

**GS Advanced Program 2023****Generic Booklet**Test Name/Code/No. : *691035*

Name

Email ID.

Roll No.

Mobile No.

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 -
<https://noticeboard.forumias.com/gsap-2023/>

Important -

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

Q. No.	Grade/Score
1	
2	
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7	
Overall Grade/Score	

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Q.1)

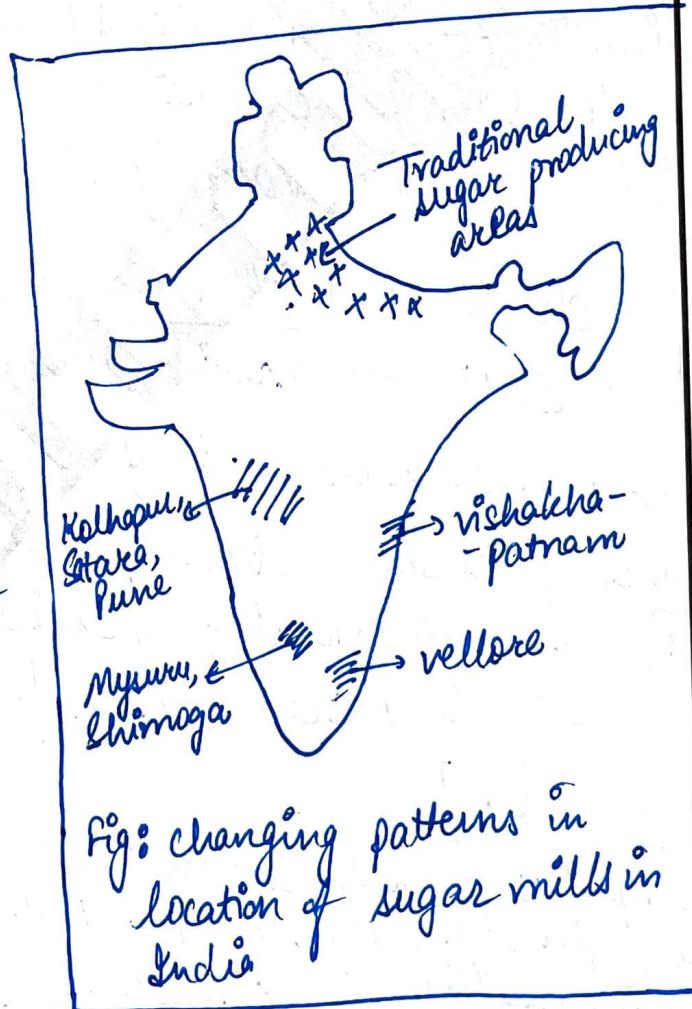
Traditionally, sugar mills were situated in sugar growing belts of north India - UP/Bihar. However, in recent decades, new sugar mills are coming up in southern states of India because -

Push Factors

① North Indian climate offers only 3-4 months of crushing season
 ↓
 so, operating cost of mills increases.

② Sugarcane in North India has lesser sucrose content

dries up faster due to hot + dry weather.



- ③ Political Interference in running of mills and cooperatives.
- ④ Agglomeration diseconomies leads to depression of sugar prices locally (production outpacing demand in the region)
- ⑤ Competition from khandasari and gur

Pull Factors

- ① climate — longer crushing season due to humid climate.
- ② high sucrose variety of sugarcane grown
- ③ High demand urban centres (South India — more urbanised).
- ④ Better management of cooperatives.
- ⑤ More favorable state policies.
[ex] more financially feasible State — Advised Prices (SAP) for sugarcane.

