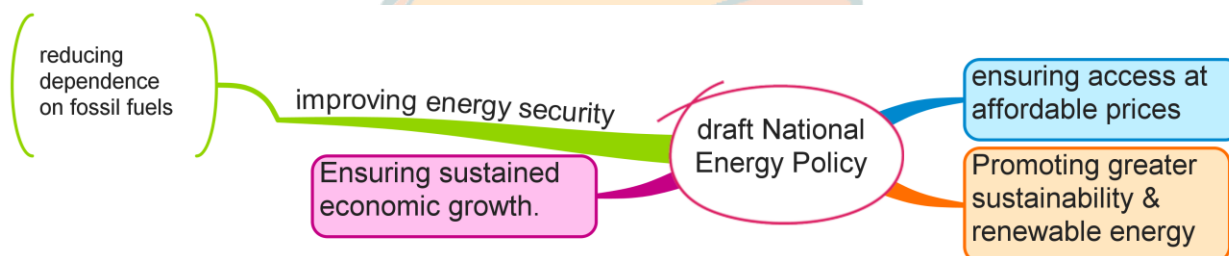


1. India's new draft National Energy Policy (NEP), released by the government's think tank, Niti aayog Projected various ambitious target. Enumerate the objectives of NEP and also discuss the challenges in achieving those targets.

- Briefly discuss about the NEP draft released by NITI Ayog and targets set in it or you can start by giving a brief profile of India's present energy situation and then discuss the importance of this document in brief.
- Mention the objectives of NEP.
- Discuss the challenges in achieving those targets.

**Key objectives:**



**What are the notable points in the draft?**

- It foresees India's power demand shooting up over four-fold.
- The draft policy has made a case for higher tax on big cars, SUVs and promotion of mass transport system like metro rail to improve air quality.
- The renewable energy mix by 2022 is targeted at 175 GW.
- There has been a mention on phasing out IC engine vehicles but not much emphasis has been given.

**What are the issues with the draft?**

- **Coal** - It has been estimated that coal-fired power capacity will grow to 330-441 GW by 2040.
- This is in **direct conflict with the declared twin goals of sustainability** and comes ironically at a time when solar and wind tariffs appear to be reaching historic new lows.
- The Aayog also forecasts that "our coal industry will emerge as an exporter of coal" in the backdrop of the shocking drop in demand for coal from most industrialized.

- Instead of focusing on phasing out our existing thermal power stations and replacing them with clean energy alternatives, the proposal to geographically locate power plants such that they do not damage air quality in human habitations makes little sense.
- **Gas** - It suggests that India should try hard to construct the Iran–Pakistan–India (IPI) and Turkmenistan–Afghanistan, Pakistan and India (TAPI) gas pipelines.
- Promote LNG imports, incentivize shale and conventional gas exploration, replace LPG in urban areas by piped gas and divert LPG to rural areas.
- All these are great suggestions, but most have been made earlier.
- Transnational gas pipelines like IPI and TAPI have been under discussion for over 20 years. But they have had no success
- **Nuclear** - The draft's focus on Nuclear energy has been critiqued as they neglect concerns regarding safety & intensive capital investment requirements.

#### What is the way ahead?

- Considering the calls for redoing the entire exercise, the government needs to consider the major changes to the draft when coming out with the actual policy.
- The contradictions in the draft need to be addressed & already failed suggestions needs to be sidelined.
- As articulated by some academics, the policy needs to be more specific with steps for implementation rather than as a framework vision document.

#### Further Read:

<http://www.livemint.com/Opinion/5h2buHAGm6ZrVEEAg6CBCM/Is-the-draft-national-energy-policy-actionable.html>

<http://www.wri.org/blog/2017/02/5-issues-watch-india-reaches-ambitious-energy-access-target>

#### 2. Values are the very core of our behavior, the motive force of our lives. Substantiate with example.

- In introduction, define values and their importance in brief.
- Explain the impact of values on the development of our behaviour.
- Give example of 2-3 values with their impact on your own life or some example from the current news or famous personality.

**Few pointers:**

- Values are important and lasting beliefs or ideals shared by the members of a culture about what is good or bad and desirable or undesirable.
- Values provide the **prime motivating force** behind our thoughts, emotions and actions. They affect our attitude and behaviour as they are at the core of our beliefs.
- Values have major influence on a person's behavior and attitude and serve as broad guidelines in all situations. They do not change with time and space and tend to be relatively stable and enduring.
- For example: When a person is driven by the value of 'Courage', he/she tends to act courageously in daily life. We need to develop our character through human values like perseverance, courage, generosity, kindness, beneficence, and compassion.
- Similarly for healthy work culture trust and respect among employee-employer is must.
- Hence work culture is driven by these values.

**3. Real freedom is of the mind and spirit, it always come from the inside. Analyse.**

This is a philosophical question which requires correct understanding of the statement and then the answer should be written.

- Define freedom and also mention the obstacles in getting real freedom.
- How mind and spirit can bring real freedom whereas outside knowledge won't help much (here you can quote Vivekananda or others.)
- Mention the relevance of this statement in present context and how it can help in achieving real freedom in this materialistic world.

**Quotes by Vivekananda**

- Knowledge is inherent in man; no knowledge comes from outside; it is all inside; What we say a man "knows", should, in strict psychological language, be what he "discovers" or "unveils"; what a man learns is really what he "discovers", by taking the cover off his own soul which is a mine of infinite knowledge.
- You have to grow from inside out. None can teach you, none can make you spiritual. There is no other teacher but your own soul.

**Few pointers:**

Freedom as 'inner freedom' emphasizes on the inner aspect of life. The closest English equivalent would be 'freedom-hood' meaning 'freedom of one's consciousness state', the conscious inner struggle for inner freedom for which all human beings strive for understanding knowledge of one's connectedness with the world and other beings in the world i.e. 'enlightenment'. Enlightenment is the mental condition of inner freedom. Inner freedom is freedom from the ignorance of human nature and human potentiality... 'Freedom of thought', freedom of mind, freedom of conscience...

- Freedom is said to exist when an individual is not subject to external controls or coercion and is able to make independent decisions and act in an autonomous way.
- Freedom is also about expanding the ability of people to freely express themselves and develop their potential.
- Freedom in this sense is the condition in which people can develop their creativity and capabilities.
- In the present era people have been given sovereign power in their hands. But this power is robbed by hosts of self-seekers.
- The ideal form of freedom is curtailed on every side. Peoples' thoughts are fashioned according to the plans of organized interests; in its choosing of ideas and forming of opinions is hindered either by punitive action.

**4. You are a Civil Servant and remain busy throughout the day because of the work pressure. Your wife is also a bureaucrat having identical routine. You are having a three year old child who is looked after by a full time maid. By the time both of you reach home; the child goes to his bed.**

**Parents want that their child should be inculcated with best of human values. Since you are not able to spend time with your child, what steps should be taken to inculcate human values and relationships?**

**What are the potential social and emotional developmental aspects that will affect the child's development and how will you overcome them?**

In this case study, there are few underlying themes:

- 1 Childhood period is a crucial one for inculcating values.

- 2 Parents - child love and importance of early child care.
- 3 Importance of human values in a person's life.

While suggesting steps, make sure that whatever you are suggesting should be practical and consider the dilemma's mentioned in the question. Also focus on the values which you want to be imparted in your child. That will make your task easier and help to you to identify various ways.

**Few pointers:**

One has to remember that the best of human values could be inculcated only in the early years of life especially during the childhood. In the particular case, because of the busy schedule of the parents, special care has to be taken so that child has not to be deprived of basic lessons of life.

