

Abhijeet B. Pathare
Roll no. 1910053433
Date - 2/12/2021
Time - 3:10 Hour.
Test code - 41075

Economic reforms of 1991 change

the narrative of role of government from 'Participant', 'Regulator' to 'facilitator'

Privatisation Drive of Government

- ① Budget 2021-22 proposed ₹1,75,000 crore from disinvestment
- ② National monetization pipeline
- ③ propose National Health policy - 2017 - Strategic purchase. etc

Governments role - best suited as facilitator.

- ① As per global norm of Liberalisation, privatization
- ② To maintain level playing field among different stakeholders.
- ③ to focus on social sector like health, education.
- ④ To enhance international competitiveness of Indian economy
- ⑤ Attract more FDI especially in

labour intensive manufacturing sector

However government has role as participant.

- ① Many activities - private sector not want to be participant - eg. Rural infrastructure.
- ② to maintain strategic interest eg. port infrastructure.
- ③ to enhance economic viability through PPP and viability gap funding.
- ④ Twin balance sheet problem and inability of private to invest heavily.

Way ahead

- ① Proper balance between 'participant' and facilitator through PPP.
- ② Independent sectoral regulator
- ③ Decentralisation of governance

Proper balance between two contradictory principle of participant and 'facilitator' is need of hour to achieved \$5 trillion economy goal by 2024

Recently Parliament passed the DICGC (Amendment) Bill 2021 to save the interest of small account holder and financial stability

Major changes by Act.

- ① Increase the insured deposit amount from 1 lakh to 5 lakh.
- ② Priority to deposit of small holders for early-withdrawal.
- ③ Relief for early withdrawal inspite of insolvency or bankruptcy proceeding

Benefits for small account holders.

- ① will help in enhancing trust in banking system
- ② Diversion of more saving in formal channel.
- ③ will enhance the financial inclusion through more secured saving channel.

④ Not restrain by legal proceeding -
against bank
↳ easy withdrawal of deposit
upto ₹ 5 lakh.

⑤ Way ahead

- ① More formal banking facilities
for small holder in rural areas.
- ② Promote digital banking
- ③ Enhance financial literacy among
vulnerable.

Amendment will enhance
the saving rate in formal banking
which is currently at 29%. This is
required for faster growth of
Indian economy.

Food processing is defined as manufacturing processes (in which original products form change) and substantial value addition like grading, irradiation.

Benefits of food processing sector

(A) Tackling low value addition

(1) Just 2% of Indian food produce went further value addition

(2) will enhance value addition by backward linkages in form of contract farming

(3) creating infrastructure for primary processing like irradiation, grading.

(B) Post harvest losses -

(1) Will help in creating infrastructure for cold storage, decentralize storage infrastructure

(2) Direct purchase from farmers through backward linkages.

③ Shelf life enhancement by primary processing at farm gate.

① Disguised unemployment

① Non-farm employment in rural areas.

② More job along supply chain in food processing

③ Enhancement of information and technological inputs from food processing actors.

How it can be enhanced-

① Speedy implementation of PM-Kisan SAMPADA Yojana

② promoting backward and forward linkages

③ Enhancing extension services.

Food processing is key role to Doubling of farmers income by 2024 and Mega food park like steps are right steps in this regard.

Q.4

99555_41075_1910053433_(2021-12-04 01:49:42)

As per NCRB record over 1000 farmers committed suicide per year in just Maharashtra since 2000.

Reasons for high suicide in prosperous states:

① - Failure of expectations

↳ in spite of high investment in agricultural inputs.

↳ vagaries of monsoon as mostly agriculture is ruined in these states.

② Relative poverty

↳ Prosperity of services, manufacturing sector in Maharashtra, Karnataka, Telangana compared to agriculture

↳ caused the disillusionment

③ Slow social mobility

↳ High income disparities among rich capitalist farmers and poor farmers.

↳ lack of good schooling,
health facilities in rural areas.

④ Policy of affirmative action

↳ high benefits to SCs, STs, OBCs
and declining income from
agriculture in prosperous states.
↳ Caste group like Maratha, Patidar
lingayat feels is due to policy
of reservation.

Way ahead

- ① Capital formation especially in
irrigation in agriculture
- ② policy focus on ruined agriculture
- ③ promoting zero budget natural
farming

Agrarian distress has bearing
on India's food, nutrition security.
Through infrastructure creation and
social services it can be corrected

Environmental regulations is defined as regulating environmentally harmful activities to ensure major balance between 'sustainability' and economic growth.

Environmental regulations - failed to produce outcome.