Way forward

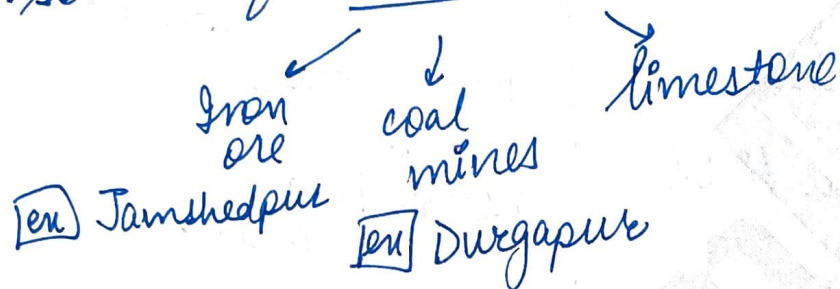
- Impetus to decentralisation as sugar ind. provides employment to many farmer
- modernisation of technology → off-season resource efficiency
- favorable policies ^{SAP} ~~cooperatives~~ → longer sugarcane shelf life

Overall Grading (✓)

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

Q.2)

Iron and steel industry has been traditionally situated near the source of raw materials



However, there have been new industries coming up at other locations as well due to —

① Export/import convenience

ex Vishakhapatnam

import high grade ore from Australia

export high quality steel to Japan

② Scrap iron/steel processing units

ex Delhi, Jaipur

③ Change in technology —

Earlier,	New technology
8 units (coal) + 1 unit (Iron ore) → 1 unit (steel) - Location preference ↓ near coal fields	2 units (iron ore) + 1 unit (coal) → 1 unit (steel) - Preference ↓ near iron ore.

As the western nations progress towards more services and knowledge economy, ~~more~~ manufacturing locus is shifting eastwards.

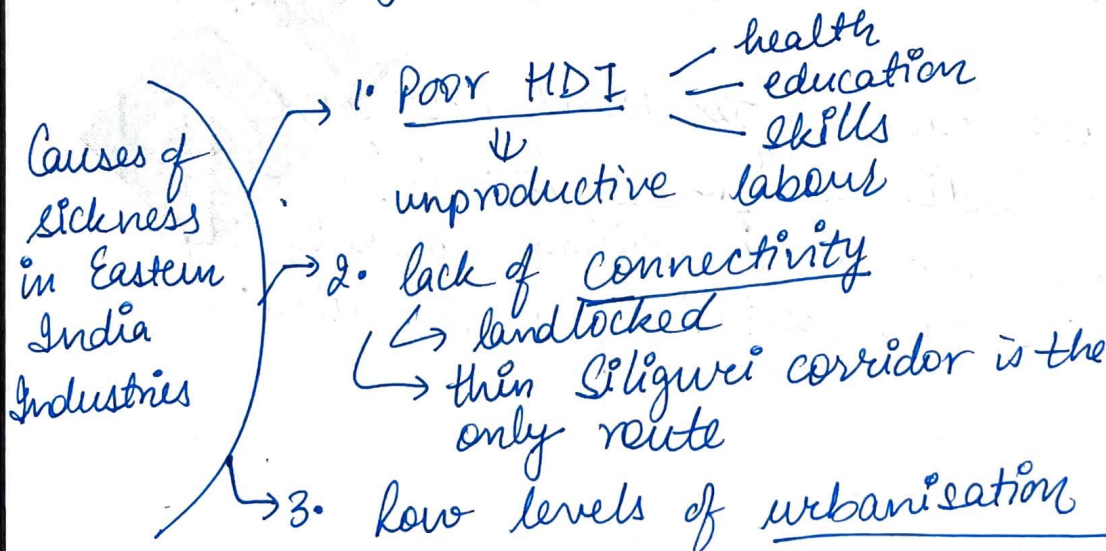
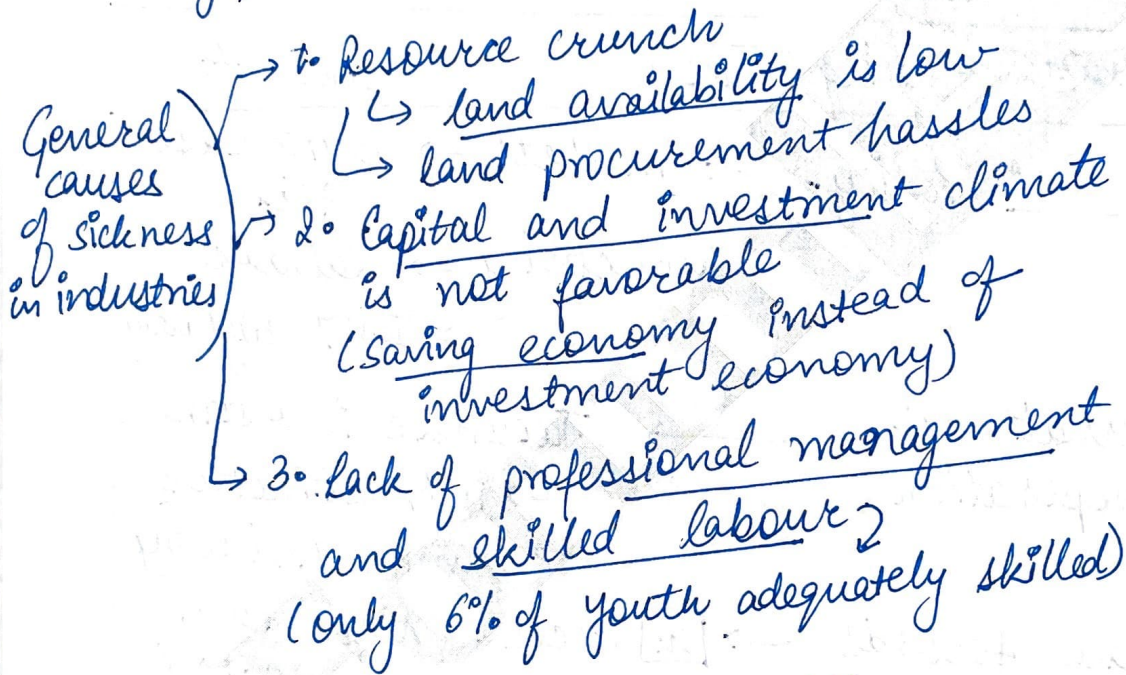
India must tap into this opportunity through focus on manufacturing (Make in India program) to become a 5 trillion dollar economy by 2025.