**Parents may take following steps -**

- Well educated Maid- since maid is full time available to the child, hence best of values could be transmitted to the child only through her. If she is little educated, she should be persuaded to read few books on child psychology and on child behavior. Child should be told that she/he should give respect to the maid.
- Proper communication with the child- to overcome isolation and check emotional level
- If possible grandparents from either side may be requested to come so as to spend some time with their grandchildren. Family values and social values can be best imparted by grandparents. It will also help the child be surrounded by family members and be associated with love and compassion.
- Parents should spend as much time as possible with the child. Visiting parks, zoo, on the bank of river can sensitize the child to the outside world.
- Having technically sound arrangement in house to track the activities of maid and your child.
- Optimum utilization of holidays and time spent with the child
- By the age of 4 years, the child starts going to playschools, Nursery schools. The parents should always have feedback from teachers.

5. You are a district magistrate, being assisted by a police officer and force dealing with a violent mob which is protesting against price rise, corruption etc. Prohibitory order under section 144 CrP.C. has been made by you and inspite of your best efforts the mob is not dispersing rather started throwing brickbats. Police had no option except to fire two rounds in air. The mob dispersed but unfortunately one of the bullet hits a passerby who was returning after the day long work. He died on the spot. On verification, you found that he was the only earning member of a family of 8 people.

Answer the following on the basis of the above incident.

(a) Do you justify the police firing? What should have been the ideal way of dealing with the situation?

(b) What will be the best course of action to compensate the death of the young person?

(c) In future if such situation arises, what will be ideal way of dealing with the situation?

In this case study, if you know legal aspects and court guidelines then it becomes easy for you. Section 144 confers powers to issue an order absolute at once in urgent cases of nuisance or apprehended danger. Specified classes of magistrates may make such orders when in their opinion there is sufficient ground for proceeding under the section and immediate prevention or speedy remedy is desirable. It requires the magistrate to issue the order in writing setting forth the material facts of the case and the order is to be served in the manner provided by section

As per the Police Code of Conduct, As far as practicable, the methods of **persuasion, advice and warning** should be used. If however, the use of force becomes unavoidable then only the **irreducible minimum force** required in the circumstances should be used.

**Few pointers:**

- It was unfortunate that the police firing resulted in to the death of an innocent man. But the police had no option as the mob was not dispersing and turned to violent action. So they had to resort to firing. The old man died unintentionally. The action of the police was legitimate and lawful.
- The ideal way should have been first to use tear gas, rubber bullets, water cannons to



announce firing. Resorting to firing instantly is not a desirable step. However firing should be effective and only a last resort.

- The first and immediate step should be to hold postmortem of body. The Magistrate can himself take a personal initiative by announcing ex-gratia relief and arrange relief for the next of kin since he was the only earning member of a family of 8 people.
- One member from his family can be given compensatory employment. Though the grief cannot be compensated but such ex-gratia grants and relief are helpful to minimize the loss that the family of the old man has suffered

**6. A strong knowledge ecosystem is an essential component for rapid economic growth model. Comment.**

- Define knowledge ecosystem and derive a link between knowledge ecosystem and economic growth.
- Briefly introduce the linkage between good education and economic growth. Also mention the condition of present education system in India. Or you can start with recent debates and steps taken by the Govt to improve the condition of. Higher education/research in India.
- India plans to pump in over Rs. 10,000 crore to build 20 world-class higher education institutions.

**Facts: JUST FOR INFO**

By 1960's, American economists such as Kenneth Arrow and Robert Solow had begun to notice that growth and productivity could not be explained only by capital and labour. This differential they attributed to the knowledge content of an economy. Today, knowledge-intensive and high-technology industries contribute the most to long-term growth. It is no accident that the U.S. accounts for 33% of global output of knowledge-intensive services, China 10%, but India only 2%. In high-technology manufacturing, India barely exists.

- **Mention the steps to develop a strong and robust ecosystem in India.**

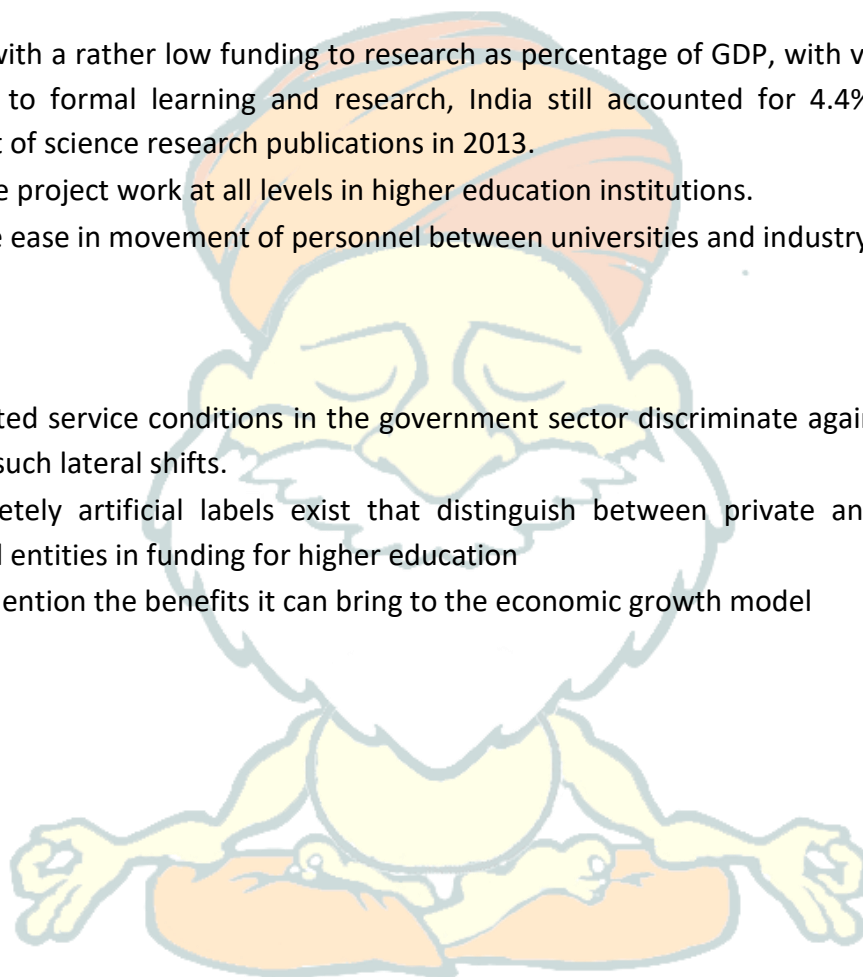
- **How institutes can help in creating robust ecosystem for innovation?**

Institutions can generate an ecosystem for innovation in many ways: by providing access to knowledge capital, an atmosphere of inquiry, and an experimental environment where those ideas can be tested. For reality testing, **we need collaboration between academic researchers and the users of that knowledge, industry, and government. It is this interface that is rather weak in India.**

- Even with a rather low funding to research as percentage of GDP, with very few Indians taking to formal learning and research, India still accounted for 4.4% of the global output of science research publications in 2013.
- Include project work at all levels in higher education institutions.
- Ensure ease in movement of personnel between universities and industry.