- ① Failed to proper implementation of regulations eg. plastic waste management Rules - 2016.
- ② Failed to take strict action against violation of 'producers' responsibility, source segregation
- ③ Not implemented solid waste management despite suggested options like 'incineration, pyrolysis for waste
- ④ periodic pushing targets for plastic waste management - eg. abandonic single use plastic target

However environmental regulations are produced many positive outcome.

- ① Strengthening of CPCB and state pollution control board
- ② Strengthen polluters pay principle eg. liabilities on producers to collect, process.
- ③ dedicated component in Swachh Bharat Abhiyan for waste management
- ④ High cost on non-recyclable plastic waste

India's environmental regulation has more scope for enhancement. It can be achieved through participatory, decentralize, transparency.

Illegal construction and encroachment increases the 'vulnerability' to 'Hazard' of any natural to manmade and make it severe 'Disaster'

Impact of Illegal construction and Encroachment on:

(A) Disaster vulnerability

- ① Affecting the natural flow of water - cause of flooding, drought
- ② Enhancing susceptibility to earthquake, landslide due construction in fragile zone
- ③ Indiscriminate cutting of trees - causing flooding, landslide etc

(B) Biodiversity

- ① Degradation of soil and soil erosion - affecting micro-biodiversity
- ② Declining natural productivity of

land to sustain natural vegetation.

③ Reducing water percolation and recharging aquifer

④ Declining forest land and migration of wildlife toward human settlement

① Ecology of mountain region-

① Threat of forest fires - ex. Himachal Pradesh and Uttarakhand - max prone to forest fires.

② Threat of landslide, flash flood.

③ Exceeding carrying capacity of ecology.

What can be done

① Proper land use pattern by proper zoning

② Good governance especially in implementation of ecological laws.

Development should base on sustainability by highlighting triple bottom line - 'planet', 'people' and 'profit'

Q.7

Scientific social responsibility is defined as accepting responsibility by scientific community in educating, informing larger society about advances in science domain

Working of SSR



Benefits/Importance provision of draft policy of SSR

- ① compulsory allocation of some days for SSR by scientist.
- ② Adequate incentives to scientist, institutions.
- ③ Reporting about SSR through institutions.
- ④ Platform to institutionalize SSR

Benefits of SSR

- ① Reducing information asymmetry

in advances of science domain.

- ② Optimum utilisation of resources - eg. Information about micro irrigation.
- ③ Identifying demands of people → impetus to 'inclusive innovation'
- ④ Impetus to grassroot innovation
- ⑤ Help in value addition of to the products of people. eg e-Choupal initiative of ITC.
- ⑥ Proper, timely acceptance of technology, positive mindset toward technology.

What can be done

- ① Institutionalise SSR through digital platforms
- ② Performance targeting be for better outcome
- ③ Periodic reporting for enhancing transparency.

SSR will act as agent of social change, provided it is institutionalised, transparent and properly directed

98)

Genome Sequencing is defined as proper decoding the arrangement of base pairs in DNA and RNA structures.

Eg. Genome Sequencing of COVID-19 virus.

Importance of Genome sequencing

① Identification of future threats.

↳ through genome sequences of all virus like corona class of virus

② Identifying susceptibility of population to particular threats.

↳ eg. Identifying immune response to different viruses

③ Preventive Health care

↳ identifying susceptibility will help in enhancing 'social vaccination'.

- ④ Better targeted delivery of drugs, medicine
 - ↳ to avoid side-effect
 - ↳ optimum use of drugs.
- ⑤ Impetus to discovery in vaccine making
 - ↳ for future pandemic, viruses.
- ⑥ Internalise one health approach
 - ↳ through prokaryotic and eukaryotic genome sequencing.

[Way ahead]

- ① More project like Indi-Genome, Earth Genome.
- ② capacity building of research institutions
- ③ funding to research institutions.

Genome sequencing is tool in direction of preventive healthcare and achieving the goal of "Health for all" by 2030

Q9 National security Strategy is defined as identification of threats, threat perception and managing it for better security and wellbeing of nation.

Need of clearly articulated National security strategy

(A) For systematic approach

- ① For integrating all relevant stakeholder
- ② Power based base vision making
- ③ identifying needs base on changing technology, threat perception.

(B) Consistent approach

- ① Adequate capacity building as per technological advances.
- ② avoiding wastage of scarce resources
- ③ Better planning

(C) For coherent approach

- ① Making national policy - integrated

- ② - assimilation of all state and non-state threat perception
- ③ Integrated approach in policy-making - developmental planning and security management.

What can be done for this?

