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SRUSHTI DESHMUKH

Rank - 5

GS Paper III Marks - 115

GS Mains Q&A
General Studies Paper - III



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GENERAL STUDIES - PAPER III

Time Allowed: 3 hrs.

Max. Marks: 250


Q.	Marks	Instructions to Candidate
1.		<ul style="list-style-type: none">• There are 20 questions.• All questions are compulsory• The number of marks carried by a question is indicated against it.• Answer the Question No. 1 to 10 not more than 150 words, whereas Question No. 11 to 20 should be answered in not more than 250 words.• Answers must be written within the space provided. <p>Any page or portion of the page left blank in the Question-cum-Answer Booklet must be clearly struck off.</p>
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Name SRUSHTI DESHMUKH

Roll No. _____

Mobile No. _____

Date _____

Signature 

1. Invigilator Signature _____

2. Invigilator Signature _____

REMARKS

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SECTION - A

- Q1. The credit rating agencies are criticized by many on various grounds, yet their importance cannot be denied. In this context, discuss the importance of the credit rating agencies for developing countries and briefly elaborate on criteria used by them. (10 Marks)

Credit Rating agencies are the organisations that judge, assess and report the capacity of a debtor to repay debt. They provide a suitable point indicator on a scale of A, A+, B etc.

WHY ARE THEY CRITICISED ?

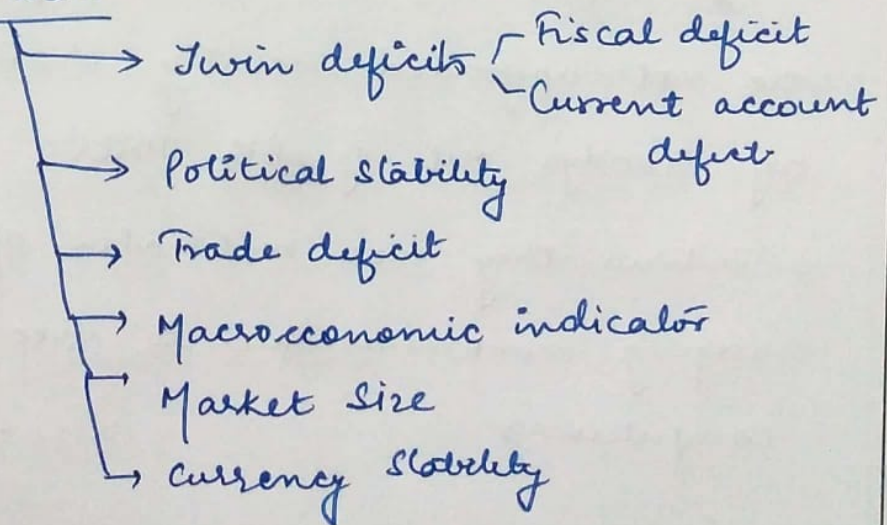
- o) Bias against developing world.
- o) Eg. Despite Indian economic growth, ratings were not upgraded recently, that too only by Moody's out of BIG THREE.
- o) Criteria they use militates against emerging economies due to free trade compulsions

Remarks

IMPORTANCE :

- 1) Create Credibility in International Investment market.
- 2) Sovereign credit rating can attract FDI, FII and other development initiatives
- 3) Developing world requires huge funds & faces massive Infrastructure Gap.
 Ex CRISIL Report - India requires \$2-3 trillion by 2020.
- 4) For capital intensive, renewable projects etc credit ratings can help crowdfunding also.

CRITERIA used



Remarks

Q2. What is Corporate Governance? Discuss the changes proposed by Uday Kotak-led SEBI committee in corporate governance norms? (10 Marks)

Corporate Governance refers to the administrative practices of service delivery in private firms and corporate industries dealing with Board members, ethical practices in management, profiteering etc.

Uday Kotak led committee has proposed :-

1) Improving Governance - strengthening 3 gate keepers - board, auditor & regulator.

Improving Investor confidence. by this.

2) Listed companies should have 6 directors (independent) and at least 1 be woman.

They play a crucial role in protecting small investors

Remarks

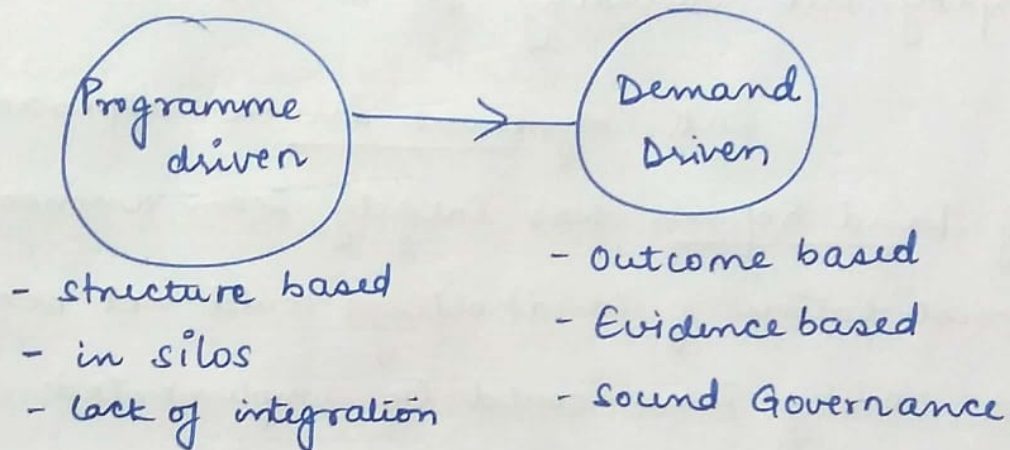
- 3) Chairperson & MD : Separation of these two posts to prevent conflict of Interest and promote efficiency
- 4) Board meetings - at least 5 meetings in a year regarding planning, strategy of company
- 5) Credit ratings be available at one place & for ease of small investors, disclosure be done online.
- 6) IT Committee & Risk management for handling cyber attacks.

