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

ForumIAS

GENERAL STUDIES

Name Of Candidate

KHUSHBOO OBEROI.

Roll No.

1910103019

Date:

23/Aug/22

Time Allowed: Three Hours

Maximum Marks: 250

## INDEX TABLE

## INSTRUCTION

Q. No.	Max. Marks	Marks Obtained
1		
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<b>Total:</b>	<b>250</b>	

- 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 | 12:50 pm

End Time | 3:50 pm

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 absolutely anything that he/she liked in your copy.

For Office Use Only

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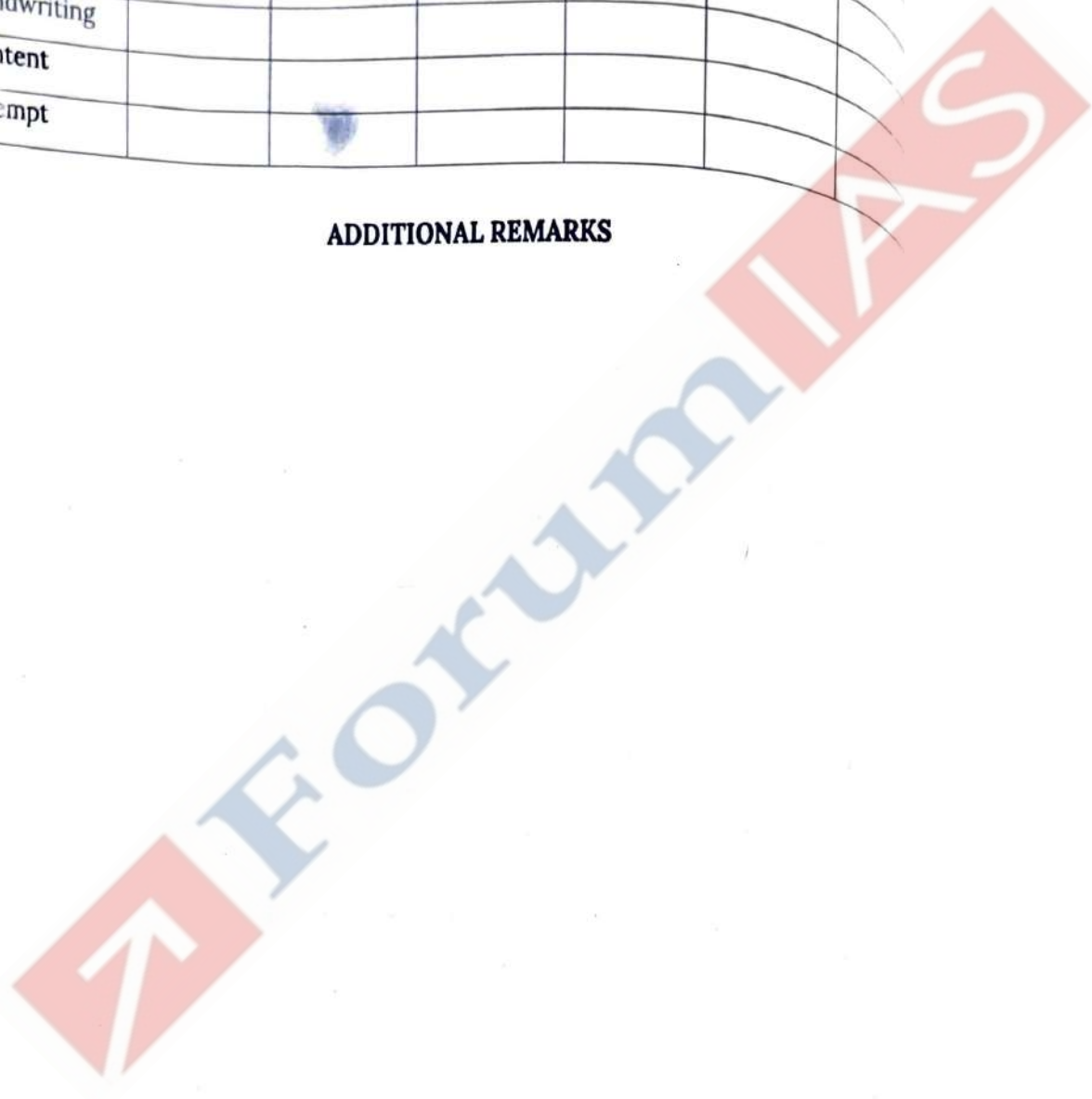
Evaluation Date:

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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						
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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 अन्वयान्वाश्रित और परस्पर संबंधित हैं। विश्लेषण कीजिए। (10 अंक, 150 शब्द)

Indian population comprises of 65% youth share, who form potential workforce of nation. However, various urban & rural issues plague India.

