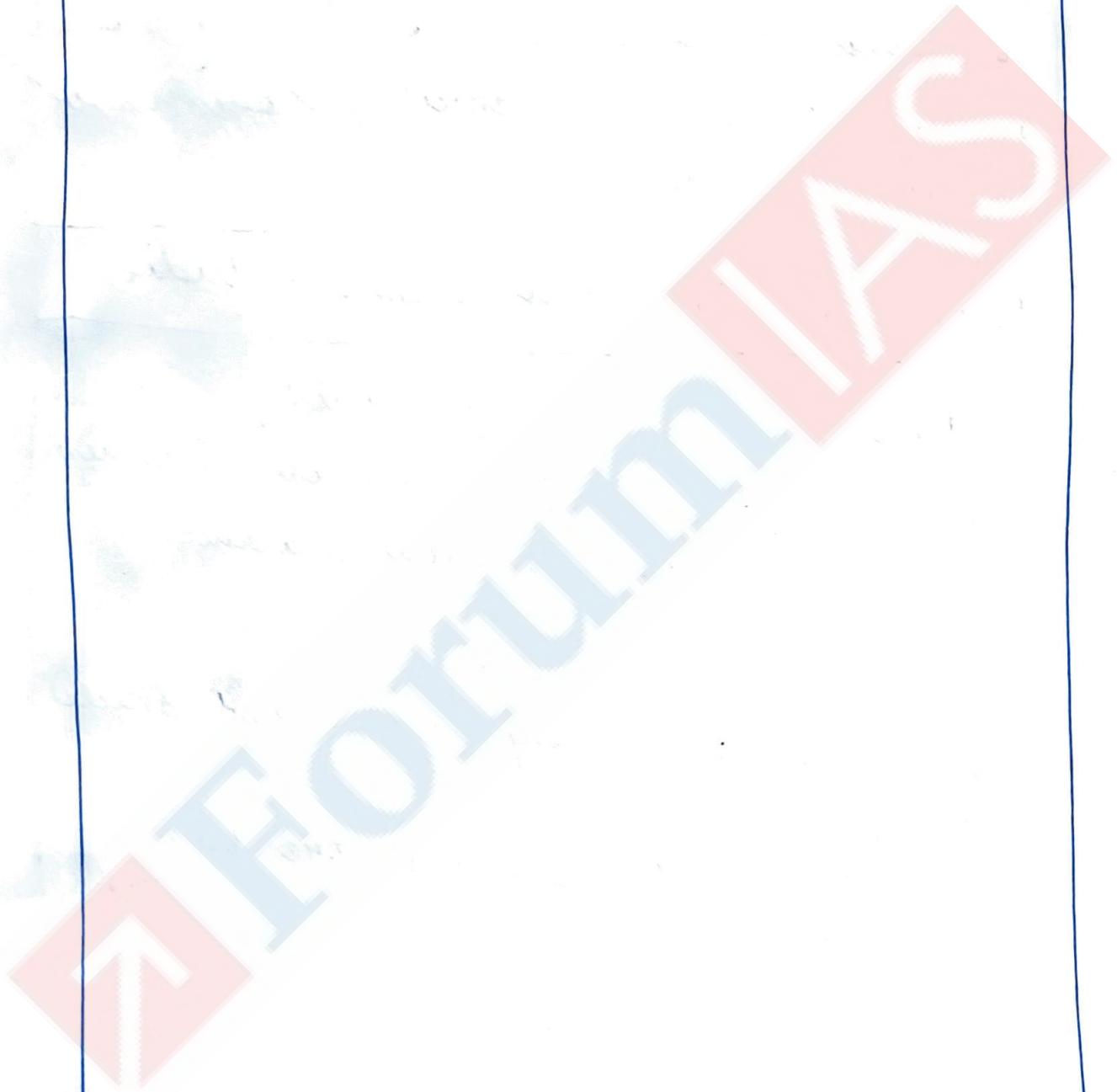


MGP 3

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Time taken - 3HR 30 MIN



Instructions: All questions are compulsory. The number of marks carried by a question/part is indicated against it. Quality of the answer is more important than the length of the answer.

निर्देश : सभी प्रश्न अनिवार्य हैं। प्रत्येक प्रश्न द्वारा धारित अंकों को उसके सामने इंगित किया गया है। उत्तर की गुणवत्ता उत्तर की लंबाई की तुलना में अधिक महत्वपूर्ण है।

Q.1) "Inclusive growth is both a process and an outcome, ensuring that everyone has access to the benefits of economic growth." Discuss in Indian context. (10 Marks, 150 Words)

"समावेशी संवृद्धि एक प्रक्रिया और परिणाम दोनों है, जो यह सुनिश्चित करता है कि आर्थिक संवृद्धि के लाभों तक सभी की पहुँच हो।" भारतीय संदर्भ में चर्चा कीजिए। (10 अंक, 150 शब्द)

Q.2) Why has there been an increased focus on negotiating, renegotiating and concluding Free Trade Agreements (FTAs) by India in recent years? (10 marks, 150 words)

हाल के वर्षों में भारत द्वारा मुक्त व्यापार समझौतों (FTAs) पर बातचीत, पुनर्वार्ता और समापन पर ध्यान क्यों दिया जा रहा है? (10 अंक, 150 शब्द)

Q.3) Green budgeting integrates environmental considerations into the fiscal framework, ensuring that government budgets contribute to sustainable development. Elucidate. (10 Marks, 150 Words)

ग्रीन बजटिंग पर्यावरणीय मान्यताओं को राजकोषीय ढांचे में एकीकृत करती है, जिससे यह सुनिश्चित होता है कि सरकारी बजट धारणीय विकास में योगदान दे सके। स्पष्ट कीजिए। (10 अंक, 150 शब्द)

Q.4) What do you understand by 'Reverse Brain Drain'? Identify the key drivers of the rising trend of this phenomenon in the country. (10 marks, 150 words)

'रिवर्स ब्रेन ड्रेन' से आप क्या समझते हैं? देश में इस घटना की बढ़ती प्रवृत्ति के प्रमुख कारणों की पहचान करें। (10 अंक, 150 शब्द)

Q.5) Though a critical component of India's growth engine, MSMEs grapple with multitude of challenges. Discuss. Also, suggest measures to support the growth of the MSME sector. (10 Marks, 150 Words)

