INDIAN ECONOMY AND AGRICULTURE

Time Allowed: 3 hrs.

Max. Marks: 250

Q.	Marks •	Instructions to Candidate							
1.									
2.		There are 20 questions.							
3.	-								
4.	·	All questions are compulsory							
5.									
6.	· · · · · · · · · · · · · · · · · · ·	The number of marks carried by a question is indicated							
7.		against it.							
8.									
9.		Ariswer the questions in NOT MORE THAN 200 words each.							
10:	l 	Contents of the answer is more important than its length.							
11.	· · · · · · · · · · · · · · · · · · ·								
12. 13.		• `Answers must be written within the space provided. —							
14.		. Monoro made bo winten winni the space provided.							
15.	· · · ·	Any pade or portion of the page less blank in the Owner.							
16.		Any page or portion of the page left blank in the Question- cum-Answer Booklet must be clearly struck off.							
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2. Invigilator Signature

Name	PRATIBHA			SINGH				
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Date	25.	08	. 17					
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REMARKS

GS SCORE GS MAINS TEST SERIES 2017 Q1. High logistics cost is one of the major reasons for uncompetitive of Indian goods in global 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)

International comparisons neveral high logistics costs in India which adversely impacts the ease of doing business in India as is revealed by low tanking standing of the country on world bank eventings.

Thadequale logistics facilitées considerably increase the input costs of the products accross value chain, evendering then uncompetetire in global market.

A multimodal légistics approach can address this issue ley:

(ii) prouding connectivity into the enteriors of the country and far flung areas where the enteriors are some of the country and far flung areas where the railways born be integrated by grounds and the potential of inland

waterways can be estillized time reducing regional imbalance en development iii) business costs will be considerably reduced. competativeness rivil encrease. Challenges in the present logistics . sector: (1) No coherent approach or policy for ii) stipping which cavity 95% of trade by volume offen lasks integration with the main land due to poor connectivity with gailways beloads (u) non-development of inland parts and coros subsidization for pearling foreight transport has increased dependence en soad network for legistici which is not sustainable. Some of the major transpoundary projects 1) Kaladan multimodal project with Mejanmour (u) development of Gus port in Fran which is to be connected by International Morth Bouth courder and Garland

Afganitan

Remarks

beganing

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 40 is any consequence of organing digital secretution which is the fourth orenolution of the world. This has brought in increased digitication of brookplace and automation in industries. Endia, which faces the challenge to clude lypes generate more job for ett to reap the yetem. benefits of ets demographic dividend infernet will be adversely affected by Industries 40 cents Computiz becourse o is greater automation will reduce require. ment of labour o particularly unshilled which is in abundance in Ondia ii) raise concerns of socially enclusive development. eg the viscoust stop reconst into calo aggregator networks like ola & uber are driverless enploring the possibility of casis thes well result in loss of in to low skill / less play. , Ales and high skill high long safement sifteget's Remarks

Trequality

However, states it is argued that such assumptions are emfounded As a automation in Indian sconomic sector will only lead to higher ndustral growth which inturn well vesuet en geealer job creation

Pessible steps thank can be taken to awaid any adverse effects on employment generation perom Industries

1) concert policy envisonment which encourages labour entencine sectors like coffer featilis & leather industry (ii) while automation should not be conjeteturess of Indian goods sit should be pussical with contion. uis greater collaboration with industries to end sector Skill councils to ensure that skill development encluatures are in line !with, the néeds of the industries o.

(iv) Demand deuven skill deudopnient

The fire everys processing.