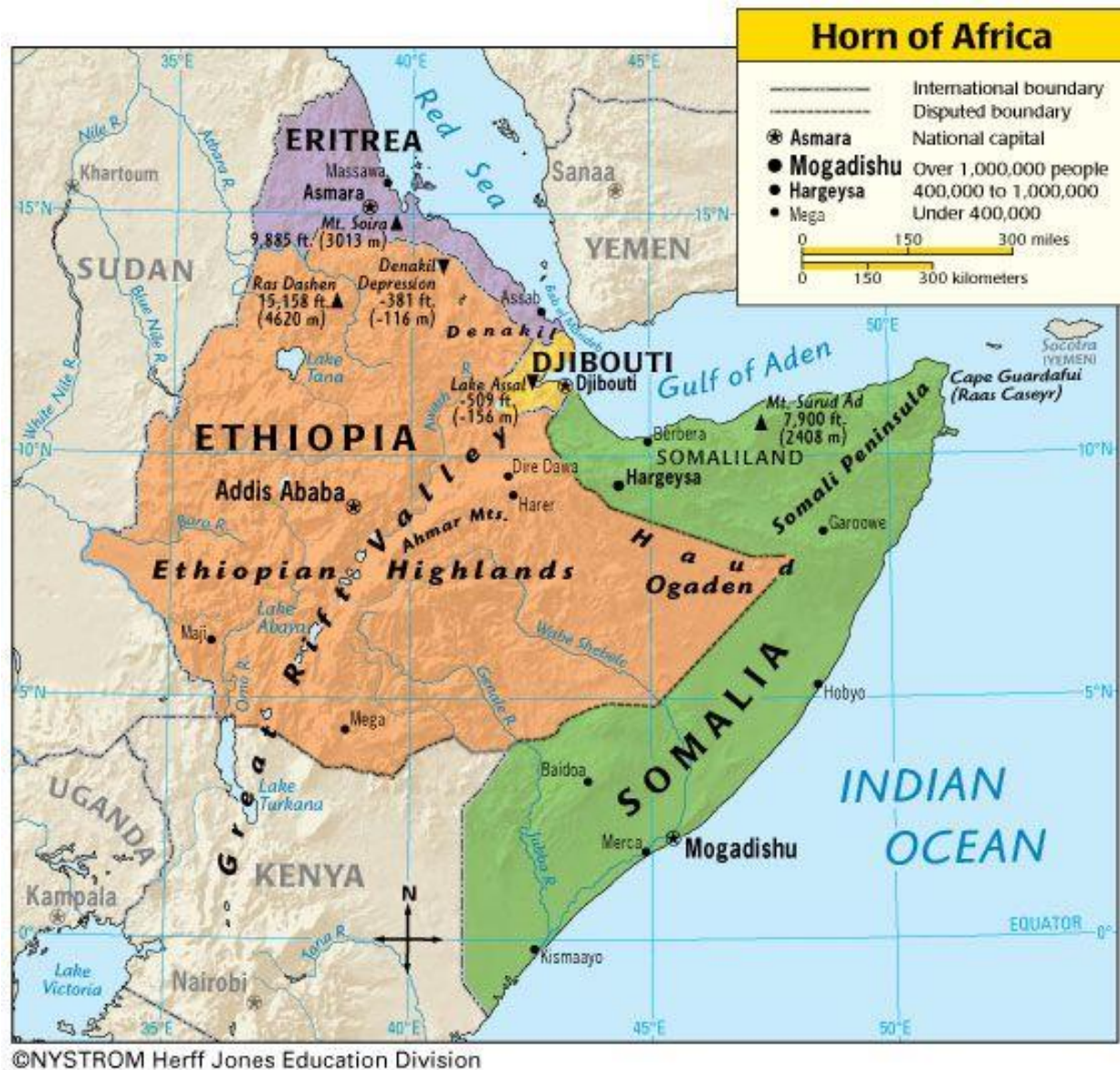
#### **Obstacles:**

- Outdated service conditions in the government sector discriminate against people who make such lateral shifts.
- Completely artificial labels exist that distinguish between private and government-owned entities in funding for higher education
- Also mention the benefits it can bring to the economic growth model





7. Discuss the geopolitical significance of the Horn of Africa to India. Also discuss the present Indian policy towards that region.



This is a straight forward question.

- Mention the geopolitical significance of the Horn of Africa to India. (use PESTLE analysis to mention the significance of Horn of Africa.)
- PESTLE-Political, Economic, Social, Technological, Legal, Environmental
- The four different states constituting the Horn — Somalia, Ethiopia, Eritrea and Djibouti — along with Yemen across the Red Sea have long been described as one of the world's pivotal regions.

- China has marked its presence by established Military and Naval base in countries in the region also by various developmental activities (OBOR initiative) , Mining, oil and natural gases. Indian is trying to make its presence in the region by Training, education and capacity building and is trying to make a balance with the Chinese presence in the region.
- Djibouti's location at the confluence of the Red sea with The Indian Ocean and it connects Africa, The Middle East and Asia. So it needs to be secured because India's major import from gulf countries is done through it.
- Important to India for Blue economy, spice trade, natural gas reserve, oil, fertilizer imports.
- The horn can provide port of call and logistic support to Indian Navy.
- This region acts as a connecting link between India and North African countries. So this region can act as a catalyst to India trade and relation with North African countries.
- Discuss the present Indian policy towards the region.

India's engagement in the region has not been great to a larger extent (recently President Kovind visited Djibouti). It was largely concentrated towards internal economies rather than expanding geopolitically. But the recent initiatives like ease of doing business may bring some changes in the relation of the two regions. India and Japan led Asia Africa growth corridor, road map for opportunities and aspirations in Asia and Africa will surely change the past scenario in Africa as well as in The horn of Africa region.

**8. Despite making constant efforts, India is ranked 100th position among 119 countries in Global Hunger Index. Discuss the reasons behind such low rank. Also, suggests some measures to improve the condition.**

In Introduction, you can mention about the recent rank & other facts related to issue of malnutrition, hidden hunger etc. in India.

**GHI considers four parameters to for ranking countries:**

- **Undernourishment:** share of the population that is undernourished, reflecting insufficient caloric intake;

- **Child wasting:** share of children under the age of five who are wasted (low weight-for-height), reflecting acute under-nutrition;
- **Child stunting:** share of children under the age of five who are stunted (low height-for-age), reflecting chronic under-nutrition; and
- **Child mortality:** mortality rate of children under age five

#### Mention the reasons behind such low rank

- Lack of good quality food
- Low quantity of food intake.
- unhealthy environment with problems in access to safe drinking water
- persistent low incomes of households as well as lack of sanitation, potable water, and regular health checkups.

#### Facts

- The country's top 1% own more than 50% of its wealth, India is the world's second largest food producer, yet it is also home to the second highest population of under-nourished in the world.
- IFPRI pointed out that more than one-fifth of Indian children under five weigh too little for their height and over a third are too short for their age.
- Even with the massive scale up of national nutrition-focused programmes in India, drought and structural deficiencies have left large number of poor in India at risk of malnourishment in 2017

#### What should be done?

- **Listen** to the voices unheard. Often, policymakers make hypotheses regarding what marginalized communities require without first talking to them. How can a doctor prescribe medicines without talking to the patient? Small farmers, farm labour and urban poor should also form part of the policies affecting food security.
- **The Government** must be bold enough to admit failure and should have courage to restart: Often, problems remain due to denial. Governments should have the humility to see the realities from the field, listen to critics and learn from mistakes. Integral to this is freedom of assembly and association, including peaceful protest, and the right to information

- **Prioritization:** Like any corporate, the Government should also have key performance indicators and they should be linked largely to achieving sustainable development goals. GDP numbers and stock exchange performance doesn't matter to common people as much as these do.
- **Education and social safety nets:** Improving education is a key focus area. Governments must focus on income security for marginalised segments and provide them with meaningful nutrition and healthcare. It is important to acknowledge that not all problems have business solutions and welfare cannot be forgotten.

Further read:

<http://www.orfonline.org/research/why-is-india-ranked-so-low-in-global-hunger-index/>

### 9. Transparency in judicial appointments and transfers needs a sufficient check to maintain the accountability. Comment.

#### Why it was in news?

The Supreme Court collegium's decision to disclose the reasons for its recommendations marks a historic and welcome departure from the entrenched culture of secrecy surrounding judicial appointments.