### Employment problems

Rural areas	Urban areas
<p>① Overdominance of <u>agriculture sector</u> (Total 45% population)</p> <p>② <u>Disguised unemployment</u> seen by family labour in agriculture.</p> <p>③ Lack of <u>diverse opportunities</u> &amp; <u>high income sources</u>.</p> <p>④ <u>Infrastructure</u> not well-developed.</p> <p>⑤ Absence of <u>MNCs</u> in rural areas</p>	<p>① <u>Unemployment</u> due to high competition &amp; rural migration to cities.</p> <p>② Prevalent <u>child labour</u> &amp; <u>exploitation of workers</u> (eg) not giving minimum wage; extra work hours, etc.</p> <p>③ Low <u>skill development</u> &amp; <u>practical knowledge</u> of sectors.</p> <p>④ <u>Informalisation</u> of labour force (90% in informal sector)</p>

## Common solutions

- ① Improving employment diversification in rural areas
    - ↳ will also stop migration to cities ; thus helping decrease urban competition.
  - ② Skill development in all regions
  - ③ Increase incentives & attitude-change regarding 'women' in workforce.
    - ↳ Rural ⇒ will help tackle disguised unemployment
    - ↳ Urban ⇒ tackle 'glass-ceiling phenomenon'
  - ④ Increase access to credit
    - ↳ Priority sector lending ; KCC for farmers, etc.
  - ⑤ Focus on bridging urban-rural divide via incentivising companies to open branches in rural areas.
- Thus, reforms in employment sector can help India reap potential demographic dividend & build \$5 Trn economy.

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)

इब्रिड 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 कल्पित PPP मॉडल क्या हैं जिन्हें अपनाया जा सकता है?

(10 अंक, 150 शब्द)

PPPs are themselves considered game-changer in development of economy & improving GDP, as recommended by Kelkar committee.

### Hybrid Annuity Model

① HAM is a newly introduced investment model where govt provides 60% ~~release~~ funds to private entity as lumpsum amount. Later, 40% is given in parts as per performance.

② Was considered game-changer because :-

- ① pvt entity wont have to share risk alone
- ② bunding support provided by govt
- ③ These factors were meant to encourage pvt participation.

Why received lukewarm response?

- ① Toll collection to be done by govt, thus denying prt sector the profits.
- ② Delayed fund disbursement by govt.
- ③ Conflict may occur between govt & prt sector on level of performance based on which 40% funds are to be given.

Alternate PPP models

- ① BOT (Build-Operate-Transfer) → ~~to~~ has been successfully used recently.  
(eg) - NHA: highway constructions
- ② Swiss Challenge - wherein a prt company puts up an unsolicited bid, which can be countered by other private companies. Govt can choose best option.

PPP models ensure benefits of both public sector (welfare) & prt sector (efficiency, economy, effectiveness) & thus must be encouraged.

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

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

Recent Economic Survey 2021 has highlighted the concerns of imported inflation i.e. global demand & supply crisis affecting Indian economy.

How imported inflation is compounding challenges?

Demand side	Supply side
<p>① Increased demand of <u>PPE Kits</u>, <u>medical instruments</u>, <u>medicines</u></p> <p>② Low consumer demand for other items has created <u>lull situation</u>.</p> <p>③ High demand for essentials like <u>fuel</u> but <u>soaring prices</u> due to global shortages.</p>	<p>① Ukraine war has led to <u>shortages</u> in <u>food supply</u>, <u>fertilisers (urea)</u>, <u>energy</u>, etc.</p> <p>② Disruptions in supply chains.</p> <p>(eg) <u>Global semiconductor shortages</u> affecting <u>EV supply</u>.</p>

Hence, above issues have increased India's inflation beyond permissible limit of 6%.

What needs to be done?

① Improving supply - utilising food shortage due to Ukraine war to increase production & supply of wheat.

② Diversification of supply chains to prevent dependence on any one country.

(eg) India recently part of SCRI with Japan, Australia.

③ Promoting indigenous manufacturing - via help of schemes like PLI scheme, credit mechanism, etc.

The global crisis has presented opportunity to further promote 'Atmanirbhar Bharat' campaign of 'Make in India' & 'Make for the world'.



4) Inclusive growth is both a process and an outcome. Discuss in Indian context.

(10 Marks, 150 words)

मावेशी विकास एक प्रक्रिया और परिणाम दोनों है। भारतीय संदर्भ में चर्चा कीजिए।

(10 अंक, 150 शब्द)

Inclusive growth is the ideal of ensuring development with the help / involvement of all and affecting all positively.

As a process :-

① Inclusive growth ensures that all sections of society are included in planning and implementation

(eg) - Social audit in MGNREGA.  
- 73rd, 74th amendment acts.

② Policies are formulated by keeping all in mind.

(eg) - Separate policies for agri, manufacturing & services sector.

③ Principle of equity & inclusiveness is kept in mind.

(eg) Reservations used as positive discrimination mechanism.

AS an outcome :-

① Positive effects are felt by all members.

(eg) skill developments mission benefits both urban & rural residents.

② Outcome of bridging income divide

(eg) by use of qualitative measures in money supply.

③ Financial inclusion has brought revolution for all parts of society.

(eg) women's increased access to DBT, Mudra loans.

Thus, Indian economy needs to aim for goal of 'Sabka Sath, Sabka Vikas' by the means of inclusive development.