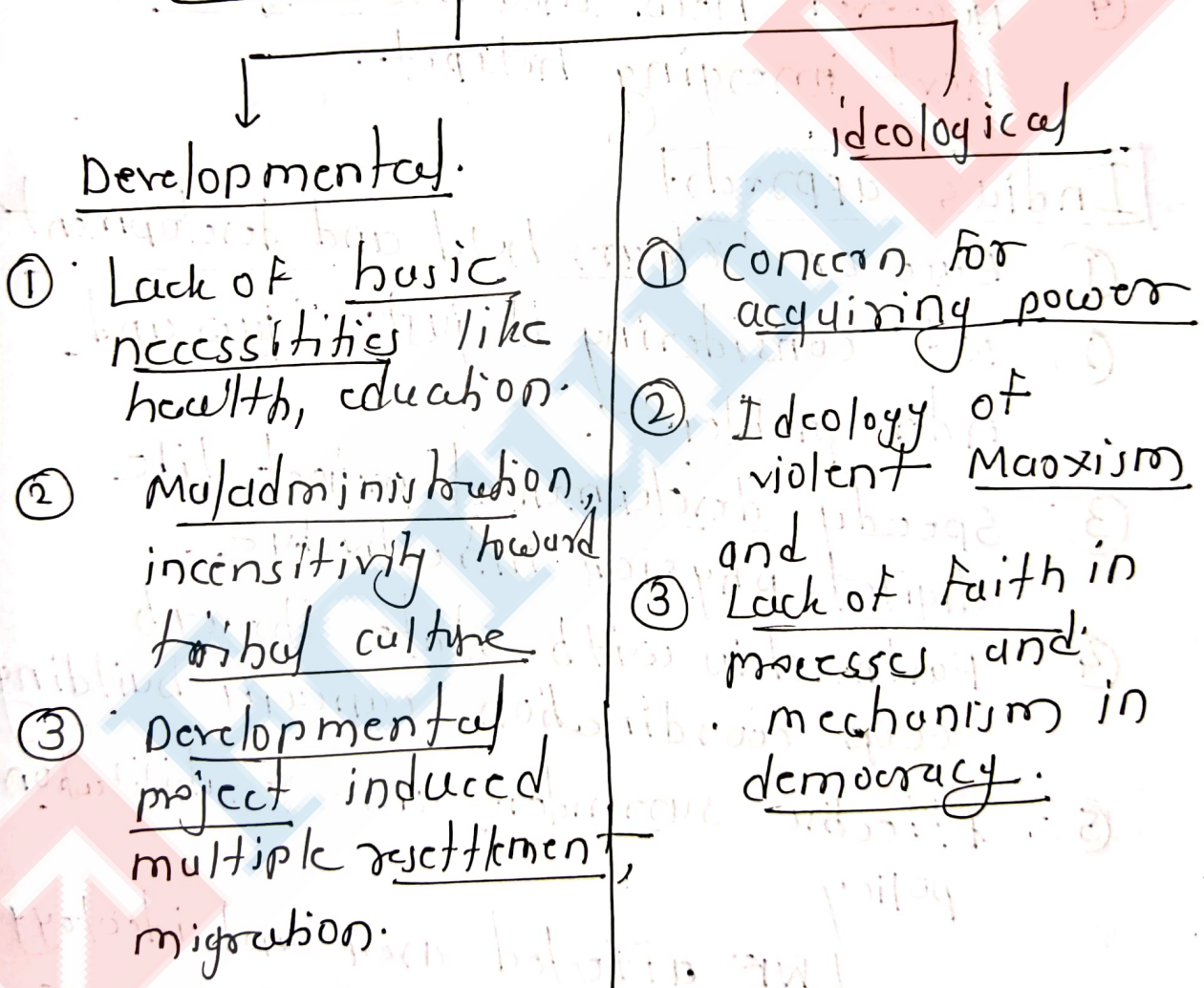
- ① Optimum utilisation of platform like National security system
- ② - periodic revision of strategy with changes, avances in science, technology
- ③ More integrated, coherent platform base on basis of GST council

National security is required for healthy law and order. For this 'vision' and 'mission' clarity is most required.

Q.10

Left wing extremism is an ideology, goal to revolutionary overthrow of government and establishment of "people's democracy" in its place.

Issues associated with LWE



Trends in LWE affected area

① In last decade, LWE affected area / district reduce from 108 to

go district

- ② Extremely affected district reduce from 35 to 30
- ③ Effect. surrender-cum rehabilitation make surrender speedy in state like Andhra Pradesh.
- ④ However new area like Nilgiri is next emerging hotspot.

India's approach

- ① Base on 'clear, hold and development'
- ② Not considering it just 'law and order problem'.
- ③ Speedy developmental project like digital, physical infrastructure.
- ④ Partnership with state through Coop coordination, capacity building
- ⑤ Effective surrender-cum-rehabilitation policy

LWE affected area and ideology seen some decline in last few years. It is imperative to maintain approach for upcoming years as well.

