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17 AUG 2022

TEST CODE : 5 1 3 2 3

FIAS - MGP 2022 (C-11) - Sectional Test #5

ForumIAS

GENERAL STUDIES

Name Of Candidate

ANUJA TRIVEDI

Roll No.

1910078166

Date:

03/07

Time Allowed: Three Hours

Maximum Marks: 250

INDEX TABLE

INSTRUCTION

Q. No.	Max. Marks	Marks Obtained
1		
2		
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20		
Total:	250	

- Please do furnish Name, Email, Roll No and Mobile in the answer sheet.
- There are TWENTY questions printed in ENGLISH & HINDI, all questions are compulsory.
- The number of marks carried by a question/part is indicated against it.
- 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.
- Word limit in questions, if specified, should be adhered to. Any page or portion of the page left blank in the Question-Cum Answer Booklet must be clearly Struck off.

Any specific messages for ForumIAS Mentors/Evaluators with respect to your copy? Write it here.

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Evaluator's Discretion:

For Student Only

Start Time | 10:45AM

End Time |

Total Marks:

Mode Of Examination:

Online Offline

Evaluator's Discretion: This is the marks awarded at the discretion of the evaluator based on your overall impression, on the basis of (but not limited to) your handwriting, presentation, use of diagrams, flowcharts, facts and figures or anything that he/she liked in your copy.

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ECN CODE:

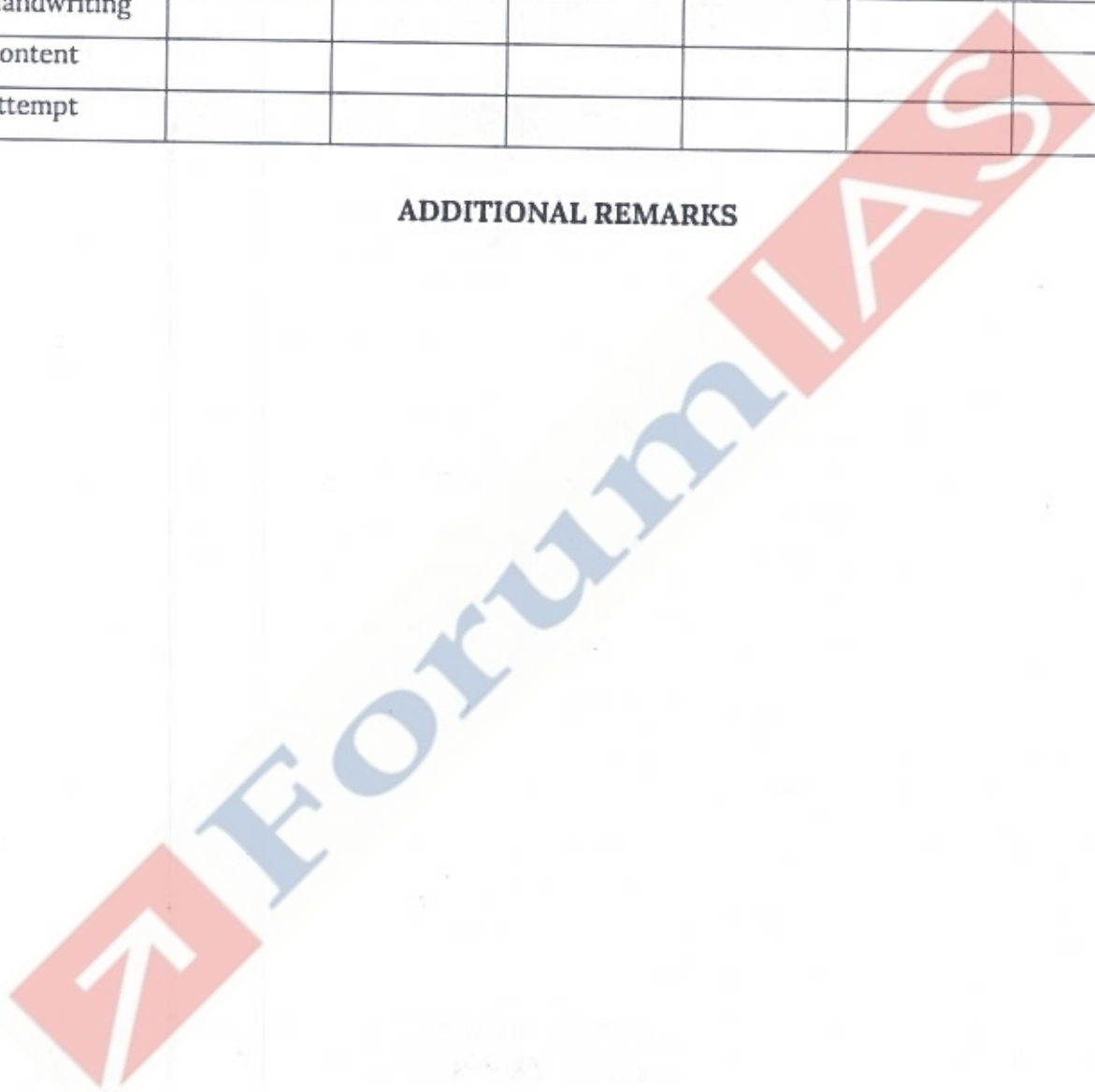
EG:

Evaluation Date:

Note: You can discuss your evaluated copy with the Mentor. Raise a ticket from your portal to schedule a mentor call or visit the offline centre to meet mentor (all 7 days, Timings – 11 AM to 6 PM). Further if you are unsatisfied with the evaluation, you can seek re-evaluation of the copy.

Parameters	Excellent	Very Good	Good	Average	Poor	Very Poor
Language						
Structure						
Presentation						
Handwriting						
Content						
Attempt						

ADDITIONAL REMARKS



Q.1) Employment problems of rural and urban areas differ in nature, but their solutions are interdependent and interrelated. Analyze. (10 Marks, 150 words)

ग्रामीण और शहरी क्षेत्रों की रोजगार समस्याएं प्रकृति में भिन्न हैं, लेकिन उनके समाधान अन्योन्याश्रित और परस्पर संबंधित हैं। विश्लेषण कीजिए। (10 अंक, 150 शब्द)

Unemployment rate in India has stagnated at around 6-7% with a drastic jump ~ 20% during COVID-19 first wave - leading to a 'job-loss' growth.

Rural employment problems

① Heavy agri-centered economy with dwindling land holdings



DISGUISED UNEMPLOYMENT

② Non-farm jobs - slow growth, low income
eg. MNREGA

③ Large number of low / semi-skilled workers

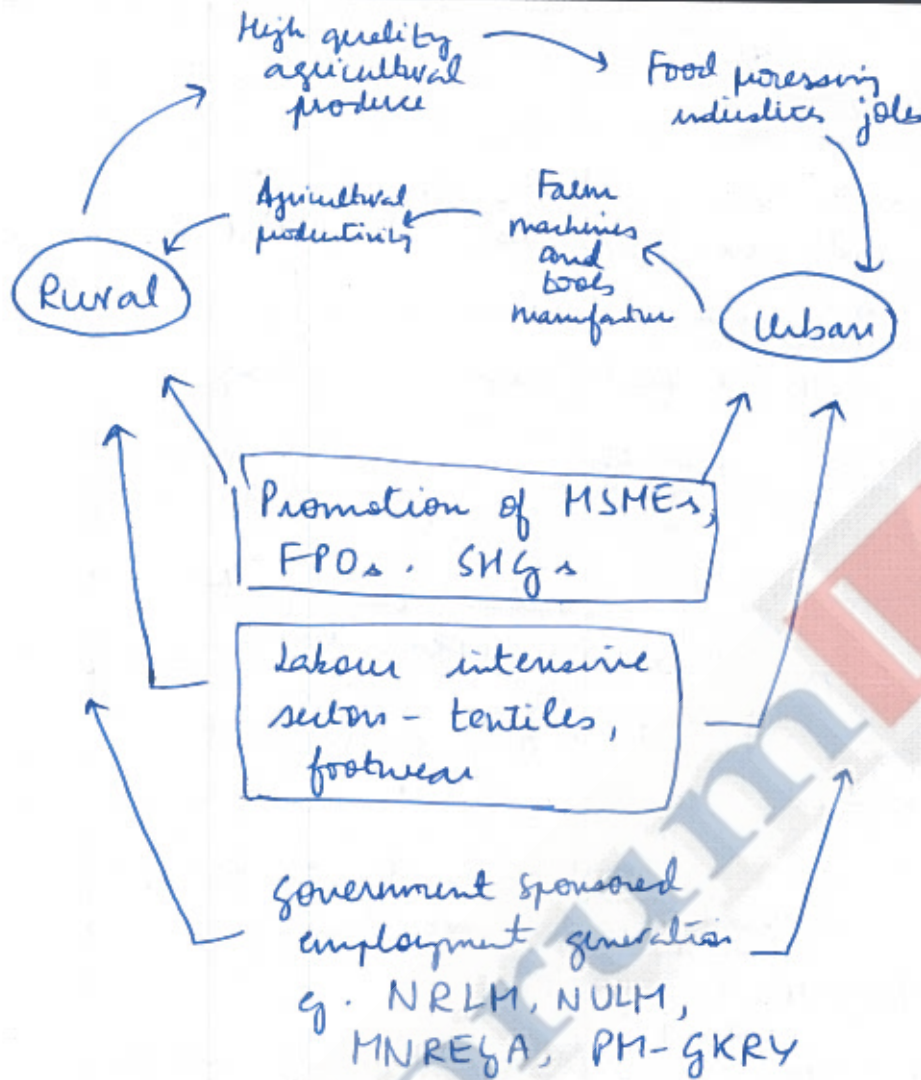
Urban employment problems

① ~ 80% employment in informal, unorganized sector → no stability, social security.