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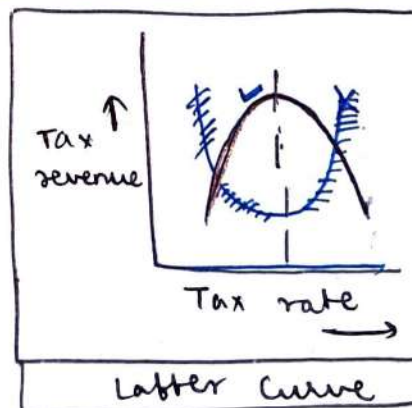
A very small fraction of the adult population files tax returns and an even smaller portion pays taxes. In light of this observation, examine reasons for poor tax compliance in India. Also, suggest measures to improve income tax code in the country. (10 Marks, 150 words)

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

India's tax-to-GDP ratio is very low at just ~10-12%, which leads to low economic growth of economy.

Reasons for poor tax compliance :-

- ① Informalisation - 90% workforce is employed in informal sector, which is not properly regulated.
- ② Black money - High corruption, bribery, etc lead to generation of unregulated & untaxed black money.
- ③ Optimal tax rate not found - As per Laffer Curve, tax rate should neither be too low nor too high, to ensure maximum tax revenue.
- ④ Complex tax laws - which are difficult



to comprehend & follow.

Measures to improve income tax code :-

- ① Use of technology - to improve monitoring of compliance by citizens.
- ② Progressive taxation
- ③ Reduce administrative hurdles of corruption, etc.  
 (Eg) - use of Faceless Tax Assessment  
 (Honoring the Honest) platform.
- ④ Revision of income tax rates to find optimal range.
- ⑤ Stringent action wot black economy/ money laundering

Increasing tax collection can bring in huge revenue for govt, which can be used for welfare & capital expenditure to ensure economic development.

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)

इकोनमी 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)

Fisheries is one of the major sectors in the allied employment generation in agriculture. PM - MSY has been launched to create infrastructure development in fisheries sector.

Potential of PMMSY :-

- ① Help in increasing share of fisheries sector in agri GVA.
- ② Increase income generation for fishermen, farmers, etc.
- ③ Create alternate employment opportunities  
(eg) - Value addition in fisheries sector: chips, nuggets, etc.
- ④ Build infrastructure for cold-chain storage & better marketing potential.
- ⑤ further India's target for 'Blue Revolution' & 'blue economy'

### Challenges :-

- ① Lack of funds with fishermen at ground level.
- ② Tools used for fishing are unsustainable, outdated & inefficient.
- ③ International disputes - (eg) - Sri Lanka arrests Indian fishermen due to improper demarcation of areas.
- ④ Lack of awareness regarding such schemes at ground level.

- Way forward
- ① Incentivisation of farmers to utilise alternate employment opportunities like fishing.
  - ② Conflict resolution with respect to international disputes.
  - ③ Building market networks within entire country

'Neel Kranti Mission' can be made a success by joint efforts of govt & citizenry, thus improving farmer income 2x.

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)

India's diverse geographical & agricultural environment has provided for wide potential of horticulture sector

Potential :-

- ① Geographical diversity - from hills & mountains (Himachal Pradesh) to coasts (Mumbai).
- ② can lead to diversification of crop production & income sources.
- ③ Build & retain unique image for specific products. (Eg) - Alphonso mango, etc.
- ④ Increase export potential
- ⑤ Ensure food security for the country.



Challenges faced:-

- ① Perishable & seasonal nature -
- ② Supply-demand mismatch → Rise in prices can lead to excessive fall in demand as they might not be essential items.
- ③ Barriers in export due to sanitary recommendations not being met.  
 (eg) - Alphonso mango case with UK govt.
- ④ Farmers are more focused on production of staples like paddy, wheat, etc.

Hence, there is need for govt to incentivise horticulture production by easy credit availability; cold-chain infrastructure; increase in Kisan Rails, etc to meet target of doubling farmer income by 2022.

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2.8) 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 sector is a sunrise sector with 8% CAGR, thus having potential to generate economic growth.

Development of food processing sector is important for:-

Agricultural reasons :-

- ① To lead to value addition in agri products to improve income for farmers.
- ② Increase export share of agri products.

Non-agricultural reasons :-

- ① Generate employment opportunities as it is a labour-intensive sector.
- ② Provide first-mover advantage for

India, & potential to place it as a global leader.

- ③ lead to generation of other auxiliary activities. (Eg) - Transport, power, etc
- ④ Improve food security in India due to greater availability of products.
- ⑤ Increased shelf life would also prevent wastage of food.

Hence, food processing sector needs to be developed at priority. Schemes like

PM-FME (formalisation of micro food enterprises) & Mega Food Park

Scheme are steps in the right direction.

Q.9) What do you understand by natural farming? How can it help in building climate resilient agri-culture?  
(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)

The idea of natural farming, which has also been mooted in Budget 2022-23, entails use of only natural resources & methods for farming.

Concept :-

- ① use of all-natural resources.  
(eg) - cow dung as manure.
- ② using natural mulches, natural agricultural methods without use of any chemical pesticides, insecticides or fertilisers.