This Question contain 2 parts and both are compulsory:

- 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)

Bibek Deborg committee gave reconimendoction for reminention and restance buring of Indian Railways which today is plagued with several issues The recommendations included &-(1) merger of the she practice of presenting separate raily budget with general lendget which was adopted recently

(ii) setting up of an independent vail regulator for lariff defermination

and development of standards in

nativay functioning (iii) Greater pointice pation of private sector Also
(iv) Bounging in a business orienlation in railreays to prevent recovering peoplaticaoperational losses. in raiting

Andian Laulway Recently 9 andrain Gont decided to company as eslabtiste a Rail Development Authority

. Nm-discriminating cures to sailson i frastructure

through an executive order en line with the recommendation of Bibek. Debesoy committee. ped development at me development at me This is envisioned to function as Near denglapment of sail sector in India the object will have following advantage!is national nantway dariff structure privil of passenger & freight fare on sound wrote will determine the principles for vir sailveaux Social obligations (fil) create of transparency and a level den playing field for private sector oci (w) adherence to standards well incre redictions vail safety and refficiency. forth Alonever, to insure that setting up of seal development altourly should not become mere tokenismig it should be made statutory booky with functional autonomy



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)

Linuwersal Basic Income is gar basic

income given by the state to its

citizens, withput any conditionality

attached, a chiese board as a minimum

social security benefit

ESSCORE

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)

Indians the growth story unlike other country's has been derived by It sector: ... which contributes to 60% of the GDP by value Consistenly growing at 10% Howevery in the growth in the 17 sector is declining for

This has lead to increasing layoffs because :-

(i) overall slandown in GDP growth 9.

sector.

development initialfaces of the Gout plains not showing the devised result plains our poor research and development and all Emoration in India puts Indian over IT sector at disadvantage in companion to china & USA.

(W) staat ups have majorly ittlijed.

immotive everytem

the app based platform that dres not absorb provide employment In this regard following corrective steps can be taken. :is enthuseastically pursuing liberalization of brade eucles for securios sector and & with different notions and at WTO. eg. Trade facilitation Agreement in Services in skill development initialities to be aligned with the demand of Endustries in strengthening the entellectual persperty framework g faster sleaveness ist supporting the start up ecosystem etrough funding o Encubation & hand holding Services oector gnot being labour Entensive o may not address the county needs for job creation & ... quater exurst needs to be put a development of manual acturing

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? endia & a cash intensure sountry with cash to GDP elatio of abound 12%. efforts to move towards ches cash economy enrangh greater stigitalisation of reach This is engerted to monetary. transactions hand following benefits: (1) Reduces conjuption and leakages through took several initialines to Recently Gont promote digitalisation with under its DIGITAL INDIA MISSION to make andip a digitally enipowered, knowledge leen omy Digitization can bring inclusive glowth en following ways (1) Reduce corruption and leakages in. governance and public service delivery (ii) more automation would enhance economy deffectiveness and economy of public organization thus benefiting the sitizens and the eshancing the

institutions

(iii) Duest Benefit transfers using the JAM trinity coin climenate inclusion godern seen i Do LPG DBT transfers under fire con increase the efficacy of social ... security includines and can Work Charles considerably to the each equer-Diffreshich Shared force several challenge problement should addressed at the earliast (1) realisation of the goal of connecting 2:5 lakk Gram Panchayak under Marat Net - reducing digital denter 4) digital literacy initialines (if) engaging pourale sector og Crongles La loon initiative to increasing the reach of internet U) ingaging grass hoot organizations e consumety to achieve this eligestice

Remärks

Q7. RBI has been issuing banking licenses under differentiated bank system Wholesale and Long-Term Finance (WLTF) banks. What is the need of such specialized banks?

Discuss the scope and benefits of having WLTF banks. (12.5 Marks)

Differentiated bank bytem and whole-Bale and long Term Penance (WLTF) banks are set up to cater to the needs of one infrastructure perojects which require long term loans.

These specialized banks have several advantages:

Dethese act as NICHE banks addressing difficultated a particular sector such as helds of a particular sector such as a full of a full of a MSME set.

that night arise.

