

**GS SCORE**

BATCH - II  
TEST - 3

## INDIAN ECONOMY AND AGRICULTURE

Time Allowed: 3 hrs.

Max. Marks: 250

Q.	Marks	Instructions to Candidate
1.	5.5	<p>There are 20 questions. ✓</p> <p>All questions are compulsory ✓</p> <p>The number of marks carried by a question is indicated against it.</p> <p>Answer the questions in <b>NOT MORE THAN 200</b> words each. Contents of the answer is more important than its length. ✓</p> <p>Answers must be written within the space provided. ✓</p> <p>Any page or portion of the page left blank in the Question-cum-Answer Booklet must be clearly struck off. ✓</p>
2.	5.5	
3.	6.0	
4.	6.0	
5.	5.5	
6.	6.0	
7.	5.5	
8.	6.0	
9.	5.5	
10.	5.5	
11.	6.5	
12.	4.5	
13.	4.0	
14.	5.0	
15.	6.5	
16.	6.0	
17.	6.0	
18.	6.0	
19.	2.5	
20.	6.5	

1. Invigilator Signature

2. Invigilator Signature

Name Basist Nandan

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Date 27/8/17

Signature [Signature]

REMARKS

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**GS SCORE**

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Q1. High logistics cost is one of the major reasons for uncompetitiveness of Indian goods in international markets. In this reference discuss the significance of having multimodal logistic approach in India. What are challenges in present logistics sectors? Also discuss some of the major trans-boundary multimodal projects of India. (12.5 Marks)

Logistics is an important component for making Indian goods competitive. It

includes packaging, transportation, forwarding etc.

logistics. In India comprises of involvement of ports, roads transportation, railway transportation,

Inland waterways, air transportation etc.

Multimodal logistic approach helps in promoting competition among different modes, choice for domestic

player. It helps in lowering the prices & making goods competitive in global domestic as well as in global market.

Challenges in logistic sector.

- ① Freight rail transportation is very costly due to cross-subsidization problem.
- ② Road transport is not viable due to its cost-inefficiency, environment pollution and unavailability lack of road infrastructure.

Good  
definition

Remarks

③ Customs and formalities are very complicated. Lot of paper work like Bill of Lading, Consignment clearance etc discourages exporters.

④ Shipping Industry is also not well developed.

⑤ Inland Waterways is not getting started.

However, initiatives like e-Biz, e-Exports

Single clearance, approval for more than 1000 vehicles, Signing of Trade Facilitation Agreement, Railway Regulatory authority etc are positive steps to address the issue.

Some of Trans-boundary multi-modal projects --

① Kaladan multi-modal Project -- It will connect W. Bengal to Sittoung port in Myanmar. It consists of road, railway, shipping etc.

② BBIN → Bangladesh - Bhutan - India - Nepal project.

③ TAPI → Turkmenistan, Afghanistan, Pakistan, India gas pipeline.

④ INSTC → International South Transport Corridor to connect Arctic with Persian Gulf. India is also its member.

① While @ India's Performance in Logistic Performance Index of WFP & Global Competitiveness Index of WEF

Remarks

Fr.S  
Final Attempt

Q2. What do you understand by the term Industries 4.0? How it is going to impact the employment generation in India? What possible steps can be taken to avoid any adverse effects on employment generation from Industries 4.0? (12.5 Marks)

Industries 4.0 is considered as age of artificial Intelligence, automation.

In India, more than 90% of workers are in unorganized sector. Many of the sectors in India are labour intensive. For eg. Small medium Enterprises, Textile industries. Hence automation may not affect these sectors.

But Automation in services sectors like IT sectors can affect. In service sector in India employ ~ 25% of population.

Agriculture Sector

- There is ~~50~~ 50% of population dependent on agriculture.
- There is lot of disguised unemployment in Agriculture.
- Hence automation, use of advanced technologies will help in increasing efficiency & productivity and reduce disguised unemployment.

Good

cut-short  
excess  
explanation  
↓  
Give Key  
Points  
worth

Remarks  
explain clearly

Manufacturing sector

Automation in manufacturing sector can lead to loss in jobs. ~~on machines~~ Shop floor level requires lot of manpower. Automation at this level can reduce employment.

Steps to avoid adverse consequences

- ① Strengthening MSME, small, medium enterprises. MSME ~~are~~ should be provided input subsidies, credit opportunities, protect it from foreign competition. Recent initiatives like MUDRA bank is a positive step;
- ② Skilling people so that they can adapt to the changing environment of Automation.
- ③ Improving make-in-India manufacturing sector to provide employment to workers.
- ④ Focus on Research, development & innovations to improve technologies.

