internationalization of Indian resource mobilization & hence diversify market & players.
- ⑧ Hedges investor risks.

Other benefits include cheaper loans, internationalization of currency, globalisation, bringing efficiency etc.

Internationalization of Rupee :-

- ① Foreign institutions can raise Indian currency.
- ② Masala bonds by IFC.
- ③ currency's vagaries make these bonds lucrative & hence increases exposure making it a virtuous circle.
- ④ Now domestic firms can raise ECB.

Hence these bonds lead to resource mobilization & currency internationalization.

7. Unlike many other countries, small enterprises in India remain small and even shrink. Bring out the factors responsible for such a trend in India. What steps have been taken by the government in this regard?

अन्य कई राष्ट्रों के ठीक विपरीत, भारत में लघु उद्यम लघु ही रह जाते हैं, यहाँ तक कि वे लघुतर हो जाते हैं। भारत में ऐसी प्रवृत्ति के लिए उत्तरदायी कारकों पर प्रकाश डालें। सरकार द्वारा इस सम्बन्ध में कौन-से कदम उठाये गए हैं?

Small enterprises in India are under micro, small, medium enterprises sector (MSME) & are defined in terms of net worth of companies.

These account for :-

- ① 60% jobs
 - ② 40% manufacturing
 - ③ 45% Exports etc.
- while MSME have flourished in Bangladesh
still these remain small & shrink
in India as :-

- ① Problem of credit disbursement.
- ② Lack of collective bargaining.
- ③ Poor skill development of employees.

- ④ government's focus on other industrial sectors.
- ⑤ Lack of export incentives.
- ⑥ Alleged poor asset creation & quality of products.
- ⑦ Lack of labour laws in the sector.
- ⑧ Lack of technology adoption.
- ⑨ Not part of trade diversification.
- ⑩ Hampered by FDI in retail sector.
- ⑪ Lack of focus in govt. policies like Make in India etc.

Steps taken by government:-

- ① social security measures & labour reforms (shram soddha)

- ② National Small Industries Corporation (NSIC) for overall sectoral development.
- ③ National Institute for MSMEs for research, training, technology advancement etc
- ④ PMEGP (PM employment generation programme)
- ⑤ Skill India, digital India, Make in India, to have increased focus on MSMEs.
- ⑥ MODRA bank for financial inclusion.
- ⑦ other steps
- focus on exports
 - Priority sector lending
 - Pension (NPA)
 - MSME empowerment by involving experts
 - focus on organizing the sector.
 - Atal innovation scheme (ex. YUNUS with Maharashtra Gov) (Eo-survey Budget)

8. How is the EPC model of investment in infrastructure different from the BOT model? What are reasons behind a favorable push for the EPC model over PPP in road sector in recent years?

अवसंरचना में निवेश का ई.पी.सी. मॉडल बी.ओ.टी. मॉडल से किस प्रकार भिन्न है? हाल के वर्षों में सड़क क्षेत्र में पी.पी.पी. मॉडल की अपेक्षा ई.पी.सी. मॉडल को अधिक महत्व देने के पीछे क्या कारण हैं?

EPC stands for engineering, procurement & construction while BOT is model under PPP route standing for Build, operate & Transfer.

Differences between the two:-

- ① In EPC contractor procures material itself.
- ② EPC is contracted under lump sum turn-key model.
- ③ cost & time parameters are fixed under EPC unlike PPP.
- ④ standards are more regulated under EPC.

⑤ In EPC, land acquisition is domain of government
A in PPP, private player has to tackle it.

⑥ In EPC government pays fixed amount to contractor
unlike BOT.

⑦ In EPC, contractual terms decide whether cost at time damages are charged to private player or not.