Role in Building climate-resilient agriculture :-

- ① Reduced carbon emissions - as harmful & excessive power consumption not done.
- ② Reduced pollution - fertilisers, pesticides,

etc lead to air & soil pollution.  
Their drainage in water bodies can  
also cause water pollution.

③ Natural production of crops will be  
done as per season, climate &  
geography - thus acting for betterment  
of climate.

(eg) - currently water intensive  
crops (paddy) grown in water-  
scarce regions (Punjab, etc).

Thus, natural farming is an upcoming  
field with great potential. It must  
be promoted, by taking Subhash  
Palekar's zero-budget Natural Farming  
Model as example.

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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 तैलों-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)

NMEO-OP mission has been launched by Indian govt to increase indigenous production of edible oil & decrease imports (currently 70% imported).

However, such promotion can also have certain critical implications as follows:-

Economic implications :-

Positive	Negative
<p>① <u>Decrease</u> <del>negative</del> <u>import bill</u> of India.</p> <p>② Self-sufficiency in production</p> <p>③ Increased <u>means</u> of <u>income</u> for <u>farmers</u>.</p>	<p>① Poor quality might lead to <u>low</u> <u>demand</u> &amp; thus, losses.</p> <p>② <u>High</u> <u>funding</u> required for edible oil production.</p>

## Ecological implications

Positive	Negative
<p>① Diversification of agri production</p> <p>② <u>Wastes</u> generated / <u>surplus</u> can be used for <u>bio-ethanol</u> production.</p>	<p>① might lead to <u>overuse</u> of resources like water.</p> <p>② Difficulty in promotion due to small size of landholdings.</p>

Hence, proper funding & handholding needs to be provided to ensure that challenges are minimised.

Indigenous production will help meet target of 'Atmanirbhar Bharat'.

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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 ongoing clarion call for 'Atmanirbhar Bharat' got more intensified due to shortfalls seen during pandemic.

Factors involved in achieving \$400M exports

- ① Export promotion schemes
  - ↳ Eg → RoDTEP scheme
  - Zero-rated exports
- ② Export Promotion Councils to provide credit support for exporting merchandise.
- ③ Removal of restrictions
  - ↳ export of sugar, wheat, etc.
- ④ Providing boost to manufacturing sector
  - ↳ Schemes such as PLI for semiconductors, LEDs, white goods, etc
  - ↳ Priority sector lending

### ⑤ Increasing focus on niche / unique products

- ↳ One District One Product scheme
- ↳ TRIFED involved in tribal products' marketing (Tendu leaves, Honey, etc).
- ↳ marketing of Indian 'Kasturi' cotton.

However, India still faces certain challenges which is visible in only 2% share of India in global exports share. Thus, measures needed are :-

#### ① Diversification of export merchandise :

- ↳ currently top 5 export products form majority of exports.

#### ② Focusing on competitive sectors :

- ↳ eg India must focus on labour-intensive sectors like textiles, food processing, etc



③ Increase participation in plurilateral supply-chain mechanisms

eg India in Supply chain Resilience Initiative (SCRI)

④ Sunrise sectors:

↳ more focus on food processing, electric vehicles, etc to achieve first-mover advantage.

⑤ Turn crises to opportunity:

↳ current Ukraine war has led to food (especially wheat) & other shortages. India can utilise this opportunity to increase exports.

⑥ Learning from international best practices - Bangladesh, Vietnam, etc

Thus, India has potential to achieve \$500B export target (~~at~~ India@75 report) if correct measures are taken.

**Feedback**

(For OFFICE use only)

Structure/ Presentation
Question Interpretation
Content
Value Addition
Total

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)

(UBI)  
Universal basic income refers to provision of certain minimum money to all sections of society universally & regularly.

### Arguments

- UBI has been mooted by Nobel laureates & also in our previous budget.
- Cure for poverty**
- ① It can reduce income inequalities.
  - ② Minimum income can ensure basic standard of living for all.
  - ③ Prevents any exclusion error.
  - ④ Fulfills govt's responsibility of ensuring welfare & zero poverty (SDG-1).
- Worse disease for economy**
- ① might increase gap of rich & poor, as rich will get richer.
  - ② wastage of govt revenue.
  - ③ End use of UBI cannot be ascertained. (Eg) - might be used for drinking liquor, gambling, etc.

- ④ Takes away from merit & hardwork earned money.
- ⑤ might reduce motivation to work.

### my view

I support partial distribution of basic income to vulnerable, instead of UBI concept.

### Reasons :-

- ① India being a vastly populated country, UBI would lead to huge burden on govt revenues.
- ② UBI would increase wealth concentration in few hands (against DPSP).
  - ↳ Already, top 10% population earns 60% income in India (World Inequality Report)
- ③ UBI ~~is~~ can also lead to money getting in hands of more powerful.
  - ↳ Husband keeping money of entire family & spending as per will.

④ Partial distribution ensures that most vulnerable & marginalised are targeted & helped.

(Eg) use of NFSA's PDS-eligible population (i.e. priority households) can be done.

⑤ Effective money distribution can ensure cure for multidimensional poverty.