② Death of manufacturing jobs (only ~ ~~20%~~ 16% of GDP) to absorb migrants

③ Unemployment in females >> males, child labour

SOLUTIONS ARE INTER-RELATED →



The distinction between rural and urban is blurring as economy sectors are interrelated and jobs need to flow from structural and meaningful reforms

Feedback

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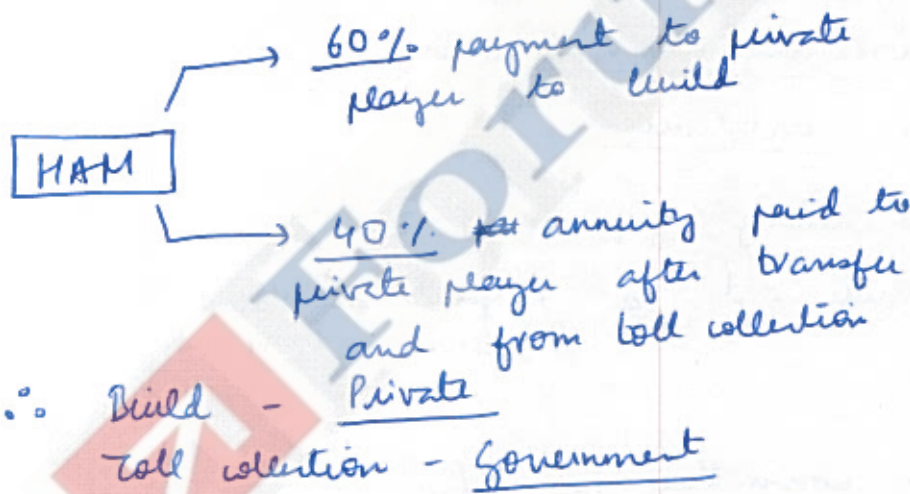
Q.2) Why has Hybrid Annuity Model (HAM), which was earlier proposed as a game-changer in Public Private Partnerships (PPP), received lukewarm response from private developers? What are the alternate PPP models that can be pursued for encouraging private investments?

(10 Marks, 150 words)

हाइब्रिड एन्युटी मॉडल (HAM), जिसे पहले सार्वजनिक-निजी भागीदारी (PPP) में गेम-चेंजर के रूप में प्रस्तावित किया गया था, को निजी विकासकर्ताओं से कम प्रोत्साहक प्रतिक्रिया क्यों मिली है? निजी निवेश को प्रोत्साहित करने के लिए वैकल्पिक PPP मॉडल क्या हैं जिन्हें अपनाया जा सकता है?

(10 अंक, 150 शब्द)

The HAM is a PPP model in which BOT (Build Operate Transfer) is combined with Annuity Model to help government collaborate with private sector to finance infrastructural projects.



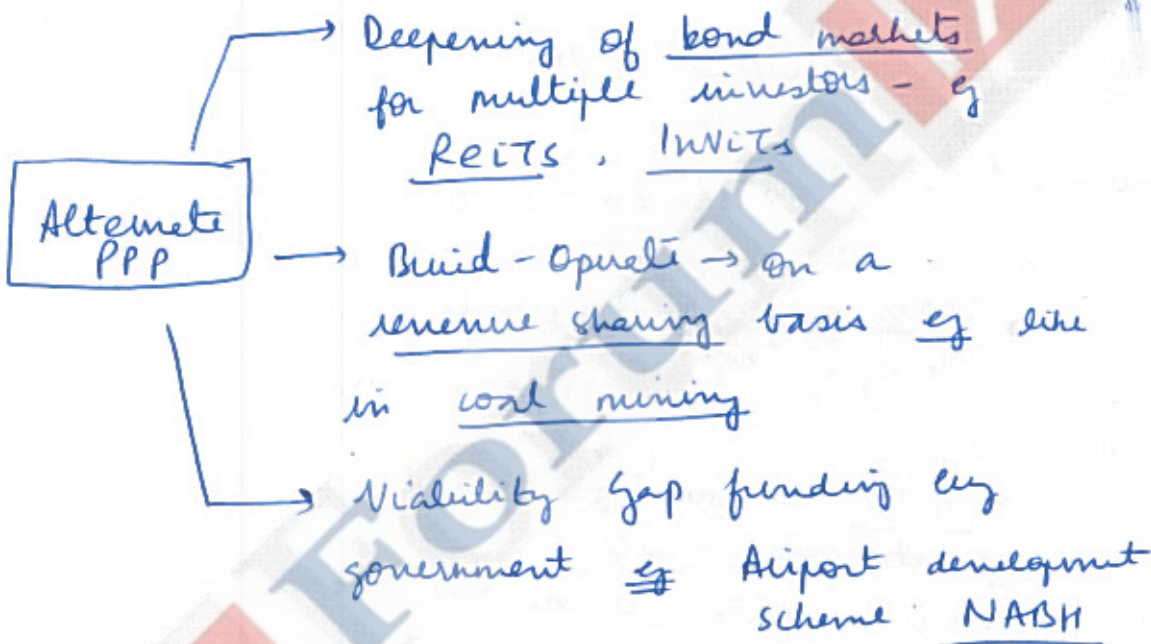
WHY LUKEWARM RESPONSE?

- ① Long gestation period of projects dampens financial incentives to invest
- ② Hurdles - environment clearance (EIA)

land acquisition, safety clearances -
bureaucracy and corruption

③ Financing instruments market (bonds, equity etc) is shallow - dependence on only big business conglomerates

④ Majority ~~the~~ risk of financing and operating is still governments.



Vijay Kelkar Committee has also suggested flexibility, transparency and citizen-centric service delivery for successful PPP implementation

Feedback
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Q.3) Imported inflation is compounding the challenges of post-pandemic recovery for the Indian economy. Discuss. (10 Marks, 150 words)

आयातित मुद्रास्फीति भारतीय अर्थव्यवस्था के लिए महामारी के बाद की पुनर्बहाली की चुनौतियों को बढ़ा रही है। चर्चा कीजिए। (10 अंक, 150 शब्द)

Imported inflation refers to the rise in price of goods and services due to COST-PUSH from imported inputs e.g. rising crude oil prices and falling rupee.

IMPORTED INFLATION : COMPOUNDING CHALLENGES

① Crude oil - Prices increasing since Russia-Ukraine war, production cut by OPEC+ members

→ Cascading effect on consumers, transport industry, logistics and thus price rise in all commodities

② Supply chain shocks still remain - slowdown in global supply chain items.

→ Rise in cost of inputs for industries - automobile, pharmaceuticals, food processing etc → WPI ↑

③ Rise in prices of soyabean, wheat, fertilizers (imports from Russia-Ukraine)

→ Increasing cost of food production → direct hit on CPI

④ Fed-tapering by the US → fall in ₹ against dollar → imports even more expensive

India depends on imports for crucial inputs - oil, natural gas etc

⑤ Large scale import of Indonesian palm oil by China, US for biofuel.

India imports 90% of its palm oil requirements

The way forward lies in 'Atma-Nirbharata' or self reliance in boosting exports, solving structural issues - (logistics, ease of doing business) while focussing on sustainable, equitable post-pandemic economy.

Feedback

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Q.4) Inclusive growth is both a process and an outcome. Discuss in Indian context. (10 Marks, 150 words)

समावेशी विकास एक प्रक्रिया और परिणाम दोनों है। भारतीय संदर्भ में चर्चा कीजिए। (10 अंक, 150 शब्द)

Inclusive growth refers to rising economic development which is equitably distributed among all sections of society - so everyone can benefit. For e.g. ^{high income} employment generation, ~~to~~ ~~to~~ lessening inequalities.

INCLUSIVE GROWTH - AS A PROCESS -

① POLICY DESIGN - should be inclusive
e.g. gender budgeting in PM-JAY where women are eligible for overdrafts,
PM-UJJWALA - LPG cylinders in women's name

② POLICY IMPLEMENTATION - grass roots, responsive and responsible
≠ Gram Sabha role in MNREGA implementation
Pressure groups

③ MONITORING AND FEEDBACK - through active consultation with all stakeholders
e.g. EIA 2006 ~~can~~ public scrutiny of ~~the~~ economic projects, SOCIAL AUDITS

AS AN OUTCOME -

- ① Economic
 - Equal pay for equal work
 - Jobs in high paying, high skilled sector
 - Rare necessities fulfilled
- ② social
 - NO discrimination on basis of caste, gender, class etc.
 - Barrier-free economic fruits of growth
- ③ Political empowerment, awareness

There is a need for agile, barbell approach (ES-2022) to adapt to changing post pandemic scenarios and pursue inclusive growth (SDG # 10)