December Indian of banking sector is grappling with high Non-freeforning Asset because of Twin Balance sheet peroblem and liture is wantle such and liture is wantle

1) the interes is a nequirement of niere than I trillion investment in infeastment we sector and initiatives

such as 5:25 scheme for PSBS have failed to have desired effect In this ocenarios wholesal & long teum finance Banks with 1) address the resource counch that inforastructure sector in surrently facing (2) will entend loans in line with long term cycle of the pergects. thus insulating them for the future overrung () will play a agnificant usle to extending support to various Gort enclature like Logamole pargeet, intend port development, espanding the sisad network Wrote about the sind rable to meet the needs of losse colosatio amentil ighed NPAS of the booking signal Worke object scale also market pine Can also roter find though Remarks

Q8. Government launched Pradhan Mantri. Fasal Bima Yojana (PMFBY) to reduce the vulnerability of farmers from natural calamities and ensure sustainable farm income. While highlighting it major provisions, also discuss the performance and challenges it is facing while implementation. (12.5 Marks)



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

(12.5 Marks)

Nany advanced nations and even bessel developed nations gain significant by lepping its potential in the tourism Sector.

It is only necently that there is a comprehensive approach tour across development of tourism.

Pecent initiatives of the Gont include Sinadesh das shan geheme - building of tourish das sixuals a level based of tourish das sixuals a level based.

3 e visa scheme

Heavella en higher employment 5 sereates forward and kachward linkages and peromotes argionally balanced developvent.

but Indias tourism potential has largely viernained untapped 3-

- 1. inefficient masketing it is only recently that life cultival alements. and diversity has been beinght to fore in globally thus enhancing its potential as soft power.
- Dlack of coherent approach which is now being pursued through development of theme based downs viewes
- (5) poor infrastricture and connedirity Posses, eg Nith Rast Ondia
- Decuvity and safety essues ->
 I January and Cashnur Continues
 to face internal strife.
 - roused by many foreign tourists especially women
- Dlangnage barrier and one stop enformation centres
- Elte eniteatures were missing



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? recently released et document and shategic action taken dowards 2019. a compound annual growth 04.8% tolog actions required to attain sustain à grouett of & to. Enclude Desolving NPA issue of Public Sector banks which have nearlied to disproportionate levels enrough enforms, secondition second & PARA recognesse 9 icary of skill India moren capacity of Industral 3 arramenting sector through greater transt ease et doing business, logistics ete I slouble slight growth in Striving for agricultural sester tond making g for renumerature through

brulding efficient snotitutional.

Caracity and mes Pensieumse a Capacity and miles Credit onechanisms.

- 3. éducation sector :- Emprouing the learning outcomes at primas education level , doing away no detention policy
- 6) tealth sector implementation of elyectives envisuoned in Healthe Care Policy 2017

String for socially eviduane, and qualitative growth can only gesult into-transformation.

strengthering maineren fundamentals N.K. sigh Committee & reduce the the barrier sector problems

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 (ZED) scheme in this regard. What else can be done to improve the quality and standards? (12.5 Marks) Indian namfacturing sector unlike in other countries contributes only 17%. to the GDP... It faces multiple challenges such as !-) uniompetetine in global markets showing poer enports: Describe protectionist measures legth Cont-resulting unto decrease in Competetimeness Bharter such as logistics cost eta result in higher input sasti (4) poor quality and standards foor regulation and monitoring of products 9 non-adherence to saintary and physicanilary obligations metal discourage esports eg. Dan on Indian mangoes by EU. & en Indian generice in USA . Porterbiniot emissonement for domestic industry

Remarks

Vse & close to feet by SI-MES!