Q.11

Retrospective taxation is kind of taxation that impose in back date financial transaction or asset acquisition or sell.

Recent controversies.

- ① Cairn Energy Group issue regarding intra-firm asset transfer and subsequent retrospective taxation under Financial Act.
- ② Vodafone & Hutch acquisition

Impact of Retrospective Taxation.

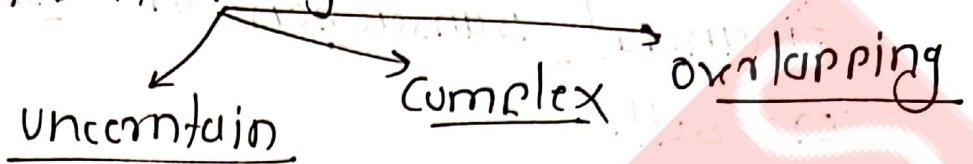
- ① Affecting predictable taxation regime.

↳ has bearing on future investment plan.

↳ trust, confidence among private sector and government.

② Ease of Doing business

↳ Retrospective taxation makes taxation regime



↳ India's rank still at 154 in matter of paying taxation in Ease of Doing Business ranking

③ Affecting foreign investment

↳ uncertain taxation regime affect the ~~fore~~ FDI inflow

↳ taking route of P-notes to hide or avoid taxation matter.

④ Affecting employment creation as foreign capital investment is major employment provider.

⑤ Hindering the technology transfer, management practices, inclusion in global value chain

Governments measures

- ① Amending Retrospective taxation provision in financial Act 2012
- ② Introduction of Insolvency and Bankruptcy Code
- ③ Guiding philosophy of taxation- transparency, easy compliance
- ④ Institutionalising arbitration and conciliation procedures.

Way ahead

- ① Predictable tax code in direct taxation
- ② More use of parliamentary standing committee for more deliberation
- ③ Participatory policy making through various stakeholders.

Tax certainty, predictability is required to enhance capital formation, investment, which has bearing on achieving SDG goals by 2030

9.12

Implementation of IBC, reforms in SARFAESI Act and Bank reform agenda through EASE agenda are the measures for stressed assets and bankruptcy reforms.

Initial Success:

- ① Reducing Gross NPA to below 12%.
- ② Moral compliance to fulfill financial obligation due to stringent provisions.
- ③ Many issue cases resolved before filing toward NCLT.

Hereafter Lost steam

- ① Long pendency - Over 270 days still in IBC.
- ② Continued high NPA especially in PSBs.
- ③ still high low ranking of India in EoPB ranking

Various issues in effective implementations.

- ① Evolving nature of IBC code -

frequent changes, amendment
induce uncertainty in it.

- ② High pendency of cases in NCLT
and DRT - not following stipulated
180 days time frame
- ③ Low capacity development among
insolvency professional
- ④ High head cuts to creditors -
reduce the attractiveness of IBC.
- ⑤ Pandemic induce stress stress in
corporates - even in viable, profitable
firms.
- ⑥ Lack of consensus building in
short period among creditors committee

Benefits of Newly created Bad Bank

- ① Professional handling of stressed
assets.

- ② Diverting attention of Banks toward their core business of lending
- ③ Enhancing balance sheet of banks - easy finance to corporates.
- ④ will enhance profitability of banks by funding through Bad banks.
- ⑤ Low requirement of provisioning - So more capital for lending.

Way ahead

- ① Professionalisation in Bank Board and governance
- ② Digital technology; Artificial intelligence in incipient stress finding
- ③ Stabilizing IBC regime.

Bad bank has concern of moral hazard. It should be effectively tackled through governance reform in Banking sector.

Q.13

Recently government introduce three farm laws regarding Marketing with objective of Doubling Farmers income

Current status regarding Farm-income and agriculture.

- ① Stagnant agricultural growth around 2% and agri income.
- ② Fragmentation of land which affect the economy of scale
- ③ High post-harvest wastage around 15-25%.
- ④ Large intermediaries in marketing chain
- ⑤ Low private sector participation in marketing infrastructure creation.

Recent Farm Law and Their Benefits...

- (A) Farming and Agricultural Produce Act
- ① will create separate trading area

Separate of APMC mandis.

- ② Will enhance participation of new actors in marketing
- ③ Low charges for farmers, traders.
- ④ will help in connecting farmers and traders → so low intermediaries → high income to farmers.