हालांकि MSMEs भारत के विकास इंजन का एक महत्वपूर्ण घटक है, लेकिन MSMEs कई चुनौतियों से जूझ रहे हैं। चर्चा कीजिए। साथ ही, MSME क्षेत्रक की वृद्धि हेतु उपाय सुझाएँ। (10 अंक, 150 शब्द)

Q.6) What are the reasons for the huge growth of services vis-a-vis industry in the country? Explain the significance of a strong industrial base for self-reliant India ('Atmanirbhar Bharat')? (10 Marks, 150 Words)

देश में उद्योग की तुलना में सेवाओं की भारी संवृद्धि के क्या कारण हैं? 'आत्मनिर्भर भारत' के लिए एक मजबूत औद्योगिक आधार का महत्व बताएं? (10 अंक, 150 शब्द)

Q.7) Define precision agriculture. How can it help in optimizing crop production and resource management? (10 marks, 150 words)

परिशुद्ध/प्रिसिजन कृषि को परिभाषित करें। यह फसल उत्पादन और संसाधन प्रबंधन को अनुकूलित करने में कैसे मदद कर सकती है? (10 अंक, 150 शब्द)

Q.8) A robust and thriving food processing sector can address multiple issues plaguing Indian agriculture. Elucidate. (10 Marks, 150 Words)

एक सशक्त और संपन्न खाद्य प्रसंस्करण क्षेत्र भारतीय कृषि को प्रभावित करने वाली कई समस्याओं का समाधान कर सकता है। स्पष्ट कीजिए। (10 अंक, 150 शब्द)

Q.9) Discuss how nuclear technology can be leveraged in enhancing food security and agricultural sustainability. (10 Marks, 150 Words)

चर्चा कीजिए कि खाद्य सुरक्षा और कृषि स्थिरता को बढ़ाने में परमाणु प्रौद्योगिकी का किस प्रकार लाभ उठाया जा सकता है। (10 अंक, 150 शब्द)

Q.10) "India's heavy reliance on imported edible oils, stemming from multiple factors, calls for a comprehensive approach to boost domestic production and reduce this dependency." Elaborate. (10 Marks, 150 Words)

"भारत की आयातित खाद्य तेलों पर भारी निर्भरता, जो कई कारकों से उत्पन्न होती है, घरेलू उत्पादन को बढ़ावा देने और इस निर्भरता को कम करने के लिए एक व्यापक दृष्टिकोण की मांग करती है।" विस्तार से बताइए। (10 अंक, 150 शब्द)

Q.11) The proliferation of Global Capability Centers (GCCs) across India has earned it the title of "GCC Capital of the World". Describe the reasons behind this proliferation and throw light on its impact on the country's economic landscape. (15 marks, 250 words)

भारत भर में वैश्विक क्षमता केंद्रों (ग्लोबल कैपेबिलिटी सेंटर; GCC) के प्रसार ने इसे "विश्व की GCC राजधानी" का खिताब दिलाया है। इस प्रसार के पीछे के कारणों का वर्णन करें और देश के आर्थिक परिदृश्य पर इसके प्रभाव पर प्रकाश डालें। (15 अंक, 250 शब्द)

Q.12) How has inadequate progress on factor market reforms impacted India's double-digit growth aspirations? What measures has the government taken in this regard? (15 marks, 250 words)

कारक बाजार सुधारों (फैक्टर मार्केट रिफॉर्म्स) पर अपर्याप्त प्रगति ने भारत की दोहरे अंकों की विकास आकांक्षाओं को कैसे प्रभावित किया है? सरकार ने इस संबंध में क्या उपाय किए हैं? (15 अंक, 250 शब्द)

Q.13) The HAM model, amalgamating attributes of EPC and BOT, emerges as a pragmatic approach for advancing infrastructure development in the country. Explain. (15 Marks, 250 words)

HAM मॉडल, EPC और BOT की विशेषताओं को मिलाकर, देश में बुनियादी ढांचे के विकास को आगे बढ़ाने के लिए एक व्यावहारिक दृष्टिकोण के रूप में उभरा है। व्याख्या कीजिए। (15 अंक, 250 शब्द)

Q.14) India's ambitions for self-reliance in defence sector are commendable, yet the pace of technological indigenization has been sluggish. In light of the statement, discuss the key challenges faced by the country in indigenizing the defence sector. Also, mention the initiatives taken by the government in this regard. (15 Marks, 250 Words)

रक्षा क्षेत्र में आत्मनिर्भरता के लिए भारत की महत्वाकांक्षाएँ सराहनीय हैं, फिर भी तकनीकी स्वदेशीकरण की गति धीमी रही है। कथन के आलोक में, रक्षा क्षेत्र के स्वदेशीकरण में देश के सामने आने वाली प्रमुख चुनौतियों पर चर्चा कीजिए। साथ ही, इस संबंध में सरकार द्वारा की गई पहलों का भी उल्लेख कीजिए। (15 अंक, 250 शब्द)

Q.15) The Dedicated Freight Corridor (DFC) not only enhances logistics efficiency but also represents a pivotal milestone in the country's infrastructure development and economic growth. In this context, describe the significance of the Dedicated Freight Corridor. (15 marks, 250 words)

डेडिकेटेड फ्रेट कॉरिडोर (DFC) न केवल लॉजिस्टिक्स दक्षता को बढ़ाता है बल्कि देश के बुनियादी ढांचे के विकास और आर्थिक संवृद्धि में एक महत्वपूर्ण मील का पत्थर भी दर्शाता है। इस संदर्भ में, डेडिकेटेड फ्रेट कॉरिडोर के महत्व का वर्णन करें। (15 अंक, 250 शब्द)

Q.16) While Farmer Producer Organizations (FPOs) can resolve the issues of small farmers and boost agrarian economy, the realization of their potential is hindered by a multitude of factors. Analyze. (15 marks, 250 words)

जबकि किसान उत्पादक संगठन (FPOs) छोटे किसानों की समस्याओं का समाधान कर सकते हैं और कृषि अर्थव्यवस्था को बढ़ावा दे सकते हैं, लेकिन उनकी क्षमता का एहसास कई कारकों से बाधित है। विश्लेषण करें। (15 अंक, 250 शब्द)

Q.17) Farm mechanization can drive rural prosperity and sustainable farming, but its widespread adoption is hindered by various factors. Discuss. Also, mention initiatives taken by the government to promote farm mechanization in the country. (15 Marks, 250 Words)