⑧ EPC allows more innovation

EPC	(BOT) PPP
• cost fixed	Not fixed
• Time fixed	Not fixed
• ↑↑ standards	vary
• ↑↑ suited now	↓↓ suited

Reasons for increased EPC :-

- ① Economic slowdown → No takers for PPP
- ② cost, time delays are low → govt to use EPC in 12th Plan for 20000 km Highways.
- ③ High flexibility to contractor
- ④ Problems of PPP like entry-exit criterias, contract breach, project appraisals etc.
- ⑤ EPC allows more standard product. etc.

Hence EPC route is now considered more favourable.

9. Despite one of the longest coastlines in the world, India's port facilities and shipping industry are beset by numerous problems. Explain. Discuss some of the corrective measures taken by the government to overcome these problems.

विश्व में सर्वाधिक लम्बी तट-रेखाओं में से एक होने के बावजूद भारत की पत्तन सुविधाएं और जहाजरानी उद्योग असंख्य समस्याओं से ग्रसित है। व्याख्या करें। इन समस्याओं पर नियंत्रण हेतु सरकार द्वारा उठाये जा रहे कुछ सुधारवादी उपायों की चर्चा करें।

India has 6100 km coastline in
Peninsula & in all 7500 km
including islands but port
& shipping industry have
problems like :-

- ① lack of port evacuation.
- ② poor efficiency of ports.
- ③ ↓ modernization at ports.
- ④ failure of PPP model
- ⑤ Artificial distinction between
Major & Minor ports
- ⑥ Too many authorities like
Tanks, ministry departments
etc → W coordination.
- ⑦ Poor hinterland linkages.

⑧ Lack of railway connectivity etc.

Shipping industry problem :-

- ① Poor levels of indigenization.
- ② Old fleet.
- ③ Lack of research & development
- ④ Poor budget funding.
- ⑤ Poor utilization of potential.
- ⑥ Challenges of maritime security, piracy, climate change etc.
- ⑦ Lack of holistic policy.

corrective measures :-

- ① Increasing indigenization
- ② lowering dwelling time of cargo at ports.
- ③ Technology transfer from west.
- ④ Make in India
- ⑤ Skill development etc.

Measures for Ports:-

- ① Sagarumala project to connect major cities, rail routes to ports.
 - ② Port development & Port led development focussed.
 - ③ Increasing evacuation efficiency
 - ④ countering challenges of PPP via including measures like PPPP, PTP etc.
 - ⑤ Special purpose vehicle formed. (SPV)
 - ⑥ Ports that are lying unused will now be regulated.
 - ⑦ Inland waterways push to help port development too.
- Ports account for > 95% trade volume.
Hence apt corrective measures are been taken to utilize potential of ports & shipping.

10. How has the process of liberalisation, which has otherwise led to high economic growth, affected the employment rate and the nature of employment in India?

उदारीकरण की प्रक्रिया जिसने एक प्रकार से उच्च आर्थिक विकास को प्रोत्साहित किया है, भारत में रोजगार दर और रोजगार की प्रकृति को किस प्रकार प्रभावित किया है?

Liberalization along with privatization & globalization surfaced in India in 1990s.

Liberalization means liberal laws for various sectors of economy like Banking, labour reforms, global processes etc.

This had positives of high economic growth with more global trade to India, privatization, economic linkages, market product diversification etc.

Effect on employment:-

- ① changed nature of employment.
- ② varied rate of employment.

Nature of employment:-

- ① In agriculture, land as means of livelihood was lost.
- ② It increased contractualisation of labour in form of BPOs, KPOs etc.
- ③ outsourcing led to brain drain.
- ④ led to labour reforms due to pressure of IMF, WB & others like economic sanction under Non-tariff Barriers.
- ⑤ Nature ^{of penetration} of unorganized sector in India is largely due to liberalization.
- ⑥ It has led to genderization of labour with mainly females left in unproductive works.

Rate of employment:-

- ① Firstly it increased in service sector in Banking, KPO, BPOs.
- ② But later challenges from S/E Asian nations to Indian BPO, KPO brought dull period.
- ③ Post 97 crisis, A effect of connected world due to liberalization these industries came back to India.
- ④ Hence job rate has been fluctuating.
- ⑤ Failed to increase jobs in manufacturing sector.
- ⑥ Now liberalization demands skill development & hence led to high attrition rate in IT jobs etc.