Promoting fairness, transparency and accountability in the process, principles ⁱⁿ ~~and~~ system of private companies can be achieved through effective implementation

Remarks

Q3. The developmental model in India should include rural development schemes that are "demand driven" rather than "programme driven". Examine with respect to the design of various social sector schemes. (10 Marks)

Development model for rural development has been a debatable issue where programme driven approaches have led to more government & less governance



⊙ MGNREGA is a demand driven scheme & adequately successful in pulling out people of abject poverty.
 → Public works are selected by Gram Panchayat and unemployment allowance is also provided.

Remarks

① Deendayal Upadhyay - Antyodaya Yojana comprises of women farmers scheme, Aajeevika Grameen Express yojana providing employment to youth & women.

② White Revolution was a success because it fed into the demand for alternate ^{non-}farm employment including for women.

But, Programme driven approach of Land Reforms has largely been unsuccessful. Consolidation of landholdings could not occur, nor ceiling laws could be implemented.

Similarly, for Watershed development Ministry of Agri, dept of land works, for large irrigation - Ministry of water resources works, such lack of integration has prevented deep penetration of associated programmes.

Remarks

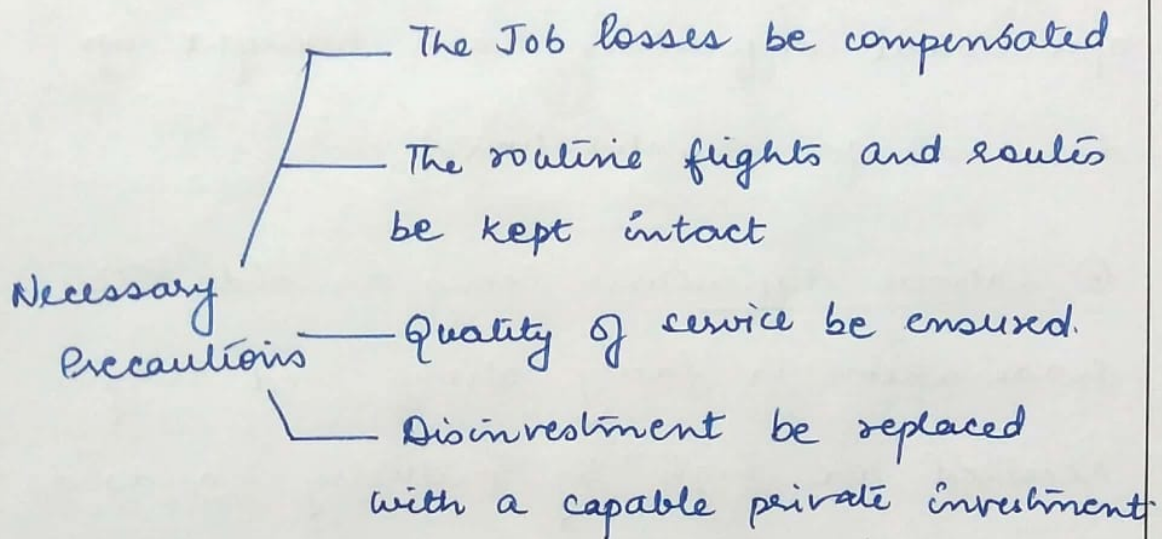
- Q4. "Privatizing Air India is a step that has been long overdue. Analyze the reasons behind the imminent privatization and necessary precautions that should be considered by the government. (10 Marks)

Air India has ^a legacy of being India's first aircraft carrier and govt owned, but financial losses and operational difficulties have brought up demands for privatisation:

- ⊙ Labour difficulties - being an old PSU, trade union is fairly strong and wages received are high by industry standards.
- ⊙ It has not been able to capitalize on the growth of civil aviation sector which is unexpectedly 16-20% per year.
- ⊙ This has led to financial losses to the tune of thousands of crore rupees harming the public sector owner.

Remarks

⊙ Operational difficulties exist as the entire operation, from staff, technical to aircraft safety, all are handled in-house, this has prevented competition and escalated costs.



Its expected that privatisation can bring in operational efficiencies and come as a turnaround for the ailing Air India.

Remarks

Q5. Critically analyze the induction of women for combat role in Indian Army.

(10 Marks)

Combat role of Indian Army has long been a male bastion. But the recent signalling over ~~this~~ induction of women has been seen as a progressive step.

- Benefits
- It was long overdue as it recognises Gender Equality
 - Equal participation of women can strengthen our forces
 - It will set example for other developing & conservative countries
 - Women will get a chance to service the nation in army for longer periods.
 - It will breed an entire group of bold, strong and trained women as an asset to the country