कृषि मशीनीकरण ग्रामीण समृद्धि और टिकाऊ खेती को बढ़ावा दे सकता है, लेकिन इसके व्यापक रूप से अपनाए जाने में विभिन्न कारकों से बाधा आ रही है। चर्चा कीजिए। साथ ही, देश में कृषि मशीनीकरण को बढ़ावा देने के लिए सरकार द्वारा की गई पहलों का उल्लेख कीजिए। (15 अंक, 250 शब्द)

Q.18) The rationale behind the MSP system is well acknowledged, but it requires comprehensive reforms to mitigate the unintended consequences on the market and environment. Analyze. (15 Marks, 250 Words)

एमएसपी प्रणाली के पीछे का तर्क सर्वविदित है, लेकिन बाजार और पर्यावरण पर पड़ने वाले अनपेक्षित परिणामों को कम करने के लिए इसमें व्यापक सुधारों की आवश्यकता है। विश्लेषण कीजिए। (15 अंक, 250 शब्द)

Q.19) Critically examine the role of Primary Agricultural Credit Societies (PACs) in achieving the twin targets of boosting rural economy and mainstreaming small and marginal farmers. (15 marks, 250 words)

ग्रामीण अर्थव्यवस्था को बढ़ावा देने और लघु और सीमांत कृषकों को मुख्यधारा में लाने के दोहरे लक्ष्यों को प्राप्त करने में प्राथमिक कृषि ऋण समितियों (PACs) की भूमिका का आलोचनात्मक परीक्षण करें। (15 अंक, 250 शब्द)

Q.20) Discuss the significance of aquaculture towards nutrition security, livelihood generation, and economic growth. Also mention various initiatives taken by the government to promote sustainable aquaculture in the country. (15 marks, 250 words)

पोषण सुरक्षा, आजीविका सृजन और आर्थिक संवृद्धि के लिए जलीय कृषि के महत्व पर चर्चा करें। देश में धारणीय जलीय कृषि को बढ़ावा देने के लिए सरकार द्वारा की गई विभिन्न पहलों का भी उल्लेख करें। (15 अंक, 250 शब्द)

Global capability centres are places where concessions are provided for foreign companies alongside the infrastructural support in form of electricity, logistics, etc. all at one place.

Reasons behind its proliferation in India

① Favorable business environment

△ improvement in ease of doing business rankings, single window clearance

② Demographic talent

both in terms of cheap labour and skilled labour

△ >20% of AI developers are India-based

③ Reduced entry/exit barriers

India has been able to curtail its regulatory cholesterol to a great extent.

△ It used to take 5-6 months to set up a business in 1990s to just 58 days now

④ Subsidies offered

To attract MNCs, many countries are providing either as input/output based subsidies or sale incentives

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Eq) PLI worth 1.75 lakh crore Rupees for Make in India saw interest from Foxconn, etc

③ Policy Certainty

With BITs providing a stability to the earlier regulatory rulings.

④ Geopolitical Uplift

Making India (a democratic setup) more preferable than other countries

Impact on India's economic landscape

① Job generation

With MNCs increasingly setting their offshore units, more jobs are created

Eq) Presently India needs 22 million jobs per year versus 4 million jobs that it is able to generate

② Boost to manufacturing sector

Eq) It has been giving a stagnant growth of 17% since independence.

It will receive a boost

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③ GVC integration as a part of the

value chain will now be India-based

△ India became 3rd largest producer of phones in the world after PLI push

④ Multiplic effect as to support GCC, multiple downstream and upstream industries will also set up

⑤ FDI flow increases leading to greater BOP and rupee stability

△ In 2023, FDI inflows were 81 billion dollars

⑥ Sector led manufacturing as its BPO sector will be used for attracting GCCs
GCCs provide a solution against slowbalisation that the world is experiencing and holds key to India's ambition of 7 trillion \$ economy by 2030

1991 reforms provided India a form of second independence by setting it on the path of double digit growth but it got hampered midway. While India raised its GDP from 215 billion in 1990s to 4 trillion in 2024, but it is slowing down.

Impact of inadequate progress on factor market reforms

① Labour - Labor codes that are archaic and less business friendly add to the burden of private sector

⚡ 4 labor codes supposed to replace the earlier laws are still not adopted by States

② Regulatory cholesterol

⚡ High floor space area per worker limits efficient utilisation of resources

It takes 58 days to set up a business vis a vis 4 days in Singapore

③ Skill mismatch

⚡ only 4% of India's educated workforce

is skills ready vis a vis 96% workforce of South Korea

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④ Land acquisitions still are a nightmare

for private sector

eg around 2/3rd cases in court are land based. This eats away into the productivity of business

⑤ Capital

Corporate bond is still not developed in India
Private players rely on ECB, bank loans
that face crowding out effect from government

⑥ Chakravarty challenge

IBC still takes > 366 days for resolution plans despite 182 day limit. This makes favorable exit difficult

⑦ Productivity

eg Indian requirement of 8 hour work limit vis a vis no limit in China

⑧ Many MSME dominate the manufacturing sector leading to the problem of missing middle

eg misplaced incentives that end up demeritizing growth

(a) Lack of policy guidance

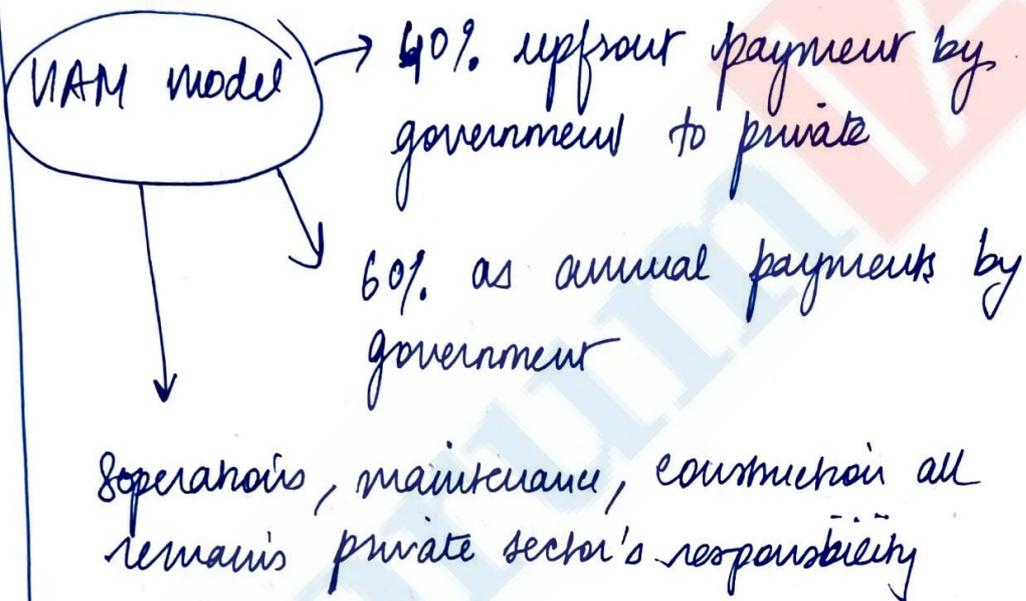
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India has been attracting low value assembly
visa vis China's targeted push to support
deep tech startups