11. Food processing industry needs a fillip in the form of better logistics, access to credit, technology incigenisation and implementation of food safety laws. Discuss.

खाद्य प्रसंस्करण उद्योग के लिए बेहतर प्रचालन-तंत्र, ऋण उपलब्धता, स्वदेशी प्रौद्योगिकी और खाद्य पदार्थों की सुरक्षा के लिये बने कानूनों के क्रियान्वयन के रूप में प्रोत्साहन की आवश्यकता है। चर्चा करें।

Food processing industry in India is divided to 5 sectors :-

- ① Milk, vegetables, fruits
- ② Grains
- ③ Meat & Poultry
- ④ Fisheries
- ⑤ Packaged food

Each sector has varied demands & problems. Overall :-

- ① value addition is just 20%.
- ② global trade share < 3%.
- ③ share in GDP is low.

Needs :-

- ① Better logistics
 - Management information system
 - Decision support system
 - SCM • Forward & Backward

linkages • storages
• transports • cold chains etc.

This will increase efficiency,
afftake, quality of products,
better price realizations for
farmers etc.



technology indigenization :-

- ① For increasing export quality
- ② Need of Research & development
→ job creation.
- ③ would increase value addition
- ④ Help in ICT usage in sector
- ⑤ would strengthen logistics.

* Credit

- ① would help this highly unorganized sector.
- ② Increase raw material quality
- ③ would help in logistic & technology adoptions
- ④ Maintenance of quality & standards
- ⑤ Increase entrepreneurship & holding capacity along with product diversification.

* Laws Implementation :-

- ① FSSAI (2006) act should be implemented to ensure customer trust is not breached ex (Maggi case).
- ② Important for sector's development, health of consumers, exports, quality control etc.

Hence various steps are necessary for the industry.

12. Agro forestry has immense potential in contributing to sustainable development and increasing farm income. Yet, it has failed to take off in a big way in India. In this context discuss the problems and challenges of Agroforestry in India.

कृषि बानिकी में 'सतत विकास' में योगदान के साथ-साथ कृषि आय में वृद्धि करने की अपार संभावनाएं हैं। हालांकि, भारत में यह बड़ी उपलब्धि प्राप्त करने में विफल रही है। इस संदर्भ में भारत में कृषि बानिकी की समस्याओं और चुनौतियों पर चर्चा करें।

Agro forestry includes plantation of trees along with agriculture & takes place in forms like social forestry, farm forestry & community forestry.

Potential for sustainable development
& farm income :-

- ① Increase tree cover.
- ② Act as carbon sink.
- ③ Acts against climate change.
- ④ Produce can be used for timber, non-timber, rubber etc leading to diversification of farming & income.
- ⑤ Increases farmer's holding capacity
- ⑥ Prevention against

vagaries of monsoon etc.

Failed to take off except in few states like Karnataka, Gujarat etc due to reasons, problems & challenges like:-

- ① Access focus laid on trees lead to plantation agriculture & leaving behind crops.
- ② unsustainable practices followed in North India where sugarcane affects ground water.
- ③ Use of farmlands instead of community & wastelands
- ④ Growth of monoculture w/t promised growth of usu-fructuous species.
- ⑤ Alien specie invasion like Eucalyptus leading to

forest fires etc

- ⑦ decreased land quality & hence became challenge to farm income.
- ⑧ Presents challenge to preserve traditional crop patterns of a region.
- ⑨ Affected due to globalisation & export oriented approach.

Need :-

- ① Following guidelines of land use, specie to be produced
- ② community involvement etc.

Hence agro forestry challenges the sustainable development factor & farm income though it was meant to boost the same.

13. Agricultural marketing in India is the weakest link in the agricultural economy. In this context discuss the problems of agricultural marketing in India. How far can setting up of national markets help in addressing these problems?