However, certain challenges must be addressed such as:

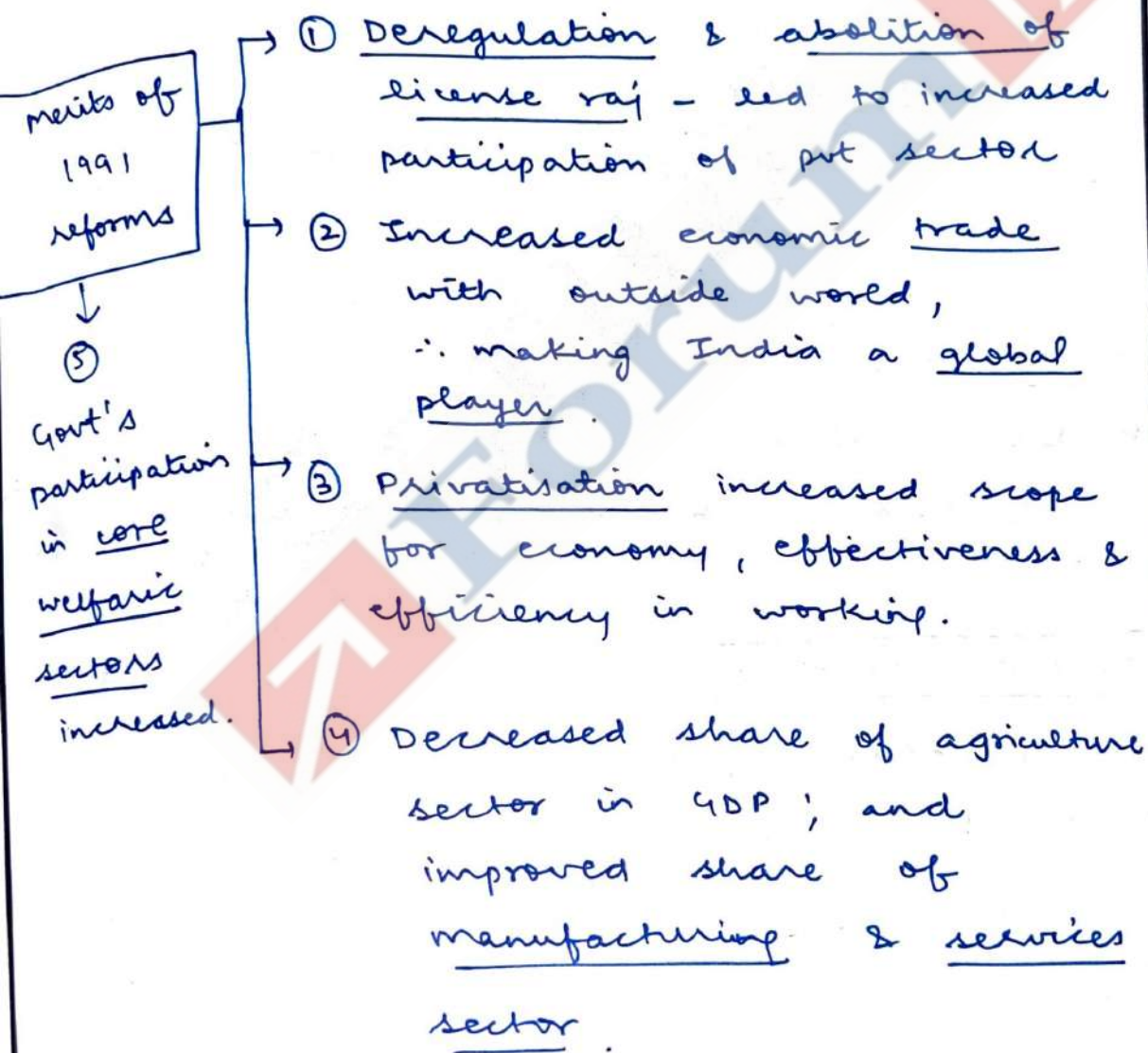
- Exclusion errors
- Identification of population
- ~~Red to~~ scope of corruption & middle-men to be reduced.
- prevent burden on govt

Hence, measures like e-governance (DBT) and imposition of a wealth tax on highest 5%. (World Ineq report) can be suitably used.

Q.19) 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 (15 Marks, 250 words)

2.0. 1991 के आर्थिक सुधारों ने तीव्र छलांग लगाई और लाखों लोगों को गरीबी से बाहर निकाला; हालाँकि, व्यापक संरचनात्मक सुधार अचूक 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)

Govt's 1991 LPG reforms changed the economic framework of India & helped provide a leap forward.



However, there was lack of comprehensive structural & sectoral reforms in long run :-

(Eco survey)

	Agri	Industry/Manufacturing	Services
share in GDP	~20%	~15%	~65%
share in employment	45%	25%	30%

### Sectoral imbalances

- ① Manufacturing sector has failed to increase its share in GDP.  
↳ Thus, high amount of workforce faces unemployment.
- ② Service sector has 65% share in GDP but employs only 30% population  
↳ leads to jobless growth.