Government's ~~offer~~ measures

- ① Labour \Rightarrow Skill India Mission that
has trained 1.25 crore workers since its
inception
- ② Land \Rightarrow DILRMP, SWAMITVA scheme
to modernise land records reducing disputes
- ③ Capital \Rightarrow 10000 cr \$ fund of funds
to support emerging startups
- ④ PLI scheme of 1.75 lakh crore support
offering incentive for make in India
- ⑤ Single window clearances for ease of
doing business
- ⑥ MSME loans for MSME growth
- ⑦ Entrepreneurship \Rightarrow PM Vishwakarma,
Kakshati Didi, Drone didi, SUC support
through NABARD
- ⑧ Industrial Development Units Eg Hyderabad's
Genome Valley

We need to push for greater reforms so
that our dream of Viksit Bharat becomes reality
soon

VAM model is the hybrid annuity model providing best of both worlds of EPC and BOT. It was evolved by Ministry of Road and Highways after failure of previous PPP models



EPC model failed because

① Entire burden on government as the risk was entirely born by it → financial
→ regulatory
→ responsibility

② Not lucrative for private

Despite bringing the requisite expertise for construction, the payments were delayed, extreme bureaucratic interferences, etc.

BOT model failed because

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① Uneven risk sharing by private

Private players built and operated the infra structure but had to transfer it to government later

② Flawed revenue model as tolls collected, etc were not enough to cover up the costs during leased period.

③ HAM gives a pragmatic approach

① Regular supply of revenue for private
in form of annual payments

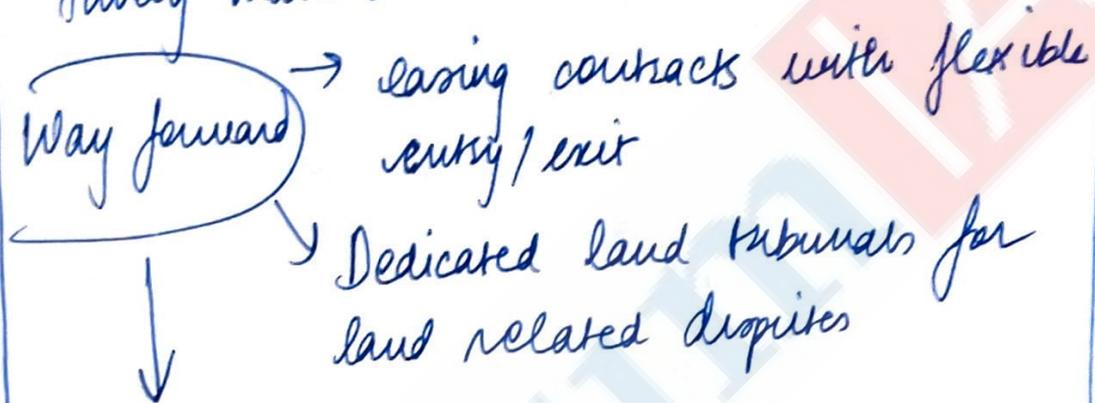
②  equally shared

The private solely is concerned with resources and building the infrastructure easing government burden

③ Proper incentive for private as the upfront payment reduces the high capital investment's return on capital
~~off~~ downside.

④ Balanced regional development since
the payments are assured by government
private players won't restrict to infra-
structure attracting most traffic eg NH

⑤ Expertise of private ensures efficient
and quality delivery of infrastructure in a
timely manner

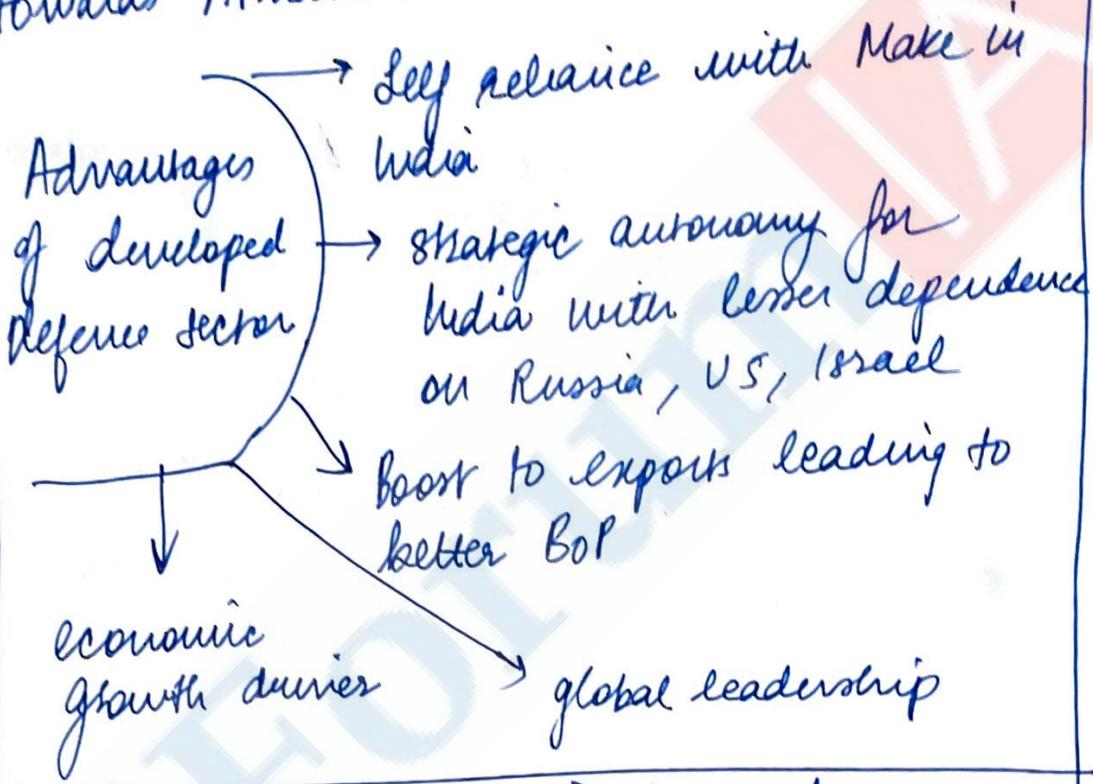


Separate PPP committee for faster approvals
(Kelkar committee)

PPP combines the efficiency of private
with the credibility of government making
it ideal for the development of backbone
of our economy - infrastructure.

