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GS Advanced Program 2023

Generic Booklet

Test Name/Code/No. :¹⁶

Name	
Email ID.	
Roll No.	
Mobile No.	Date

Allotted Time : 60 Minutes

Instructions to Candidates -

- There are 7 Questions in this Question paper.
- All Questions are Compulsory.
- For all updates, please visit the noticeboard -
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Important -

- Answers must be attempted in the QCA Booklet only.
- To upload the Answer Copies please visit to "My Course" section on -
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- Only those copies will be evaluated which will be submitted before the next class.

Q. No.	Grade/Score
1	
2	
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6	
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Overall Grade/Score	

Start Writing Here

Q.1)

Russia's invasion of Ukraine risks destabilising global food markets by disrupting production and trade flows. For consumers and businesses in food production and manufacturing, high food inflation adds to the plethora of challenges, including energy prices. In this content, discuss how the agri exports brace itself from the impact and also mention the steps to be taken in this regard.

High food & fuel inflation can be seen from the headline inflation, which is above 6% for several months in a row.

Reasons for high food inflation: -

- ① Multiple lockdowns - disruptions in supply chains.
- ② Decreased ^{supply} ~~demand~~ & growth.
- ③ Russia-Ukraine crisis - led to

high fuel prices.

High food inflation, is resulting into low exports, as high prices are less competitive in international market.

Steps to boost export:-

- ① Stimulate demand and thus supply - increase production of food crops.
- ② Incentivise exports of agricultural crops. - focus on pulses, millets.
- ③ Monetary Policy - tightening of rates - like repo and associated rates.
- ④ Infrastructure development - for better logistics, transportation.

Thus a multipronged approach is required to curb inflation & boost export by resolving the structural flaws.

Overall Grading (✓)

Poor			Average			Good		
1	2	3	4	5	6	7	8	9

(2.2)

Farm loan waivers are not the solution for all the Agricultural Problems.

Critically Analyze.

From 2017-18 onwards, government has written off loan worth 10 lakh crore.

Farm loan waivers are not the solution for all agricultural problem because:-

- ① Mainly benefitting large farmers.
- ② landless labourers are excluded.
- ③ Small farmers take credit from private moneylenders then institutional credit
- ④ Banks NPA are increasing. Banks suffered a loss of more than 7 lakh crore due to loan waiver
- ⑤ Negative impact on farmers who are timely paying loans.

- ⑥ Huge fiscal burden for govt. leading to low capital expenditure.

Steps to be taken:-

- ① Collateral free loans should be provided to small & marginal farmers.
- ② Mechanism of credit for landless labourers.
- ③ Direct benefit transfer instead of subsidy.
- ④ Digitise land records for smooth functioning.
- ⑤ Leverage technology for beneficiary identification & prevent inclusion & exclusion errors.

~~They~~ Government should set up a credit guarantee scheme on the lines of credit guarantee for MSME sector to cover the default & risk of the borrower.

Overall Grading (✓)

Poor			Average			Good		
1	2	3	4	5	6	7	8	9

Q.3)

Pulses act as a store of nutritional value.
Discuss the role of pulses in ensuring the food & nutritional security of India and various issues associated thereof.

Pulses are an important source of accessible protein, especially for the poor farmers.

Role of pulses in ensuring food & nutritional security : —

- ① pulses have longer shelf life, without losing their nutritional value.
- ② good source of protein - for protein deficient Indians.
- ③ able to germinate seeds after being stored for longer period.
- ④ Good for soil health - restores Nitrogen through nitrogen fixing bacteria.

- ⑤ less water requirement - can be
grown in drought region.
- ⑥ less dependency on uncertain monsoon

Issues :-

- ① lower yield as compared to rice & wheat.
- ② lower demand in the market.
- ③ lower returns for farmer.
- ④ Unwilling of farmer to cultivate pulses as compared to cash crops.

Way forward :-

- 1) Providing seeds at subsidised rate
- 2) Increase MSP for pulses.
- 3) Awareness generation among farmer for health & soil ^{health} benefits.

Thus pulses have the potential to ensure nutritional security with appropriate policy support & marketing systems.

Overall Grading (✓)

Poor			Average			Good		
1	2	3	4	5	6	7	8	9

Q.4)

Nutritional insecurity is a major threat to the world's population that is highly dependent on cereal-based diet, deficient in micro-nutrients. In this regard, explain how Bio-fortification in Millets can act as a sustainable solution for nutritional security.

India ranks 107th out of 121 countries in Global Hunger Index.

According to Global Nutrition report, India has almost 31% of world's stunted children.

High dependency on cereal based diet because: —

- ① Government policies — like MSP, biased on cereals.
- ② Higher yield of cereals than other food crops.
- ③ Green revolution focused more on wheat & rice than other crops.

Biofortification of Millets as a sustainable solution for nutritional security: -

- ① Millets have more nutritional value than wheat.
- ② Biofortification will lead to increased concentration on micro-nutrients.
- ③ They are staple diet - has feeling of fullness when eaten.
- ④ Good for environment & soil health.
- ⑤ less use of fertilisers.
- ⑥ High water efficiency & low power consumption.
- ⑦ Will solve the problem of 'Hidden Hunger'

As these millets are important nutritional source, the year 2023 has been chosen as the year of millets, which ~~has the potential to increase~~ can increase its production.

