

Test Code: 21066

FIAS - 2019 - GS 3R

**ForumIAS**

ACADEMY

**GENERAL STUDIES**

Name Of Candidate	Raspreet Singh		
Email Id.		Roll No.	1910039790
Mobile No.		Date:	18 - Nov - 2018

Time Allowed: Three Hours

Maximum Marks: 250

INDEX TABLE			INSTRUCTION
Q. No.	Max. Marks	Marks Obtained	<p>1. Do furnish the appropriate details in the answer sheet (viz. Name, Email, Roll No, Mobile).</p> <p>2. There are TWENTY questions printed in ENGLISH.</p> <p>3. All questions are compulsory.</p> <p>4. The number of marks carried by a question/part is indicated against it.</p> <p>5. Answers must be written in the medium authorized in the admission Certificate, which must be stated clearly on the cover of this Question-Cum-Answer (QCA) Booklet in the space provided.</p> <p>6. Word limit in questions, if specified, should be adhered to.</p> <p>7. Any page or portion of the page left blank in the Question-Cum Answer Booklet must be clearly Struck off.</p>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
<b>Total Marks:</b>			
<b>Remarks:</b>			Start Time   12:50 pm
			End Time   3:50 pm.
			Mode Of Examination : Online <input checked="" type="checkbox"/> Offline <input type="checkbox"/>
			ECN CODE:
			Evaluation Date:

<b>Parameters</b>	<b>Excellent</b>	<b>Very Good</b>	<b>Good</b>	<b>Average</b>	<b>Poor</b>	<b>Very Poor</b>
Language						
Structure						
Presentation						
Innovation						
Handwriting						
Content						
Attempt						

ADDITIONAL COMMENTS



Q.1) Examine the role of supermarket in supply chain management of fruits, vegetables and food items. How do they eliminate number of intermediaries?

(10 Marks, 150 Words)

Supermarkets are new models of retail sale of products and helps in improving the supply chain management.

Role of Supermarkets -

- ① Directly buy from farmers.
- ② Not involve any intermediaries.
- ③ Better infrastructure, storage facilities.
- ④ Have grading, standardization mechanisms.
- ⑤ Provide employment.
- ⑥ Reduction in post harvest losses.
- ⑦ Better prices to farmers.



Feedback( For OFFICE use only )

Structure	
Question Interpretation	
Content	
<b>Total</b>	

Call us: 011-49878625, 9821711605  
Blog : [blog.forumias.com](http://blog.forumias.com)

Visit us : [www.forumias.com](http://www.forumias.com)  
Email : [student@forumias.academy](mailto:student@forumias.academy)



Q.2) Green budgeting is about ideas for turning government budgets into more effective mechanism of sustainable development. Analyze.

(10 Marks, 150 Words)

Green budgeting means incorporating environmental concerns while allocation of budgetary resources.

### Benefits of Green Budgeting

- ① According to one study, 3% of GDP is lost due to air pollution.
- ② Rights of tribal communities, future generations protected.
- ③ INDCs can be achieved.
- ④ Climate resilience can be developed.
- ⑤ According to economic survey, climatic changes can impact agriculture income by 15-18%.

### Green Budgeting as Sustainable development.

- ⊕ Sustainable development has become a core theme of majority of the government policies.

# ForumIAS

- Green Budgeting allows more resources for the protection of environment.
- Green Budgeting takes into account the impact of other schemes on environment.
- It makes development sustainable and inclusive.

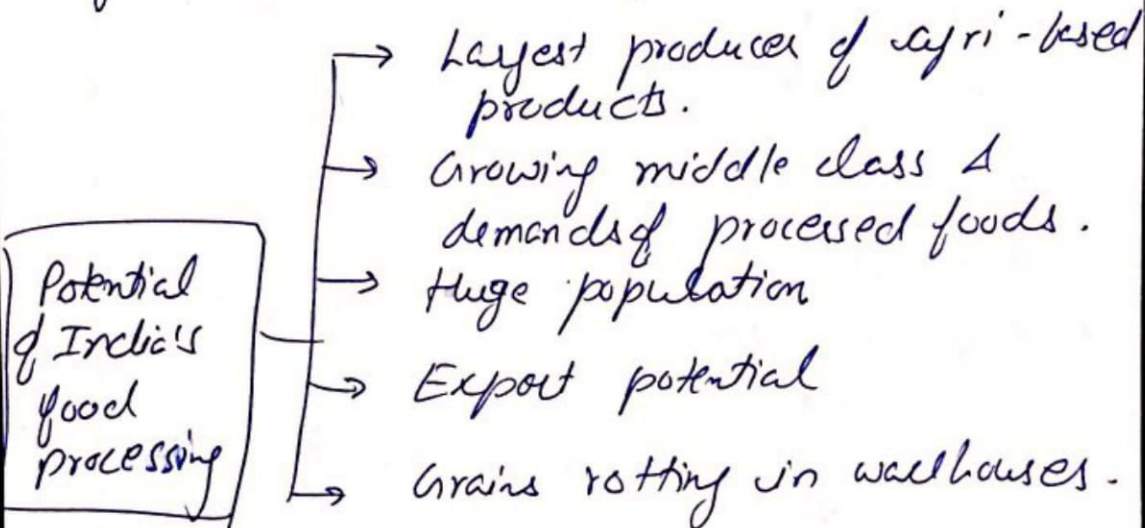
Green Budgeting should also be incorporated with Outcome Budgeting to improve results.