Initiatives like Digital India, Start Up India, Stand Up India, Start Up Indus Virtual Hub are good steps. Artificial Intelligence will be a reality. However, we must be ready for it. A new revolution always opens the opportunity - hence it will be a boon rather a ban.

GS

Good Attempt  
Structure is good

Remarks

Give + Short Term  
- Long Term perspective

Q3. This Question contain 2 parts and both are compulsory:

- (a) Analyze the recommendations of Bibek Debroy committee. How this would impact the development of Railway infrastructure in India?
- (b) Indian Government recently established the Rail Development Authority. What is the objective of this authority? Will the setting up of the authority will help in tackling the challenges faced by Indian railways? (12.5 Marks)

(3)

Bibek Debroy Committee recommendation -

① Setting up a Rail Development Authority to manage assets, fares, transport and operation of railways.

② It recommended for allowing private players in competitive operation of railways in competition with Indian Railways.

③ Relieving Railways off from its non-core functions like schooling, parking, health facilities.

④ Railways should focus on its core work of operating railways.

⑤ It suggested moving away from cash-based accounting to Accrual based accounting.

The recommendations of Bibek Debroy committee are ~~so~~ so important for transforming

3.0

V. Singh

Remarks

railway & improving its operational efficiency.

3

(b) Rail Development Authority has been set up to look after fares, charges, accessibility etc.

It would look after specific areas of operations, managing fares of passenger and freight charges.

It would relieve Railway Board of these functions & Railway Board can focus on managerial functions in an effective manner.

It would help in following ways -

- ① Rational fare charges rather than populist fares.
- ② It would rationalise cross-subsidisation.
- ③ It would increase operational efficiency.

Rail Development Authority is a good step in improving efficiency of railways.

Write some key words in your answer.

Remarks

- Indian fly vision 2020
- Diamond jubilee success
- High speed fly

- Examples - Habibganj Station is prioritised

Good Attempt



Q4. What do you understand by Universal Basic Income? What is the estimated fiscal impact of this scheme and assess its feasibility in Indian purview? (12.5 Marks)

Universal Basic Income (UBI)

means providing minimum basic income to everybody.

Universalisation  
 Unconditional  
 Agency

Fiscal Impact of UBI

(1) UBI will help in removing inclusion & exclusion errors, which costs substantial loss to exchequer.

According to Economic Survey  
 Review A paper suggests - Around

₹ 1 lakh crore subsidies are used by well-  
 Review date to

(2) Currently Subsidies account for ≈ 4% of GDP (Centre + State). UBI could help in rationalisation of this huge subsidy.

(3) It is estimated as per poverty line estimate - ₹ 12000 will be given to every individual which would be huge fiscal burden on state.

(4) It can make people lazy which would adversely impact productivity of labour.

Remarks

write what is asked, reduce some of the points.

Subsequently can hamper productivity and growth.

It will increase the Revenue expenditure & affect FRBM targets.

Feasibility in India

6:0

1) India Aardhar -> More than 95% of adults have Aadhar. UBI can be brought in in terms of DBT.

2) It will help in <sup>curbing</sup> exclusion & inclusion errors.

3) Already fiscal deficit is 3.9%. UBI can further increase FD @ 25%. It can hamper sovereign rating.

4) However already many welfare projects are running. Dismantling them would be a tough task.

5) UBI will depend upon market fluctuations.

Vs 9:00  
Example

6) A study by JENA & UNICEF, Pr Madhya Pradesh shows the result of UBI.

UBI: can be brought in but ~~unwise~~ making it universal may not be good idea rather it should exclude well-off persons.  
Good

Remarks

Q5. This Question contain 2 parts and both are compulsory:

- (a) Indian service sector, especially IT sector, has been the main anchor of growth and employment in the 21st century. However, in recent past, the Indian IT sector has been in news for lay-offs and not for job creation. What are the reasons for this? What corrective steps needs to be taken in this regard?
- (b) Indian IT sector has been beneficiary of H1B visa allowances and liberal visa policy of USA in case of highly skilled employees. Examine how Indian IT industry is going to be affected following the strict visa policy under Trump regime.

(12.5 Marks)

(4)

Indian service sector  
Contributes to  $\approx 30\%$  of GDP and  $\approx 25\%$  of  
employment.  $17\%$

Reasons for lay-offs in IT sector -

- ① Use of automation & artificial intelligence.
- ② Demand and supply gap - IT industry is suffering from demand shortage. Hence over-employed IT companies are laying off.
- ③ Huge competition in IT sector. Presence of big companies like Microsoft, Yahoo, Google etc. & startups have made Indian IT sector a bit disadvantageous.

Measure to be taken

- ① Increasing the capability of students in college level. More curriculum should be re-written. It should change as per new demand of IT industry.

Remarks

⑪ Incentivizing IT industry for being to remain competitive in IT sector

Conclusion

S (6)

Recently USA government has made H1B visa very strict.