Prome unisteris lero effett - lero defect. scheme seeks to address this Zero defect :- adherence to highest standards of quality as enuisaged under Also tribest global paractices I Tero effect & products and processes that are resource efficient and does soffer not adversely haven the enubranment. Rollowing steps can be taken to improve the quality and standards !-1) strengthening the significancework and making regulators more efficient pouch as FSSAI & BIS (2) exposing mentels to global best practices through awareness creation Suring sencercises on packaging , quality Branted are well breognized such cre predict economic etc.

in south the Remarks

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)

India forces Fuin balance sheet persblem which is charachteured ley (shoused asset) 1 high non-performing asset of banks (&i) ouer leveragest companies this has had many negative implications Omade PSBS risk Javersone - that is entry agre reductant to extend loans @ exis in town leads to poor monetary transmission in times when the characterist economy is facing slowdown and ligh deflationary pressures. Absence of book statled infrastoreture projects quality of Lorporates to access lowns because of poor balance sheets. Absence +

. perfolano Steps that need to be taken to find a solution Public Asset Resolution

. an independent body Agency Y. PARA! debt fromd enplose lake orier det very of restricts resolving it It is the short efficient to resolve large

(ii) Asset Reconstruction companies (ARCs) under SARPAESI Act (iii) smalegic debt theco hestructuring niechamism in 5:25 aule - where loans are enbended ley banks for 26 years and are: repranced every five yours to meet the projects refere of longe infeatine ture projects (iv) granting greater autonomy to banks for sesolution of debte In this regard an ordinance has been passed to empower the RBI for besow tion of high stressed assets of PSBS. Need to Wrote obut). From and challenger of · podino vie fait to addresse the same of suit challengers dreise to propose to maler willen default a coincino



Q13. This Question contain 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)



Q14. BRICS and AIIB 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)

BRICS New Development Bank and
Asian Investment Infrastructure Bank (AIIB)
are providing the Detan countries
have emerged as an alternative to
Buetton woods Institutions of IMF

and WB

in WB 5 IN F have failed to keep pace contemporary global realities with the sharehold global realities which is shareholder by a muttipolar which is shareholder beginnistic and used for furthering hegemonistic and used for furthering function of wonditionalities while entending loans.

On the other hand BRICS bank & AIIB have are more deflective of the global found dynamics of wonditions parent power dynamics of words light hours parent.

In addition to this these banks by com enclusariety focus on financing. developmental and connectivity perspects of South Asia and Asia etus directly addressing their ionceme. trouverer g it sannot be said that BRICE & AIR will challenge the Legemon of Beretton woods institutions , That considering the dominance and influence enjoyed by china they will only supplement them and act as an additional supposit for India. China in this context needs to allay These fevers and develop a collaborature and consultrature appersach en the functioning of this emergent financial auchitecture. . As is see

1/3/

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? tood Perocessing sector has experiencedya double slight growth and thus Surveyse Sector : neceptical as α. Recognizing its, nous positive externatity for India several efforts have been made by the yout to support this sector which have feiled to have desired effect. Mega Food Parks Scheme was conceptiblised as a kluster leased approach with of hub and apokes medel to support food processing industries under 12 th

five year Plan.

- flowever it containes to face several
challenges such as:

- mega food parks conceptualised have
not been completed due to lack of
permate pariticipation and industry
oupport

(2) Integration of different Steps accurs B Enferastructure development - stors · facilities and abbattouis not adequate and have only been implemented in a decembralized very No midnale at antique schemes, to no Stack of esherence to bornate allowed lent the investments The four net some in formation of SAMPADA

for sheme went beeks to integrate other

guilt schemes under one grif schemes under one umbrella for Moderatopment of agro-personny sector. increase the grants is small, some Stefe querbility in the menosion to Time period for cleanance . should be brought drawn

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

(12.5 Marks) India's agricultural sector though employs nearly 50% of the labour force a contributes only 17% of to the economy Paro performance of agri sector has resulted into it being non-eiemunsteatine for farmers and often. In the secent times farmers agilations and sucedes as perf the National lune Reports Bureau (N.CRR) aue seen to have increased MCRB onspiciole increased by 41.7%. 500 2015 4 ou 3014 The greasons for this are-o-1) high persportion of marginal and landless 2015.