Remarks

Cautious
criticism

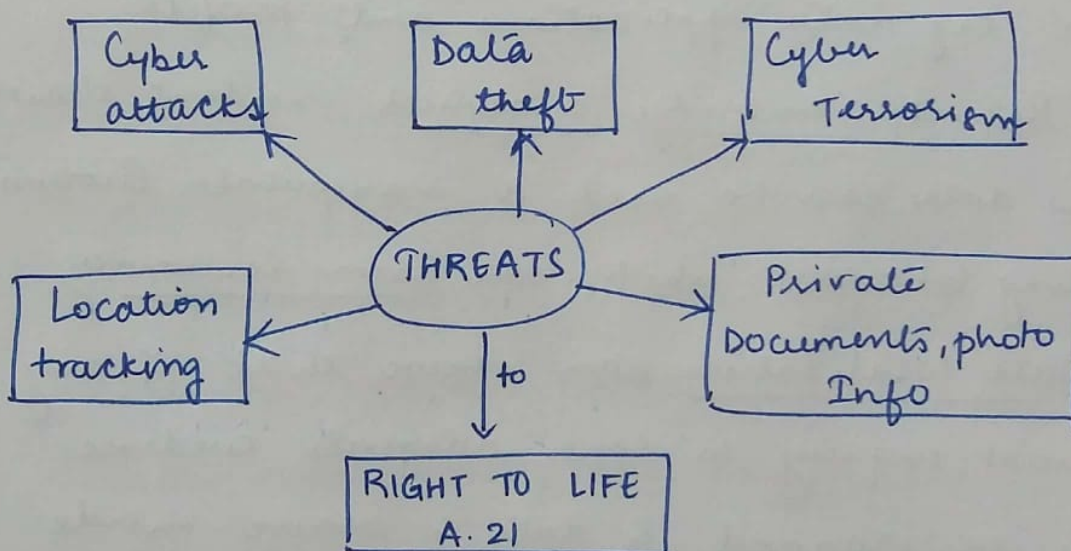
- Women are 'naturally' soft and can hamper national security
- Aggressive decisions in combat role will be undermined
- In events of war, enemy can specifically target women's life and modesty.
- Role of mother, caregiver ^{& family} can be undermined as a woman.
- Even, within forces, it can create trouble for discipline
- Very tough physical & mental challenges need to be taken

A careful analysis must be undertaken and induction of women should be coupled with proper living, posting facilities and training for women in the army

Remarks

Q6. With rapid development and adoption of computing and Internet, protecting individual rights should be at the core of data protection legislation. Critically Examine. (10 Marks)

With the proliferation of Internet services, and rapid deployment of computing and digital technology for interaction & governance, has caused concern for Individual rights.



(KS Puttaswamy vs Union of India)
SC 2017

Data protection legislation debate as put forth by Justice Sri Krishna committee highlights that these concerns needs to be addressed soon-

Remarks

Core principles should be -

- o) Individual right to choice be respected by gaining Informed Consent rather than licked consent.
- o) Individual privacy be safeguarded so that data is not shared between Co. for big data applications and profits.
- o) Recent Cambridge analytical incident shows how data can be used to manipulate Election voting behaviour which can harm democracy.
- o) Data localisation can ensure that if any judicial enquiry is done, adequate evidence can be procured & data is secure inside country protecting national security.
Strict safeguards be erected & in line with EU's GDPR, individuals' control over own data be given privacy.

Remarks

- Q7. DRDO has signed a technology transfer agreement with Jindal Stainless (Hisar) Limited for manufacturing High Nitrogen Steel (HNS). In this context, elaborate on High nitrogen steel (HNS), its significance and applications of HNS.
(10 Marks)

High nitrogen steel is a an advanced technologically robust form of steel that, if manufactured domestically can bring huge benefits to the nation.

Significance :

-) Defence technology advancement
-) Stronger, non-corrosive alternative
-) High melting point can help in extreme weather conditions.
-) Better mouldability can ensure the manufacture of weapon systems and
-) light weight nature can help in aircrafts also.

Remarks

Technology Transfer indicates the Govt's readiness for private sector collaboration and outsourcing the development of crucial raw materials for designing modern weapon systems and also other defence requirements.

Remarks

Q8. What is Air-independent propulsion systems? What are their advantages?

(10 Marks)

Air Independent propulsion, as the name suggests are those ^(AIP) systems that do not require air continuously for the reaction of fuel burning or propulsion to occur.

» This technology usage in underwater submarines can bring very significant benefits to the defence/naval capability of India.

Advantages:

- o) Submarines with AIP will not require to come on surface frequently in long time missions.