WBO has even mentioned India as one
of the most PPP ready nations with
> 2000 PPP operating.

India's defence sector has been witnessing a transformation from being a net importer to quickly ramping up its exports. While the pace remains slow, it marks a push towards Atmanirbhar Bharat



Challenges in indigenisation process

① Skilled manpower is lacking to develop cutting edge and futuristic defence technologies

② Poor R&D investment

△ It is only 0.7% of Indian GDP vis a vis 2.8% of GDP by China

Further, it is mainly government led

③ DRDO resource crunch in terms of funds, vacancies make it less focused and targeted

④ Poor private sector integration

△ Defence PSUs like HAL, etc command > 70% share in defence sector

⑤ Failed technology transfers with countries

△ US, Russia, France

⑥ Technological lag - catch up

When the world is developing 5th gen aircrafts, India still is trying to work on its 4th gen aircrafts

Steps taken by government

① IDEX challenge to encourage innovation and private participation

② Relaxing FDI rules to 74% for non-critical departments.

③ Incubator support under the mentorship of DRDO, HAL to enable scaling of startups

④ Agreements with countries for technology transfer Δ Eg Submarine technology from Russia, co-production agreement with US

⑤ Capital support through incentives

India saw 20 times increase in its exports such as Brahmos missiles to Philippines, and this opens a new front for India-led global reshaping of ^{and tech} world order driven by its manufacturing capabilities.

Q.15

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Dedicated freight corridors are single purpose roads/^{railway/airport} that provide for quicker transport of cargo goods between the source (manufacturing) to destination (for domestic market or export)

India has been developing 3 DFC - one in UP, Tamil Nadu.

Significance of DFC

① Logistics efficiency

It cuts down logistics cost

△ India has 12-14% as logistics cost compared to only 8% in developed countries

② Boost to agriculture with quicker farm to fork, especially for low shelf life products

③ Multipplier effect as it will attract more industries along this corridor

④ Easing of regulations

will enable quicker delivery
Eg) Eway bills for inter-state transport

5) Greater connectivity by linking the markets and ports and industries centres

6) Balanced development as usually the industries are located outside the city while infrastructure development other than DFC is focussed on urban connectivity

7) Access to wider market even for smaller players like MSE

8) Quick and safe for public

With only cargo trucks using these, the traffic will reduce for other roads, highways making the logistics quicker

9) Improved global image will help attract greater FDI and MNCs to set shop

10) Ancillary industries like tyre repair, dhabas, that get set up on DFC create jobs, source of revenue

Limitations

→ poor implementation of DFC ⇒ corruption delays

→ scaling is a problem due to land shortage (competing with agriculture, urban expansion)



environment challenges as many rivers, DFC pass through animal corridors

We need to effectively use PM GATI Shakti and PRAGATI for effective monitoring of projects so that it becomes a tool towards developed India!

Q16

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FPO are essentially mini cooperatives that are a collection of farmers aiming to streamline and centralise farmers production and produce management

Potential of FPOs for agrarian economy

① Economies of scale

By organising small farmers under one head, it provides economies in terms of input purchase or equipment purchase

② Greater bargaining capacity for the effective price realisation

③ Less exploitation by mandi / middlemen
as collective strength unites their interests

④ Credit access

While banks hesitate giving loans to individual farmers with no collateral, they are more open to give it to FPOs

⑤ Corporate farming

With collective faces, corporates can easily turn into forward arrangement with them leading to steady income realisation for farmers

⑥ Resource sharing

A single harvester is rotated among various landholdings, thus providing cost benefit

⑦ Problem of land fragmentation is solved as now, the technology adoption can be undertaken

⑧ Rural entrepreneurship

It promotes agri based startups by ensuring forward and backward linkages

⑨ Secondary agriculture

Food processing industries, horticulture, etc are also better organised and formalised with FPOs

⑩ Greater say for farmers in decision making

Challenges hindering the potential

① Dominated by large farmers thereby

making small and marginal farmers
further marginalised

② Lack of recognition by institutions
questions their credibility

③ Lack of awareness about FPOs results
in less operational FPOs

④ Law fragmentation and suboptimal
based agriculture prevents farmers from
organising under FPOs

⑤ Gram Sabhas still face challenges of
power devolution that hinders FPO
proliferation

⑥

FPOs can help make agriculture
industrialised and lead to creative
disruption - Ashok Dalwai

Q17

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Farm mechanisation is the use of machines on fields and land to facilitate production, sowing and harvesting of crops

It can derive rural prosperity

- ① Shift from labor intensive to capital intensive thus reducing disguised unemployment
- ② Cost efficiency as hiring labour will be costlier than mechanisation in long run
- ③ Productivity increases as the harvest cycles are quicker and more effective
- ④ ~~Shuttle burning~~ Greater innovation leading to rural entrepreneurship
- ⑤ Auxiliary jobs such as machine repair, maintenance, etc

It can derive sustainable farming

- ① Shuttle burning can be tackled by

PUSA hammer, etc

- ② Tech enabled irrigation cycles based on data on soil moisture helps conserve water
- ③ Precision farming using inputs such as pesticide, fertiliser in a controlled manner
- ④ Higher crop yield with drone based land surveys and crop planning
- ⑤ Rice transplantation leading to higher GM can be replaced with machine based direct seeding

Adoption is hindered by -

- ① Land fragmentation makes it difficult to operate machines
- ② Cost prohibits its adoption as 86% are small and marginal who can't afford capital intensive machines
- ③ Skilling in operating these machines is lacking
- ④ Fear of technology also hinders its

Acceptance

⑤ Credit access is limited or is at exorbitant rates

Government initiatives to boost mechanisation

- ① Krishi Vigyan Kendras offering training for farmers
- ② Land consolidation with land reforms and tenur rights
- ③ Credit access with increased limit of 5 lakh ₹ on Kisan Credit Card
- ④ Mudra loans for storage infrastructure
- ⑤ PM Kisan annual income support of 6000 ₹ for financial stability
- ⑥ Machine lease centres for renting machines as per use

Government recognises the centrality of agri sector and its growth can be ensured through mechanisation on lines with US model of maize cultivation

Q18

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MSP system is the market price support provided by government in case the crop doesn't yield the requisite price for the farmers on sale.