② Legal recognition to contract farming

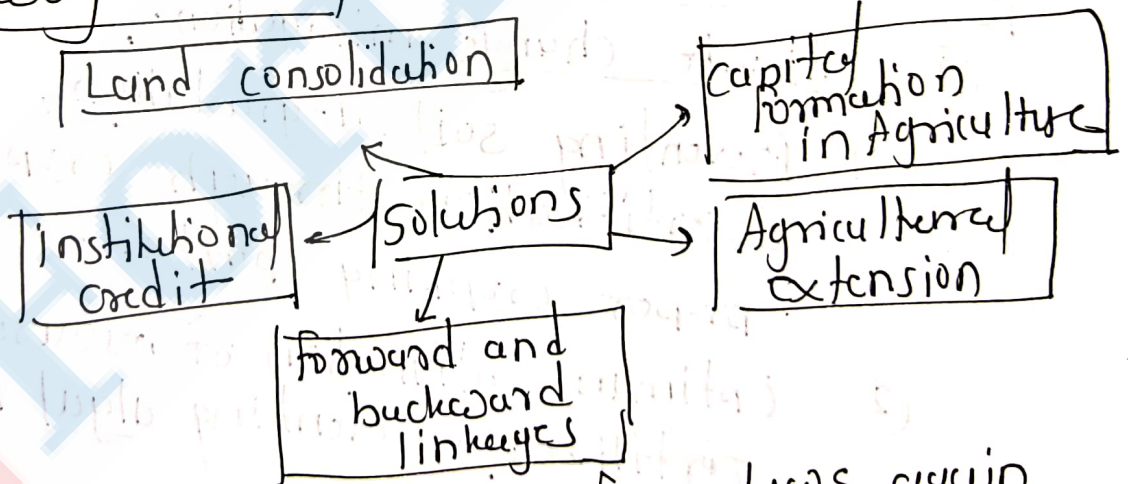
- ① will help in enhancing backward linkages and technology transfer to farmers.
- ② Low wastage p in post-harvest period through cold-storage infrastructure.
- ③ Formal agreement will enhance institutional credit to farmers.
- ④ Easy exit Grievance redressal system at lower level

9588_1278_101000100_2021-12-04 01:45:42)

③ Essential Commodities (Amendment) Act

- ① will enhance infrastructure creation in agricultural storage
- ② Impetus to food processing sector
 - ↳ non-farm employment in rural area.
 - ↳ value addition to agri produce.
- ③ Private sector participation in supply chain management.

Way ahead



Withdrawal of farm laws again created the new debate in marketing of Agri produce. Time to make participatory policy making for long term viability.

Q.14

Climate Smart Agriculture is to make Agriculture as mitigation tool for tackling Climate change as well as adapting tool for inevitable climate change.

Eg. Zero-Budget natural Farming has focus on enhancing production along with objective of soil conservation.

Benefits of Climate Smart Agriculture (CSA)

(A) Climate change mitigation.

- ① Preventing soil degradation, desertification through crop rotation, zero cropping pattern.
- ② Optimum utilisation of resources like fertilizer → preventing algal Bloom
- ③ Enhancing productivity through High Yield varieties → will prevent deforestation.

④ Enhancing Soil Carbon through promoting drought resistance crops.

⑧ State intervention for CSA

① Promotion of ZBNF

② Institutional capacity building of Indian Council of Agricultural relations.

③ Dedicated scheme like PM Krishi sinchayi Yojana
Per drop more crop → Har khet ko pani

④ National Mission on sustainable Agriculture

⑤ Promotion of Agricultural extension and mechanisation

However progress made in adoption of CSA is unimpressive.

① still cropping pattern

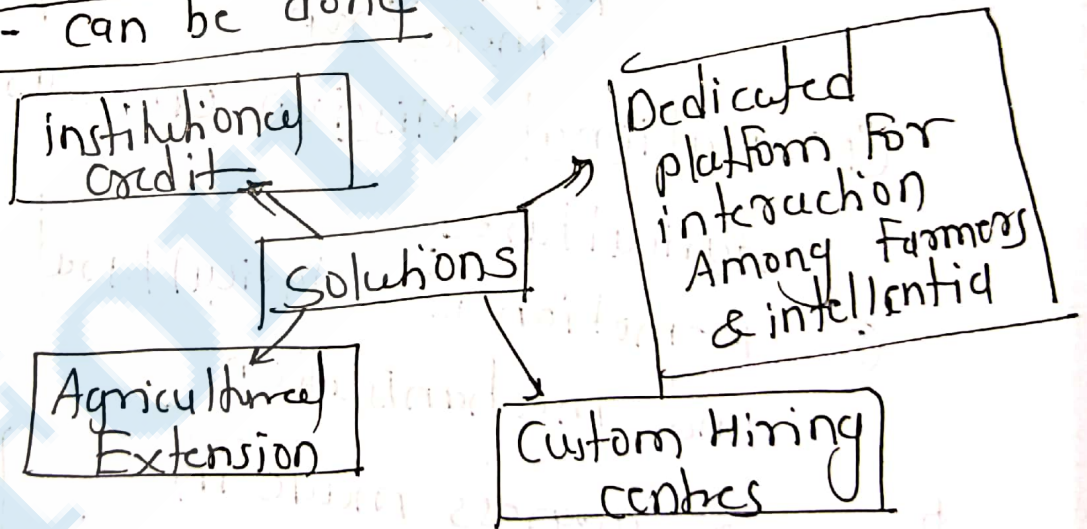
Cereal centric

resource intensive

neglecting coarse cereals.