Remarks

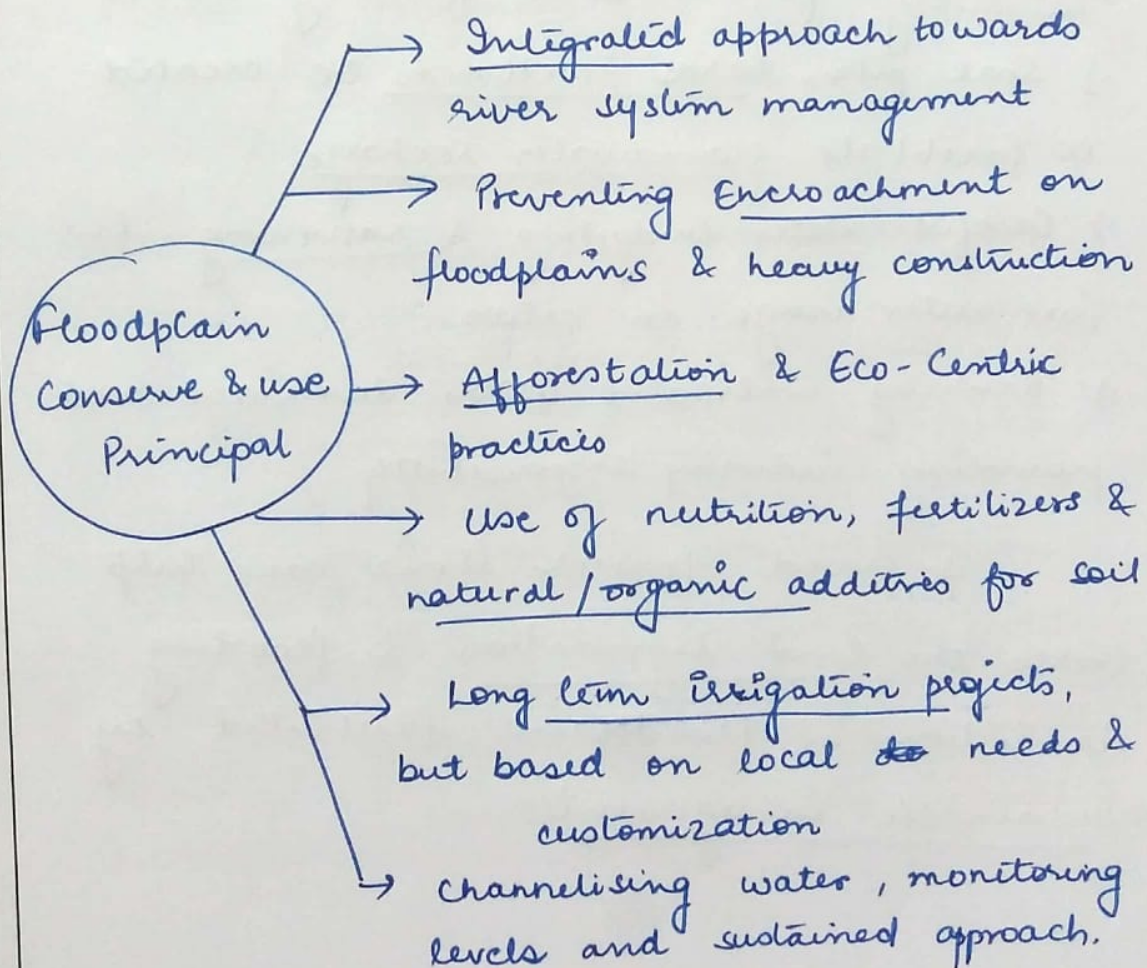
-) This will ensure that the Stealth of our defence equipment can be maintained and submarine traverses larger distances without being radar traceable or visible to the enemy.
-) Air independent propulsion that uses nuclear power can be the next gen alternatives to the current systems. and are being procured from France, Russia etc.

It will significantly add to the defence capacity and combat capability of Indian defence forces in the face of active threat in Indian Ocean region.

Remarks

- Q9. Floodplains 'conserve and use' principal can could be game changer in approach toward sustainable management of river flood plains and ensuring the demands of water in nearby cities. Discuss. (10 Marks)

River Management in India has been a weak link due to which a lot of calamities like floods, land degradation, siltation, pollution etc occur.



Remarks

Such a sustainable approach towards river flood plains can be a gamechanger for the local inhabitants as well as nature & biodiversity.

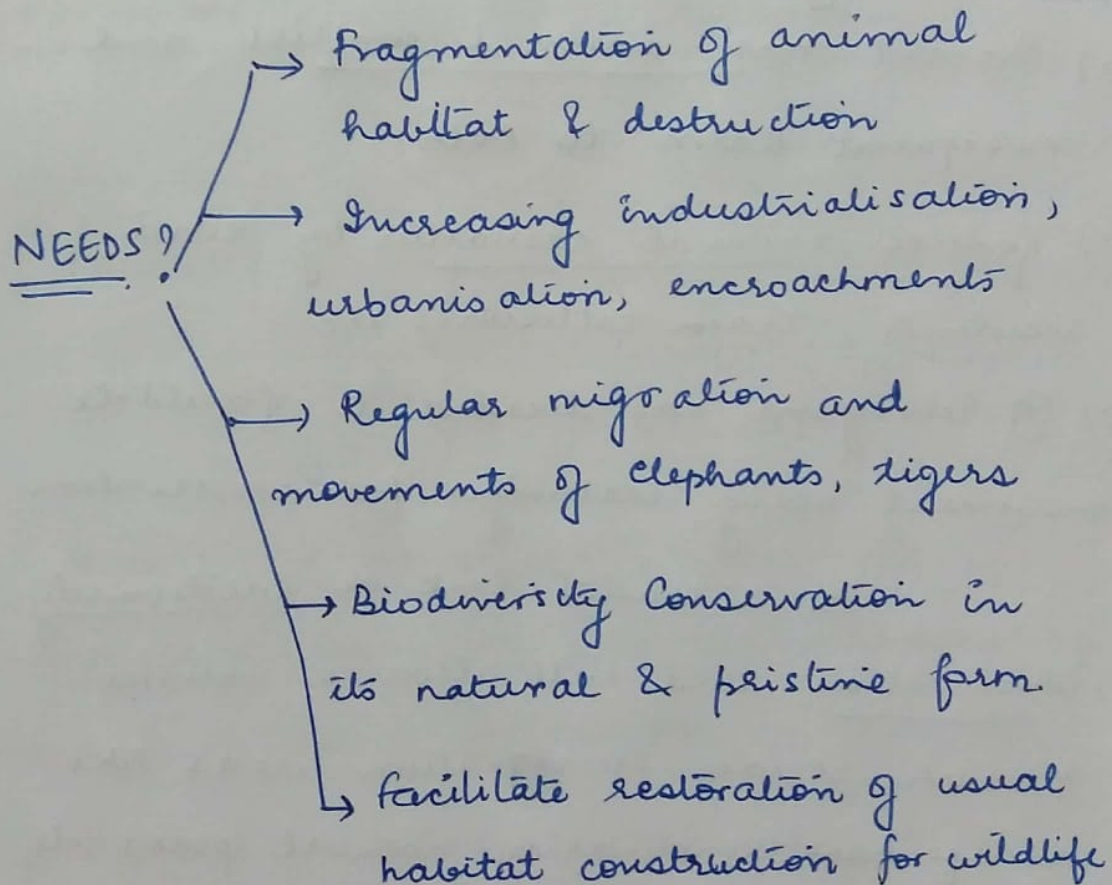
-) It must be coupled with meteorological monitoring for unusual flooding events
-) Soak pits, lakes, wetlands be created to facilitate groundwater recharge
-) Careful water budgeting & rationing, for fair water usage in cities.
-) Banning untreated waste discharge and promoting industry responsibility.