भारत की कृषि आधारित अर्थव्यवस्था में कृषि विपणन सबसे कमजोर कड़ी है। इस संदर्भ में भारत में कृषि विपणन की समस्याओं पर चर्चा करें। इन समस्याओं को मुलझाने में राष्ट्रीय बाजारों की स्थापना कहां तक नहायक हो सकती है?

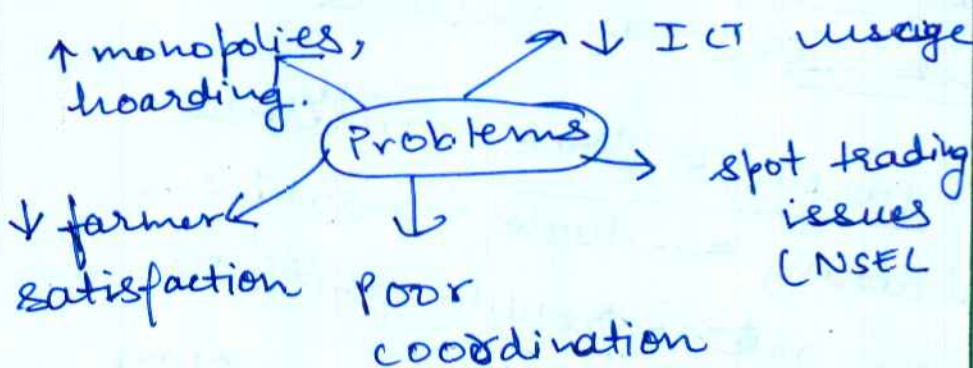
Agricultural Economy in India
is about 17% of the GDP. It
has various weak links like:-

- ① Pre harvest :- credit, inputs,
irrigation, climate etc.
- ② Post-harvest :- grading,
storing, marketing.

Marketing is one of main weak
link as it has problems like:-

- ① Lack of price guidelines
leading to high variation in
farm gate - retail prices.
- ② Weights & measurements
are not standardised.

- ③ Poor forward & back ward linkages.
- ④ Lack of storages & transportation mechanisms leading to poor offtake & wastages.
- ⑤ APMC has led to monopolistic markets.
- ⑥ Lack of flexibility & choice for farmers to sell their produce.
- ⑦ large number of middlemen



Government recently decided to form national agri market

A reformed 50 mandis
across 10 states for the same.

Benefits :-

- ① will increase regulation,
coordination, transparency
→ price realization for farmer
- ② side activities like grading,
sorting, storing etc will
improve.
- ③ will check on hoarding
→ ↓ inflation, ↑ availability
- ④ lead to pressure on APMC
to reform.

But it will have challenges
like entering into state's
sphere (Agriculture is state's
subject) & breaking of traditional
structures with farmers selling
elsewhere causing local grain
deficiency.

14. Animal rearing is a key livelihood and risk mitigation strategy for tribals and small and marginal farmers, particularly across the rainfed regions of India. Substantiate. Also, discuss some strategies to realize the potential of this sector.

आदिवासियों एवं छोटे और सीमांत किसानों हेतु पशु पालन आजीविका का एक प्रमुख साधन एवं जोखिम कम करने का उपाय है, विशेषकर भारत के वर्षा सिंचित क्षेत्रों में। पुष्टि करें। इसके अतिरिक्त, इस क्षेत्र की संभावनाओं का दोहन करने हेतु कुछ रणनीतियों की चर्चा करें।

Animal rearing in India is major livelihood & risk mitigation strategy as India has 57% of world's buffaloes, 16% of cattle, 2nd in goat, 3rd in sheep etc leading to high resource availability.

Boon for tribals & farmers in rainfed regions as :-

- ① They have poor risk taking capacity, ↓ holding capacity
- ② This offers farm diversification
- ③ Protects against monsoon's vagaries.
- ④ They have less land (< 0.86 hectare) hence important to



⑥ ∴ It helps against risks & increases income.