Its Impact on IT Sector

- ① less demand for Indian IT services in USA. It could affect growth in IT service sector
- ② loss of employment to many IT professionals
- ③ loss in revenue & foreign exchange earnings.
- ④ Positive impact

good

It will prevent Brain Drain which was mostly found in IT sector.

- ② It will force best brains in IT sector to work in India. It will help in reviving Indian IT sector.
- ③ Also skilled IT professionals can boost in start up India, entrepreneurship.

Conclusion:

Wiki: Example of Brain Drain to

Remarks

Japan after USA's protectionist policy adoption in 1980s

5.5

In good Attempt

Q6. In recent there has been a spurt in digitization. Can digitization help in bringing inclusive growth in India? What steps should be taken to realize the goal of inclusive growth in digital economy? (12.5 Marks)

After demonetisation recently, there have been more focus on digitization of economy and cashless transactions.

Digitization has its own pros and cons.

Pros of digitization in Inclusive growth

- ① It will help in identification of beneficiaries for different government schemes. It will work exclusion & inclusion error.
- ② Digitization & cashless economy will help in curbing excess expenditure. Hence more revenues to spend in health, education, infrastructure etc.
- ③ Digitization would help in providing the outreach of banks to unbanked citizens. Use of mobile internet would facilitate Banking Correspondents to open bank a/c.
- ④ It would also remove intermediaries in

Remarks

accounting financial instruments like Grameen pensions etc which will improve inclusion

Challenges

- ① Digital Literacy → Most of rural pop<sup>n</sup> are digitally illiterate.
- ② Infrastructure → Digital infrastructure is highly skewed towards Urban areas.
- ③ Informal Economy → More than 90% of workers are in unorganized sector not covered under various social security schemes.
- ④ Attitudinal changes are difficult to be brought towards digitalization.
- ⑤ Government of Private sector - There is concern for misuse of private information.

6.0

Digitalization is a good step. <sup>improve</sup>

However government should also <sup>improve</sup> enhance structural bottlenecks. Initiatives like CSC, PM & DISHA (Pradhan Mantri Digital Saksharta Abhiyan), awareness campaign, BHIM App, ~~UPI~~ UPI, IMPS, NEFT, RTGS are good steps towards financial inclusion.

V. good  
Keep it up

Remarks

\* Write Governance: G & L  
G & B  
G & G

\* Prep report on digitalization and Digital Economy

Q7. RBI has been issuing banking licenses under differentiated bank system (Wholesale and Long-Term Finance (WLTFF) banks). What is the need of such specialized banks? Discuss the scope and benefits of having WLTFF banks. (12.5 Marks)

There is a problem of Twin Balance sheet in Indian Economy. Companies balance sheet is under distress. They are not able to invest in infrastructure development. NPAs of banks have risen to 9% of GDP.

Wholesale banks are differentiated banks. They are brought for following reasons -

(A) Cater to needs of big industries who want to invest but lack funds.

(B) Wholesale bank is LTA bank provide long term loans to industries for catering to long gestation period infrastructure projects.

(C) They do not have to meet any priority sector lending (PSL) requirements & hence can focus solely on funding infrastructure projects.

Remarks

Benefit:

- ① focusing on a specialised sector would enhance the manufacturing sector, increase productivity, employment
- ② Banks could also realize its investment
- ③ Less problems of NPAs.
- ④ It will avoid Twin Balance sheet problem.

Whole sale banks is an important step towards banking sector more growth oriented & improving infrastructure projects in India.

Slope: ??

- ✓ Complete the answer
- ✓ Give some examples.
- ✓ write any Case Study

Proof Attempt  
see it

5.0

Remarks



Q11. Government launched Pradhan Mantri Fasal Bima Yojana (PMFBY) to reduce the vulnerability of farmers from natural calamities and ensure sustainable farm income. While highlighting its major provisions, also discuss the opportunities and challenges it is facing while implementation. (12.5 Marks)

PMFBY was introduced after  
 - Subsidising premium, losses and expenses like  
 NARS & MARS.

Provisions under PMFBY:

- ① Uniform premium rates 1%, 2% and 5% for Kharif, Rabi and Horticulture crops.
- ② It includes post-harvest losses also.
- ③ It considers considers damages due to monsoon failure, calamities and also landslides.
- ④ It encourage use of technologies like remote sensing, mobile sensors etc.
- ⑤ Except the premiums, rest of cost to be borne by Centre & State governments.

?

good  
 pt.

Despite of the scheme  
in action for last one & half years,

Remarks

# Performance of PMFBY ??

(Complete the Ans.)