A shared approach alone can help tackle the land degradation & flooding destruction in floodplain facilitated by sustainable management

Remarks

Q10. What are eco bridges? Discuss the need and significance of eco bridges in biodiversity management. (10 Marks)

Eco-bridges are ecologically compliant and naturally suitable access way points to join two different but ecologically similar areas.



Remarks

Due to territorial boundaries among states and ~~increasing~~ expanding human settlement, forests are being restricted.

Eco Bridges can be significant in :-

- (i) Developing natural links between such areas using trees, roots, branches
- (ii) Prevent man-animal conflict and consequent harm to both

(iii) Reduce animal casualties by road accidents, train collisions etc

(iv) Ex Telangana has decided to facilitate movement using ecobridges for conservation

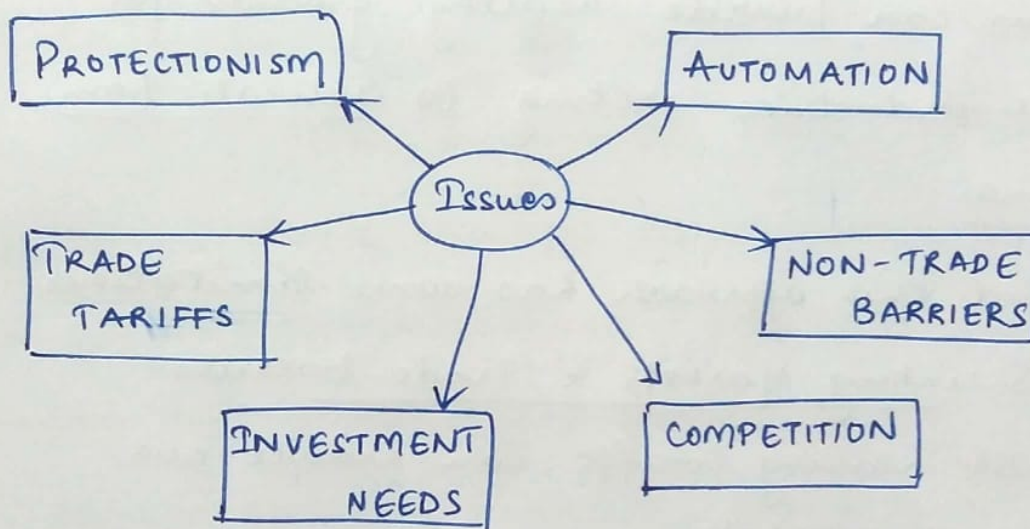
It's a crucial link in biodiversity conservation and will allow a holistic approach besides conservation areas like wildlife ~~park~~ sanctuaries, natural parks etc

Remarks

SECTION - B

- Q11. Challenges on the export front may increase owing to the growing threat of protectionism and rising automation, however, promotion of labour intensive industries can be a long-term solution, provided structural changes are introduced in time. Examine. (15 Marks)

Export sector in India has been facing widespread threat due to global headwinds and technological shifts.



Some of the issues with regard to Employment Expansion can be addressed by labour Intensive Industries :-

- Apparel, Leather, food processing and textile sector can create job opportunities.

Remarks

Skill
labour
productivity
inf-

-) Disguised Employment in agriculture can be moved to such sectors for increasing per capita income.
-) Cheap labour can provide competitive edge to domestic manufacturing exporters.
-) This can provide healthy grounds for those industries seeking to relocate from China.

But this approach has some limitations:-

-) Shrinking Markets & Trade barriers-
 Eg USA raising tariffs. can reduce our export markets. per worker
-) Low Productivity ⁱⁿ India and greater production capacities Eg in Vietnam, Bangladesh in apparels.
-) Labour law complexities, multiplicity and unease in land acquisition, enforcing contracts etc.

Remarks

These structural components need to be addressed on a war footing to take advantage of current situation

·) FICCI reported that trade war between US - china can promote Indian exports/trade.

·) Skill development be promoted for youth in ITIS, basic vocational skills, crafts etc

·) Ease of doing business be promoted by single window clearance, paying taxes eased by online GST payment etc

·) Labour code be enforced, fixed term employment & social security contribution by govt

·) Even technological improvements in MSME can raise productivity. Eg PowerTex, scheme,

·) Merchandise Export, duty credit scrips can be useful.

A multi pronged approach alone can help India boost exports and promote job generation

Remarks

Q12. Bitcoin has emerged as an attractive trading and investment option because of huge capital gains it has provided to its holders in last 2 years? In this context, analyze the reasons why it has seen such a boom? Also elaborate on the various risks involved and safeguards required?
 (15 Marks)

Bitcoins based on cryptocurrency technology are being actively traded and seen as an investment option by tech-savvy & risk-loving individuals.

Reasons for Boom:

(Blockchain)

- 1) Technology's Nature - decentralised ledger without Govt / Formal intervention.
- 2) Safety - security inbuilt as any change in database requires user verification.
- 3) Promotion of digital technologies all over the world have prompted anticipated acceptance of such mediums of wealth.
- 4) Least investment required to safeguard wealth unlike gold or paper money.