Overall Grading (✓)

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

Q.3)

The Eastern region of India contributes disproportionately lesser to the overall economy, including in industrial sector.



majority tribal areas $\Rightarrow$ low urbanisation

$\Downarrow$
no market demand
pull factor.

$\rightarrow$ 40 law and order issues

$\hookrightarrow$ due to insurgency

$\Downarrow$
adverse investment climate.

Measures Being Taken	Results
① <u>Act East Policy</u>	$\rightarrow$ markets $\rightarrow$ South East Asia $\rightarrow$ connectivity $\rightarrow$ Kaladan $\rightarrow$ IMT highway
② <u>International cooperation</u>	$\rightarrow$ Japanese investments $\hookrightarrow$ infrastructure $\hookrightarrow$ bamboo industry
③ <u>Peace Accords</u>	$\rightarrow$ <u>ex</u> recent Naga peace accord

PM-Modi referred to North East and Eastern India as "Ashta-Laxmi" and the government is taking concrete steps to realize the region's full potential.

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Poor			Average			Good		
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Q.4)

Regional resource-based manufacturing refers to the practice of focussing on those industries for which raw material is ~~not~~ locally available in the region.

How it can help in promoting employment?

- ① Production efficiency due to lesser raw material transportation costs
 $\Downarrow$
 products competitive
 $\Downarrow$
 capture more market share
 $\Downarrow$
 expansion of business and hence jobs
- ② Eliminate disguised unemployment in agriculture by off-season work at food processing units.
- ③ Traditional knowledge can be leveraged to produce unique products -
Pen Khandsari in western UP.

(4) Decentralised model of development
↓

labour heavy
(vs centralised model → mechanisation heavy)

However, there are certain challenges in this strategy —

① Not all industries should be placed near raw material sources

Ex semiconductor industry can't be set-up near rare-earth mines (requires clean air, huge amount of water)

② Lacking Infrastructure

↳ dense network throughout the country required. ↳ roads, railways, inland waterways

③ Mobilising capital in poor regions may be a challenge.

④ Human development — education, health, skills to provide productive labour should be focussed on.

Hence, the strategy of regional resource based manufacturing can be a good development model if the challenges are overcome.

Overall Grading (✓)

Poor			Average			Good		
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Q.5)

Food processing industries are manufacturing industries that take ~~to~~ agricultural products as raw material and process it into various food items for better shelf life, marketability.