- ② Traditional Agricultural practices and attitude toward new way of farming like precision farming
- ③ Gap between institutional research and needs of farmers.
- ④ High input intensive farming → water use efficiency - just 37%.
- ⑤ Low technology adoption especially digital, Artificial intelligence.

What can be done



CSA is need of hour to maintain Food and nutritional security. For this schemes like PM KSY, PM Kisan, SAMPADA Yojana are good starting point.

Urban Flooding is severe inundation cause due man-made and natural reasons but and has great threat to life and/or property.

Urban flood vs. Rural flooding

<u>Urban Flooding</u>	<u>Rural flooding</u>
① Mainly result of human-induced reason like <u>unplanned urbanisation</u> , <u>Heat Island effect</u>	① Result or mostly of <u>natural</u> causes like heavy rain in short period.
② Impact - affecting industrial, residential area	② affecting mainly to <u>farming</u> practices.
③ Institutions - <u>diverse</u> , overlapping authorities in managing flood	③ Single institutions like <u>District collector</u> involved in management.

(B) Reason for urban flooding

- ① High industrial, vehicular pollution — large hygroscopic nucleus for cloud formation.
- ② Heat island effect — an impetus to cumulonimbus cloud formation.
- ③ encroachment on natural drainage
- ④ Low infiltration due to concretization in urban areas.
- ⑤ Inadequate maintenance of drainage infrastructure.
- ⑥ Lack of adequate land use policy laws and their implementation

Implications

- ① Heavy financial, economic losses — India losses 2% of GDP per year
- ② Vulnerables especially slum population more vulnerable

- ③ Danger of poverty to vulnerable and vicious cycle of poverty
- ④ Damage to life, especially to Specially abled, elderly population
- ⑤ Diversion of resources of state in managing Flood

Way ahead

- ① clearing natural drainage
- ② proper land use policy
- ③ proper and timely sewage, drainage management
- ④ unified authority for management

Urban Areas are the growth engines of Indian economy. Prevention, mitigation and capacity building of all stakeholder at all level is required.

Q:16

Circular Economy is sustainable growth model in which major thrust on Reuse, Reduce, Recycle, Recover i.e. using once produce resource again and again.

Linear Vs. Circular Economy

Linear Economy

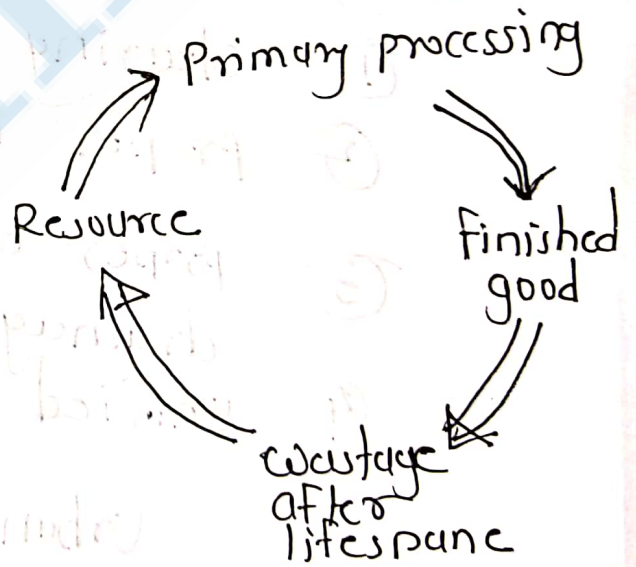
Resource from nature

↓
Primary processing

↓
finished good

↓
Discarded after Life Span.

Circular Economy



Benefits in achieving

(A) Rapid economic growth.

(1) Efficient utilisation of resources

so enhancing productivity

② Low cost inputs due recycling of waste

③ New economic activities in recycling, Reusing sector

↳ eg. Vehicle scrapping industries.

④ Integrated supply chain from production to processing to waste collection.

⑤ Better quality product enhancing competitiveness.

⑥ Attracting investment from Green bonds. Ethical investment firms

⑦ Reducing environmental footprints.

① Reduction in extraction of resources from nature

② Reducing dumping site.

leaching

Air pollution

soil degradation.