Remarks

Various Risks Involved:

- (*) Market Risk: the same market which aggravated its value can also cause a decline based on investor confidence.
- (*) Techno Risk: Cyber attacks, cyber thefts are becoming common and such digital wealth is vulnerable to same.
- (*) Govt authority Risk: Several countries like Turkey are banning its usage & hence it may turn to be a financially risky asset
- (*) Security Risk: It can be used for terror funding or money laundering & hence also undermining legal rules of sovereign nations.

Remarks

Safeguards required:

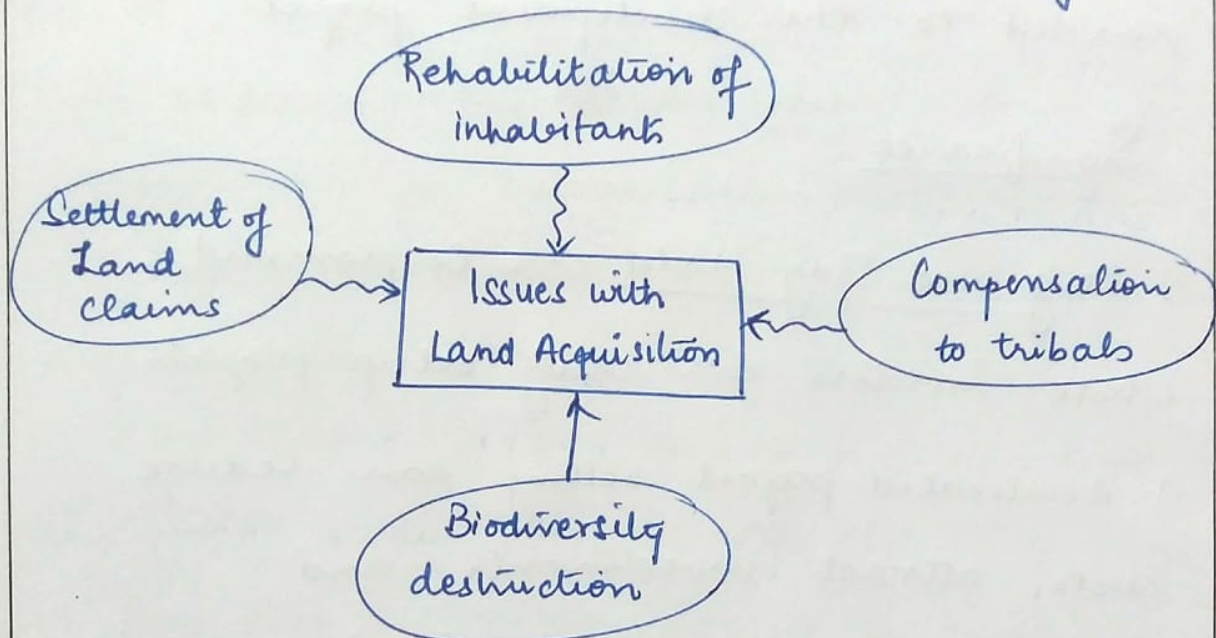
- (*) Calibrated and well analysed response by sovereign nations.
- (*) RBI has expressed its concerns and risks associated & warned traders.
- (*) Options like introducing own national cryptocurrency like PETRO in Venezuela and SOV in Marshall Islands can ~~prevent~~ promote monitoring / surveillance.
- (*) Excessive regulation can force the trading underground & fan illegal activities.

Citizens must be made aware about the associated risks of cryptocurrency and monitoring be done to prevent illegal activities by virtue of bitcoins.

Remarks

Q13. The land acquisition has emerged as the biggest challenge for development projects, infrastructure, rehabilitation work, resilient housing for disaster mitigation, among others. In this context, discuss the concept of land bank, its significance and issues related to it. (15 Marks)

Challenges regarding Land Acquisition have plagued Infrastructure and Development projects in India for long.



This has often led to -

- Difficulty in setting up Industrial projects, Mining resource development
- Project delays and cost escalation
- Underdeveloped pockets in country
- Litigation, social-tribal movement and disputes in courts.

Remarks

To tackle these issues -

Land Bank was proposed as an alternative where State Govt ~~creates~~ / acquires piece of land and creates land banks, so that it can be right away provided to the development project.

Significance :

- o) Plug and Play Model can be promoted where investors can easily setup projects.
- o) Accelerated project setting can reduce costs, attract investments and
- o) This can create jobs for local communities
- o) Environmental clearance - seen as a serious impediment can also be taken care by govt at initial stage based on nature of project.
- o) Chattisgarh and Jharkhand are in process of creating land banks for construction projects.

Remarks

Issues associated with it are manifold:

- (•) Environment activists term land banks as recipe for ecological destruction & habitat fragmentation.
 - (•) ~~#~~ This excessive focus on land acquisition will undermine the rehabilitation and compensation for tribals, rural areas etc
 - (•) Though STs, constitute 8-9% of population, they constitute >50% of those displaced.
 - (•) Displacement creates loss of productive land, livelihood, cultural opportunities etc
 - (•) They also may entangle govt in excessive litigation if transparent policies are not there
- Way forward

eg in Karnataka's Shakti Sthala solar project land has been taken on lease and farmers have been given jobs in lieu & payment. Such arrangement needs to be replicated

Remarks

Q14. Government is focusing strongly on the recapitalization of PSBs to overcome the crisis in the banking sector. In this contest, critically analyze its benefits and challenges.
(15 Marks)

Banking Sector in India is in the middle of a deep crisis owing to rising NPAs, banking scams and poor governance structures.

This weak financial standing of banks and poor economic credentials are being tackled by recapitalisation of PSBs.