It is a violation of amber box of WTO unless it is below 10% exemption provided to developing nations

Rationale for MSP system

① Income support for farmers

Farmers rely heavily on crop sales for their livelihood, the failure of which results in sometimes even suicides

eg Maharashtra farmer suicides

② Incentive for production

If crops fail to return decent revenue, farmers prefer to grow cash crops instead of these to fetch greater price

③ Welfare state

Agriculture employs \rightarrow 40% of population

and it becomes essential to supplement their income during emergencies.

④ Food Security

As without MSP support, farmers won't be able to procure seeds, fertilisers for next cycle

⑤ Avoiding distress sales and exploitation

by middlemen especially when the farmers face information asymmetry or ~~price~~ price

~~Comprehensive report~~

Distortions created by MSP

① Inflated demand due to artificial hiking of prices can obscure the real demand of crops

② Against WTO's rules of national treatment, MFN as it is equivalent to subsidies distorting exports equilibrium

③ leads to monocropping as can be seen in heavy inclination of wheat-rice production

by building infrastructure so that...

① Overflowing buffer stock of FCI as supply exceeds demand

② Increased regional imbalance as Punjab, Haryana cover >40% MSP benefit while North East is left out

Comprehensive reforms needed

① Rationalise MSP based on MS Swaminathan formula of $(A2 + FL) 50\%$

② Shift from price support to income support measures

③ Going for closed ended procurement and open market sales of FCI buffer

④ Incorporate opportunity cost of lost investment in agriculture vis a vis MSP

⑤ There are demands to legalise MSP as a way of security for farmers

⑥ Expand MSP support to other crops

While MSP is not a silver bullet but it does help farmers, our society's foundation, to remain strong during poor harvests especially with increasing climate change vagaries

PACs form the lowest level of cooperatives in rural areas. They act as channels for disbursing NABARD credit and are usually under triple regulation of RBI, state governments and NABARD. They are under respective state cooperative Acts.

Twin target → rural economy support
 ↳ small and marginal farmers support

Role played by PACs to meet twin targets - small and marginal farmer

① Working capital credit for small and marginal farmer needs of seeds, fertilisers, etc.

② Farm mechanisation by providing subsidised loans that helps increase yield

③ Technology adoption for climate smart agriculture

For supporting rural economy

① Backward and forward linkages

by building infrastructure eg post harvest storage, cold facilities

② Secondary agriculture through food processing

③ Common Service Centres acting as godowns - to store grains
internet facilities - for government schemes
awareness generation - on farmer specific initiatives

④ Connecting farmers with institutions such as NABARD for credit availability to SHGs. (NABARD's SUG-Bank linkage program)

⑤ Enablers of micro credit to boost rural economy.

Drawbacks in their operation

① Over-regulation sometimes takes away the autonomy and restricts its operations

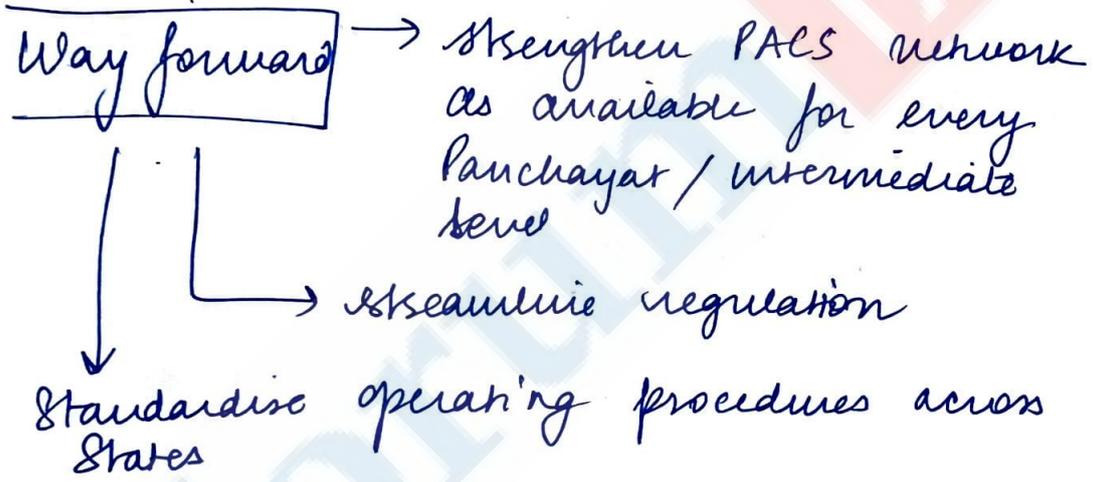
② Lack of funds renders their purpose futile

③ Identifying errors with the recent regulation

requiring PACS to double down as godowns

- ④ Dominated by large farmers while small and marginal farmers continue to face marginalisation
- ⑤ NPA's rising due to non repayment, farm loan waivers
- ⑥ Competition from banks, RRB

Eg • > 90% credit is still extended by banks



As envisaged in Article 43B, cooperatives need to be pushed for professional management, democratic autonomy and equal ownership.

Aquaculture involves the rearing and breeding and harvesting of living organisms in water. These include fish, shellfish, systems for pearls, etc.

Significance towards nutrition security

- ① Protein rich food through fish rich in Omega-3 in otherwise starch heavy rice-wheat cultivation
- ② Coastal societies have fish-based diets as part of their culture
- ③ Climate vagaries while questioning sustainability of rain dependent agriculture provides support in form of aquaculture eg seaweed

Significance towards livelihood generation

- ① New source of income especially during lean agriculture periods
- ② Creates ancillary industries and jobs such as fish packaging, canning, pearl extraction

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① States like Andhra derive their major revenue from exports of fishes

Significance for economy

- ① 2nd producer (largest) of aquaculture and 1st in inland fisheries
- ② Biofuel security as seaweed grown not only is nutritionally rich but is also used for biofuel
- ③ Export led economy as Indian fishes are in demand in outside markets
- ④ Supplements agriculture as farmers utilise stagnant water during rice cultivation to grow fishes
- ⑤ Pearls harvested earn high margins for farmers leading to income augmentation

Government initiatives

- ① PM Kisan Matsya Sampada Yojana offering cluster based support to fishermen
- ② Easing of CRZ regulations to facilitate easy aquaculture
- ③ 100% FDI allowed to promote

credit / investment

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- ④ Training centres for skilling farmers
- ⑤ Regular signing of agreements with Sri Lanka for safety of fishermen
- ⑥ Cold storage facilities under Mega Food Parks for their processing.