Overall Grading (✓)

Poor			Average			Good		
1	2	3	4	5	6	7	8	9

Q.5)

It is time to rethink the role played by subsidies in affecting our food system. There is a need to repurpose agricultural support to Transform food system. Discuss.

Ans

Food subsidy for the year 2019-2020, constitutes about 2.5% of the GDP.

Need for subsidies :-

- ① To promote welfare objective.
- ② Has helped India to become food surplus country & ensured food security.
- ③ Prices of basic food items have remained relatively stable.
- ④ Increase competitiveness of product in international market.
- ⑤ Increased savings - leading to better standard of living of farmers.

But there are some challenges in subsidizing and ~~which~~ it is ~~is~~ needed to repurpose agricultural support.

Challenges :-

- ① Huge fiscal burden on government.
- ② Inefficient & heavy use of fertilisers.
- ③ Higher power consumption for irrigation.
- ④ Poor soil health & land degradation - due to poor farming practices.
- ⑤ Bioaccumulation & biomagnification - leading to health crisis.
- ⑥ leakages & diversion of subsidy for other purposes.
- ⑦ Benefits utilized mostly by the rich farmers.

Steps needed to be taken:—

- ① Rationalise subsidy given.
- ② Capping on the sale of fertiliser, per farmer
- ③ Bring small & marginal farmer as beneficiaries.
- ④ MSP should be given & included for other crops - to enhance crop diversification.
- ⑤ Direct cash transfers to the farmer
- ⑥ Promoting bio fertiliser.
- ⑦ Awareness generation among farmer for use of water & fertiliser through schemes like soil health card.

These subsidies must be examined to ensure nutritional security & income & security of poor & marginal farmers

Overall Grading (✓)

Poor			Average			Good		
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Q.6)

APMC markets which were intended to act as a solution, have become a part of the problem itself. Discuss the challenges faced and the reforms to be undertaken.

APMC is the marketing board established by the state government, where farmers can make the first sale of their produce.

Benefits of APMC:-

- ① Ensures worthy prices of produce & timely payment.
- ② Bypasses exploitative intermediaries.
- ③ Prevent distress sale by farmers.

Challenges to APMC:-

- ① Monopoly of APMC - farmer's don't have any other alternative to sell their produce except APMC.

- ② Entry barriers - licence fee in these markets are highly prohibitive, result in low competition.
- ③ Conflict of interest - APMC plays a dual role of regulator & market, so undermined by vested interest.
- ④ High taxes & levies - which pushes up the cost for farmers.
- ⑤ Farmers are sometimes refused of payment slip & late payments.
- ⑥ Too many intermediaries resulting in high cost of goods & services.
- ⑦ Inadequate infrastructure ~~resulting in~~ for storage, sorting, grading & post-harvest management.

Steps needed to be taken :-

① Enact Model APMC Act :-

- 1.1) full payment to be made on the day of sale itself.
- 1.2) Allow a PPP in management of agri markets, post-harvest management, cold storage facilities.
- 1.3) Advocate contract farming.
- 1.4) Abolition of commission agent system

② e-NAM should be promoted to integrate APMC ~~have~~ & better price realisation through inter-state & intra-state trade.

③ Investments required in building infrastructure, storage facilities, warehousing etc.

Cooperatives can be given licence to set up agri cultural markets so ~~to~~ as to overcome the monopoly of APMC.

Overall Grading (✓)

Poor			Average			Good		
1	2	3	4	5	6	7	8	9

Q.7)

Is legalising MSP a panacea for India's Agriculture troubles?

Minimum Support Price is the price at which government procures food grains from farmers.

It is related for 22 crops.

Presently MSP does not enjoy statutory recognition. Farmers have been demanding for legalisation of MSP.

Need to legalise :-

- ① Assured price - income source for farmers.
- ② Less risk involved for farmers.
- ③ Harassment by traders & middlemen will be reduced.
- ④ Increase in capital expenditure by farmers - will increase mechanisation.
- ⑤ will enhance production & productivity.

Concerns for legalisation of MSP: -

- ① fiscal burden for government.
- ② Encourage over-production of Rice & wheat.
- ③ Poor storage facilities - will lead to loss & wastage of food grains.
- ④ Higher costs of procurement - will lead to inflation in the market.
- ⑤ Lack of government machinery to procure all crops.
- ⑥ Private traders may deny buying of crops.
- ⑦ Violation of limit imposed by WTO on the subsidies.

Steps needed to be taken: -

- ① Increasing farm productivity & yield.
- ② Increase water use efficiency.

- ③ Extension center to focus on mechanization.
- ④ Awareness generation among farmers for better agricultural practices, like use of soil health card scheme.
- ⑤ Provide institutional credit.
- ⑥ Incentive to form clusters & FPOs.
- ⑦ Promote R&D in agriculture.
eg:- R&D in agriculture has a 11 times return value.
- ⑧ Broaden insurance coverage.

These alternative solutions must be explored rather than legalising MSP, like sustainable Practices & Crop diversification for doubling farmers income.

Overall Grading (✓)

Poor			Average			Good		
1	2	3	4	5	6	7	8	9