Feedback

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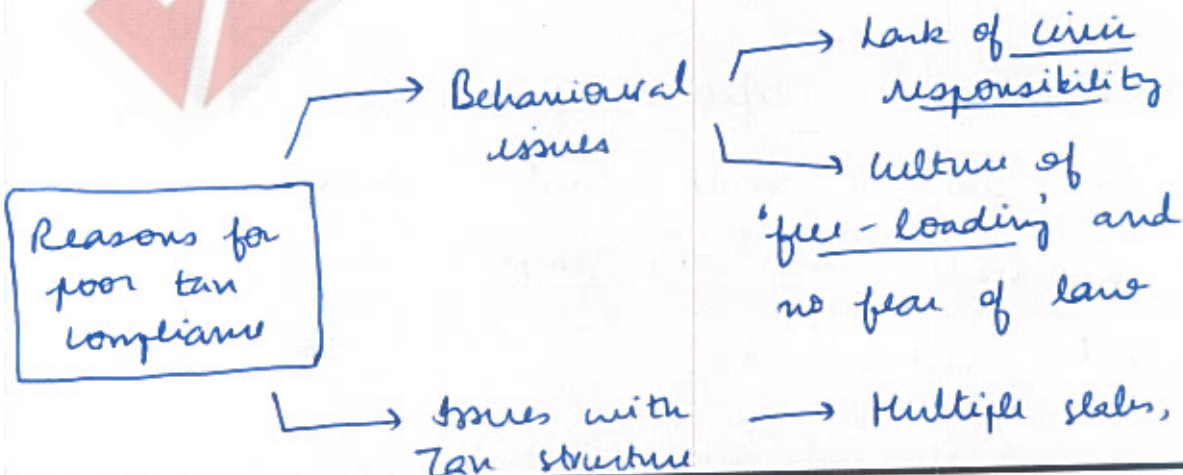
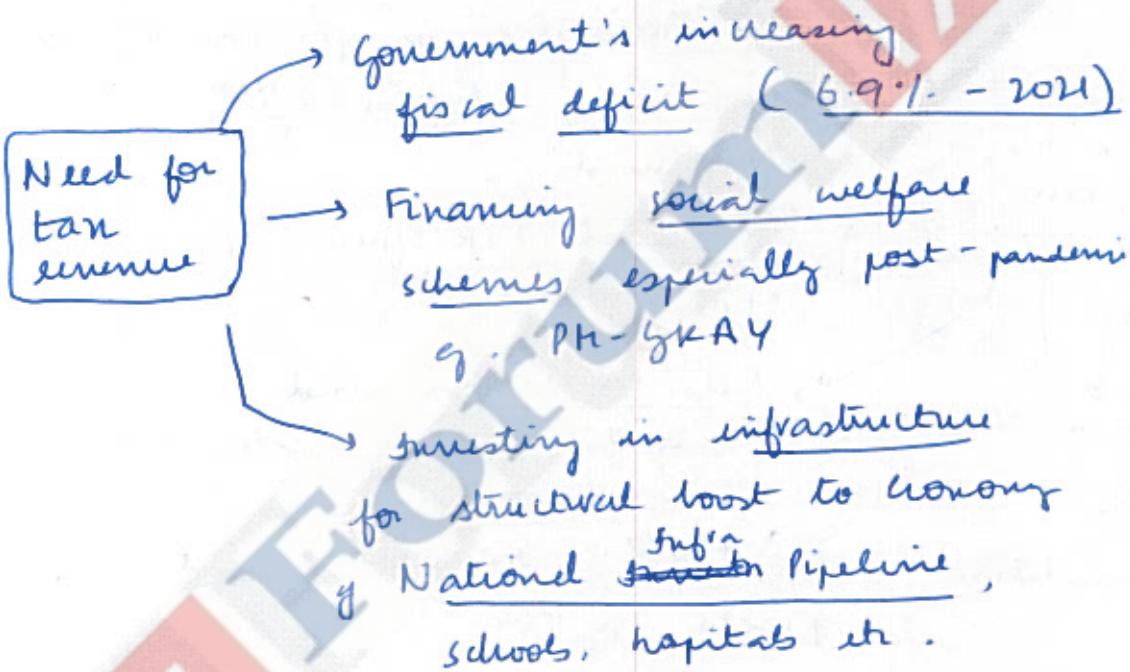
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Q.5) A very small fraction of the adult population files tax returns and an even smaller portion pays taxes. In light of this observation, examine reasons for poor tax compliance in India. Also, suggest measures to improve income tax code in the country. (10 Marks, 150 words)

ययस्क आबादी का एक बहुत छोटा हिस्सा टैक्स रिटर्न फाइल करता है और यहां तक कि एक छोटा हिस्सा टैक्स का भुगतान करता है। इस अवलोकन के आलोक में, भारत में खराब कर अनुपालन के कारणों की जांच करें। साथ ही, देश में आयकर संहिता में सुधार के उपाय सुझाएं। (10 अंक, 150 शब्द)

India's Total tax to GDP ratio (tax buoyancy) remains at 17% while only ~2% population pays income tax.



- ↳ complicated ITR forms, need for CA and software
- ↳ High taxes on upper-most incomes ⇒ ~~also~~ more incentive to hide assets
- ↳ Tax terrorism - harassment by tax officials, corruption

Measures to improve

DIRECT TAX CODE implementation

- ↳ Tax incentives for honest, tax paying citizens, VIP treatment
- ↳ Pre-filled ITR forms with PAN details
- ↳ Rationalization and simplification of states
- ↳ Fuelless assessment and appeals system to reduce harassment and corruption

Taxes form the lifeline of a functioning democratic welfare state and should be reformed to a simple, transparent system.

Feedback	
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Q.6) Evaluate the potential of Pradhan Mantri Matsya Sampada Yojana (PMMSY) to meet the goals of the Blue Economy and Neel Kranti mission. (10 marks, 150 words)

ब्लू इकॉनमी और नील क्रांति मिशन के लक्ष्यों को पूरा करने के लिए प्रधानमंत्री मत्स्य संपदा योजना (PMMSY) की क्षमता का मूल्यांकन करें। (10 अंक, 150 शब्द)

PM-MSY was launched to provide a boost to the fishing and aquaculture industry of India - currently #2 in world's fish production.

POTENTIAL OF PM-MSY

- ① Development of 'Mar-culture' or marine fisheries for diversification of produce basket
- ② Focus on ornamental fishery, organic aquaculture, aquaponics for high-value added income catch
- ③ Growth of 'cage-fisheries', quality food (oilseeds etc).
- ④ Financial inclusion and credit facilities to

GOALS OF BLUE ECONOMY AND NEEL KRANTI

- > Blue economy focuses on creation of income, jobs, infrastructure etc on the foundation of our marine and river resources
- > equitable and inclusive growth - unorganized sector, women, SC/STs.

fisherpeople.

⑤ Formation of FPOs, cooperatives, SHGs to get economic of scale.

⑥ Upskilling and training

⑦ FOOD PROCESSING → g
drying, canning, pickling of produce for increasing value addition, shelf life and generating jobs

> Supporting infra also gets a push-ports, shipping, warehouses.

> Connectivity increases

> EXPORTS increase → BOP imprints
(Marine products are India's #1 agricultural exports)

PM-MSY is closely tied with food security, employment generation and wealth creation through our 7,500 km coastline plus thousands of rivers.

Feedback
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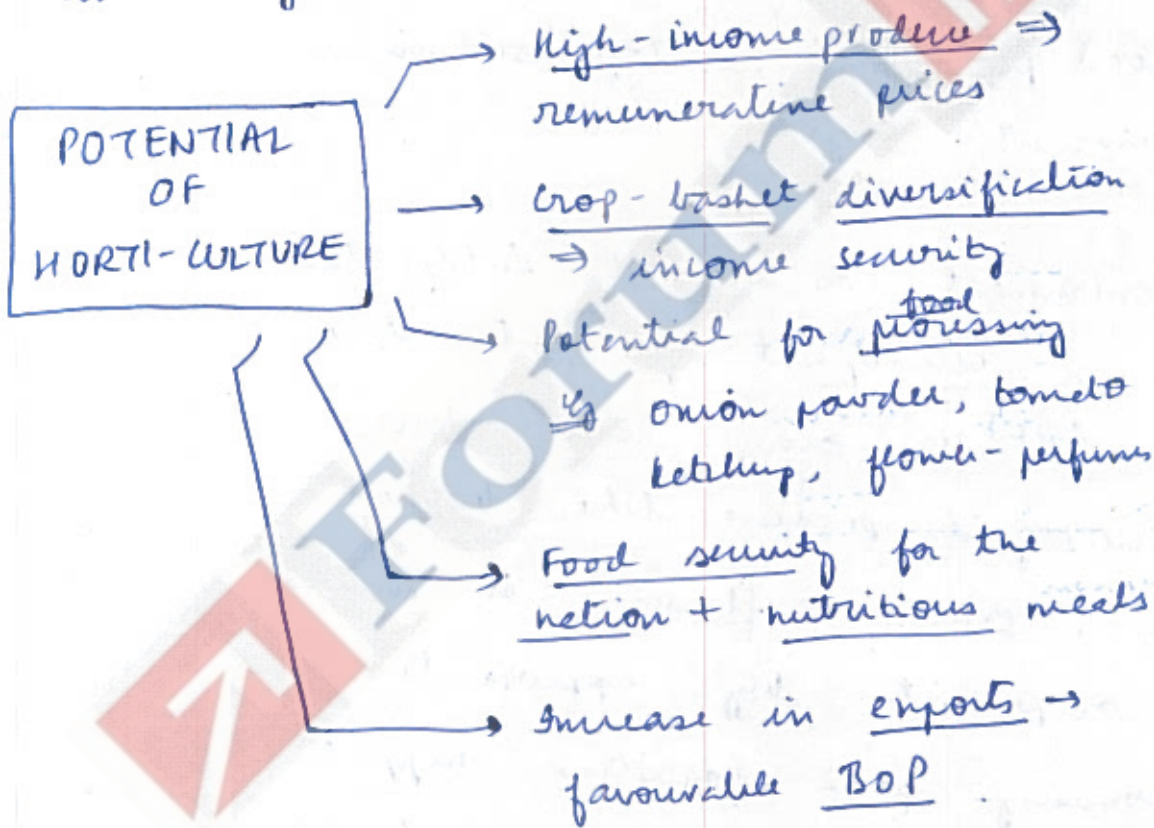
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Q.7) The Horticulture sector, though has potential to transform agriculture landscape of country, is beset with several challenges. Discuss. (10 Marks, 150 words)

बागवानी क्षेत्र, हालांकि देश के कृषि परिदृश्य को बदलने की क्षमता रखता है, बावजूद इसमें कई चुनौतियां निहित हैं। चर्चा कीजिए। (10 अंक, 150 शब्द)

Horticulture refers to the cultivation of fruits, vegetables, flowers (perishable produce) for sale and consumption. India is currently second-largest producer of fruits and vegetables.



CHALLENGES WITH HORTI-CULTURE

For farmers

→ Not included in MSP (22+1 crops) → but no hort products

↳ Colwell phenomenon - Absence of real-time data on supply-demand leads to either price crash or inflation

↳ Problems of storage and transport - cold chain, warehousing, shipping

↳ Lesser subsidies and incentives like for wheat and rice \neq fertilizers, MVY, credit etc.

↳ Food processing industries still in nascent stage.

Government has started Integrated Mission on development of horticulture, Mission GREENS along with focus on diversified produce like bamboo, saffron, ornamental flowers. It should be accompanied by appropriate food processing plus logistics support to utilize maximum potential.

Feedback

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Q.8) Food Processing sector must be developed as one of the principal industries in the country for reasons that go beyond agriculture. Elucidate. (10 Marks, 150 words)

खाद्य प्रसंस्करण क्षेत्र को देश के प्राथमिक उद्योगों में से एक के रूप में उन कारणों से विकसित किया जाना चाहिए जो कि कृषि से परे हैं। स्पष्ट कीजिए। (10 अंक, 150 शब्द)

Food processing industry contributes 8.8% to manufacturing GVA and is a sunrise sector with growth ~9%.