Feedback ( For OFFICE use only )

Structure	
Question Interpretation	
Content	
Total	

Q.3) In order to make agriculture sustainable for the farmers, food processing must be developed as one of the principal industries of India in future. Discuss. (10 Marks, 150 Words)

Indian agriculture is under distress in recent years. India is the world's largest producer of food and this must be utilized in food processing to make agriculture sustainable for farmers.



### Benefits of food processing

- ① Reduced post harvest losses.
- ② More income to farmers for their produce. (Doubling farmer income by 2022)
- ③ Increased employment - One of the largest employers.

- ④ Diversification of crops can be promoted.
- ⑤ Malnutrition & Hunger can be eliminated by fortification.
- ⑥ Exports in agriculture can be increased.

Challenges to the food processing

- ① Lack of transportation facilities, warehousing, cold storage etc.
- ② Essential Commodities Act, 1955 limits stockholdings.
- ③ Lack of proper grading and standards mechanism.
- ④ Competition from global giants.

Way forward

- fast track Mega Food Parks scheme (SAMPADA)
- Rural entrepreneurship promotion in food processing.

Feedback (For OFFICE use only)

Structure	
Question Interpretation	
Content	
Total	

Call us: 011-49878625, 9821711605  
Blog : [blog.forumias.com](http://blog.forumias.com)

Visit us : [www.forumias.com](http://www.forumias.com)  
Email : [student@forumias.academy](mailto:student@forumias.academy)





**Q.4)** Outcome based performance budgeting symbolizes a shift from traditional budgeting in the sense that it goes beyond budgeting by inputs towards budgeting based on outcomes. Analyze.

(10 Marks, 150 Words)

Outcome budgeting means tracking the performance of allocation of resources based on their outcomes.

### Outcome Vs Outlays

Outlays focus on allocation of resources without any preference given to outcomes of resources.

### for example

100 crore allotted to health scheme.

Outlay Budgeting - Scheme is a success because 100 crore has been allocated.

Output Budgeting - Scheme will be a success if it attains its desired objective i.e. lowering of IMR, MMR etc.

### Benefits of Outcome Budgeting

- ① more attached to ground realities.
- ② makes policy makers, implementing

agencies more accountable.

- ③ Faster way to achieve development and growth.

### Challenges

- ① Not all outcomes can be checked with the help of indices.
- ② Difficult to develop indicators for some social outcomes.
- ③ Numbers may be manipulated to show better outcomes.

Though some challenges remain yet outcome based performance budgeting will help India for faster, better, sustainable and inclusive development.

#### Feedback (For OFFICE use only)

Structure	
Question Interpretation	
Content	
Total	

Call us: 011-49878625, 9821711605  
Blog: [blog.forumias.com](http://blog.forumias.com)

Visit us: [www.forumias.com](http://www.forumias.com)  
Email: [student@forumias.academy](mailto:student@forumias.academy)



Q.5) Briefly explain the relevance of land reforms in eradication of rural poverty. Critically examine the reasons for partial success of land reforms efforts in India. (10 Marks, 150 Words)

Land reforms were started after Independence to provide justice to Indian rural poor who faced depressing situations during colonial rule because of Zamindari, ryotwari, Mahalwari systems.

### Agenda of Land Reforms.

- ① Abolition of Zamindari system
- ② Tenancy reforms
  - Land to tillers
  - Fixation of rent.
  - Security of tenure.
- ③ Reorganisation of land
  - Cooperative farming
  - Land ceilings
  - Land consolidation.

### Relevance of Land reforms in eradicating poverty

- ① still ~~are~~ today, average landholdings stand at 1.16 hectare.
- ② According to 2011 Agri census, there are 45% population engaged in agriculture

- ③) Fragmentation of lands leads to low productivity.
- ④) Poverty in India stands at 28%.  
- Multidimensional Poverty Index.
- ⑤) Land ceiling laws not implemented.
- ⑥) Zamindari system is still prevailing in some eastern regions.

## Reasons for partial success

- ①) Reluctance of political leadership in implementing the agenda.
- ②) Peasant movements don't have concrete success.
- ③) Loopholes in laws, Zamindars saved their lands from ceiling laws by adopting cooperative farming, some even gave divorce to their wives to save lands.

## Way forward

Land reform agenda has taken a back seat. No political party is taking this issue. However, land reforms need urgent attention.