Mention the need of transparency for achieving the ideals of Good governance.

**Transparency** requires that there are clearly established criteria for selection, and that records of selection meetings are properly maintained with views of those who participated properly recorded, to ensure that selections were not arbitrary.

Mention the efforts done by Judiciary and legislative to bring more transparency and Accountability in judicial system

- Third judges case.
- NJAC
- Recently taken step like disclosure of reasons of recommendations



### Obstacles/Issues in bringing transparency

- Appointment of judges or their transfer range from reasons from Past Experience, Seniority, Reports of Intelligence Bureau- a detailed reason published on online sites can have many drawbacks such as unwarranted media attention, false news etc.
- While appointing a Judge from a plethora of Practicing Advocates, questions and allegations may be raised on grounds of Seniority, appearance in matters, efficiency of the appointed over the others, leading to controversy.
- Invites question on appointments/transfers tarnishing the Image/Independence of Judiciary as provided in the Constitution of India.
- Judges may be affected by External Factors such as Media Role play, Public opinion while delivering judgment which may amount to decline in quality and fine thinking.

**10. Investment in Railways has a multiplier effect on the economy in broader sense. In this context, discuss Indian railway's plan of modernization and its possible impacts on different sectors of economy?**

First explain the statement 'Investment in Railways has a multiplier effect on the economy in broader sense'. Mention how a modern Railway system can affect the economy.

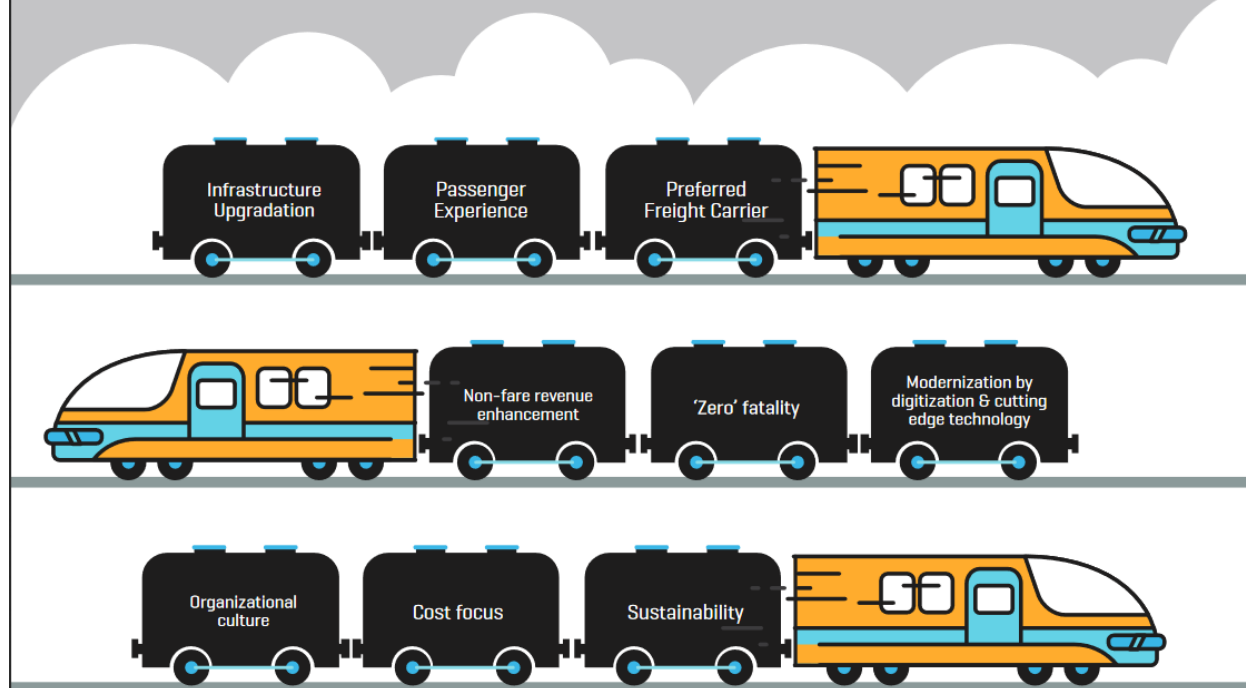
Economic Survey 2014-15 has noted that increase in public infrastructure investment, if efficiently implemented, have positive effects on the economy. In the short run, it **boosts aggregate demand**, and in the long run, **a supply side effect** also enhances.

Railway is among the sectors with maximum positive spillovers with considerable linkages with the larger economy. Thus investments made here will yield far greater returns.

Modernization plan of Indian Railway

- High Speed railway between Ahmedabad and Mumbai: Bullet train
- Dedicated freight corridor.

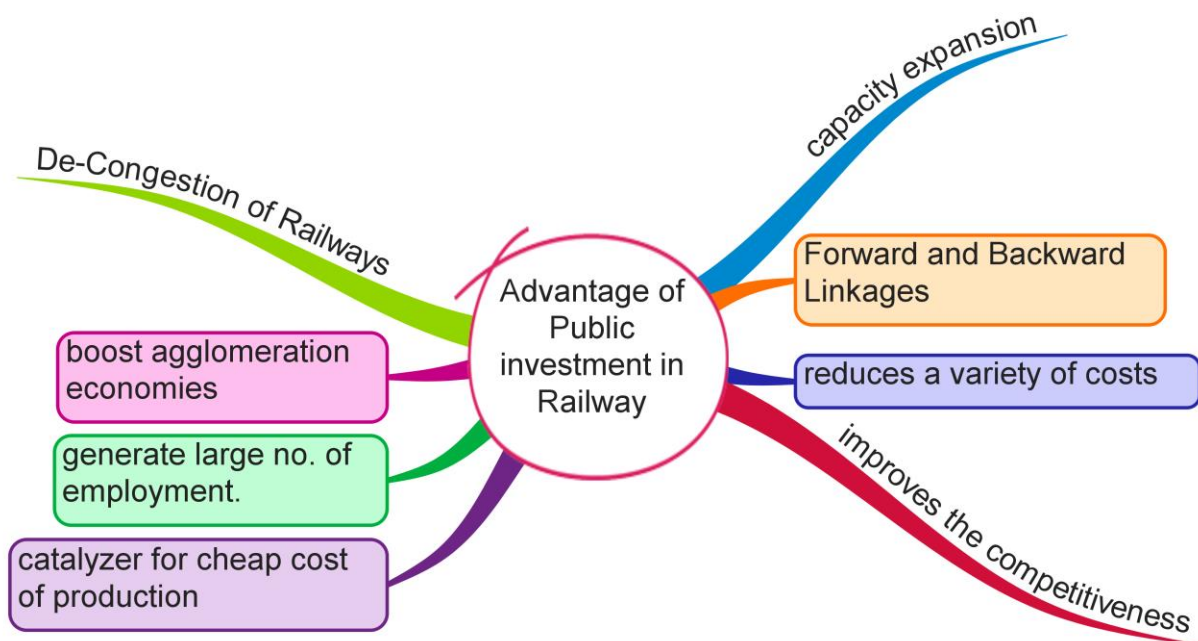
## INDIAN RAILWAYS' MISSION & VISION



**Advantages and possible impact on various sectors:**







For more info:

See <http://www.indianrailways.gov.in/Railways%20Presentation.pdf>

11. Disinvestment and strategic sale of public sector enterprises have been touted as important source for bolstering government exchequer. However, the achievements have not been at par with the exceptions in the last few years. Critically analyze.