Strategies to realize potential:-

- ① Export led growth.
- ② Incentives like tax benefits to food processing industries.
- ③ Technology upgradation & ICT usage by farmers.
- ④ Utilizing science under ARYA scheme for the sector.

- ⑤ Improving veterinary support
- ⑥ Improving animal quality & productivity by cross breeding, artificial insemination etc.
- ⑦ Disease prevention, listing of diseases with national animal diseases board.
- ⑧ coordination among farmers, universities etc.
- ⑨ Oxfam, Anura, other NGOs are working to reorient the traditional links between agriculture & animal rearing
- ⑩ overall holistic development of sectors etc.

Hence measures should be taken to realize it's potential.

15. The idea of Second Green Revolution needs to be explored if India wishes to achieve food security, raise farmer income and develop sustainable agriculture. Discuss. Also, elaborate the steps that the government has taken to implement the Second Green Revolution.

यदि भारत खाद्य सुरक्षा की प्राप्ति, किसानों की आय में वृद्धि और संधारणीय कृषि का विकास करना चाहता है तो दूसरी हरित क्रांति के विचार का अन्वेषण किया जाना चाहिए। इसके अतिरिक्त, दूसरी हरित क्रांति का कार्यान्वयन करने हेतु सरकार द्वारा उठाए गए कदमों पर प्रकाश डालें।

second green revolution or
evergreen revolution focuses
on sustainable agriculture.
It has learnt from un-
sustainable practices followed in
green revolution of 1960s.

Food security

- ① It requires organic farming
- ② nutrient component to be
taken care by ISOPOM, technology
missions.
- ③ Productivity increase via
soil health card scheme.

Farmer income

- ① It will diversify income source

- ex horticulture, agro forestry etc
- ② Decrease dependence on MSPs
 - ③ lead to forward & backward linkages.
 - ④ SCM development
 - ⑤ Focus on animal rearing
 - ⑥ Focus on food processing
 - ⑦ setting national markets etc.

Sustainable Agri :-

- ① organic farming.
- ② Drought resistant, pest resistant crops to be grown.
- ③ Focus on traditional linkages like animal rearing.
- ④ National sustainable agri mission of NAPCC shall be it's component etc.

government steps :-

- ① National sustainable Agri mission.

- ② soil health card
- ③ National horticulture mission.
- ④ Per drop more crop
- ⑤ PM kishi sishayi yojna
- ⑥ ARYA
- ⑦ Postal-Agri linkages
- ⑧ Kisan vikas Kendras
- ⑨ Use of ICT (e-choupal, bhoomi)
- ⑩ Kisan TV
- ⑪ BGREI
- ⑫ RKVY etc.

Hence these schemes & measures take care of sustainable factor, farm income, food security, farmer welfare etc.

16. Lack of resources and inadequate incentive structures have led to the breakdown of agricultural extension services in most states. Comment. Suggest some measures to improve agriculture extension services in India. संसाधनों के अभाव और अपर्याप्त प्रोत्साहन संरचना ने अधिकांश राज्यों में कृषि विस्तार सेवाओं को विफल बना दिया है। टिप्पणी करें। भारत में कृषि विस्तार सेवाओं में सुधार लाने के लिए कुछ महत्वपूर्ण उपायों का सुझाव दें।

Agricultural extension services include both pre & post harvest mechanisms.

Pre harvest :- credit, land development, cropping decisions, backward linkages

Post-harvest :- forward linkages, SCM, food processing, marketing etc.

Lack of Resources & Incentives
have affected these as :-

- ① There is lack of technology usage, R & D etc in states like BIMARU as focus is on other welfare approaches.

- ② This has led to farmer's technology aversion.
- ③ Lack of ICT usage due to poor resources.
- ④ technology missions like NOVOD, ISOPOM, JTM etc have failed in incentivizing farmers
→ ↓ extension services.
- ⑤ Postal-Agri Programme for extension services is in nascent stages.
- ⑥ ARYA (Attracting & Retaining youth in Agriculture) should incentivize extension services.
- ⑦ Farmers have poor credit delivery, ↓ holding capacity, ↓ linkages etc and hence do not adopt extension services.