James - Sovial land had dings agent high dependence on nam for veater requirements, only 30% is impated vagaries of nature renders the farmers

uilnerable to drought g floods etc

(4) high indebtness: - NSSO disposit reveals -that 40% of the farmers rely on non formal sources for their financial desides

8) high input costs - because of hise of

expensive seeds g perhaides g ferhages es feering has increasingly become input : intensive

- 6 panetiation of crop ensurance schemes Deflation - high supply , low demand. In this prenaeiro, Gout's au increasing economically unuable nethods adopting Such as bean wairers? to pressent suredes and faco address agraciani distress However better welkods can le:-
- (1) post demonitization, dutres sales have increased the state should Statisticament to address liquidity concerns

ptarts of farmers (2) Lat perouding reledit through formal Lourses and enhancing effectiveness of crop ensurance ichemes

3 adoption of more sustainable practices und PMRSY and Parampieragat Yopia

beneurage adoption of organic.

farming etc.

Prouding agriculture interinor service

(b) providenting recommendations of

burnistalhan committee.

GS MAINS TEST SERIES 2017 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) India increasingly depends on flood irigation Indias iting atton through canals & table wells, to meet its trigation needs. This has seemed many disaduantages of 90% of water is utilized by agraulture. achiele g the efficiency level of water of water terett utilization is much beites in Other countries like Brazil & china It leads to wenstage of weater doctione in water tables An etni content nico ilrigation is pupposed as a better afternature becourse it is veater efficient (a) does not increase salinity of soil (3) labour and power efficient 1. also results in increase in productivity firtigation with meno irrigation techniques is a more expresent reduce Salving for first waters

Gout recently launched Paradhan Manteu Emphague Yegna to enhance water use efficiency with the help of micro Nes et trand drip errigation techniches and prometimes and spectally por don addition to this initialities such as MGNREGA aux utilized to viripuone prevent siltation of lanks. Dui Charlenge associated with it !-1) duces irrigaliens in expensive to set up @ not mildle for small landholdings which are predominant in India (3) implementation of PM By adapted needs to done effect butly lack & dedicated fearm and. IT- barbed frostin

GS MAINS TEST SERIES 2017 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 Public Perocurement Policy Leeks to achiene tur objectives. 1) peroude éentimerature relitins to farmers for oneir produce country's ensure stock for food security needs. The unevability of Indian farmers is not just because of securient drought & floods but silve because of several elefects and public procurement system (1) Minimum Support Price & inadequate MSP & announced for 28 cuaps however for only wheat and sice . It is followed because of low awareness storage leads to (b) poor transportation 9 high wastage (9) horticulture isrops like fruits Snegtlateles which the are peristable have no such gout procurement support - raulty calculation of MSP

Remarks

Adude Sharte kumars dig -delay is spearing of privirence pares.

In line with the Swaninaltan Committee decommendation runnum supposit perice can be increased to 1.5 times the market perice It may lead to market dislother The 2014-18 economic survey becommende adoption of PRICE DEFICIENCY mechanism. so that reveals are not over personated over pulses and coolerse grains and agio: dimatic conditioni for culturalion of crops sure laken mes Director of Amountum consideration idrered Maronim for formers Storage - familities,

Q19. What is precision agriculture? How precision agriculture can help in improving the resource use efficiency in agriculture, with special focus to irrigation? Precision Agriculture are agriculture practices where efficient resource exception of inputs is ensured and it also eresults en high crop yett It has following advantages: 1) reserve efficient 1 mereuse productuity (9- ensures land resources are not degraded -(9) inputs like fertilizas o if are not applied ous per soil conditions may lead adversely impact it (S) pesticides in excess-enter etc. food claim ; thus, use of Indegrated pest management Not Softsfaity Arswer ride real time does about the conson in field. measure muiture Recept develop was a morting of the company of the Remarks . by small four town ope,





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? (12.5 Marks) Remarks