- ③ Low fossile fuel consumption through reduce, efficiency enhancement strategy
- ④ waste handling in organised sector
- ⑤ Ensuring better compliance to producers responsibility eg. Plastic waste management rules.

Way ahead

- ① ethical consumerism from consumer to demand circular economy product
- ② Impetus from government adequate fiscal and monetary stimulus.
- ③ International cooperation for R&D and technology transfer

Circular economy is key to achieved objective of three conventions - Paris agreement, Sendai framework and SDG by 2030.

Q.17

Green hydrogen is clean-clean hydrogen in which sustainable technologies used to produce, store, transport, utilise hydrogen.

Opportunities with Green Hydrogen

- ① Decentralise ~~the~~ electricity generation
 - ↳ Reducing Aggregate commercial and technical losses - currently at 19.8%.
 - ↳ Reducing reliance of thermal power plant.
- ② Reducing import dependence
 - ↳ 80% of India's crude oil demand fulfill by import.
 - ↳ 70% of instrument like solar panel in solar energy imported from China.
- ③ Reducing Environmental Footprint
 - ↳ Green Hydrogen - reduces

byproduct only of heat and water.

↳ on other hand thermal power plant byproduct SO_x, NO_x, CO₂ etc

④ Reducing vulnerability to international trend.

↳ consolidation of OPEC → every \$1 ~~dot~~ increase in crude prices → burden of ₹10,700 crore per year.

⑤ Taking air pollution especially urban air pollution.

↳ many urban cities - eg. Delhi, Mumbai - worst performing of air quality parameters.

Strategies to leverage the benefits.

① Impetus to Research and Development in research education

↳ Max funding
↳ international collaboration

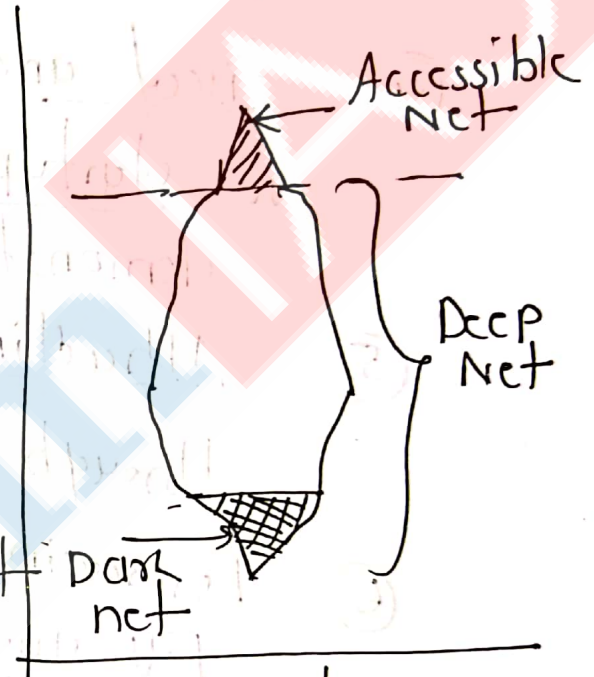
- ② Global supply chain in Green Hydrogen as suggested by G20.
- ③ Collaboration between research institutes and industries
- ④ Fiscal and monetary incentives to startups working in technology demonstrations.
- ⑤ Attracting foreign startup through dedicated policy framework
- ⑥ Leveraging partnership with U.S, EU and Japan to acquire technology, funding.

Green Hydrogen is substitute, replacement to conventional energy sources. Dedicated policy framework with need of hour. quantifiable milestone is

Deep net and Dark net is the part of World Wide Web which is not accessible through ordinary browsing tool like Chrome, Safari etc.

Various security threat

- ① Utilisation for selling drugs, narcotics due to outside of narcotics department
- ② Hotbed for spreading child pornography, rape videos etc
- ③ Utilising mobilisation of financial resources for terrorism, organised crime.
- ④ - Spreading fake news, politically volatile content → destabilising



democratic institutions.