Measures to improve extension services :-

- ① National agri market
- ② SCM pyramid/ paradigm
- ③ ICT usage
- ④ Budgetary support
- ⑤ Implementing schemes like
Postal-Agri, ARYA, Kisan-TV,
Soil health card etc
- ⑥ Incentivizing farmers.
- ⑦ Empowering Panchayats &
gram sabhas for the same
credit disbursal
- ⑧ DBT, PMJDY etc should be
harnessed.

17. "Contract farming occupies a crucial role in agricultural economy of India because of small farm sizes". Evaluate. Analyse the various issues plaguing contract farming in India.

"खेतों के छोटे आकार के कारण भारत की कृषि अर्थव्यवस्था में अनुबंध कृषि की महत्वपूर्ण भूमिका है"। मूल्यांकन करें। भारत में अनुबंध कृषि के मार्ग में बाधक विभिन्न समस्याओं का विश्लेषण करें।

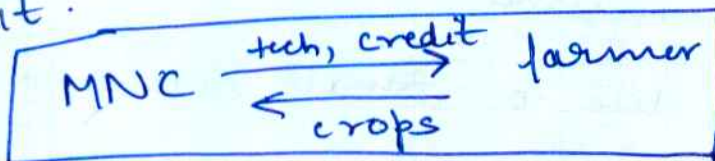
contract farming is practice in which multinational corporations & farmers get in a contract to produce & take certain crop after certain time at fixed costs.

Role in agricultural economy
in general :-

- ① Increase farmer income
- ② Demand-supply management
- ③ Agro-based industries get fixed produce
- ④ Assurance to farmer of a fixed income
- ⑤ Role due to small farms.

Small farms:-

- ① More than 70% farmers are marginalized.
- ② They can't produce with high efficiency.
- ③ Hence farmers form groups like in cooperative farming to come together in contract with MNC.
- ④ Hence contract farming gives them collective bargain power.
- ⑤ It helps in economy of scale
- ⑥ Marginal farmers can buy inputs, technology from MNC & together produce crops for it.



Issues:-

- ① Breach of contract by farmers
if they get high price
elsewhere.
- ② contract breach by MNC
on getting cheaper produce
elsewhere.
- ③ Poor literacy of farmers.
- ④ Poor regulation by APMC
& others.
- ⑤ Farmers produce monocropping
& plantations thus spoiling
traditional farming system.
- ⑥ less money given on basis
on poor quality etc.

Hence it has high potential
in agro-economy & challenges
as well.

18. Reviving the Farm Income Insurance Scheme could be the best tool for marginal farmers to fight falling prices of agricultural products in an increasingly globalized marketplace. Explain.
वर्धमान वैश्विक बाजार में कृषि उत्पादों की गिरती कीमतों से लड़ने के लिए कृषि आय बीमा योजना का पुनरोद्धार सीमांत किसानों हेतु सबसे अच्छा साधन हो सकता है। वर्णन करें।

Farm Income insurance scheme presents farmers with protection against ^{falling} crop prices, natural calamities, crop wile due to diseases etc.

Benefits in globalized market:-

- ① Decreases subsidies, which are countered by WTO & western nations.
- ② Guarantees farmer a fixed income.
- ③ It is better than MSP as MSP triggers inter-state, inter-crop, inter-class disparities.

- ④ would help in resistance against cheaper imports.
- ⑤ It will increase farmers' holding capacity against distress sale.
- ⑥ It also prevents against competition from MNCs in retail sector.
- ⑦ This would ensure technology adoption, necessary in global world, despite falling prices.
- ⑧ Marginal farmers, already live on edge. This will provide them subsistence & motivate to increase productivity & production.