There are following issues with implementation of PMFBY

- (a) It provides for subsidy premium to all irrespective of farmers being large or small
- (b) Benefits are mostly taken by large farmers & less by small & marginal farmers
- (c) There is no link b/w farmers and insurance companies.
- (d) Delay in disbursement of insurance amount to farmers.
- (e) Lack of awareness among farmers about scheme as well as about availability of insurance companies.
- (f) No relief to tenants or cultivators.

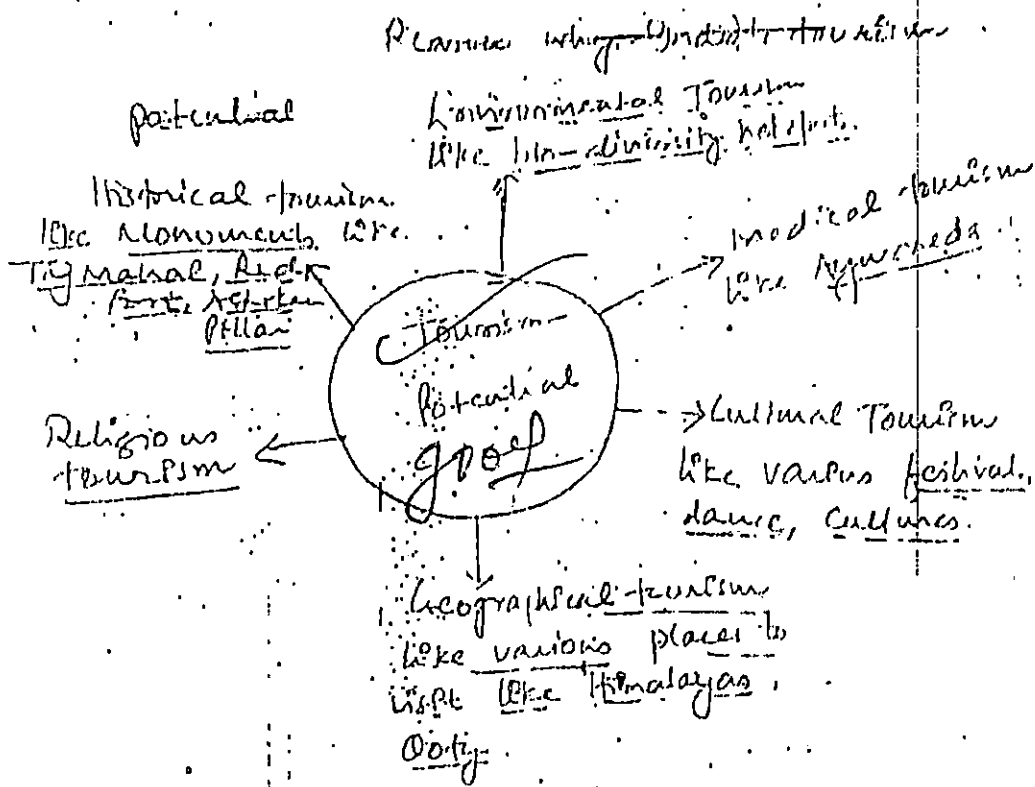
## Way forward

- (a) Increasing awareness among farmers about scheme.
- (b) Providing platform for interaction between insurance companies and farmers.
- (c) Better assessment of losses.
- (d) Rationalising the scheme so that benefits are mostly reached to small & marginal farmers rather than well off farmers.

Remarks (f) Provision should be made to include tenants & cultivators.

Q9. Tourism is the one of the major economic activity in many advanced nations, though India is catching up in the sector; however, its potential is still untapped. Discuss why India's tourism potential still largely untapped? (2.5 Marks)

Tourism is an important sector in India due to its vast potential and its scope to contribute to economic growth and employment generation.



Despite its huge potential in tourism sector, following reasons are there have led to unrealization of its potential -

Remarks:



Q10. Niti Aayog recently projected a compound annual growth of about 8% of Indian Economy and its transformation by 2031-32. In this light discuss, what policy actions are required for attain and sustaining this level of growth? (12.5 Marks)

NITI Aayog has provided a holistic framework for achieving higher growth rates in its ~~year~~ development agenda —

(A) Need for improving agriculture sector →

Agriculture sector

- (a) Increasing productivity of agriculture by mechanization, High yielding variety seeds.
- (b) Doubling farmers income by 2022.
- (c) Increasing MSP to other crops other than ~~rice~~ wheat.
- (d) Reforming APMCs.
- (e) Emphasizing on land consolidation & cooperative land holding.
- (f) Increasing irrigation facilities.

Industrial sector

- (a) More focus on infrastructure sector.
- (b) Incentivizing MSME industries.
- (c) Make in India program.

Remarks

- (i) Skill India -> Need for enhancing skilling.
- (ii) Provide infrastructural credit to investors.
- (iii) Expedite land, environmental clearances.