## Time to Cut Losses

NITI Aayog has submitted a report to PMO on 74-loss making CPSEs

**Seven pronged strategy for sick PSUs**

**Closure** of 26 units, merger of 3 CPSEs & long-term lease of five CPSEs

**6 units** can be transferred to state governments

**Status quo** in 2 CPSEs

### Case for a quick decision

**₹53,772 crore** provided to the 74 units between 2004 and 2016

Sick CPSEs owe **₹33,960 crore** to the Centre

**How will it help?**

Save govt spending on loss making companies

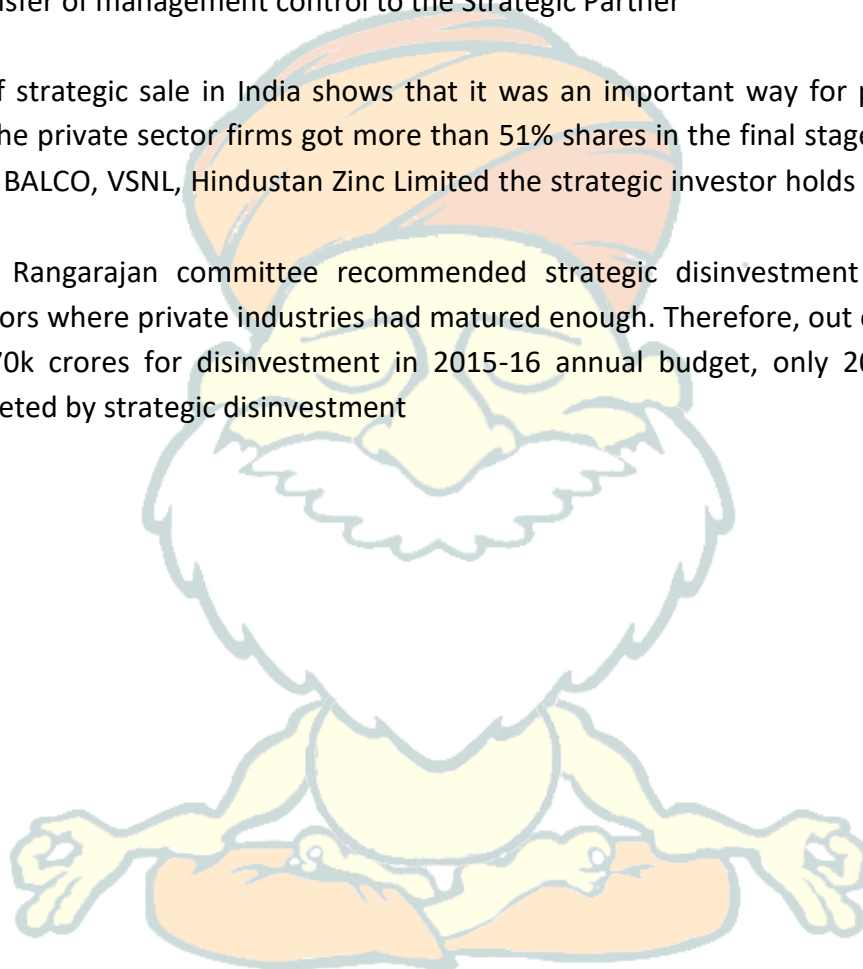
Help meet ₹20,500 crore target from strategic sales

Strategic sale of a PSU is different from the ordinary disinvestment. This is because in the case of strategic sale, the control and a significant proportion of a PSU's share goes to a private sector strategic partner. According to the Department of Disinvestment, in the strategic sale of a company, the transaction has two elements:

- Transfer of a block of shares to a Strategic Partner and
- Transfer of management control to the Strategic Partner

The history of strategic sale in India shows that it was an important way for privatization. In many cases, the private sector firms got more than 51% shares in the final stages. For example in the case of BALCO, VSNL, Hindustan Zinc Limited the strategic investor holds more than 51% shares.

- The Rangarajan committee recommended strategic disinvestment only in those sectors where private industries had matured enough. Therefore, out of a total target of 70k crores for disinvestment in 2015-16 annual budget, only 20k crores were targeted by strategic disinvestment



**NATION-BUILDING: Post 1947**

PSUs were conceived as part of state-led capitalism to bring self-reliant economic growth. The thrust was on import substitution, job creation and tackling regional imbalances.

**Between 1951 and 1990, the number of central PSUs increased from 5 to 244 units. But by 1990 many PSUs had turned into inefficient enterprises**

**COURSE CORRECTION: Post 1991**

Poor finances forced the government to liberalise economy and rethink its PSU policy. Promising PSUs were classified into maharatnas, navratnas and miniratnas. Sectors reserved for PSUs, like telecom, were opened up. It was a tentative start:

**Against a target of ₹54,300 crore from disinvestment between 1991 and 2001, only ₹20,078 crore could be raised**

**PRIVATISATION BUZZ: Post 2001**

Newly set up Department of Disinvestment oversaw strategic sales of many PSUs like ITDC, Balco, Modern Foods. **Realised the best ever disinvestment proceeds of ₹21,163 crore between 2001-02 and 2003-04 as against a target of ₹38,500 crore**

**LEFT HURDLE: Post 2004**

Under UPA government, PSU disinvestment took a back seat. By 2011-12, **only ₹14,000 crore could be raised against a disinvestment target of ₹40,000 crore**

**PRIVATISATION PART II: Post 2016**

Air India is up for disinvestment. In April, Cabinet cleared disinvestment in four PSUs under the Defence Ministry – Bharat Dynamics, Garden Reach Shipbuilders & Engineers, Mazagon Dock Shipbuilders and Mishra Dhatu Nigam; **plans afoot to list them by selling up to 25% via IPOs; launch of an ETF fund announced, which will include companies in which government owns stakes**





# READY RECKONER

## THE PRESENT

**ECONOMIC HEFT:**

235-odd PSUs chip in 20% of GDP and 15% of stock market capitalisation through 50 listed firms

**BIG EMPLOYER:**

There are 235 CPSEs employing over 10 lakh people

**STATES' SHARE:**

There are over 1,000 PSUs at the state and municipal level

**AILING ENTERPRISES:**

One-third of the CPSEs are making losses today

**LOSING MOMENTUM:**

Gross turnover of CPSEs fell 7% in 2015-16 despite good GDP growth

**SURGING LOSSES:**

Between 2007 and 2016, sick CPSEs had losses totalling ₹19.68 lakh crore



## THE FUTURE

NITI Aayog has recommended strategic sale of over 40 PSUs and outright closure of 26 sick PSUs

Two decades after first being mooted, Air India and its subsidiaries are finally being readied for disinvestment

NIPFP has advised 10-year divestment plan of 50% of PSU assets, collecting \$250 billion. Proceeds should go to a strategic investment fund to invest in public infrastructure