Hence it appears to be
better tool than :-

- ① MSPs → ↑ inflation
- ② subsidy → WTO issue
- ③ loan waiver → Fiscal deficit
issue.
- ④ wastage → ↓ exports
- ⑤ low offtake → suicide, ↓
food security
etc.

19. The scope of Land reforms needs to be widened beyond the mere activity of redistribution of land and fixing land ceilings to a systemic restructuring that undertakes reforms in the sector of energy and water. Discuss.

भूमि सुधार के लक्ष्य को मात्र भूमि के पुनर्वितरण और भूमि हदबंदी (उच्चतम सीमा) तय करने की गतिविधियों से आगे जाकर एक ऐसी व्यवस्थित संरचना निर्मित करने की आवश्यकता है जो ऊर्जा और जल क्षेत्र में भी सुधार ला सके। चर्चा करें।

Land reforms began post independence in form of tenancy reforms, zamindari abolition, ceilings act 1961, which led to redistribution of land.

Focus changed post LPG in 1990s. A land reforms were hijacked by economic agenda of MNCs which look at land as exchangeable entity.

Even land consolidation (Chakbandi) asked for land redistribution.

Effects:-

- ① Marginalization of farmers increased.
- ② Fragmentation not ended.

- ③ Top 10% control more land than post independence
→ ↑ inequalities.
- ④ Farmer suicides haven't ended.

Need:-

- ① Systematic restructuring
- ② Energy reforms
- ③ water reforms
- ④ Holistic land reform

Energy reforms

- ① Subsidy rationalization for pumps as it affects ground water.
- ② Power needed for tilling, pre & post harvest, increasing produce, productivity etc.
- ③ For extension services, ICT adoption.
- ④ For early warning systems.

- ⑤ Fertilizer subsidy rationalization etc.

Water :-

- ① Implementing CADP.
- ② IWDP
- ③ Per drop more crop.
- ④ Krishi Sichi Yojana

These will increase irrigation to rainfed areas, increase utilization, productivity, decrease monsoonal dependence & hence help agr. economy.

Other reforms

- ① National market
- ② Digitizing (NLRMP)
- ③ KVKs
- ④ Extension services etc.

20. In recent years, savings rate in the Indian economy has witnessed a consistent decline. What are the factors responsible for this trend? How has the composition of savings changed in the last few years? Suggest measures to improve and better channelize household savings.

हाल के वर्षों में, भारतीय अर्थव्यवस्था में बचत की दर में सतत गिरावट देखी गयी है। इस प्रवृत्ति के लिए उत्तरदायक कारक कौनकौन से हैं? पिछले कुछ वर्षों में बचत की संरचना में किस प्रकार परिवर्तन आया है? घरेलू बचत को बढ़ाने और उसे सही दिशा देने के लिए उपाय सुझाएँ।

Saving rate in recent years has declined to below 30% from once 33% in pre recession era.

Factors:-

- ① Poor macroeconomy
- ② global slowdown
- ③ Decreasing purchasing power for few
- ④ Increasing consumption by few
- ⑤ Rising inequalities.
- ⑥ Saving rates deregulation →
↓ rates → ↓ savings.
- ⑦ Globalisation & its effects.

⑧ Rise in Inflation etc.

composition change :-

- ① over years household saving has remained stagnant
- ② Banking savings have increased
- ③ Insurance savings are increasing
- ④ Decline in PFA provident funds.
- ⑤ household saving include both financial & physical forms.
- ⑥ ↑ savings in gold.

Solution :-

- ① Increasing savings rate of interest.
- ② Mobilizing savings in form of gold monetization scheme, sovereign gold bond scheme
- ③ Tax benefits past a certain amount of saving.

- ④ generating awareness
- ⑤ Diversifying portfolio by introducing bond schemes, infrastructure bonds etc
- ⑥ using savings for infra-structural development in smart cities etc
- ⑦ "exploiting" local area needs, traditional aspects for that household saving is channeled to that particular task in form of investments.
- Hence savings can be better used for investments, infrastructure, vulnerable sector etc.