Service Sector

- (i) Enhancing skills by improving the educational curriculum.
- (ii) Tourism industry to be made more attractive.

govt

Human Development

- (a) Increasing expenditure of health & expenditure. Currently only 1.4% of GDP on health & 3% of GDP on education; very less.
- (b) Reducing inequality
- (c) Reducing gender gap in pay & employment.
- (d) Protection of vulnerable sections.

Other factors like improving FDI policy, removing bottlenecks, increasing PPP projects, etc are important for meeting sustainable level of growth.

Sis

- ① V. good approach to ans the question
- ② Structure is perfect
- ③ Write <sup>Remarks</sup> some reports for some like
- ④ ✓ T.S.R Subramanian Report on Education → ↑ expenditure 6% of GDP
- ✓ Atma Atta Declaration Health Exp. = 6% of GDP

Q11. Indian manufacturing products are uncompetitive in global market due to their low quality and standards, especially the exports from MSME sector. Discuss the issues pertaining to low quality of Indian manufacturing. Also discuss the significance of Zero Defect - Zero Effect (ZDZE) scheme in this regard. What else can be done to improve the quality and standards? (12.5 Marks)

Indian manufacturing products are uncompetitive in global markets. Reasons are as follows -

- (a) Less importance to Research and Technology leading to innovation.
- (b) Outdated technology which are not competitive to advanced technologies of foreign economies.
- (c) Problem of economy of scale in micro, small, medium enterprise - leads to compromise on quality standards.
- (d) Competition from foreign products - raw materials/product from China, US, Korea are very cheap compared to Indian products.

Example

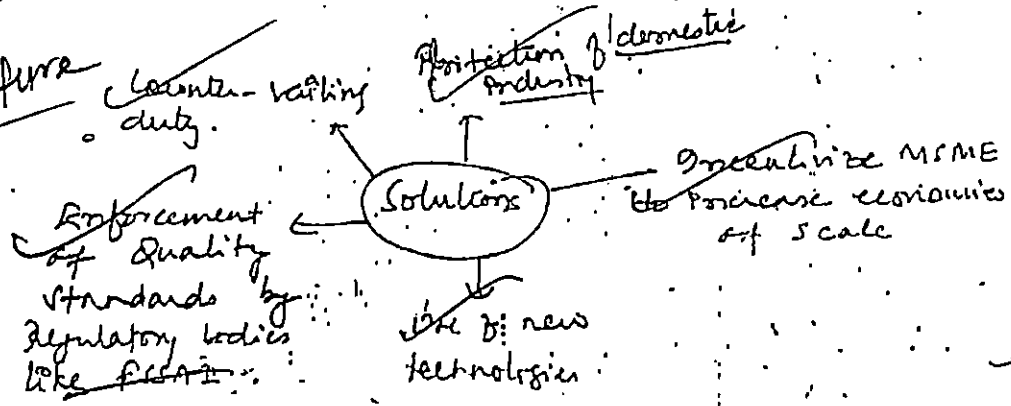
- (e) Lack of skilled manpower. Since unavail. gap between skilling and addition of additional work force employees.
- (f) Higher import duty on raw materials imported from abroad. Ex. of Rubber has import duty of more than 10% duty.

Remarks

- to protect duty structure, making domestic products uncompetitive.
- (3) Lack of supervision and adherence of ISO & ISI standards.
- (4) Lack of enforcement of standards due to corruption.

Present government has come up with zero defect-zero effect policy for MME sector. It means products will be manufactured without defects, it would enhance the value & trust of manufacturing sector in India. More than cost, it is the quality that matters most. Hence there should not be compromise on quality.

6/2  
Vigilant Approach  
Good Structure



Govt. has taken steps like MUDRA bank, National SIFR funds, Stand up India etc. to enhance quality & standards of manufacturing sector.

Remarks

- 1 National Standards & Co-operation Agency
- 2 IPR & GI Tag protection
- 3 Integrate Foreign Trade Policy 2015-20 to the MSME sector



Q12. India has been facing twin balance sheet problem with Indian characteristics. What are Indian characteristics and what steps should be taken to find out the solution? How the recently passed Ordinance, empowering RBI, is going to tackle the situation?

(12.5 Marks)

Twin balance sheet refers to problem of Bank's stressed assets and stressed balance sheet of companies.

The NPA of banks have risen to 9% of GDP which is very high compared to other nations.

Solutions:

- (a) Integration Indradhanush → Banks have been capitalised with ₹ 70,000 by Govt. to enhance their credit lending capacity.
- (b) 5/25 restructuring programmes — to increase the re-payability period of loan by companies.
- (c) Asset reconstruction companies.
- (d) Scheme for stressed asset restructuring restructuring for converting bad loans into equity.
- (e) Foreign Government is also planning to come out with PARA banks' plan.