ROLE OF FOOD PROCESSING INDUSTRY -

I) IN AGRICULTURE →

- ① Act as demand for high quality and quantity produce in a diversified manner of millet grains, agro-products, organic products, horti produce etc.
- ② Increasing farmers income, (X2-axis) income security
- ③ Help in investment in agriculture through infusion of capital - technology, mechanization, new inputs ⇒ increased productivity

II) BEYOND AGRICULTURE →

Manufacturing → employment generation in factory sector

↳ Equitable growth - jobs to women, tribals, semi-skilled labour.

↳ Act as demand for machines and tools - steel and iron, industry, electricity etc.

② LOGISTICS

- ↳ Impetus to cold chain systems, refrigeration sectors
- ↳ Warehousing development
- ↳ Ports, Railways (KISAN rail), Airways (KRISHI-Udaan)

③ EXPORT → Processed food is in demand and has greater shelf life
 e.g. curry shrimp, canned mushroom etc

Food processing sector covers the holy trinity of employment generation, food security and export promotion. Thus, government is running KISAN-SAMPADA, Formalisation of MSMEs in food processing etc.

Feedback

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Q.9) What do you understand by natural farming? How can it help in building climate resilient agriculture? (10 Marks, 150 words)

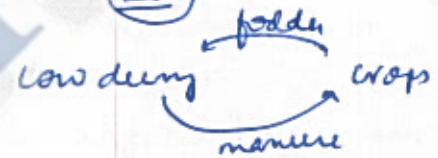
प्राकृतिक खेती से आप क्या समझते हैं? यह जलवायु अनुकूल कृषि के निर्माण में कैसे मदद कर सकती है? (10 अंक, 150 शब्द)

Natural farming is a chemical free, livestock based agro-management system - encouraged by Prime Minister recently.

Features of Natural Farming

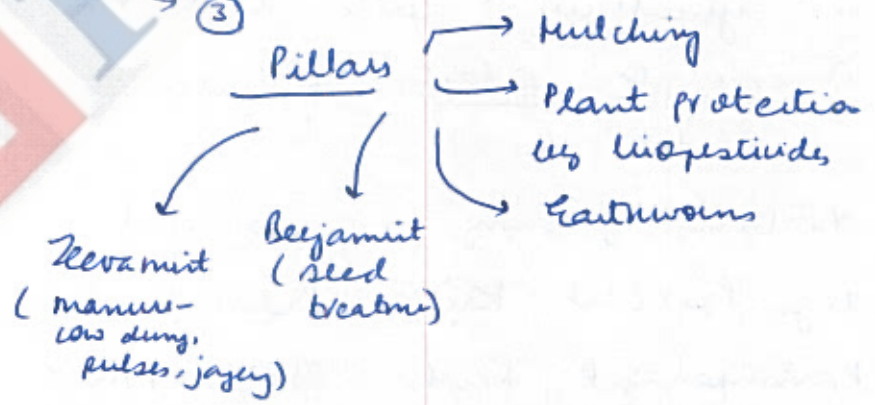
① Integration of crops, trees and livestock

② Inputs from 1 can be used from outputs of other or



③

Pillars



HELPING BUILD CLIMATE RESILIENT AGRICULTURE :-

- ② Changes in soil structure - ↑ organic carbon, no/low tillage, plant diversity
⇒ plant growth even in drought, flood, cyclone etc.
- ② Livestock rearing is less impacted by climate change
- ③ Eco friendly bio-inputs help restoring ecosystem and reversing land degradation (≈ 30% of India's land)
- ④ More judicious use of water and nitrogenous fertilizer - Smaller carbon and nitrogen footprints
- ⑤ Surplus from natural farming → invested back in agriculture → better technology and income to adapt to climate change

Natural farming is promoted in Bhartiya Prakritik Krishi Paddhati Programme and Paramparagat Krishi Vikas Yojana. Care must be taken to check decline in yield and nutrient deficiency while embracing sustainable natural farming.

Feedback

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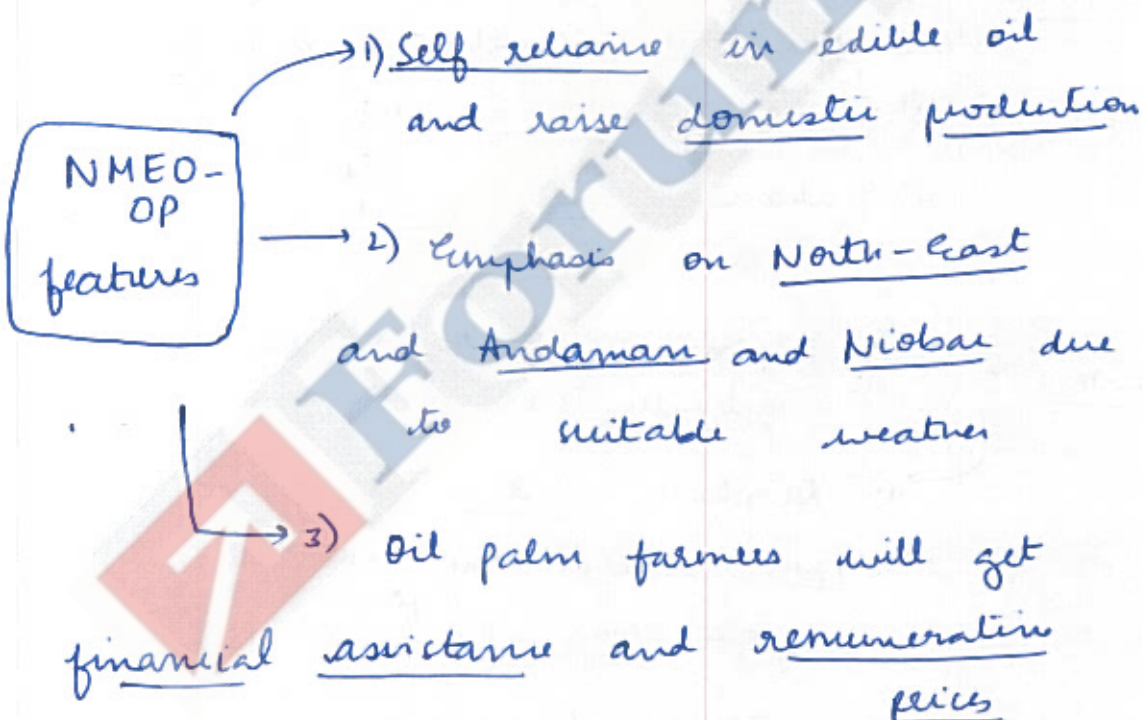
Q.10) In light of National Mission on Edible Oils-Oil Palm (NMEO-OP), critically examine economic and environmental implications of promotion of oil palm cultivation in the country.

(10 Marks, 150 words)

खाद्य तेलों-पाम ऑयल पर राष्ट्रीय मिशन (NMEO-OP) के आलोक में, देश में पाम ऑयल की कृषि को बढ़ावा देने के आर्थिक और पर्यावरणीय प्रभावों की आलोचनात्मक परीक्षण करें।

(10 अंक, 150 शब्द)

India is world's #1 importer of palm oil and imports ~90% of its domestic requirement from Indonesia, Malaysia etc. - severely impacting economy and environment.



IMPLICATIONS OF OIL PALM CULTIVATION :

- Environment
- Pros - ① large area of afforestation, especially in North-East
 - ② ↑ carbon sequestration, oxygen products
 - Cons - ③ Clearing out of local indigenous tropical evergreen forests - huge carbon stock, critical endangered habitats
 - ④ Water intensive trees, ↑ irrigation, ↓ groundwater

- Economy
- PROS - ⑤ Extensively used as raw material - detergents, plastic, biofuels
 - ⑥ Reduction in import dependence
 - ⑦ Enhanced food security
 - CONS - ⑧ Expensive inputs → ↑ in subsidy burden
 - ⑨ Displaces indigenous oil crops - oilseeds [mustard, rapeseed], sunflower, etc

Cultivation of palm oil in plantations should be undertaken in congruence with local geography and ecology along with diversification of oil basket.

Feedback

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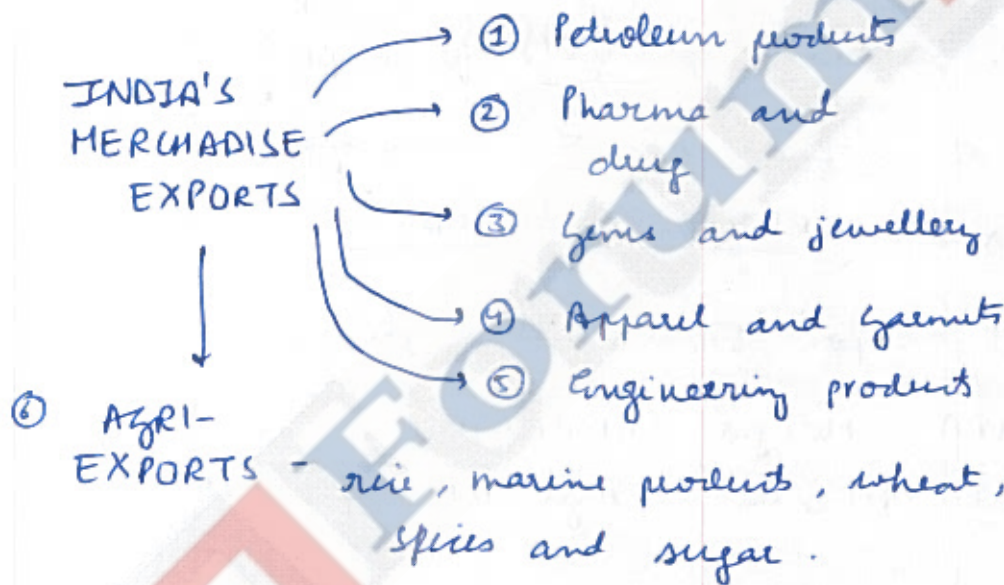
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Q.11) Achievement of a 400 billion USD merchandise export is a result of concerted and collective efforts towards an Atmanirbhar Bharat. Identify various factors responsible for this feat. What measures will you suggest to place India at the centre of global supply chains?

(15 Marks, 250 words)

400 बिलियन अमरीकी डालर के व्यापारिक निर्यात की उपलब्धि एक आत्मनिर्भर भारत की दिशा में ठोस और सामूहिक प्रयासों का परिणाम है। इस उपलब्धि के लिए जिम्मेदार विभिन्न कारकों की पहचान करें। भारत को वैश्विक आपूर्ति श्रृंखलाओं के केंद्र में रखने के लिए आप क्या उपाय सुझाएंगे? (15 अंक, 250 शब्द)

India's exports reached \$400 billion in FY 22 even after COVID pandemic hit on economy. Although, this is a record, balance of trade still remains negative.