India has to take along its various growth drivers simultaneously and / such engine is fisheries / aquaculture. Developing this will help double income and also support Indian economy.

Inclusive growth is a result of balanced development and includes distribution of benefits among all sections of society leading to Sabka Saath Sabka Vikas

It is a process

① Conscious choice of growth by enabling eight pathways

△ eg promoting MSMEs as they employ maximum labour

② Accounting for the weaker sections through social security nets.

③ Emphasis on values of community-led growth

It is also an outcome

① To negate jobless growth caused by imbalance between capital intensive and labour intensive industries

② Just transition for AI adoption by upskilling and reskilling people

③ Creation of sufficient jobs so as

to enable all sectoral development

22 million jobs needed versus 4 million actually created every year

④ sectoral balance as the economy moves from agrarian to industrialised and knowledge economy

⑤ Bottom up approach with decentralised

micro entrepreneurs leading the way

gig economy currently hold 1.5% of total workforce

Article 39 talks about elimination of difference in opportunity and reduction of income inequality. To correct 1% of Indians holding 23% income, we need to uplift the marginalised while incentivising the top most for more job creation

Q2

FTA, through a violation of WTO's MFN principle, is considered an exemption as it allows for greater facilitation of trade without negatively impacting any country

India's renewed focus on FTAs

- ① Slowballation trend has led to growing protectionism hurting global trade. Eg) US's MAGA
- ② Geoeconomic fragmentation requires recalibration of our approach towards securing supply chains and making them resilient. Eg) India looking for FTA with Argentina for lithium
- ③ Aspiring for GVC integration requires agreements with countries
- ④ Energy security necessitates FTAs with GCC for long term price and volume stability

⑤ Increasing tariffs endanger exports

△ Eg CBAM of EU harm India's steel exports

⑥ Multi alliances because world is now having multipolarity. This flows into economic sphere as well

⑦ Like minded partnerships rooted in mutual interests. △ Eg US's automobile exemption in India and India's agriculture exemption in USA

⑧ Mobility of people requires India to negotiate FTAs for safety of its people
△ India has the diaspora of 31 ~~crore~~ million spread across whole world.

India's recent signing of EU FTA highlights the importance of trade boost along with opening new markets and areas of cooperation, investment

Q3

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Green budgeting accounts for environment cost of development projects. This helps in comprehensive assessment of any activity

Fiscal-environment integration done by green budgeting

① Ecosystem approach

Since every system is inter-linked, environment can't be left out of cost considerations

② Negative externalities get quantified

Thus, a true impact assessment is possible

③ Global warming acts as a warning to reduce our neglect of environment

△ 2023 was the hottest of all years in the last decade

④ Environment determination as the environment also has rights

△ living person status accorded to

New Zealand mountain

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① leads to greater awareness of damage that will be caused when costs get assigned

It leads to sustainable development

① ~~Heightened public scrutiny if the~~
~~costs show adverse imbalances~~

② Responsible decision making with numbers appealing to the logic

③ Increased public scrutiny if costs too much against the environment

④ Quantification leads to mitigation of actions in right direction

⑤ Indirect side effects also get considered

Eg deforestation doesn't just destroy forests, it also causes decline in soil fertility

⑥ More awareness around how a butterfly effect can trigger a collapse Eg
bee population reducing

Environment conservation is one of the core principles for sustainable development

Reverse brain drain is when the people who left a country for better education and employment opportunities return to their home country for reintegration due to changing environment. Ex

Key drivers of reverse brain drain in India

- ① Euphoria around India as brand
India is gaining currency across the world
- ② 3rd largest economy with strong growth projections.
- ③ Demography window until 2041
provides golden opportunity for MNCs in India startups → High market
→ Cheap labor
- ④ Largest population makes it hard to ignore if one needs global markets
Ex Coldplay concerts in India attract

greater revenue than all regions combined

5) Increasing ease of doing business
with business friendly policies, easy credit access

6) India's financial sector is highly developed Δ BSE is highest (top 5) derivatives market for commodity

7) Industrial clusters to support startups. Δ Hyderabad as Genome Valley, Bangalore as Silicon valley

* Record unicorns

Δ > 110 unicorns in last year

9) Nationalism to contribute in India's success story of \$ trillion & economy by 2030

10) External factors \rightarrow US's deportation amid protectionism
 \downarrow \rightarrow xenophobia of South Africa
lack of jobs outside

We need to utilise this trend to make them contributors towards goal of Atiskit Bharat

Q5

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MSME's account for 30% of total manufacturing capacity of India, 35% of employment of people and 45% exports. Still, they continue to remain dwarf MSMEs inhibiting their great benefits

Challenges

- ① Regulatory cholesterol differentiates them to grow big. Eq Industrial Disputes Act applies only when > 100 employees
- ② Lack of technology penetration and their labour intensive nature makes them less productive. Eq $< 30%$ were AI enabled/automated
- ③ Economies of scale
Due to small size, they don't get cost advantages or any bargaining power
- ④ Branding gap reduces their appeal

and product acceptance in global market

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② Informalisation makes it difficult to scale up that hinders their growth

Measures to support MSME sector

① Revision of MSME definition to encourage growth

② Credit guarantee scheme increased from 5 crore to 10 crore ₹

③ Credit limit for flexible credit line of 5 lakh

④ National Manufacturing Mission

⑤ One District One Product Scheme

⑥ Mudra loans - it accounted for

> 51% loans exceeding ticket size of 1 Lakh

⑦ 10000 crore ₹ fund of funds for startups

⑧ SEZs for MSMEs to allow economies of scale

⑨ Export facilitation through RDTES

MSME is growth driver for Indian economy promoting job democratisation, micro entrepreneurship

Since 1991 reforms, India has witnessed sectoral imbalance with services sector surpassing growth of industries sector whose growth is stagnant at 17% of GDP.

Reasons

- ① Capital intensive nature of industries saw little uptake than less capital requirement of service sector.
- ② Export driven services while industries remained domestic focused \rightarrow import led substitution.
- ③ Premature deindustrialisation as multiple MNCs entered Indian market with no support for domestic industries.
- ④ MSME continued to remain dwarf while services had no such need.
- ⑤ Higher margins in services (as offered BPO services to US) and

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less profits (corruption, bribery) for
land acquisition, setting up of industries

Significance of strong industrial base
for self reliant India

① No country has become developed
without becoming industrialised

② Agriculture - low productivity
Services - less job requirement

It is only industries that can absorb
demographic by job creation.