Remarks

has been successful in dealing with banks in South - East Asian nations...

Recently Govt passed ordinance to amend Banking Regulation Act-1949 to give powers to RBI to tackle such situation -

(A) RBI has been given power to direct banks to declare irrecoverable loans as bad loans.

(B) RBI can take decisive steps for ordering ARCs for restructuring the loans.

~~RBI~~ RBI with its power to take decision will help in curbing the mergence of twisted balance sheet problem.

- o what is the Indian characteristic in TBS (Complete the answer)
- o How to improve Corporate Houses stressed balance sheet (Complete your answer along with Banks NPA)

Conclude

Remarks

Q13. This Question contains 2 parts; both are compulsory:

- (a) World Bank has been changing its spending pattern from Infrastructure to healthcare. How does this change augment the efforts toward achievement of SDG and improved welfare?
  - (b) The funding available with the international humanitarian spending agencies, like World Bank, UNCTAD, etc. is far less than optimum. Examine the reasons for such shortfall and suggest how spending deficit can be overcome.
- (12.5 Marks)

(a) Sustainable development goals (SDGs) are goals adopted by UN replacing MDGs. It is for 15 years period from 2015-2030.

SDGs include universal health care with different targets like Promoting life expectancy at birth, improving infant mortality rate, improving and enhancing primary health care.

World Bank has been more

focused on improving healthcare. Achieving health targets under SDG requires domestic as well as international funding. In India, Health spending is only 1.4% of GDP which is very less. Hence World Bank's spending would help in achieving health targets under SDGs.

Address pattern of funding is change of

Remarks

diverted here from the issue

4:0

(b) ~~World~~ Institutions like World Bank, UNCTAD are largely dominated by Western nations. Their developmental works had been based on conditionalities.

These lending institutions lend money at very nominal rates and are for long periods. Now - ability of nations to pay back the loans are leading to fund shortage of World Bank.

International financial institutions should have a clear guidelines on repayment of loans. ~~also~~ the internal functioning should be made more democratized. Also to overcome the shortage of funds from these institutions, regional institutions should be promoted, like AIB, BRICS bank, ADB etc.

✓ write key points based on priority  
✓ write more point ↓

↓ excess explanation

Remarks

Q14. BRICS and AIB has been two emergent institutions, which can challenge the hegemony of Bretton Woods institutions. However, for that to happen, China requires cooperation of the other developing countries rather than establishing hegemony over the new institutions. Critically analyze. (12.5 Marks)

Bretton's woods institutions like World Bank, IMF are largely dominated by Western nations. Their functioning has been dominated by developed nations.

BRICS bank have come into existence with efforts of BRICS nations & help to finance developmental projects in developing nations. Its functioning is democratic compared to IMF & World Bank.

Similarly AIB has come into existence to finance infrastructural projects in developing nations. AIB is dominated by China.

Success of BRICS & AIB depends upon its functioning. Functioning should take into consideration of flaws of IMF & World bank. It should not repeat the problems of these institutions.

Remarks

China being the largest economy in both BRICS and APEC should provide space to other nations like India, & other developing nations.

The spending of these institutions should be based on consensus & need rather than dictation of China.

Principles of China works co-operatively

- (a) Mutual trust among member nations.
- (b) Contribution to these institutions by members as per their GDP.
- (c) Increase in infrastructural investments in developing nations.
- (d) Reduction in dependence on IMF & World Bank.

If China doesn't work in cooperation —

- (a) Countries will not cooperate & contribute.
- (b) they will be more inclined towards other institutions like WB, IMF.
- (c) China being dominant would alienate the member nations.
- (d) China can not fulfil project alone.
- (e) Market based economy will fail.

Hence for success of APEC & BRICS China should not establish hegemony rather it should cooperate among member nations.

Remarks

China should not establish hegemony rather it should cooperate among member nations.  
 Yuan as a world currency —  
 dream in pipeline

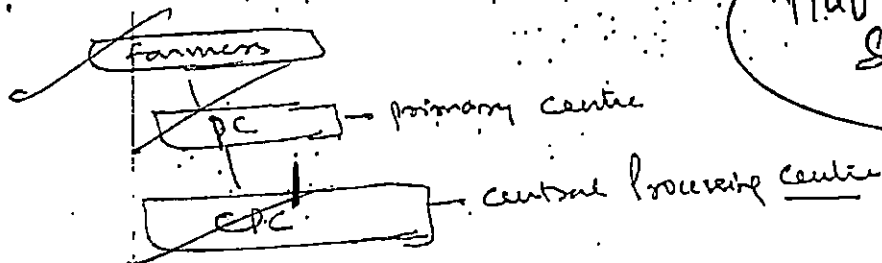
5.10

V. good point

Approach good

Q15. Despite the fact that Food Processing sector is recognized as sunrise sector and paid ample attention in recent years, the recent statistics suggest that many of Mega food parks, which were announced in the scheme have either not been established or they are on the verge of shutdown. Analyze the factors behind this trend; also suggest what should be done to reverse the trend? (12.5 Marks)

Food Processing sector is a sunrise sector & has capacity to provide 17 million jobs.