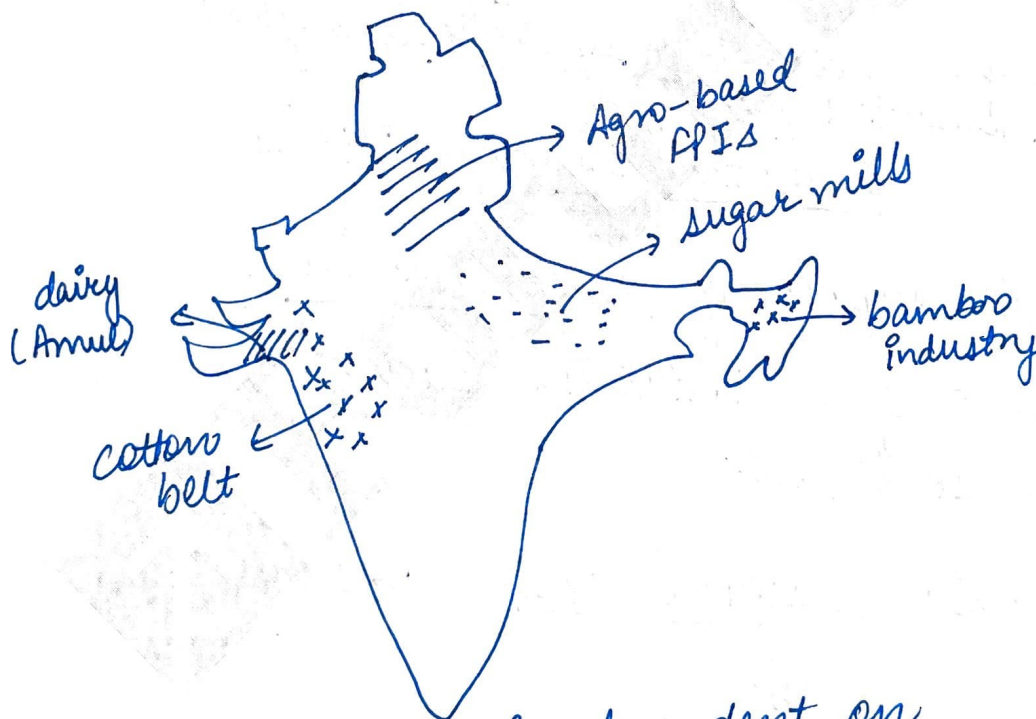


Fig: various industries dependent on agricultural products.

The food processing industry is concentrated in North West India because —

- ① High demand crops grown here
↳ rice, wheat
↳ bread, etc. made.
- ② Proximity to markets
[ex] New Delhi
- ③ General level of prosperity is higher
(Green Revolution effect) ⇓
Investments capabilities
- ④ Stable supply of raw materials
due to good irrigation facilities,
HYV seeds, etc.
- ⑤ Majorly seasonal crops grown
⇓
people looking for off-season
employment opportunities.

India processes less than 10% of the total agricultural produce (vs USA → greater than 60%).

Hence, we need to expand the food processing industries model to other parts of the country as well by —