FACTORS RESPONSIBLE FOR INCREASE IN EXPORTS -

1) INDIA'S → ATMANIRBHAR BHARAT PUSH :-
reforms

- ① Production linked incentive for boosting manufacturing in 13 key sectors - including export-heavy food processing, automobile etc.
- ② MSME support (contribution ~48% to exports) through Emergency credit line, NPA relaxation, subordinate debt.
- ③ Export-linked subsidy through NIRVIC scheme and credit guarantee + input tax credit subsidy ~~to~~ (GST) for exports. RODTEP
- ④ Promotion of defence exports through FDI increase, SRIJAN portal, IDEX
- ⑤ Agricultural export boost through PM-SAMPADA, Mekhya SAMPADA, Krishikenneti Mission, Agri-Infra fund etc

II) EXTERNAL REASONS

① PENT-UP DEMAND

after lifting of lockdown in global economy

- ⑦ Diversification efforts in supply chain by western nations - away from China
- ⑧ Global expansionary policies by governments

MEASURES TO INTEGRATE INTO GVCs-

- I) Structural reforms to boost competitiveness
- ↳ ① Rationalisation of labour and land laws
 - ↳ ② Enabling infrastructure (~~the~~ National Infrastructure Pipeline)
 - + ease of logistics (PM-gati shakti)
 - ↳ ③ Revamp of SEZ and NIMZ by 3E formula of Baba Kalyani Committee

- II) Increasing adaptation to ④ 'Flying geese' model of GVC and occupying vacant position of labour-intensive manufacturing ⑤ in strategic sectors like semi-conductors.

- III) International cooperation ↳ ⑥ Concluding FTAs with complementary benefits of UAE, Australia

- ⑦ Joining multilateral trade treaties especially with ASEAN and other Indo-Pacific players (~~of~~ IPEF) to counter RCEP withdrawal

- ⑧ Diversifying export basket and destinations of Caribbean, African countries

Exports are one of the fundamental drivers of country and will increase GDP, employment AND stabilize foreign reserves, inflation, exchange rate

Feedback

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Q.12) Supporters of the universal basic income present it as a cure for poverty while few opponents call it a worse disease for the economy. Which view do you subscribe to? Explain your stand.
(15 Marks, 250 words)

यूनिवर्सल बेसिक इनकम (UBI) के समर्थक इसे गरीबी के निदान के रूप में प्रस्तुत करते हैं जबकि कुछ आलोचक इसे अर्थव्यवस्था के लिए एक बदतर रोग मानते हैं। आप किस मत का समर्थन करते हैं? अपने मत को व्याख्यातित कीजिए।
(15 अंक, 250 शब्द)

Universal Basic income is a social security scheme in which a certain monetary support is provided to all by the government.

ARGUMENTS IN FAVOUR OF UNIVERSAL BASIC INCOME :-

I) Constitutional directive :

Article 41 of directive principles says that state shall provide education and other opportunities to old, disabled, unemployed (weaker section)

II) Human development :

India rank # _____ in HDI because of poor health, education indicators which are a result of low income.

III) Poverty eradication - currently

Tendulken committee estimates put 21.9% people below poverty line.

IV) Economic recovery - UBI \rightarrow increases spending power of people \rightarrow demand for goods and services \uparrow \therefore virtuous cycle

V) To ease the post COVID hardships of job-loss, medical expenses etc.

ARGUMENTS AGAINST UNIVERSAL BASIC INCOME :-

- ① Can contribute to inflationary pressure as more money will chase lesser products. (Already CPI =)
- ② UBI will lead to very high government expenditure \Rightarrow further enlarge fiscal deficit (currently 6.9%.)
- ③ Government will have to reduce on capital investment (Geti Shakti, NIP etc) and other welfare schemes (MNREGA, PM-JAY etc)
- ④ UBI might not be spent wisely -

may spend on alcohol, tobacco, luxuries instead of health and schooling.

MY VIEW ON UBI

- 1) India is not at the position to start UBI currently.
- 2) Government initiatives such as e-rupi, DBT of PM-Kisan, Janani Suraksha Yojana etc, overdraft facility of PM-Jan Dhan etc provide necessary financial boost to household incomes.
- 3) It would be more productive in the long run to invest in capital assets and industry, manufacturing, agricultural which can provide employment + wealth creation.

Universal basic income cannot act as a panacea for poverty, only meaningful structural economic reforms with a focus on social justice can achieve SDG #1 of no poverty.

Feedback (For OFFICE use only)

Structure/ Presentation
Question Interpretation
Content
Value Addition
Total

Q.13) The 1991 economic reforms provided a leap forward and lifted millions out of poverty; however, comprehensive structural reforms remain incomplete resulting in sectoral imbalances and heightened inequalities. Comment. Also, discuss the key areas which should be the focus of reform 2.0. (15 Marks, 250 words)

1991 के आर्थिक सुधारों ने तीव्र छलांग लगाई और लाखों लोगों को गरीबी से बाहर निकाला; हालाँकि, व्यापक संरचनात्मक सुधार अधूरे रहे जिसके परिणामस्वरूप क्षेत्रीय असंतुलन और असमानताएँ बढ़ी। टिप्पणी कीजिए। साथ ही, उन प्रमुख क्षेत्रों पर चर्चा करें जिन पर सुधार 2.0 का फोकस होना चाहिए। (15 अंक, 250 शब्द)

1991 economic reforms initiated an era of liberalisation, privatization and globalisation and Indian economy attained growth rate ~8% after these reforms.

THE ACHIEVEMENTS OF 1991 Reforms

- ① Entry of private capital and investments into various sectors - automobile, electronics, refineries etc.
- ② Removal of 'license raj', quotas, bureaucratic hurdles, politicization of economy.
- ③ Entry of foreign competition and investment - cheaper, more efficient production.
- ④ Generation of employment - especially urban, skilled and semi-skilled.
- ⑤ Exports of India ↑ ⇒ stabilisation of ₹.

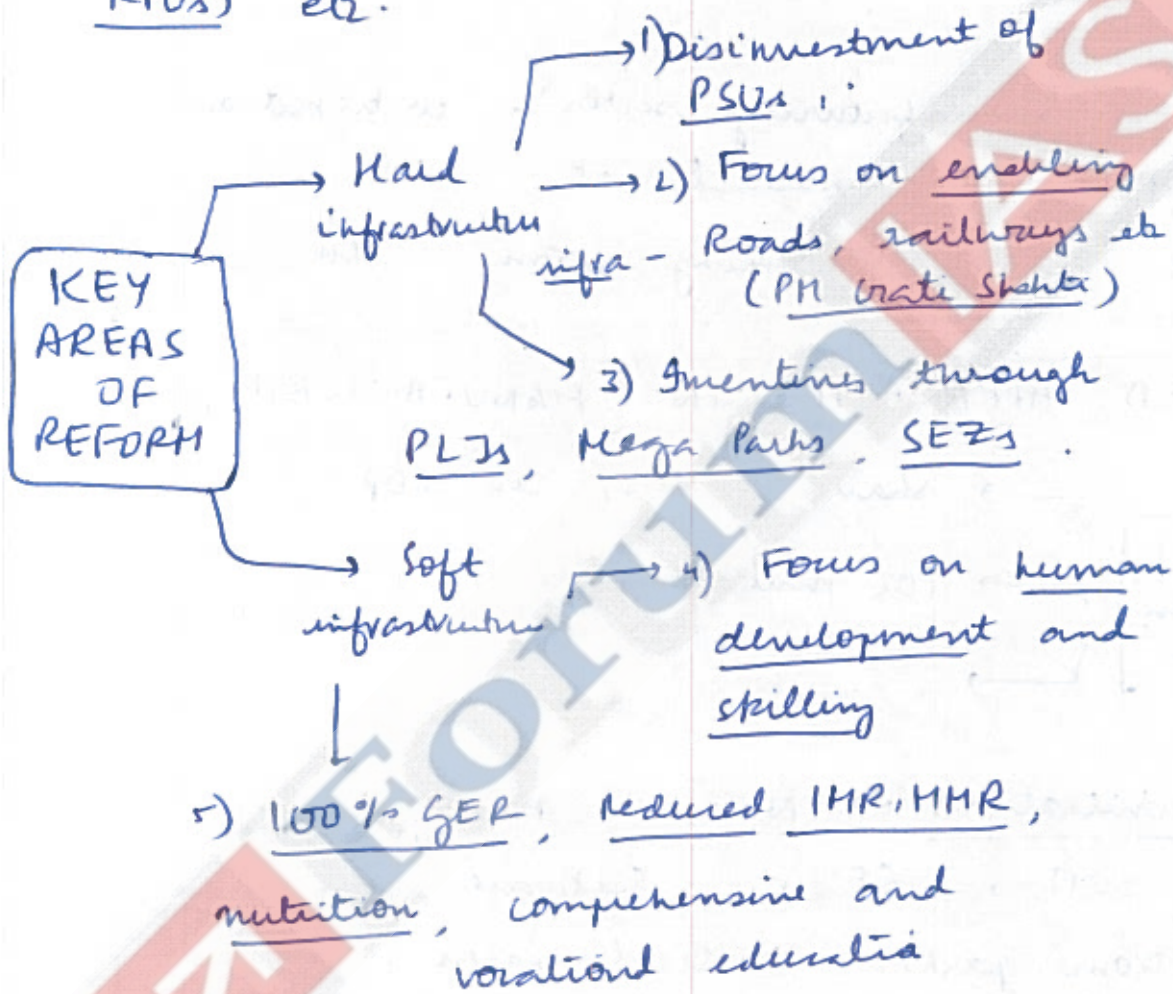


Human capital - health, education etc improved - @ India lifted 273 million out of poverty in 10 years.

INCOMPLETE STRUCTURAL REFORMS :-

- ① State intervention in industry still remained because of PSUs in various sectors - airlines, mining, electronics etc.
- ② Manufacturing sector stagnated at % because of lukewarm investments, low productivity, complicated laws on labour, land etc.
- ③ Agricultural sector had to bear the load of employment \Rightarrow disguised unemployment \Rightarrow agricultural productivity has stalled and land holdings fragmented.