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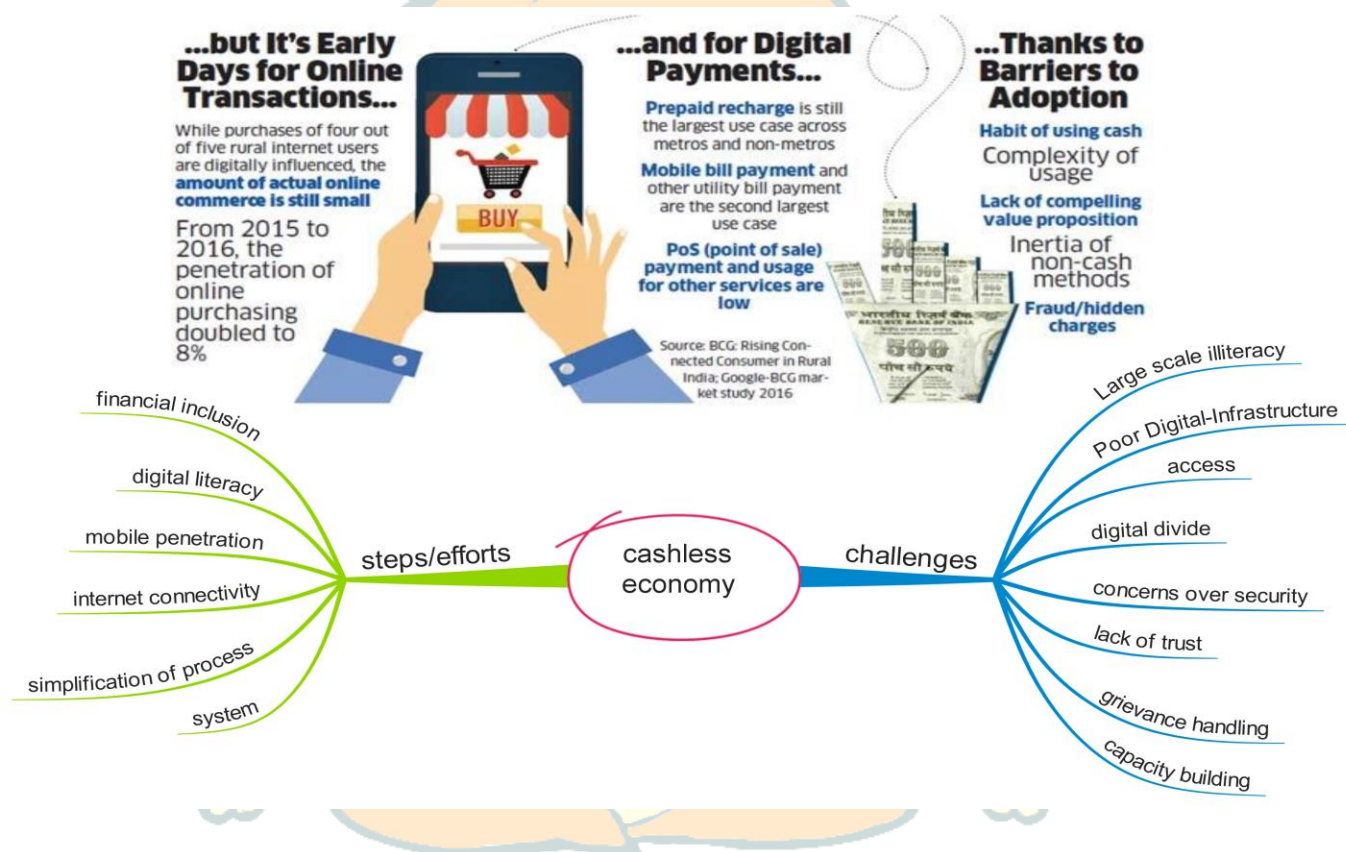
Additional Read:

<https://economictimes.indiatimes.com/news/economy/policy/niti-aayog-singles-out-32-loss-making-psus-for-strategic-sale/articleshow/52754952.cms>

<http://pib.nic.in/feature/feyr2001/fmar2001/f150320012.html>

<https://economictimes.indiatimes.com/news/economy/policy/how-some-of-indias-psus-are-set-for-a-logical-evolution-through-disinvestment/articleshow/60039546.cms>

12. Cashless economy gets boost through demonetisation. Yet, the penetration is limited. What are the challenges of achieving a cashless economy in the case of India? How can these challenges be overcome?





**13. According to UN report, Female Participation in Urban Workforce in India Lower than Rural Areas. Explain this phenomenon and mention the reasons. Also, give some solution to improve this situation.**

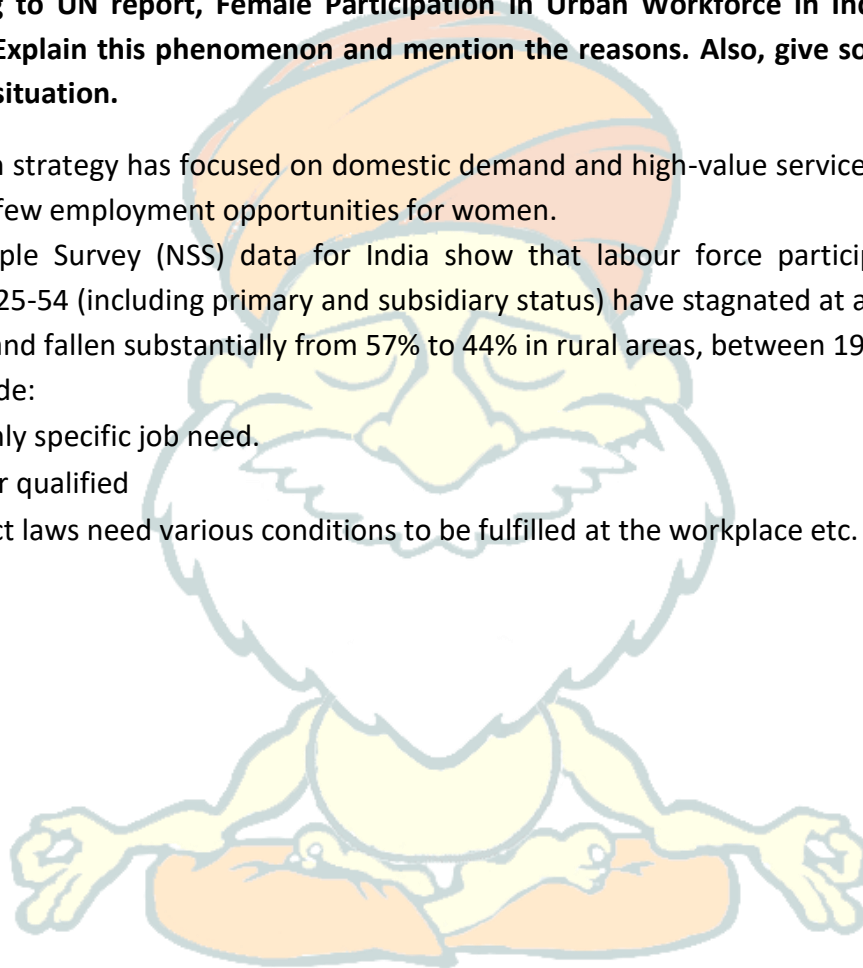
India's growth strategy has focused on domestic demand and high-value service exports, which generate too few employment opportunities for women.