Benefits of this approach:

- 1) Proposed recapitalisation & pumping money using recap bonds to the tune of ₹ 50,000 cr can help strengthen the financial fundamentals of banks.
- 2) Budgetary support besides this can help in reaching the CRAR requirements - risk weighted asset ratio

Remarks

(c) This can at least temporarily rescue banks from the risk and provide emergency support.

(c) PSBs can use the amount to compensate for the time being and maintain their strength in market by boosting investor confidence.

But this approach has its own limitations

⊙ Governance problems in Banks would remain as it is.

⊙ Operational Inefficiencies, lack of clear guidelines to tackle such situation & loan categorisation remains an issue.

⊙ Lack of adequate monitoring safeguards while issuing LOUs and poor integrity have also cost banks much (by PNB bank harmed due to faulty LOUs issued)

Remarks

Certain steps by govt and solutions proposed:-

- P J Nayak Committee - Bank Board Bureau should insure expert governance at top.
- Insolvency & Bankruptcy Code - can help in tackling insolvent firms and promote asset reconstruction or consider liquidation of highly stressed assets
- RERA appointed by Real Estate ~~Bill~~ Act has the potential to compensate consumers.
- Fugitive Economic Offenders Act can bring to book fugitive debtors.
- EASE framework proposed by Govt in order to promote efficient working and service orientation in banking.

An approach that reconsiders all objectives can alone rescue the banking sector and push the credit cycle for economic growth

Remarks

Q15. In the context of peaceful use of outer space, elaborate on UN's Outer Space Treaty.
Also, discuss on the need, limitations and challenges faced by the treaty?

(15 Marks)

Outer Space Treaty by the United Nations was a landmark agreement and a pioneering initiative to tackle the space development concerns.

- ① Preserving outer space as a Global Common and
- ② Preventing any single country from staking sovereign rights on any area
- ③ Preventing weaponisation of space or using outer space as a battlefield.

But the guidelines are being seen as inadequate owing to the changing technologies and also the intentions of countries.

Remarks

Need for a more Robust treaty: (Challenges)

- (o) USA has expressed desire to raise a Space force conceding for the Militarization of space.
- (o) It's the last frontier for battle left after land, sea & air - for countries to create deterrent capacities and express their primacy / power on world stage
- (o) It can promote another race for weapon systems at a time when world is facing fundamental challenges like poverty, inequality, hunger, terrorism etc
- (o) It can be used to spread terror by advanced technologies if fallen in wrong hands and create same ^{risks} ~~fear~~ as nuclear assets have created.

Remarks

Hence, in order to tackle such concerns, global consensus must be developed so as to maintain a peaceful outer space.

Countries must use economic competence, political power and technological advancements for the promotion of peace & sustainable growth.

Remarks

Q16. Paramilitary forces allege of step-motherly treatment meted by the government as compared to military. In this context, discuss various issues associated with discontentment in paramilitary forces and their reason. What steps government has taken to resolve these issues? (15 Marks)

Paramilitary forces of India under Ministry of Home form the backbone of Indian Security Infrastructure. But they have faced difficulties and discrimination

Various issues :

- Recently a paramilitary jawan came out to report on poor quality of meals
- Different pay scale (lower) and inadequate service
- Poor quality of service due to low budget allocation.
- Worse working conditions Eq CRPF in tribal Maoist affected dist. in forests but disproportionate compensation.
- Litigation faced in AFSPA areas due to SC order for human right concerns

Remarks

- Incidences of Suicide & Depression in forces
- Even in litigation, no proper appeal systems exist for paramilitary forces like army
- Buddy-system that undermined the dignity of lower rung officials/jawans.
- Martyr status not accorded for those who make supreme sacrifice.

Such issues prevailing in paramilitary forces i.e Border Security Force (BSF), SSB, ITBP, CRPF, CISF, Assam Rifles etc undermines the morale of the forces and can hamper their efficiency & effectiveness.

Positive Steps need to be taken to alleviate their conditions :-

- (i) Pay scale revision for adequate compensation along with Pension facilities.