### Increased inequalities

- ① 45% population is engaged in agriculture, but provides only 20% share to GDP.  
↳ Thus, poverty in agri sector.
- ② Unemployment due to lack of focus on labour-intensive sectors.

Reforms 2.0

Key areas of focus to be:-

- ① Increase diversification from agri sector to other allied / other 2 sectors.
- ② Focus to be on increasing share of manufacturing to 25% of GDP  
(National Mfg Policy)
- ③ Focus on sunrise sectors & labour-intensive  
(eg) - food processing, textiles, etc.

Burgeoning share of service sector in the economy is a good sign towards development. However, focus on other sectors, especially industry can ensure reaping of potential demographic dividend for India.

**Feedback**

(For OFFICE use only)

Structure/  
PresentationQuestion  
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 share of manufacturing sector in Indian economy has stayed stagnant at ~15-16% of GDP.

Reasons for subpar performance:-

- ① Population is mostly engaged in agri sector (45% population in agri).
- ② Rural youth unable to be part of manufacturing units, as they are usually located in urban centres.
- ③ Higher focus on automation
- ④ Not playing on India's competitive strengths

Strengths

eg) Great potential in textile sector; still Bangladesh went ahead of us.



⑤ high level of informalisation in economy  
 ↳ 80% population working in informal sector.

⑥ lack of proper infrastructure & high-end tools to improve performance  
 ↳ most mfg units run by / as MSMEs.

Thus, there is need for greater reforms to meet target of National Mfg Policy of increasing manufacturing share to ~25% of GDP :-

- ① Handholding for MSMEs (Eg) priority sector lending.
- ② Pre-approved lands <sup>banks</sup> with basic documents (power, land, etc) to be made by govt. & sold to manufacturing sector.
- ③ Increase formalisation of labour

force, via stringent rules & regulations.

eg labour codes.

④ Performance-linked incentive (PLI) scheme to different sectors

eg white goods, solar panels, etc.

⑤ Maintenance of data on performance of various industries, to be used for further reforms.

⑥ mega-public projects like Sagaromala, Bharatmela can be used to stimulate mfg sector (eg - Madhepura Model) [Niti Aag].

⑦ Harmonize Indian quality standards with help of QCI & BIS.

National mfg Policy highlights that every 1 job in mfg creates 3 additional jobs in related activities. This potential must be utilised to eventually create a \$5Tn economy.

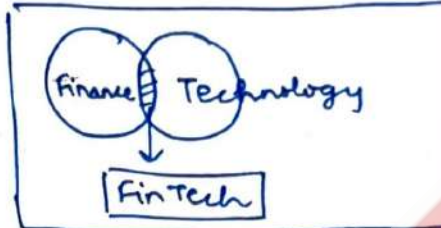
Q.13] Fintech is facilitating financial inclusions through innovations, but reaping its developmental potential requires overcoming critical hurdles. Analyze.

(15 Marks, 250 words)

फिनटेक 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)

Fintech is the use of upcoming technologies in the financial sector to improve financial inclusion.



Facilitation of financial inclusion can be seen via following examples:-

- ① Direct Benefit Transfers
- ② UPI 123 Pay - for offline payments in sectors / areas without internet connections
- ③ UPI & BHIM to promote digital transactions.

However, there still exist

critical hurdles in achieving potential :-

- ① Lack of digital penetration - Only 40% population in Ind is connected to internet (UN).
- ② Lack of financial literacy.

- ③ Lack of R&D (research & development) to innovate new tools. (R&D share in GDP at only 7%.)
- ④ Misuse of digital technology - via means of frauds like phishing, etc.
- ⑤ Lack of penetration in rural India.

### Reaping potential

These critical hurdles can be overcome via measures like :-

- ① Increasing financial literacy, especially in rural areas and amongst vulnerable population (women, etc)

eg RBI's Financial Literacy Booklet

- ② Provide incentives for increasing use of digital payments.

- ③ Schemes for ensuring POS machines at all retail outlets.

eg Payment Infrastructure Development Fund

11) Ensuring internet connection universally throughout the country.  
 (Eg) - measures like Bharatnet being taken.

5) Reduction in Merchant Discount Rate (MDR) and Digital Transaction Rate to promote fintech.

6) Promote use of newer technologies in financial sector such as blockchain, Artificial Intelligence, etc

Thus, finance is backbone of economy ; while technology is future of tomorrow. Together, as fintech, they have power to make Indian economy inclusive & free of inequalities.

**Feedback**  
 (For OFFICE use only)

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. (15 Marks, 250 words)  
Discuss.

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)

Agriculture is considered the backbone of Indian economy, but is currently undergoing various challenges.

### Triple burden in agriculture

As per Economic Survey 2021, :-

- ① Low farm income - Income from crops has been decreasing; while share of allied sectors is increasing.
- ② >50% farmers are indebted.
- ③ Land fragmentation - Average size of farm land has decreased to 0.5 ha.
- ④ 80% farmers are small & marginal.
- ⑤ Plummeting productivity - Agri accounts for only ~20% share in GDP, even when it employs 45% population.