Feedback (For OFFICE use only)

Structure	
Question Interpretation	
Content	
Total	



Q.6) What do you understand by Non-Banking Finance Companies (NBFCs)? What are the problems associated with them? Examine in light of recent issues.

(10 Marks, 150 Words)

Non-Banking finance companies are the companies registered under Companies Act and regulated by RBI. They perform various similar functions to banks like loans, advances, credit etc.

Different from Banks

- Cannot accept demand deposit (only time deposits).
- Deposit insurance of DICIL is not available for NBFCs.
- Can not issue checks

Today NBFC account for 17% of the total banking assets. Hence smooth functioning of NBFC is crucial for financial system.

Recently, there has been crisis situation in IL&FS. It has defaulted on its loan payments.

Problems associated with NBFCs

- ① Poor risk management, in case of IILFs risk management Committee met only once between 2015 & 2016.
- ② Failure of shareholders. HDFC & LIC in case of IILFs.
- ③ RBI's failure as it is a regulatory agency of NBFCs.
- ④ Credit rating agencies have various issues →
  - Credit rating biased
  - Rating shopping
  - Conflict of interest.

Way forward

- Giving independence (more) to RBI.
- Corporate Governance reforms as recommended by Uday Kotak Panel.
- Financial Sector <sup>Legislative</sup> Reforms Commission recommendations.

Feedback (For OFFICE use only)

Structure	
Question Interpretation	
Content	
Total	

Q.7) Recently Government proposed the merger of a few banks to create the country's third-biggest lender. Examine various implications of merger of Public Sector Banks (PSBs).

(10 Marks, 150 Words)

Government has amalgamated three banks i.e. Dena Bank, Baroda Bank to form the third largest bank of India.

### Benefits of merger

- ① Better scalability - Due to increased resources and more ~~man~~ power.
- ② NPA's problem can be resolved.
- ③ Bigger Banks are better to compete with foreign global banks.
- ④ Salaries & emoluments of workers will be at same  $\&$  level.
- ⑤ Reach, penetration will be increased.

### Problems of merger

- ① Some overlapping Branches may have to be shut down - reduced employment
- ② No change in governance structure of Banks.

③ Major problems like autonomy, government interference not resolved.

④ Impact on Stray Bank.

The merger and amalgamation is a good step forward in line with Narsimham Commission recommendations.

### Way forward

- Merger should be done by keeping performance, efficiency of banks, not for political reasons.
- Consultations with heads of banks. If they don't agree, it should not be forced.
- Other banking reforms to complement the mergers like governance reforms, autonomy, resolve NPAs etc.

#### Feedback (For OFFICE use only)

Structure	
Question Interpretation	
Content	
Total	



Q.8) To what extent is the protection of indigenous breeds of livestock important to improve agricultural economy? Also, highlight the measures taken by the government to promote and conserve indigenous breeds.

(10 Marks, 150 Words)

Livestock sector contributes 4%  
in total GDP and 26% in agriculture  
GDP.

Importance of Livestock and indigenous  
breeds

- ① Protection to farmers against draught & adverse climatic conditions.
- ② form of agriculture insurance.
- ③ Better nutritional value - required to tackle malnutrition & hunger.
- ④ Increase in income of farmers by selling milk.
- ⑤ Indigenous Breeds are more acclimated to Indian conditions.
- ⑥ Indigenous Breeds are resistant to many diseases, pests etc.
- ⑦ Indigenous Breeds have greater productivity in milk.

Measures taken by Government to protect indigenous breeds

National Genetic Mission - To protect indigenous breeds and increase their numbers.

IVF - In vitro fertilization technique is being used to increase population of indigenous breeds like Gir, Mahiwal, etc.

Seven Point Strategy also talked about focus on allied sectors in agriculture including livestock.

Focus on allied sector / livestock is sin-gua-non to increase farmer's income and this cannot happen without preserving indigenous breeds.

Feedback (For OFFICE use only)

Structure	
Question Interpretation	
Content	
<b>Total</b>	

Call us: 011-49878625, 9821711605  
Blog: [blog.forumias.com](http://blog.forumias.com)

Visit us: [www.forumias.com](http://www.forumias.com)  
Email: [student@forumias.academy](mailto:student@forumias.academy)



17442\_21066\_1910039790\_(2018-11-18 16:46:22)

**ForumIAS**

(Don't Write  
anything in this Area)

**Q.9)** "The revival of traditional water bodies can alleviate the problem of water scarcity and improve its availability for irrigation." Analyze with the help of recent examples.

(10 Marks, 150 Words)

Call us: 011-49878625, 9821711605

Blog : [blog.forumias.com](http://blog.forumias.com)

Visit us : [www.forumias.com](http://www.forumias.com)

Email : [student@forumias.academy](mailto:student@forumias.academy)

Feedback( For OFFICE use only )

Structure	
Question Interpretation	
Content	
<b>Total</b>	