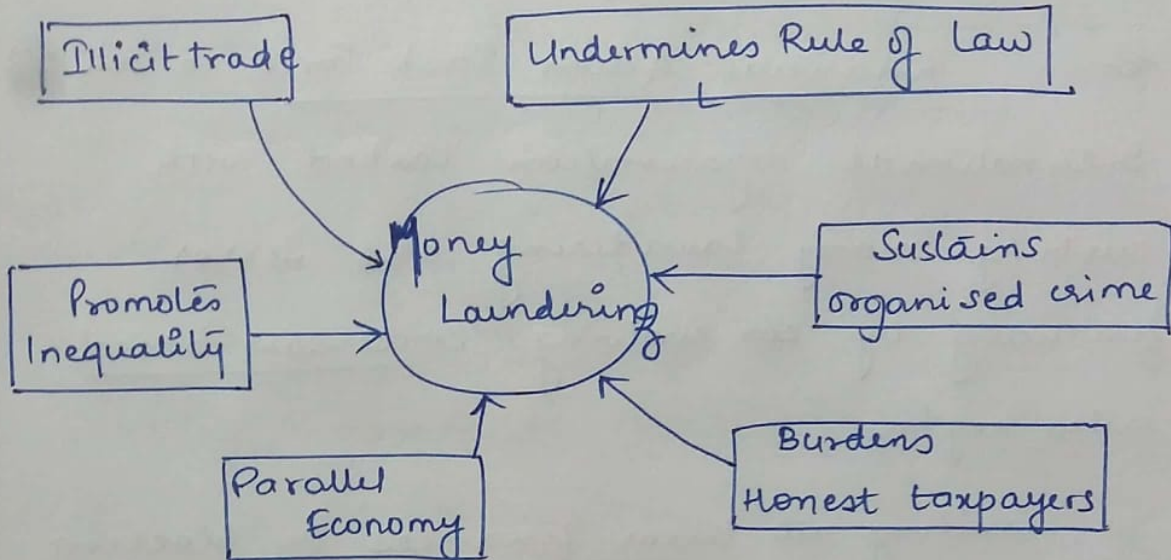
Remarks

- (*) Proper living conditions facilitation - adequately cooked quality meals as "empty stomach cannot fight".
- (*) Provisions for appeal within the litigation procedure to provide sufficient chances to accused for discipline violation
- (*) Buddy System was dismantled by Govt and.
- (*) Greater Vertical & Horizontal Interaction within hierarchy of forces to promote healthy competition and atmosphere of trust.
- (*) Yoga & Meditation to alleviate stress in forces.

Such measures can go a long way in alleviating the conditions of discrimination and overall morale of forces.

Remarks

Q17. Money Laundering helps in flourishing organized crime and has debilitating impact on economy as well as on society. In this context discuss the key recommendations of Financial Action Task Forces (FATF) to curb the menace. Also, discuss the case of making the Money Laundering a separate criminal offence in India. (15 Marks)



Money Laundering has been associated with several menace in society and has a domino effect on rule of law that undermines the ~~the~~ legitimacy of elected govt. in longer run.

It is the act of profit shifting, base erosion ~~and~~, layering and trying to round trip money into market by

Remarks

turning illicitly earned money into a white - legally credible money.

Ex Financial Action Task Force is an International organisation tasked with curbing money laundering and Terror financing by ~~ev~~ evolving consensus-based rules regime.

(c) Limiting all terror finances by blocking all such routes and black listing of such countries. Ex Pakistan has been put in Grey list recently.

(c) Careful investigation and proper analysis of shell companies those who have disproportionate assets, significant shareholding by other companies and a dormant business activity.

Remarks

(*) Base Erosion and Profit Shifting used by many multinational companies to evade taxes must be curbed by International rules and legally binding provisions.

(*) Illicit and Cross border trafficking, organised crime like drug supply, forfeited currency, organ trade etc be tackled by police / defence cooperation amongst countries

Making Money laundering a separate criminal offence can significantly help in creating pressures on convicts and such businesses who round trip Indian money as investments. Coupled with amendments in double-taxation agreements, it can go a long way in expanding tax base. But this can increase litigations and also create regime of fear.

Remarks

Q18. Briefly elaborate on concepts Virtual Reality (VR), Augmented Reality (AR) and Artificial Intelligence (AI), along with their role in improving social parameters like health and education.
(15 Marks)

(VR) Virtual Reality - an alternative virtual space created where all the real ~~or~~ actions could be immersively experienced
Eg Google virtual assistant / eye

(AR) Augmented Reality - a kind of superimposition on the real life space or map to create (virtually observe) an augmented structure. Eg on city map, skyscrapers can be seen with AR.

Artificial Intelligence is the use of machine learning for deep neural connections and deep learning so that computers can perform human functions of recognition & analysis for a vast database.

These technologies have a potential to alleviate social conditions and promote development.

Remarks

- ① Virtual Reality can be used in classrooms to teach students history and Environment by creating immersive experiences which they cannot forget.
- ② VR can also help teach children who suffer from disabilities or intellectual impairments.
- ③ AR has the capacity in city planning and urban development as well as rural governance.
- ④ AI can be used to analyse the open data available regarding citizen working and engagements
- ⑤ This Big data can be used to create personalised applications like m-health, e-health, Digital Health Stack etc

Remarks

- ① Educational outcomes can be improved by monitoring children's performance at state/local/national level using AI.
- ② Remote learning can be made possible by tele education and more interactive approaches by VR.
- ③ AI coupled with Robotics can help in human enhancement, creating ~~intellectual~~ intelligent wheelchairs, robotic arms etc for disabled people.
- ④ It can create digital assistants at operation theatres and also educational assistants.

Together these technologies have huge opportunities today for social parameters improvement.

Remarks

Q19. Though there are several international efforts like Bonn Convention and CITES for conservation of migratory birds yet they are facing severe threat from human and climate related changes. Discuss. Highlight some initiatives taken by civil and NGO organization to save migratory birds. (15 Marks)

Migratory birds are crucial biodiversity actors that are specially vulnerable to human and climate changes due to its ecological habitat spread.

Threats faced :-

- 1) Encroachments of wetlands, and such reservoirs / lakes in locations of breeding
- 2) Leading to habitat destruction and degradation of ecology.
- 3) This inturn affects their migration timing and breeding potential.
- 4) Satellite, electromagnetic signals have potential to interrupt their migratory direction sense also.

Remarks

- o) Due to climate change, unusual heating and cooling events are occurring.
- o) This can disrupt the natural course of migration and routes
- o) Since these birds are rare, they also face poaching & hunting threats.
- o) Due to global warming, many of the estuarine lakes, wetlands are shrinking.

Initiatives to save migratory birds :-

- CMS - Convention on migratory species promotes activities to ~~promote~~ conserve their original & migratory habitat.
- NGOs & community in Odisha have successfully completed a project near Bhitarkanika Conservation area to prevent excessive fishing & encroachment activities which has increased bird count.

Remarks

→ Pelican festival at Kolleru lake and such activities at Pulicat lake help attract public attention to such birds and spread awareness about their importance to the ecology.

→ Similarly at Sambhar lake, initiatives have been taken to promote citizen engagement for conservation.

Such an approach involving all stakeholders can go a long way in addressing concerns of migratory species.

Remarks