Mixed farming → Potential answer

① mixed farming refers to combined crop cultivation & animal/livestock husbandry on same land.

② India is global leader in livestock population.

③ will help in diversification of income source.

(Eg) - selling milk, meat, eggs, etc.

④ livestock waste can be used as manure to improve crop productivity.

⑤ seasonal restrictions on crop production can be complemented by all-year-round use of livestock produce.

However, reaping of such potential requires addressing of various challenges such as: -

→ ① lack of financial sources to raise livestock

- ② Lack technical know-how
- ③ absence of veterinary services in rural areas.
- ④ Livestock diseases. (eg) Lumpy disease in Rajasthan currently.

### Steps taken by govt

- ① Provision of separate funds for livestock farmers.
- ② Health checkup schemes to prevent & manage diseases in livestock.
- ③ Inclusion of livestock farmers in KCC (Kisan Credit Card).

Further encouragement & handholding is needed to increase share of livestock in total agriculture GVA. Such diversification can provide needed relief to agrn sector.



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

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

Various land reforms have been done in agriculture sector since independence, to provide relief to poor farmers & improve agriculture productivity.

Relationship between land reforms & agri productivity

(I) Positive relationship:-

	<u>led to</u>
① <u>Abolition of Zamindari act</u>	decreased exploitation of agri land
② <u>Rearrangement of farm landholdings</u> → merging of small lands to give 1 big land	Bigger land size allows for easier production of crops at large scale.
③ <u>Green Revolution</u>	HV seeds improved the potential of crops
④ <u>Cooperative farming</u>	Pooling of land = economy of scale

## (II) Negative relationship :-

### ① Green Revolution :

↳ led to increased use of pesticides & chemicals in long run

↳ Poor diversification of crops - focus on wheat & paddy mostly.

② Various land reforms did not show desired results & were failures.

(eg) - Land ceilings.

## Difficulties wrt agri-friendly land reforms

① Policy formulation & implementation done as silos approach - agri productivity & land reforms treated as different silos.

② Lack of decentralisation - Farmers at grassroot level are not consulted properly while making policy.

③ Administrative hurdles - corruption,

red-tapism, etc existent in bureaucracy

④ Power distribution - Benefits of land reforms are usually gained by top 20% farmer population i.e. rich farmers.

⑤ long term vision missing - (eg) introduction of green revolution helpful in short-term; but harming agri in long run.

⑥ Lack of awareness - Small & marginal farmers are unaware of how to utilise new land reform policies for their maximum benefit.

Thus, to ensure positive relationship between agri & land reforms, govt needs to improve decentralised planning & implementation.

**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)

Indian govt has target of setting up 10,000 new FPOs in country, which highlights the potential of community institutions in agriculture.

- FPO's as opportunity
- ① increase scale of production
  - ② sharing of income will increase profits for small farmers & reduce poverty.
  - ③ Resources (land, fertilisers, power) can be efficiently used.

Challenges faced :-

- ① ~~Area~~ Institutional credit - FPOs are unable to access formal credit & thus have to depend on informal sources with high interest rates

- ② Lack of awareness with farmers.
- ③ Unequal power distribution - Elite/powerful farmers in the FPO capture decision-making power & greater share of profits.
- ④ <sup>missing</sup> Infrastructural capacity - (eg) - Average size of landholding is 0.5 ha as per Ero Survey '21.

## Reform measures needed :-

- ① Inclusion of FPOs in priority-sector lending.
- ② Incentivising banks to set up branches in rural areas - to improve institutional credit.
- ③ Grievance redressal mechanisms established to ensure equitable benefits to all farmers.

- ④ Handholding & capacity building
- ⑤ Schemes to increase connect of FPOs with large companies/MNCs to sell produce.
- ⑥ Any conflict with buyer (MNCs, etc) to be solved via arbitration, with legal aid being provided to farmers
  - ↳ provisions similar to now-repealed farm laws.

Community - institutions in farming by means of FPOs, cooperatives and SHGs can help benefit even the poorest farmer; and ensure 'doubling of farmer income' target of govt. is met.

Feedback  
(For office use)

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 in India is backbone of economy with 45% workforce employed in the sector. However, it still accounts for only 20% share in GDP due to fundamental problems.

### Availability of resources

This is ensured by means as follows:-

- ① Water - 90% water in India is utilised in agriculture sector.
- ② Power - electricity subsidies are provided by govt.  
(eg) Punjab.
- ③ Fertiliser - India is one of the top fertiliser importers & consumers.
- ④ Credit - ensured via schemes such as priority sector lending ; KCC ; etc