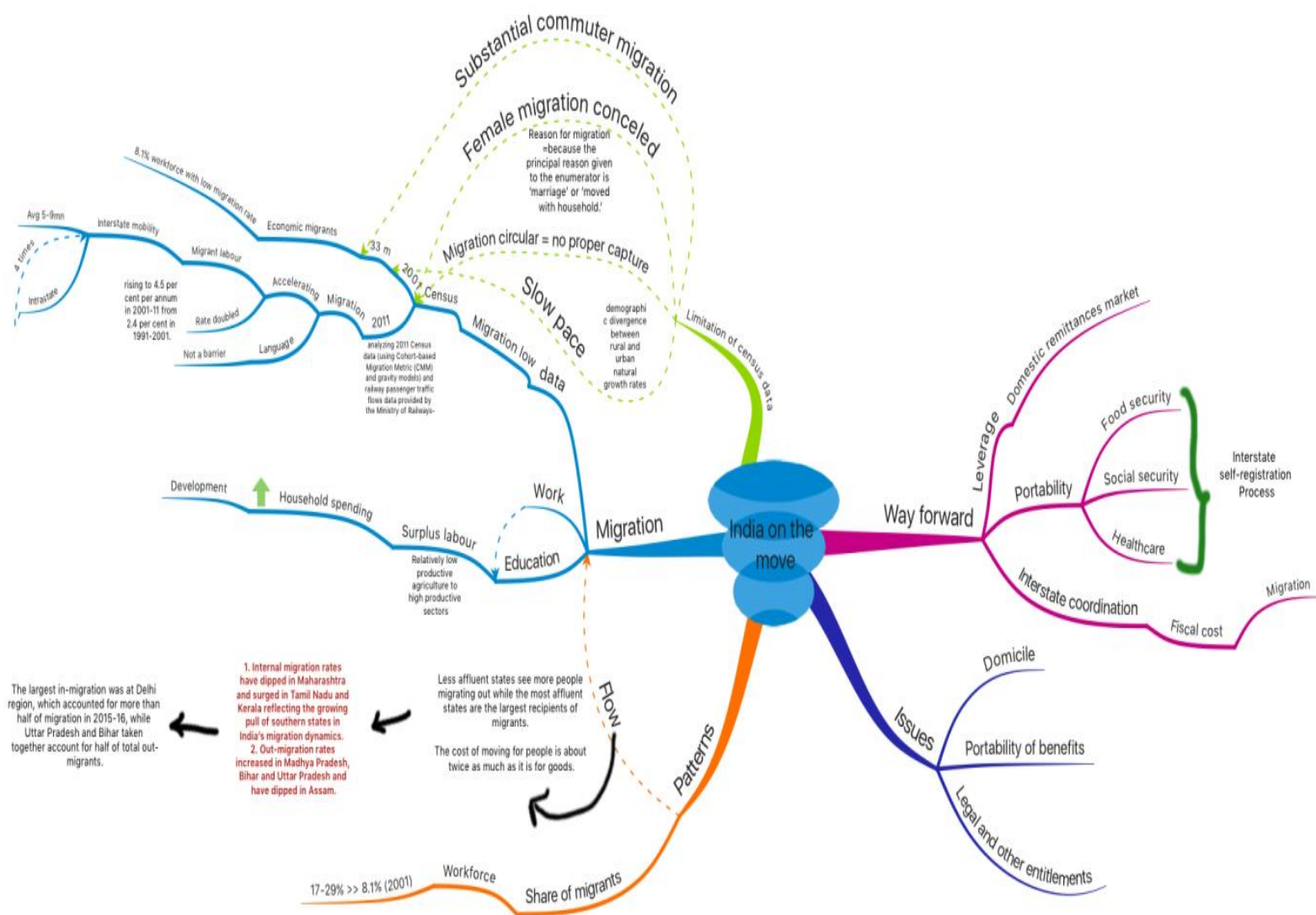
National Sample Survey (NSS) data for India show that labour force participation rates of women aged 25-54 (including primary and subsidiary status) have stagnated at about 26-28% in urban areas, and fallen substantially from 57% to 44% in rural areas, between 1987 and 2011.

Reasons include:

- Highly specific job need.
- Over qualified
- Strict laws need various conditions to be fulfilled at the workplace etc.

**Few pointers:**





### Steps taken:

- Increased the maternity leave for women from 12 to 26 weeks for both commissioning and adopting mothers.
- In 2013, the Indian Parliament also adopted an Act which provides protection to women workers against sexual harassment workplace and for the prevention and redressal of such complaints.

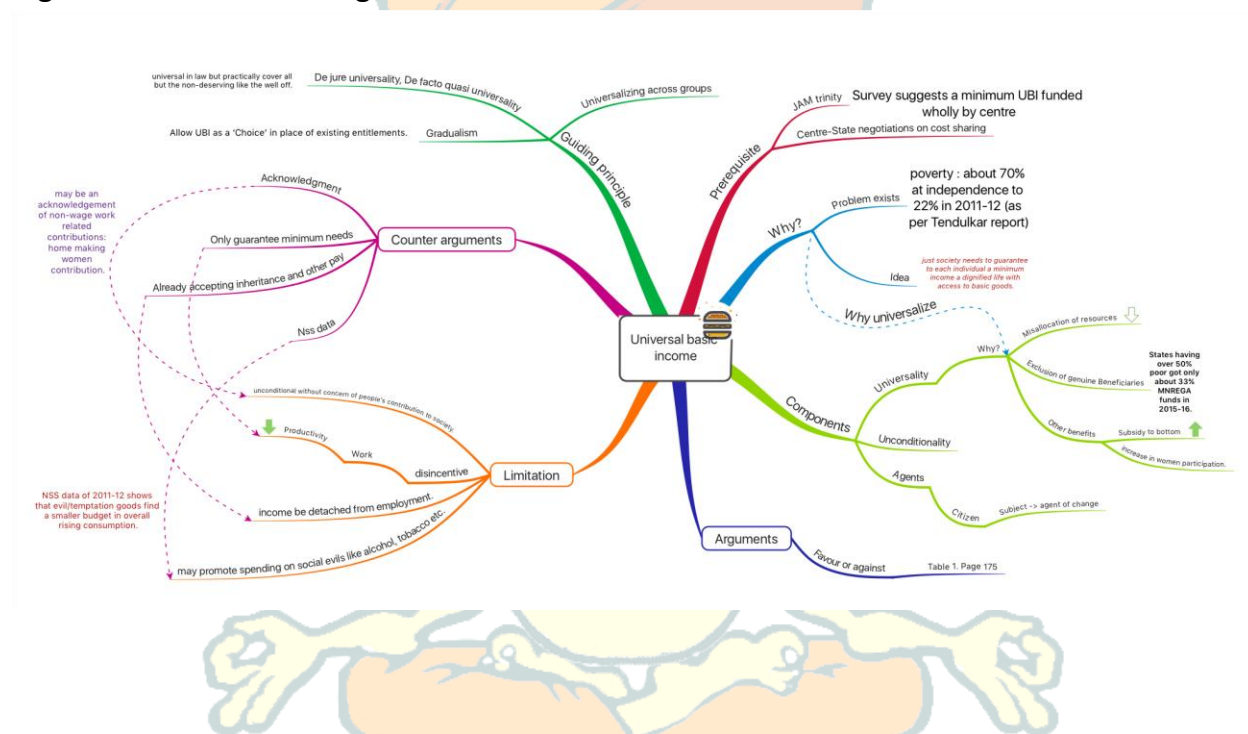
- Measures taken by the Indian government to promote gender equality and women empowerment such as 'e-Haat' for women entrepreneurs, and the 'Beti Bachao Beti Padhao' campaign which focuses on promoting education for girl child.

Additional Read:

See <http://www.livemint.com/Opinion/vgO1ynMV6UMDnF6kW5Z3VJ/Low-stagnating-female-labourforce-participation-in-India.html>

<https://thewire.in/165005/indian-workplaces-losing-women-nationwide/>

14. This year's economic survey touted the idea of Universal basic income. Examine the arguments in favors and against the introduction of universal basic income.



15. There is so much debate about the GDP Figures in Indian media. A new methodology has been brought in to calculate GDP. In that context, what do you understand by Gross Value Added (GVA)? How is it different from GDP? Also mention, why there is so much difference in GDP no due to such change?