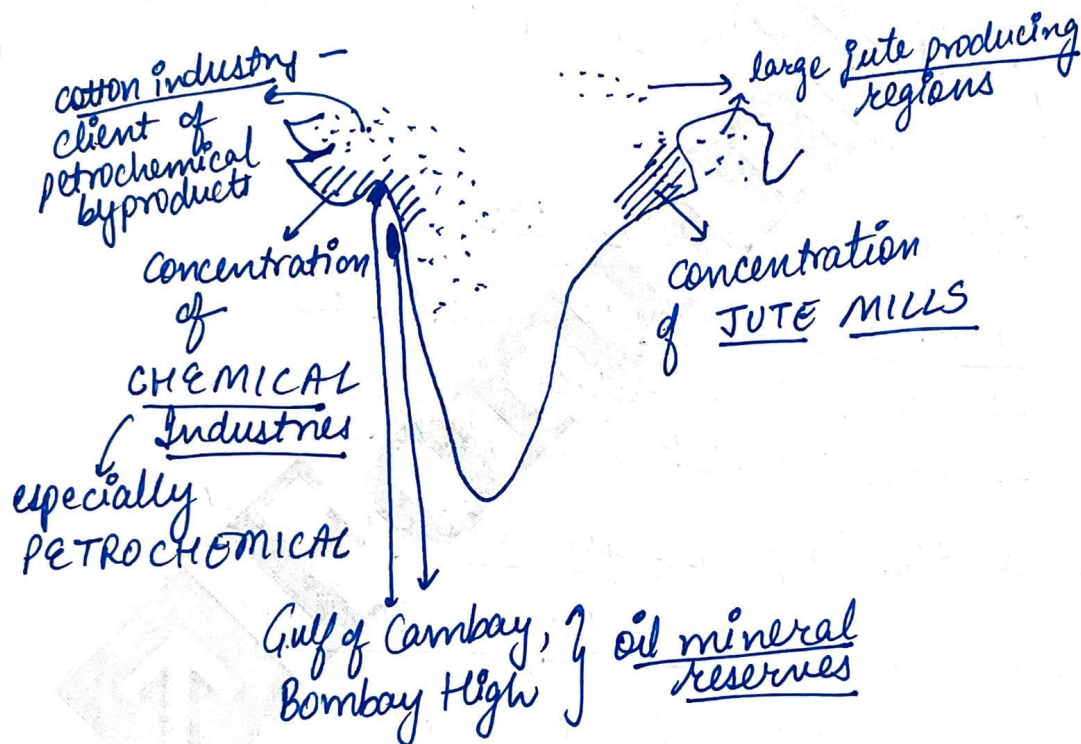
- * providing start-up capital
- * government schemes such as
 - Mega Food Parks
 - One District One Product
- * strengthening cooperatives and Farmer Producer Organisations
- * connecting hinterland with Global value chains.

Overall Grading (✓)

Poor			Average			Good		
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Q.6)

Jute mills in West Bengal, and chemical industries in Gujarat are some examples that buck the trend of decentralised supply and value chains.



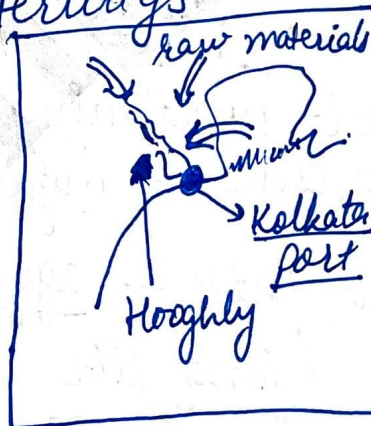
Reasons for Jute Mills along Hooghly

① Proximity to raw materials

↳ Jute is produced mainly in Bengal riverine - deltaic regions.

- ↳ Jute — weight losing raw material
- ↳ Bangladesh — largest jute producer.
- ② Availability of water
 - ↳ processing jute is a water-intensive process
 - ↳ flowing water of Hooghly reduces processing costs.

- ③ Connectivity to ports
 - ↳ (Kolkata port)
 - through Hooghly inland waterways.
 - demand of jute for packaging many products shipped through Kolkata port.



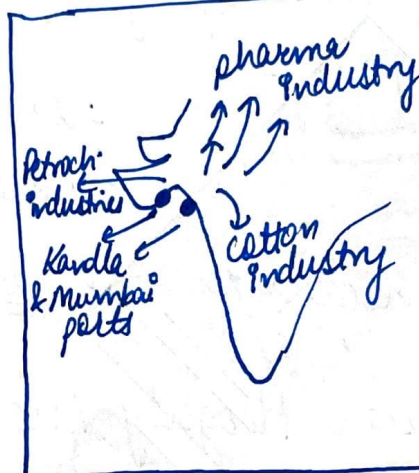
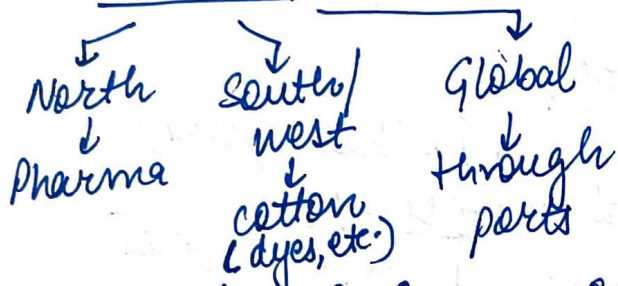
Why jute mills not decentralised elsewhere?