### Inefficient use of resources :-

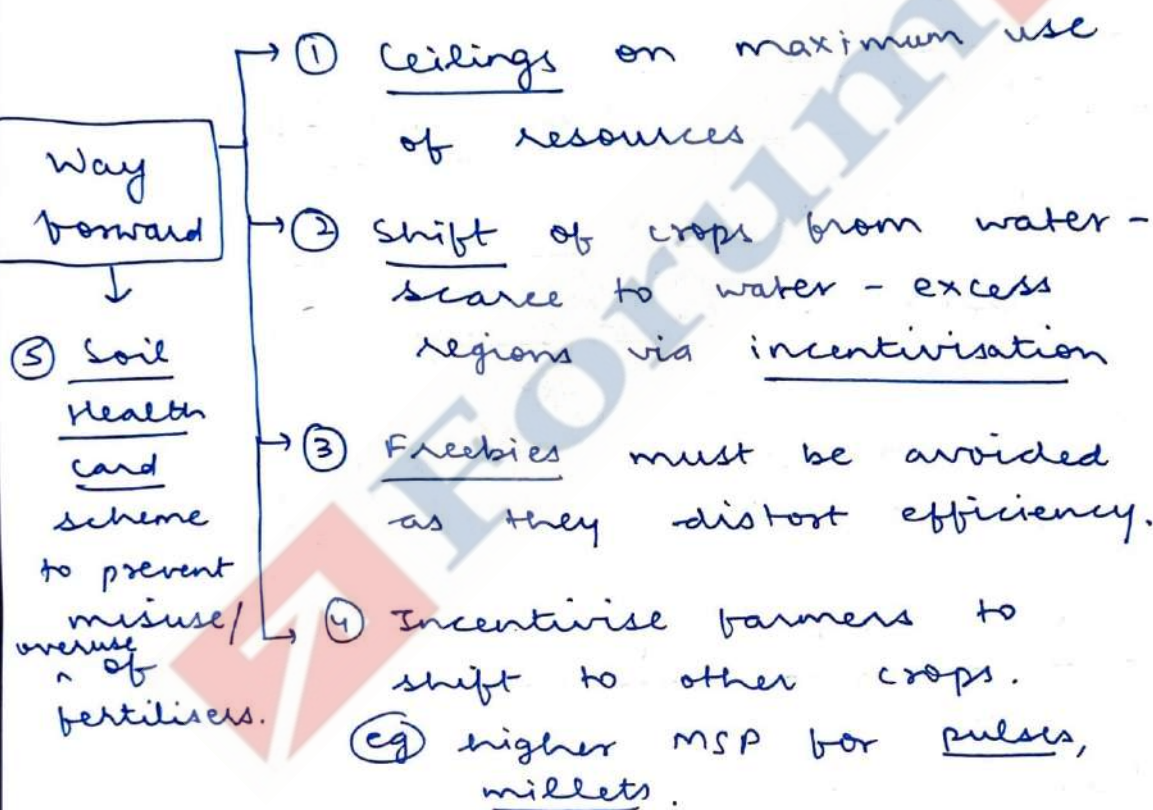
- ① Production of highly water-intensive crops in water-scarce regions leads to depletion of groundwater  
 (eg) - Punjab, Haryana.
- ② misuse of power subsidies - by overuse of irrigation facilities.  
 ↳ It also prevents shift towards solar pumps, etc.
- ③ Gross overuse of fertilisers - Almost double amount of N, P, K fertilisers used in crops.
- ④ Lack of diversification - Resources are spent only on production of few crops, while others neglected.  
 (eg) less focus on disaster-resistant millets, jowar, etc which use less water.
- ⑤ Land distributed improperly with avg



land size of only 0.5 ha (Eco survey).

⑥ Credit - Credit is available but not always from institutional sectors. many farmers are part of informal lending causing high debts.

(eg) Maharashtra farmer suicides due to high debt.



Agriculture has the potential to portray India as a global leader. This must be reaped by ~~both~~ addressing challenges.

**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)

With 45% Indian workforce being employed in agriculture, it is necessary to ensure profitable incomes to increase economic growth of India.

Changes needed in agriculture marketing

① Need of reforms in APMC mandis

↳ Presence of cartelisation leads to lower selling prices.

↳ all farmers do not get proper access to buyers.

② Farm-to-market infrastructure - Need for proper forward & backward linkages.

(eg) - Transport, storage, etc.

③ Cold-chain development <sup>needed</sup> - for storage of perishables.

- ④ There is need to ensure proper price discovery of crops in market.
- ⑤ Prevent hoarding & speculation  
(eg) done for onions, etc.
- ⑥ Value-addition needed - to increase income generated via different products for market.  
(eg) jams, jellies, juices, etc.

### Recent govt initiatives:-

- ① Kisan Rail - for fast transport of perishable items.
- ② Operation Greens scheme extended from TOP to TOTAL crops (all fruits and vegetables)
- ③ e-NAM - electronic national market for farmers to increase access to sellers & better price discovery.

- ④ Mega food parks scheme - creation of hub- & -spoke model for food processing & value addition.
- ⑤ Essential commodities act - to prevent hoarding of commodities.
- ⑥ KCC <sup>used</sup> to provide post-harvest loans, taking warehouse receipts.
- ⑦ Encouraging formation of FPOs and farmer cooperatives to increase their bargaining power.

There is need for greater awareness generation & imparting marketing skills to farmers to increase incomes. Current demand for sustainable agriculture can be utilised via promotion of natural & organic farming. (Budget 2022)

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### Mentor Feedback Questions

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#### Test Goal

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#### Outcomes

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#### 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		

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