③ Infrastructure development - reduces
dependence on imports \Rightarrow strengthens
foreign \Rightarrow strategic autonomy,

④ Global leadership only when our
exports of goods have surplus

⑤ National Sovereignty especially for
defence, telecom, space industries

Viksit Bharat relies on Atmanirbhar
Bharat ~~and vice versa~~.

Precision agriculture is the targeted application of inputs and interventions based on the demand of the soil/crop and necessity.

It optimises crop production

- ① Increasing crop yield as the balanced nutrient (macro and micro) environment of soil is maintained
- ② Avoids flooding induced soil erosion that reduces soil fertility
- ③ Meeting crop requirements Δ watering the plants when the moisture drops below a threshold

It optimises resources

- ① AI enabled irrigation Δ drip irrigation saves water per drop from crop
- ② Fertiliser application is based on

soil health card and this is in

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③ Pesticides applied as much needed

It ensures not too much toxicity

④ Precise harvesters cut the crop

residue exactly leaving no waste behind

⑤ Precise distance between crops

rows through machine based planning.

It helps agriculture become smart and sustainable

Food processing sector is sunrise sector for India. With CAGR of 20%, it holds immense value unlock for India

Issues addressed by it

- ① Doubling farmer income by helping them perform value addition to crops
- ② Alternative employment source when agriculture periods are lean
- ③ Higher price realisation as processed crops get offered better prices
- ④ Storage issues get sorted as processing increases shelf life of products
- ⑤ Quality issues also get handled during food processing
- ⑥ Grassroot entrepreneurship by PPOs, SNGs formed of Kisans
- ⑦ Crop diversification as different

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Food required for processing

- ⑧ Greater margins compared to MSP dependent crops
- ⑨ Fiscal consolidation by greater market access due to cold storage infrastructure built by PPOs

We need to supplement farmers with additional skills so that they can fully benefit from this sector

Nuclear Energy can have diverse uses cases and one of them is towards agricultural sustainability -

Ways in which it can occur

- ① Pest management through nuclear radiation of pests \Rightarrow better yield of crops
- ② Increasing shelf life of products by irradiating them with atoms.
Eg Atoms for food initiative of IAEA
- ③ Food preservation against bacteria, fungi, moisture barriers
- ④ Nuclear enabled radio isotopes to sense soil moisture for precision application of irrigation
- ⑤ Nuclear activation of plants for greater electrical conductivity of

nutrients from soil

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⑥ Nuclear technology can also come

handy in detecting plant diseases and
informed, timely intervention

Downsides

→ harmful impact of
radiation

→ costly for small and
marginal farmers

↓
Still in testing phase

While it holds immense potential for a
climate resilient agriculture, we need to
account for downsides also.

One of top products imported by India are edible oils from Ukraine, Argentina, Australia. During Ukraine war, when these supply chains got disrupted, it ~~highlighted~~ pointed towards need for reducing dependence.

Need for boosting domestic production

① Self reliance

In world filled with wars, supply chain disruptions quite common

② Huge demand on forex

That impacts BoP and rupee stability

③ Food security

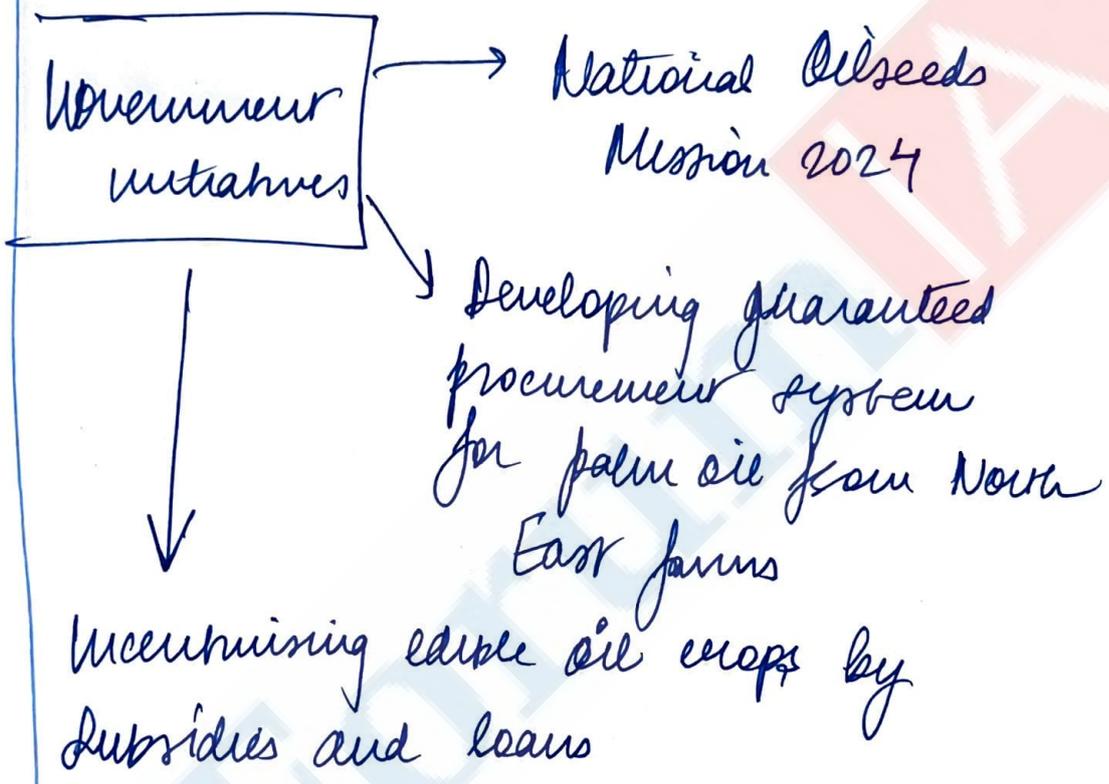
Depending on edible oil on other countries makes us vulnerable for such a basic need as food. Eg weaponisation of food

④ Missing on domestic opportunities

India has a climate suitable for

palm oil growth, why not utilise it and support the farmer income

⑤ Strategic autonomy as edible oil can be processed for biofuel, other processed products for exports



We need to focus on this crucial link that is such a basic necessity yet reliance on other countries for it

ways