- ↳ bulky raw material
- ↳ demand of jute diminishing due to cheaper alternatives (plastic, synthetic textiles)
 - ⇒ so, no incentive to expand
- ↳ proximity to Bangladesh offers distinct agglomeration advantage.

Reasons for chemical industry concentration in Gujarat

① Petrochemical industries act as source of raw material

② Demand considerations



③ well-functioning capital and investments systems — Gujarat largely a business State.

④ Pull factor — agglomeration advantage
(giants like Reliance Industries)

However, the ^{chemical} industry can be feasibly decentralised and efforts must be made towards the same.

For the future industry, need of the hour is to generate demand, to incentivise use of product that is eco-friendly and sustainable.

Overall Grading (✓)

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Q.7)

With improved technology for oil processing, it is no longer necessary for refineries to be confined near oil fields.
(Recovery Rate is $> 90\%$ now).

POSITIVE IMPLICATIONS of REFINERIES away from crude producing regions

① Economic

- ↳ developing & non-crude producing countries get a share in oil value chain
- ↳ importing crude — financially more feasible than importing processed oil
(Trade imbalances, BoP crisis, etc.)

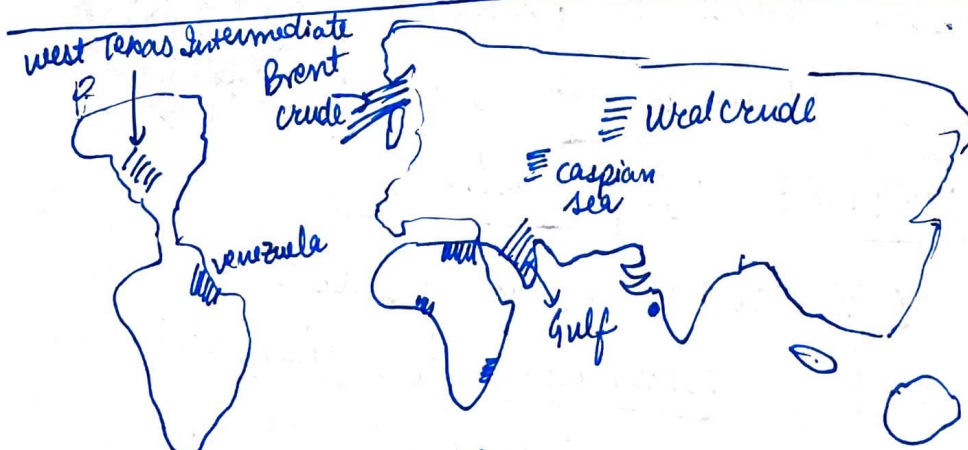


Fig: Major oil producing areas in the world.

② Energy security to developing countries

③ Specialisation differentiation

oil producing ↓ extraction specialisation [eu] shale gas technology of us	oil processing ↓ refining specialisation [eu] british petroleum
--	--

leading to overall more efficiency

④ Ecological damage of the industry
no longer concentrated

↓
diffusion of negative externalities

↓
respecting carrying capacity of ecosystems

However, the trend of outsourcing refineries to developing world has some NEGATIVE Implications

① Hinders shift away from fossils by creating economic dependencies of more and more countries on the

crude oil business.

- ② Ecologically dirty processes are being outsourced to developing nations.
- ③ Highly volatile industry as crude prices manipulated for geo-political reasons ex OPEC monopoly.
refineries $\downarrow$ forced to cut profit margins or run in losses sometimes.

Even though outsourcing oil processing brings economic opportunities to developing countries, it may not serve long term economic interests given the urgency to move away from fossils due to climate change.

Hence, it needs to be coupled with diversification of energy sources towards more renewable sources.

Overall Grading (✓)

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