④ Service sector grew at drastically high pace because of availability of English-speakers, private players like WIPRO, Infosys, exporting edge (BPOs, KPOs) etc.



Reform 2.0 should have a 'people centric' and 'industry-friendly' approach to achieve growth along with 'Sabke Sath, Sabke Vika'

Feedback

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Structure/ Presentation
Question Interpretation
Content
Value Addition
Total



Q.14) Despite a focused approach on manufacturing sector through initiatives such as Make in India, the share of manufacturing sector in the Gross Domestic Product (GDP) has stayed stagnant. In this context, bring out the reasons for subpar performance of manufacturing sector. Also, suggest reforms that can enable the sector to meet the targets of National Manufacturing Policy 2011.

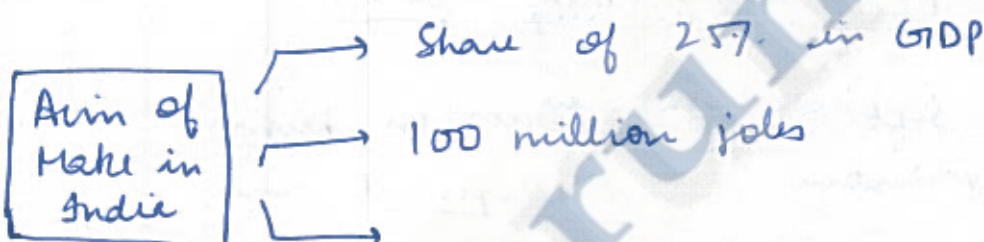
(15 Marks, 250 words)

मेक इन इंडिया जैसी पहलों के माध्यम से विनिर्माण क्षेत्र पर एक केंद्रित दृष्टिकोण के बावजूद, सकल घरेलू उत्पाद (जीडीपी) में विनिर्माण क्षेत्र का हिस्सा स्थिर रहा है। इस संदर्भ में विनिर्माण क्षेत्र के खराब निष्पादन के कारणों का उल्लेख कीजिए। साथ ही, उन सुधारों का सुझाव दें जो इस क्षेत्र को राष्ट्रीय विनिर्माण नीति 2011 के लक्ष्यों को पूरा करने में सक्षम बना सकें।

(15 अंक, 250 शब्द)

The manufacturing sector's contribution to GDP has remained at % despite services jumping from to

FOCUSED APPROACH ON MANUFACTURING

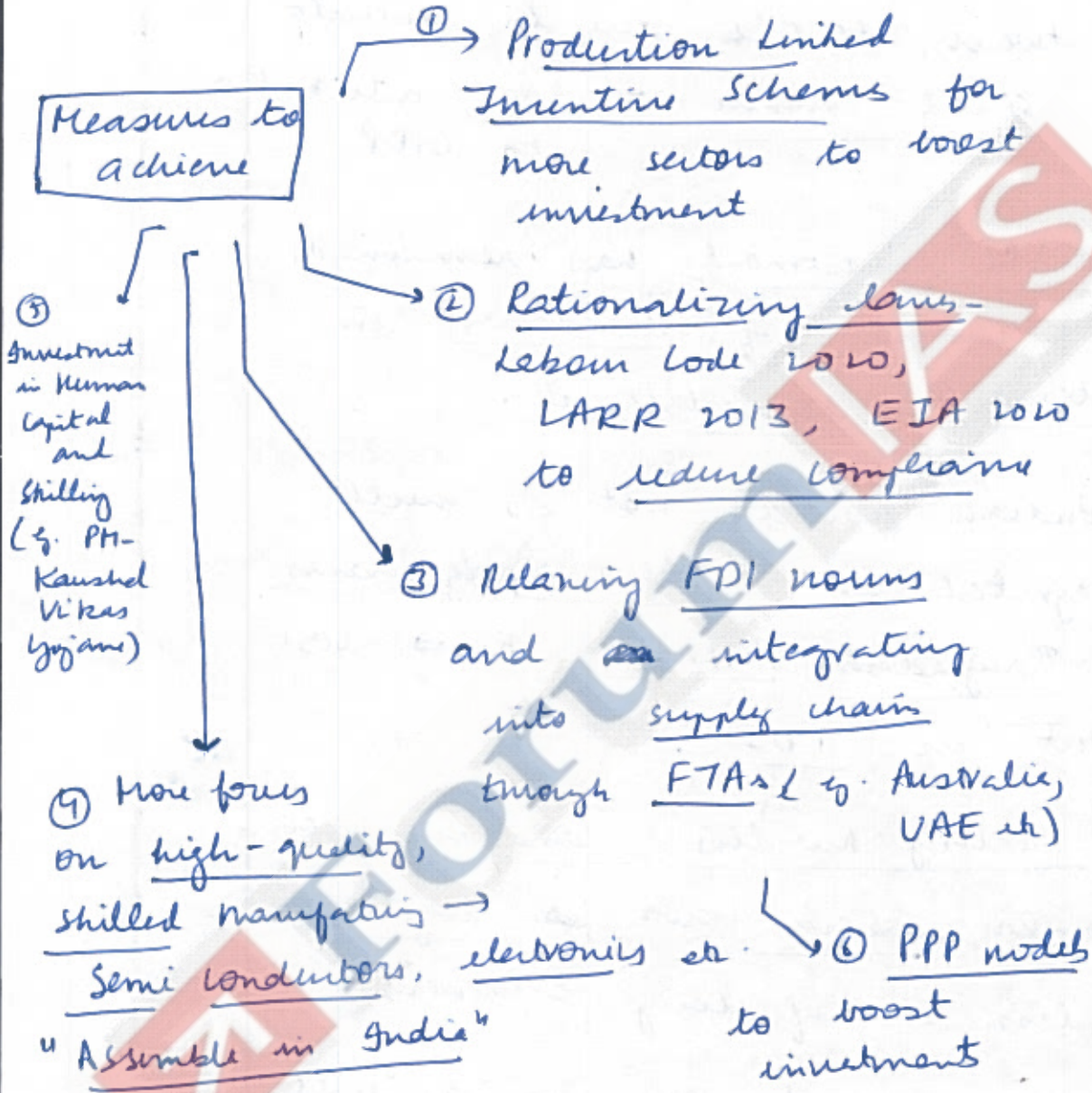


Other initiatives → National Manufacturing Policy 2011, SEZs, Software and Electronic parks, Medical parks, Textile development - SAMARTH, MITRA etc.

REASONS FOR SUBPAR PERFORMANCE OF MANUFACTURING →

- ① India's focus on semi-skilled and low-skilled manufacturing - leather, footwear, textiles due to paucity of skilled labour \Rightarrow low contribution to GDP
- ② Private investment has remained low because of slowdown in automobile, real estate etc.
- ③ Indian market - not as well integrated into global supply chains as Bangladesh, Vietnam etc \Rightarrow lost out on FDI.
- ④ Regulatory hurdles - land acquisition, complex labour laws, logistics etc \Rightarrow less ease of doing business
- ⑤ Government focus on agriculture - subsidies and credit is ~~more~~ more than manufacturing.

Targets of National Manufacturing Policy 2011



Manufacturing employment is highly critical to absorb labour from agriculture and provide a solid push to a \$5 billion economy.

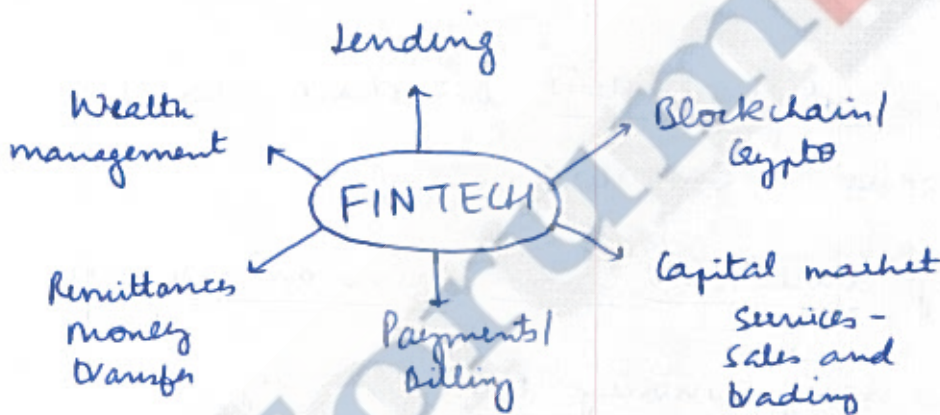
Feedback (For OFFICE use only)

Structure/ Presentation
Question Interpretation
Content
Value Addition
Total

Q.15) Fintech is facilitating financial inclusions through innovations, but reaping its developmental potential requires overcoming critical hurdles. Analyze. (15 Marks, 250 words)

फिन्टेक नवाचारों के माध्यम से वित्तीय समावेशन की सुविधा प्रदान कर रहा है, लेकिन इसकी विकास क्षमता का लाभ उठाने के लिए महत्वपूर्ण बाधाओं को दूर करने की आवश्यकता है। विश्लेषण कीजिए। (15 अंक, 250 शब्द)

The volume of digital payments in India increased by 33% in FY 2021-22 signalling the impact of fintech in Indian market. However, universal financial inclusion is still a distant dream.



INNOVATIONS DRIVING FINANCIAL INCLUSION BY FINTECH

- ① Linkage to formal financial and banking sector is deepening through net banking, mobile banking
- ② YONO etc

- ② ~~Online~~ UPI-enabled payment systems (online + offline) do not require ATMs, banks etc. (eg) GooglePay, UPI-VSSD
 ↓
 proliferation in rural / tier 3-4
- ③ Credit facilities - readily available with minimum paperwork through banks or P2P lenders / NBFCs
 (eg) LendingKart
- ④ Deepening retail-investing in share market
 (eg) Zerodha, Groww
- ⑤ Increasing insurance cover, pension schemes etc
- ⑥ Allowing easy money transfer by Indians abroad
- ⑦ Small traders / shopkeepers → billing through UPI, maintaining bank a/c, → integration into formal economy, GST network
 (eg) Khatabook

NEED TO OVERCOME CERTAIN
 CRITICAL HURDLES -

- ① Regulatory environment is uncertain India - no regulatory framework for fintech, knee-jerk policies (eg) Crypto-ban in 2018, later overruled
- ② Data Privacy Issue - Fintech deals with critical + sensitive personal data and Data Protection Bill has been withdrawn
- ③ Data Localisation norms by RBI enhance compliance burden
- ④ Cyber attacks - (eg) Debit card hacking, malware etc - data leaks, financial loss
- ⑤ Consumers - digital divide (Rural/Urban), caste, gender etc), digital illiteracy, vulnerable to scams.