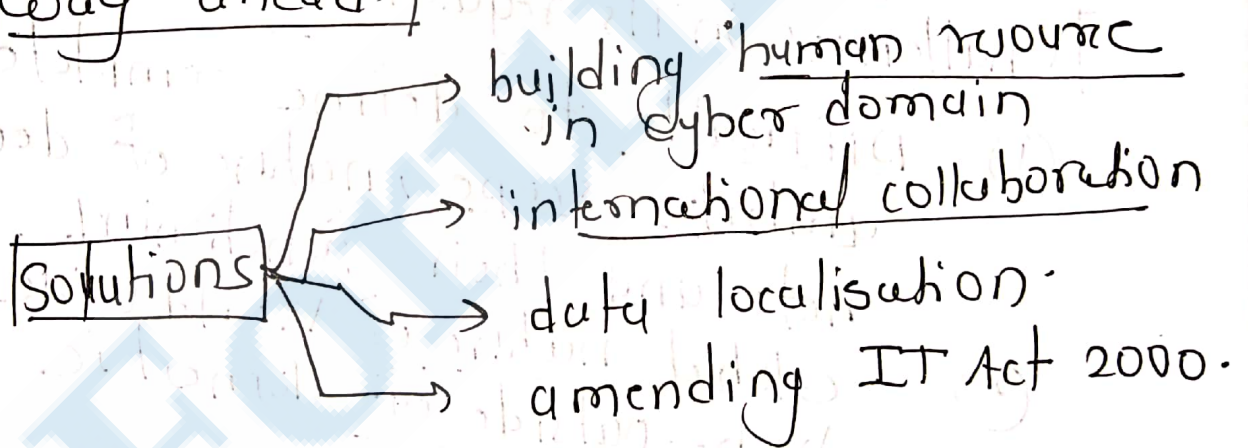
- ⑤ Utilising sale, exchange of arms, instrument by organised criminals.
- ⑥ Instrumental in money laundering, terrorist financing
- ⑦ Undermining sovereignty of elected government due to lack of regulation in it.

Challenges in its regulation.

- ① difficult to define complete ambit, scope, nature of deep net and their functioning.
- ② Global nature of World wide web - outside of domestic jurisdiction
- ③ Lack of human resources in digital domain to monitor, collect information.

- ④ Lack of legal provision explicitly tackling the deep net
- ⑤ Proliferation of organised criminal gangs who have transborder connection.
- ⑥ Fast technological upgradation → difficult to build capacity in government agencies.

Way ahead.



Due to global nature of internet it is imperative to define global regulations in regulating the domain of Deep and dark net.

Taliban captured the power in Afghanistan after negotiating deal with U.S and Failure of elected government in Afghanistan.

Internal security implications-

- ① Organ. of Taliban → Haggeni network staunchly anti-India
↳ would filip to terrorist activities.
- ② Revival of al-Qaeda and ISIS due to internal instability in Afghanistan.
- ③ Safe sanctuaries for Jem, LeT, which will enhance terrorist attack in Jammu and Kashmir.
- ④ Increase opium trade and infiltration of same in

Indian market

→ nexus between organised
criminal, terrorist
→ impetus to criminal
behaviour.

- ⑤ Destabilities in border states
especially in Punjab, J&K due
to opium trade

Counter measures

- ① Enhancing surveillance along
border
- ② technological solution adaptation
in effective border management.
- ③ Informal dialogue with
Taliban to secure India's
interest.
- ④ collaboration with like minded
countries like U.S, Iran etc.

00.2
⑤ Strong action on organised criminal dealing with opium trade.
Smart intelligence Swift action fast track court.

⑥ Domestic awareness programme about evil design of ISI and terrorist organisation
↳ to deradicalize youth
↳ peaceful coexistence.

Taliban and their regime increase the challenge for India's overall national interest. Informal dialogue is key to protect Indian Interest.

Q 20

Technological development
along with growing adversities with
nations and threat from non-state
actors, created long term security
challenge for India.

(A) Use of Drone

civilian

military use

- ① use for transporting
arms, drugs
especially
along Punjab
border
- ② threatening the
privacy of
individuals.
- ③ terrorist
attack by
non-state actors.
eg. recent
attack on
Air force base

- ① use in surveillance
along border
- ② deploying weapons
for targeted
killing
eg. Attack on
Venezuelan
president.
- ③ bypassing scope
of radars.

(B) Cyber technologies

Civilian	military
<p>① Growing use for traditional organised crime like pornography</p>	<p>① Cyber warfare</p>
<p>② Cyber terrorist and difficulty in locating, tracing criminals</p>	<p>② steal sensitive information to harm opponent country.</p>
<p>③ Distributed service denial attack - harming cyber security</p>	<p>③ Propaganda war against enemy.</p>
	<p>④ Back door entry into critical information infrastructure.</p>

(C) Bio-technology

Civilian	military
<p>① Bio-privacy</p>	<p>① Creating harmful pathogen for strategic purposes.</p>
<p>② Bio-terrorism</p>	
<p>③ Fake drugs</p>	

④

② Mitt warfare
weapon to weaken
opponent
eg. U.S use against
A. Taliban.

③ stealing bio-data
to identify
susceptibility of
populations.

Way ahead

① International regulations to avoid
dual use of such technology
on basis of NPT.

② Capacity building of population
for responsible use

③ Enhancing surveillance, intelligence
gathering

Global regulations along
with domestic capacity building
is twin pillar for tackling the
threats from emerging technologies.