Hub-and-Spoke Model

Mega Food park is a cluster based approach which consists of central processing centres, which receives sorted out products from primary centres, primary centres in turn receive products from farmers.

Reasons for failure of Mega food Parks -

- ① lack of storage facilities - leads to perishing of goods
- ② linkage between farmers and processing centre is not direct. farmers are not

Remarks

allowed to sell their produce directly to primary centres.

- ③ Lack of transport facilities & infrastructure. Road, Railways are not viable.
- ④ Problem of land → mega food park requires huge land. But due to fragmentation of land & land clearance issues, some mega food parks could not be successful.

Solutions

- ① Amendment of APMC acts to allow farmers to directly sell their products to these companies.
- ② Improving cold storage, warehousing facilities.
- ③ Consolidation of land using land pooling, cooperative land holding etc. can be sought.
- ④ Food processing industry is important & has potential to grow due to changing life pattern, need for packed food, nutritious food & also due to nuclear family structure.

6/12

Well versed knowledge of wide range of issues addressed

Keep it up

100% <sup>Remarks</sup>

- ① SAMPAADA scheme
- ② National policy on Food Processing
- ③ Integrate. Rural dw scheme with FPO
- ④ Special fund creation under NABARD



Q16. Recent Farmers' agitations and suicide once again highlight the discrepancies in inclusive development. In this reference, analyze the factors behind farmer's suicide with a reference to NCRB report. What steps are needed to break the vicious cycle? (12.5 Marks)

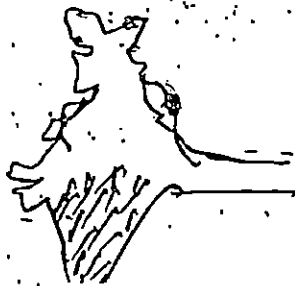
Recent NCRB report highlights the problem of Farmers suicide.

Reasons for Suicide →

- ① Inadequate remuneration for their produce → due to problems of APMC market, Intermediaries.
- ② Failure of Monsoon especially in drought regions of Marathwada, Vidharba.
- ③ Inadequate credit reach to farmers - still more than 30% of farmers are borrow money from moneylenders at exorbitant rates.
- ④ Irrigation facilities → less than More than 50% of agricultural land don't have irrigation facilities.

Remarks

Shows MAP: Spatial distribution of Suicide of farmers



- ⑤ - Psychological Reasons :- They are not able to handle the stress of failed crop.
- ⑥ Unsuccessfulness of Insurance schemes and reluctance of Insurance companies to help them

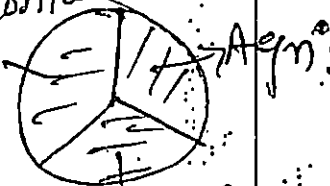
Solutions:

- ① Reform the APMC market, connect all mandis through network. eNAM should be expedited. Karnataka model should be followed.
- ② Rationalize MSPs on other crops also.
- ③ Promote mixed cropping. Along with agriculture animal husbandry also to be promoted.
- ④ Provide irrigation facilities. Expedite Khadhar Mantu, Kuthi, Amehayi Yojana.
- ⑤ Counselling should be done through e-Chaupals, use of Common Service centers etc.
- ⑥ Institutional credits should be given. Use Aadhar, DBT, Jan dhan accounts to transfer subsidies into farmers' accounts.

6.6

Assured Income Model

Horticulture



Animal Husbandry

Division of Agriculture

Remarks

Conclusion

Write 3 Committees

- ① MEP - Somanathan
- ② FCI - Shanku Kumar
- ③ Double Income - Ashok Daluwal

Q17. Micro irrigation can be way out for rainfed agriculture and small land holding in India. In this reference, discuss the advantages associated with micro irrigation, initiatives taken by government and challenges associated with it. (12.5 Marks)

Define Micro-Irrigation  
More than 50% of land

in India is rainfed.

Currently more than 60% of irrigation is done using tube wells which is inefficient, depletion of groundwater & also making soil infertile.

Advantages of Micro Irrigation -

- (a) Efficient use of water. The water is provided to root of plant.
- (b) It increases efficiency & increases productivity of crop.
- (c) Less requirement of fertilizers.
- (d) No problem of soil salinity as in case of tube well irrigation.
- (e) Less evaporation problem.