Fintech has potential to transform financial services and act as engine for India's economic growth. Hence 'light-but-tight' enabling regulations, data laws, data security are need of the hour.

Feedback

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Structure/ Presentation
Question Interpretation
Content
Value Addition
Total

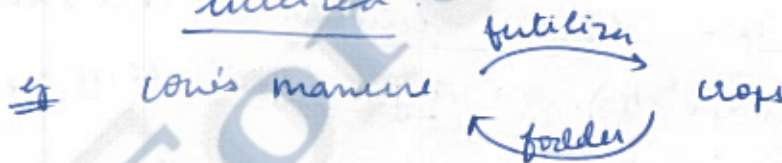


Q.16) Encouraging livestock through mixed farming can be the answer to the triple burden of low farm income, increasing land fragmentation and plummeting productivity in the agriculture sector. Discuss. (15 Marks, 250 words)

मिश्रित खेती के माध्यम से पशुधन को प्रोत्साहित करना कृषि क्षेत्र में कम कृषि आय, भूमि विखंडन में वृद्धि और उत्पादकता में गिरावट के तिहरे बोझ का जवाब हो सकता है। चर्चा कीजिए। (15 अंक, 250 शब्द)

Livestock sector accounts for % of agriculture GVA and provides employment to % population. It can act as the lever of agricultural prosperity.

MIXED FARMING - A farming management approach in which crops are grown + animals are reared and inputs/outputs are cross utilized.



ROLE IN INCREASING LOW FARM INCOME -

- ① Diversification of income sources - animal produce (milk, eggs, meat) + crops → insurance against crop failure, climate change, animal diseases etc.

② Highly remunerative products -
 ⓐ livestock products can be processed and sold for good prices due to high demand, export potential in FPI.

③ Cyclic economy - less expenditure on inputs e.g. manure from cows, oilcake from fish → fertilizer

TO HELP SMALL LANDHOLDERS -

④ livestock rearing is especially useful for landless / marginal farmers as small area is required and pastures are common-goods owned by village community.

⑤ Thus, SC/ST, women can benefit

HELP PRODUCTIVITY

⑥ Increase the productivity of agricultural labour

⑦ per capita and per hectare income goes up.

INITIATIVES TO PROMOTE →

- ① Animal Husbandry Infrastructure Fund
- ② Rashtriya Gokul Mission
- ③ Zero-budget farming - use of cow dung, cow urine etc.
- ④ ~~Programmes~~ Programmes to prevent and cure animal disease, (brucellosis, foot and mouth) artificial insemination, breeding of high yielding
- ⑤ Promotion of small ruminants - goat, sheep
- ⑥ PM-Kisan Sampada, PM-Matsya Sampada

Livestock farming with crop production can help double farmer's income along with increasing food security of country and boosting agri-exports to \$60 billion.

Feedback

(For OFFICE use only)

Structure/
Presentation

Question
Interpretation

Content

Value
Addition

Total

Q.17) Explain the relationship between land reforms and agricultural productivity. Also, discuss various difficulties in designing and implementation agriculture friendly land reforms policies in the country. (15 Marks, 250 words)

भूमि सुधार और कृषि उत्पादकता के बीच के संबंध की व्याख्या करें। इसके अलावा, देश में कृषि अनुकूल भूमि सुधार नीतियों का प्रारूप तैयार करने और उन्हें लागू करने में आने वाली विभिन्न कठिनाइयों पर चर्चा करें। (15 अंक, 250 शब्द)

Land reforms were introduced in 1960s-70s with the main objective of increasing food production and providing social justice to farmers.

RELATIONSHIP BETWEEN LAND REFORMS AND PRODUCTIVITY

I) Abolition of Zamindari and re-distribution of land

① 20 million tenants got land ownership and direct contact with the state

② More incentive in investing in land than absentee-landlords as own food and income attached to it.

II) Tenancy reforms and rent regulation

③ less rents \Rightarrow more surplus left to

III) Land ceilings

IV) Consolidation of land and cooperative movement

V) Land Records modernization and digitization

re-invest. Thus movement of better inputs and tools.

④ Security of tenure - More time and capital investment.

⑤ Reduced productivity by cutting down on economies of scale, land fragmentation.

⑥ Cooperative movement emerged as driver of productivity - more access to credit, high quality inputs, economies of scale and better pricing.

⑦ Ownership and land titles secured ⇒ collateral for credit

⑧ Better implementation of government schemes for input-subsidies, farm mechanization, FPO and SHG support

Difficulties in Agriculture friendly land reform policies

1) Re-distribution of land promotes equity but is not economically viable

2) Land reforms benefit rich / middle class farmers - not tenants, agri-labour

3) Politicization of land reforms ⇒ populism instead of productivity

4) Cooperative movement is difficult to take off in backward, subsistence-based regions of Eastern and Central India

5) Strong traditional attachment to land, power of dominant castes

The solution to these problems lies in empowerment and education of small farmers to leverage their collective strength, utilize land holdings together to optimize production and incomes. MS Swaminathan has thus called land reforms 'unfinished agenda'.

Feedback
(For OFFICE use only)

Structure/ Presentation
Question Interpretation
Content
Value Addition
Total

Q.18) Community institutions in agriculture offer small farmers an opportunity to increase their productivity, income, and resource efficiencies. In light of this statement, enumerate the various challenges faced by the Farmers Producer Organisations (FPO's) in the country and suggest measures to reform them. (15 Marks, 250 words)

कृषि में सामुदायिक संस्थान छोटे किसानों को उनकी उत्पादकता, आय और संसाधन क्षमता बढ़ाने का अवसर प्रदान करते हैं। इस कथन के आलोक में, देश में किसान उत्पादक संगठनों (एफपीओ) के सामने आने वाली विभिन्न चुनौतियों के साथ-साथ उन्हें सुधारने के उपायों का उल्लेख कीजिए। (15 अंक, 250 शब्द)

In India, 86% of farmers are small / marginal with less land and income sources. Thus, community institutions can play a big role in Indian agriculture.

ADVANTAGES OF COMMUNITY INSTITUTIONS IN FARMING

- ① Availing financial inclusion and credit → ① FPOs can pool in collateral or credit guarantee to avail credit at lower rates from institutional lenders e.g. RRB, or PSL scheme
- ② Form a credit-cooperative themselves for intra-loans.
- ② Procuring inputs & seeds (Seed Village Scheme), fertilizers, pesticides through a

produce cooperative ~~used~~ at the best prices for larger quantity (economies of scale)

III) Land consolidation - increase productivity, decrease costs for operation, improve mechanization

IV) Marketing and sale - ~~Form~~ a better bargaining power, high quality - one time supply, post harvest management and processing

CHALLENGES FACED BY FPOs

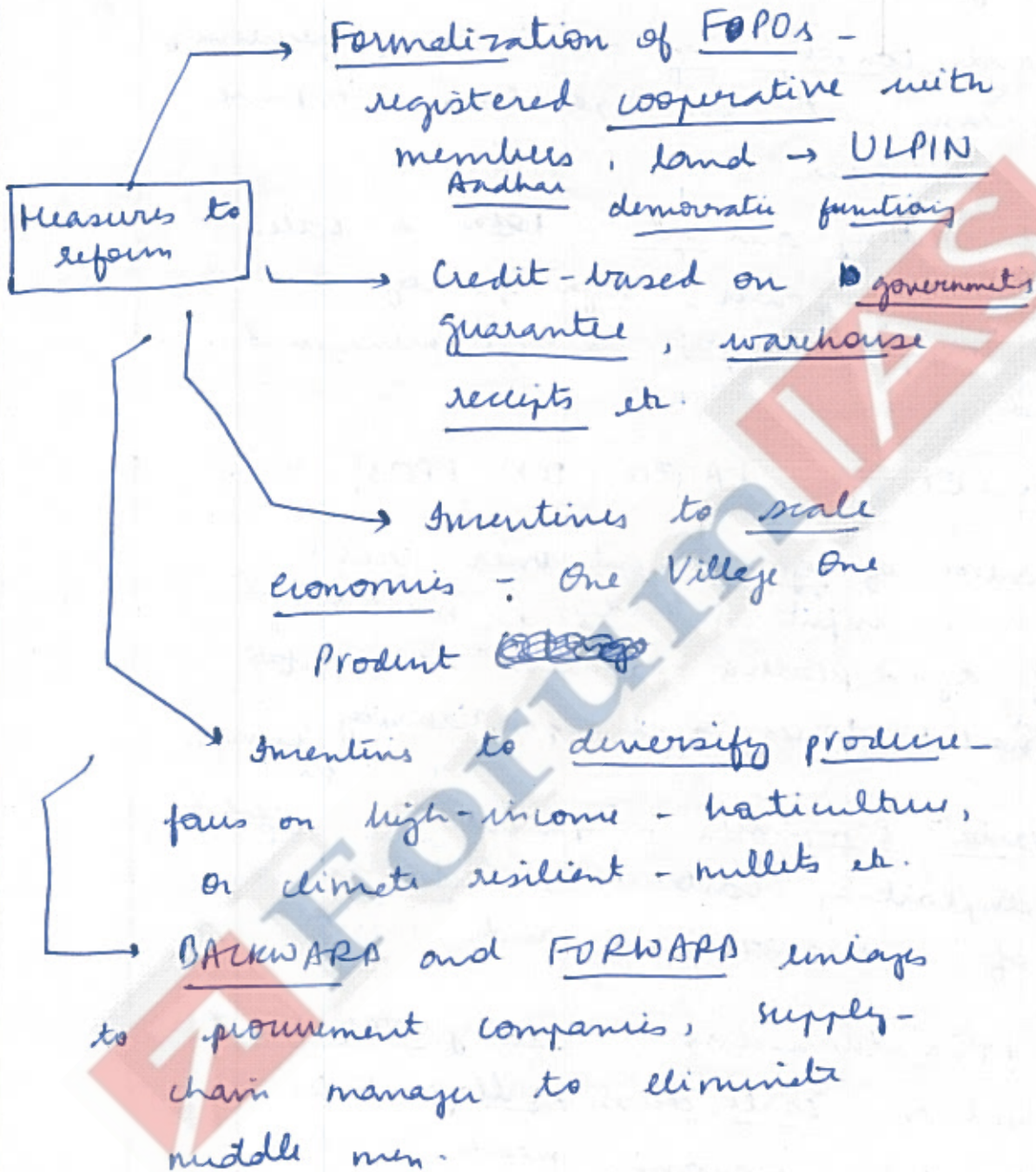
① Control of government over credit-flow, input subsidies, marketing of agri-produce \Rightarrow less room for market forces and profitability increase

② Private companies - patent over seeds, exploiting contracts, high cost of mechanization and inputs

③ FPOs themselves - loosely organized, based on caste, class, village lines more than economic needs. Illiterate and unawareness of farmers.

④ Informal nature of Indian agriculture - ~~no~~ Moneylenders, middlemen, absence

of land records - hurdle in FPO functions



FPOs can emerge to be highly efficient and profitable eg. AMUL if turned into well-managed enterprises.

Feedback
(For OFFICE use only)

Structure/ Presentation	
Question Interpretation	
Content	
Value Addition	
Total	

Q.19) The fundamental problem in agriculture is not the availability of resources, but their inefficient use. Comment. (15 Marks, 250 words)

कृषि में मूलभूत समस्या संसाधनों की उपलब्धता नहीं, बल्कि उनका अकुशल उपयोग है। टिप्पणी कीजिए। (15 अंक, 250 शब्द)

Agriculture has been the backbone of Indian economy during pandemic with a the growth of 3.6% while economy shrank by 7.3%. Thus agriculture has potential which could be utilized better.

FUNDAMENTAL PROBLEM IN AGRICULTURE

Resource

⊕ Financial credit

Availability

- ① Various government schemes -
 - a) Kisan credit card
 - b) PM-KISAN DBT
 - c) SHG loans
 - d) NABARD financing through SFBs, RRBs
 - e) Primary Agriculture credit cooperatives

Inefficient use

- 1) Credit often goes into 'debt-trap' to pay earlier loans
- 2) Farm loan waivers - heavy burden + moral hazard
- 3) Credit is used for personal expenses eg. marriage function

I) ~~Land~~ Land

② India has world's highest arable land - especially Northern plains

④ Land is highly fragmented, small landholdings (~ 85% of total)

⑤ Improper use of land for growing unsuitable crops of rice in eastern hinterlands

⑥ land degradation and desertification (~ 10% - UNCCD)

II) Irrigation

③ Many canals

④ ~~canal~~ Monsoons

⑤ Government schemes - PM-KUSUM, DRIP (for DAMS) etc.

⑦ Over-exploitation of groundwater

⑧ Leaching and over-irrigation while ~ 40% fields depend on monsoons

III) Chemical inputs - fertilizers, pesticides

⑥ Government schemes - Urea subsidy, NBS subsidy, Pesticide price regulation etc, Soil health card

⑨ Over-use of urea → nitrogen-based soil and water pollution

⑩ Declining fertility of soil, harmful chemicals in food

V) Seeds

Seeds are available at subsidy, patent royalty is waived off etc.

~~Only~~ Green Revolution seeds are over-grown e.g. rice-wheat.
No diversification

Efficient use of agricultural resources

→ Responsible lending through collateral, credit guarantee

→ Consolidation of land + cooperative movement (e.g. Maharashtra sugarcans)

→ Scientific management of soil quality - organic, natural farming, use of soil health card etc.

Focus on crop diversification, relay-cropping, mixed farming

→ Water conservation - deep micro irrigation, less water consuming crops e.g. millet

Agriculture can be a profitable and sustainable venture if inputs are tailored to the requirements of the crops.

Feedback

(For OFFICE use only)

Structure/
Presentation

Question
Interpretation

Content

Value
Addition

Total

Q.20) Commercialization of agriculture into agribusiness is necessary to uphold the spirit of farming as a profitable venture. Discuss in light of changes needed in agriculture marketing. Analyze the recent govt initiatives in supporting the transformation of agriculture into enterprise.

(15 Marks, 250 words)

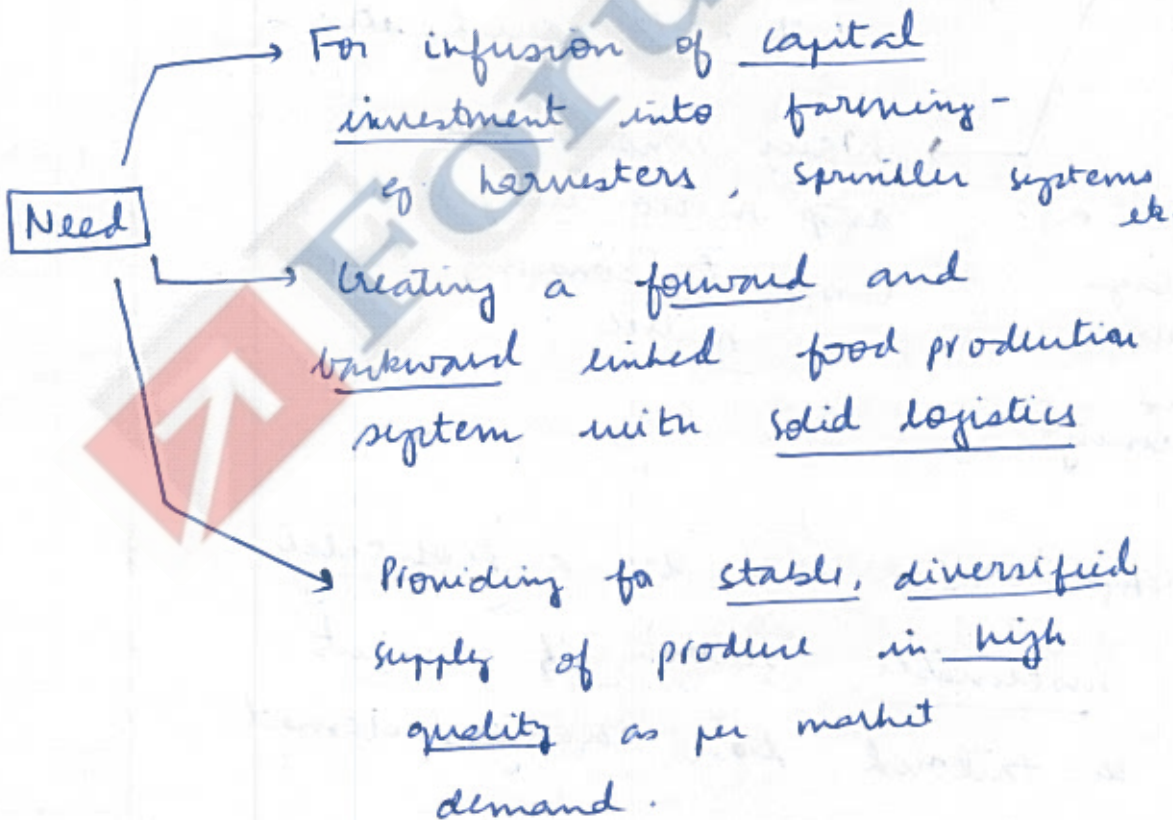
एक लाभदायक उद्यम के रूप में खेती को बनाए रखने के लिए कृषि का कृषि व्यवसाय के रूप में व्यावसायीकरण आवश्यक है। कृषि विपणन में आवश्यक परिवर्तनों के आलोक में चर्चा कीजिए। कृषि को उद्यम के रूप में बदलने के समर्थन में हाल की सरकारी पहलों का विश्लेषण करें।

(15 अंक, 250 शब्द)

In India, agriculture contributes to ~16% of GVA while employing ~50% population. This means, that agriculture is not nearly as productive and profitable as it could be.

FARMING - AS A PROFITABLE VENTURE :-

Commercialization into agribusiness



↳ Most importantly, increasing farmers' income, productivity, and promoting climate resilient, equitable growth in agriculture

CHANGES NEEDED IN MARKETING

Current system

- ① All ~~the~~ produce is sold through State-run APMCs with wholesale buyers registered with APMC.
- ② Government procures 22+1 items through MSP system and some ~~to~~ others through PM-AASHA, NAFED etc.
- ③ Most produce is supplied through middle-men to companies, FPIs, exporters etc.

Changes

- ① 'Farmgate' sale of produce for farmers' ease and income
- ② APMC network should be opened up to private players
- ③ Inter-state movement and sale of produce for meeting supply-demand.
- ④ Real time price discovery system facilitated through e-NAM mechanism
- ⑤ Promotion of future and options ~~to~~ through commodity exchange

- Changes →
- ⑥ Direct contact of farmers with companies ~~to~~ by contract farming
 - ⑦ Government should provide appropriate amount at correct prices without distorting market dynamics.

RECENT GOVERNMENT INITIATIVES →

- ① PM-KISAN DBT support to allow farmers to invest in agriculture.
- ② e-NAM - online marketplace for selling produce and price discovery
- ③ PM Aasha - private procurement scheme has been started on pilot
- ④ Model Contract Farming Law 2018
- ⑤ Enabling of cooperatives - ~~to~~ through fundlization, credit facility etc.
- ⑥ Encouraging food processing through PM-SAMPADA etc.

These initiatives have helped farmers grow their agri-business, however ~~real~~ meaningful commercialization can happen only when farmers are connected to and have choice of marketing and selling.

Feedback (For OFFICE use only)

Structure/ Presentation	•
Question Interpretation	•
Content	
Value Addition	
Total	

Mentor Feedback Questions

- 1
- 2
- 3
- 4
- 5

Test Goal

- 1
- 2
- 3

Outcomes

-
-
-
-

Marking Scheme

Mark	Good	Average	Below average
10 Marker	3.75 – 5.0	3.0 – 3.5	< 3.0
15 Marker	5.75 – 7.0	4.0 – 5.5	< 4.0
✓✓	Key / Relevant Point		
✗	Vague / Irrelevant		

* Subject to change without prior notice.

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