Micro-irrigation Mechanisms

- Drip
- Sprinkle
- Bamboo
- Plastic protection

Remarks

Initiatives taken by Government

- ① Pradhan Mantri Krishi Sinchayi Yojana.  
It includes per drop more crop,  
Har Khet ko pani.
- ② Accelerated Irrigation Benefit programme
- ③ Integrated Watershed Management programme

670  
Good Govt  
Keep it up

Though these initiatives are taken by Government. The implementation has been very poor due to following reasons-

- ① Reluctance of farmers to adopt to a new scheme.
- ② Due to highly subsidized power and irrigation currently.
- ③ Infrastructure problems.
- ④ Problem in connecting of canals.

Conclusion

Remarks

Q18. The Vulnerability of farmers is not just due to natural vagaries, but also due to defects of public procurement policy. Analyse what should be done to reform the public procurement system? (12.5 Marks)

Vulnerability of farmers is also due to public procurement policy.

Problems in public procurement policy

- (a) Minimum support price  $\rightarrow$  rise in price on (23) crops. But it is highly skewed in favour of cereal crops especially rice & wheat. They are water guzzling crop. Also leads to soil salinity issue.
- (b) Public procurement is not de-centralized in many states which increases the loss.
- (c) Farmers are forced to sell their produce through APMC Mandis - Here middlemen exploit farmers - Farmers gets very less for their produce.
- (d) Lack of storage facilities - Perishable goods like Tomato, Onion etc. if

Remarks

not sold ~~can~~ will get perished. Hence they sell them at whatever prices they get.

Requisitions.

- (a) Reform APMC acts. State Govt. should follow the model APMC act laid out by Centre.
- (b) Connect mandis through out nation. Expedite e-NAM network.
- (c) Promote contract farming so that farmers can realize their price.
- (d) Decentralized procurement should be promoted.
- (e) MSP should be rationalized & provided to other crops. ~~the~~ Procurement of pulses; ~~ajonka~~, Bajra should also be through MSP.
- (f) Promotion of warehouse receipt so that on basis of that receipt farmers can trade and get good remuneration. It was also recommended by Shanta Kumar Panel on FCI reform.
- (g) Co-operative farming to be promoted to increase bargaining power of farmers.

Remarks

Conclusion

① ~~Price stability~~

Q19. What is precision agriculture? How precision agriculture can help in improving the resource use efficiency in agriculture, with special focus to irrigation? (12.5 Marks)

Precision agriculture means use of technology in sowing, cropping and harvesting.

Precise defn.

It helps in understanding the nature of soil, requirement of fertilizers, irrigation required.

It uses remote sensing technology.  
Emphasis is on accurate use of seeds, ploughing & need for water.

2/2

Benefit Precision farming can increase the yield of crop by reducing wastage of seeds, fertilizers, pesticides.

Benefit in Irrigation

① It enhances efficiency of water by knowing the requirement of soil.

② Helps in drip irrigation.

Remarks

② It can help in knowing the <sup>ground</sup> water level.  
Hence, judicious use of groundwater can  
also be promoted!

- \* Soil Health Card for integrated  
nutrient Mgmt
- \* Integrated Pest Mgmt
- \* Use of Satellite, Remote Sensing,  
Robotics etc;
- \* ~~REVT~~

Remarks



Q20. How pink revolution can supplement farmer's income? Critically analyse, how the developments of recent years coupled with steep inflation in animal feed prices have impacted the development of sector? (125 Marks)

Pink Revolution is related to production of meat.

Meat production depends upon health of animals like cattle, hen, goats etc.

Problems in this sector →

- (a) Reduction in quality of feed to the animals has hampered health of animals.
- (b) Diseases like foot & mouth disease have become frequent. Viruses like chicken flu have also impacted the industry.
- (c) Due to fragmentation of land → availability of pastures have also reduced.
- (d) Due to availability of quality pastures & fragmentation of land → farmers have to depend upon markets for feed. Cost have risen up which impact farmer's cattle health.
- (e) Transportation cost has also increased price of feed.

Remarks

Other Reasons

- ① Banning slaughter of Cattle have also impacted the sector. (Cultural & Religious Sentiments)
- ② Animal Veterinary doctors are also less in number which impact/deteriorate

6/12

③ animal health Feed Habit of Vegetarians solution.

- ① Improving quality of feed by land consolidation
- ② Cooperative animal farming.
- ③ Availability of Quality feed need to be ensured.
- ④ Avail Credits should be made available for buying animal feeds by farmers.
- ⑤ Availability of veterinary doctors.

good Attempt

Due to distress in agriculture, it is important that for agriculture income should be complemented with animal husbandry to protect farmers from vaparies of monsoon. It will also provide alternate source of income for them.

• Mention Govt Initiative

Remarks