Since 2015, India replaced GDP at Factor Cost by GVA at basic prices in line with recommendations of UN System of National Accounts (2008) and Pronab Sen Committee to

make our GDP numbers comparable with that of developed nations. GVA is defined as the value of output less the value of intermediate consumption

$\text{GDP (market price)} = \text{GVA (basic prices)} + \text{DITS}$ , where  $\text{DITS} = \text{indirect taxes(product)} - \text{Product subsidies}$

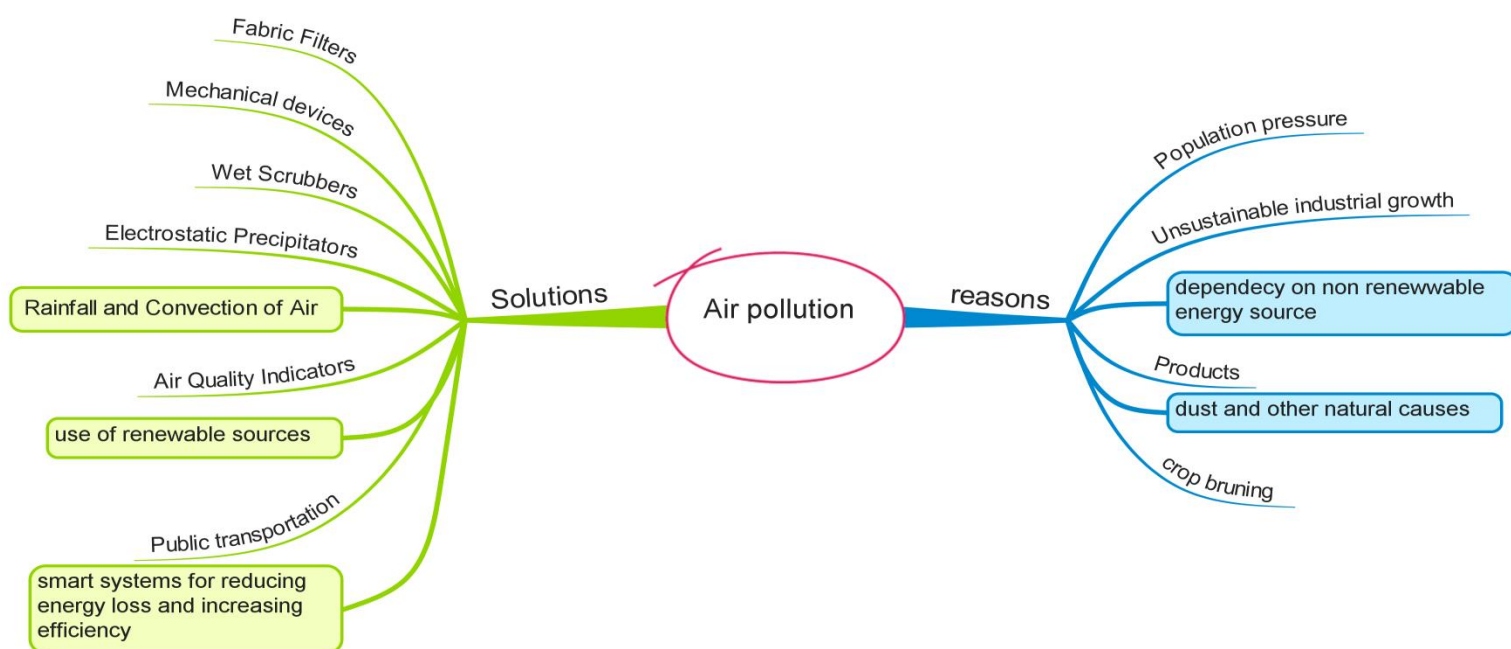
### **Difference between GVA and GDP**

- 1 While GDP gives a picture of whole economy, GVA focuses on sectoral data - enterprises, Govt. and household level
- 2 GDP (MP) shows demand side of economy, GVA (Basic Prices) portrays supply side of economy. so GVA can be good indicator for measuring the performance of each sector etc.
- 3 GVA provides better measure of economic activity as increase in GDP may occur owing to increase taxed collection, while the Output may not increase (recent scenario depicting high GDP growth)
- 4 GVA reflects better measure of productivity – as it portrays contribution of labor and capital to the production process
- 5 It is Beneficial to policy makers for decision-making.
- 6 GVA, under the new method, has assumed importance as it is the closer representation of the economic activity on the ground..

### **Difference in Numbers due to change in method**

- In a major innovation, the new GVA methodology shifted data collection from establishments (or factories) to enterprises (or firms). The activities of firms can be much more diverse than those of factories, and not all of these functions would qualify as manufacturing. Yet all the value added of enterprises classified as "manufacturing firms" has gone into the calculation of manufacturing GVA. This will inflate the level of output and possibly also the growth rate, if the ancillary activities are growing faster than the manufacturing ones.
- Problem with change in database to extrapolate manufacturing GVA.

**16. Air pollution level has created a disaster like situation in major cities around the world. Enumerate the reasons behind such alarming level. Also, discuss the technological measures and meteorological controls available to control air pollution.**



### 17. Why was Foreign Investment Promotion Board (FIPB) set up? Why has government decided to phase it out? Examine What was FIPB?

The FIPB (Foreign Investment Promotion Board) was the designated institution which considers the FDI proposals that require government approval. It used to grant composite approvals involving foreign investment/ foreign technology. FIPB was located in the Department of Economic Affairs, Ministry of Finance and the Finance Minister was in charge of the FIPB.

#### Why was FIPB set up?

It was first constituted under the PM office during the process of economic liberalization in the early 1990s. India launched a process of economic reforms in response to a fiscal and economic crisis. As a part of external sector reforms India considered policy of permitting foreign



investment (direct as well as indirect). To provide single window clearance system to all the FDI proposals which does not come under automatic route, Indian government established an inter-governmental board called "FIPB", in 1990. The job of the FIPB was to vet Foreign Direct Investment (FDI) proposals in India which went on the government's approval route. It had the power to consider and recommend FDI. In the process of making recommendations, the FIPB provided inputs for FDI policy-making. India has opened up many sectors to enable foreign companies to set up shop in India, and that had reduced the utility of the FIPB.

FIPB, a national agency of Government of India, offered a single window clearance for applications on FDI in India. The sectors which came under the automatic method did not require any prior approval from FIPB and were subject to only sectoral laws.

### Reasons of Phase out

- Nearly 90% of the FDI now comes through automatic route; the remaining will be now cleared by DIPP in consultation with respective ministries. So, government felt that there is no separate board required for that purpose.
- There are lot of complaints to foreign investors regarding the investment in India, like delays in clearance, land acquisition, labour laws, red Taoism etc. by abolishing FIPB government wants to convey that it is now clearing all the hurdles and hence promoting "ease of doing business " in India.

**18. Human civilization has grown on the banks of great ancient rivers but many of them are now dying or almost dead. Explain the reason behind such condition and also critically analyze the efforts taken by government of India to save its rivers.**





Additional Read:

<http://www.thehindu.com/opinion/op-ed/cleaning-the-ganga-step-by-step/article6105068.ece>

**19. The League of Nations was to seek international cooperation for socio-economic development across the world. How effective was the League of Nations as an international peacekeeping organization? Also discuss the failures of League of Nations.**

First mention about League of Nation and why was it established? The background of its existence (objective)

One of the main objectives of League of Nations was to settle international disputes before, so as to prevent outbreak of another war. Its creation was the important step towards the development of a contemporary system of international organization.

**You can directly divide this into League of Nations, success and failures**

- The quarrel between Sweden and Finland over Aaland Islands, the League of Nations gave verdict in favour of Finland.
- The claims of Germany and Poland over the industrial area of Upper Silesia, the league divided the area between both.
- When Greece invaded Bulgaria, the Greek troop withdrew with the intervention of League and was made to pay for the damages to Bulgaria.
- When Turkey claimed the province of Mosul, the British mandated territory of Iraq, the League denied the claim and went in favor of Iraq.
- The League also settled the South American disputes between Peru and Columbia and between Bolivia and Paraguay.
- The League was successful in forming International Labour Organisation which fixed the minimum days and wages of work and other benefits. The Refugee Organisation made prisoners of war return to their country. The Health Organisation was successful in addressing the typhus epidemic in Russia.
- The main reasons for failure were the absence of major power like the USA, withdrawal of Japan, Germany, and Italy in the early 1930s.

Despite all its failure, calling League of Nations a complete failure and irrelevant in world history

will be a statement too much extreme. Ruth Henig in her book 'The League of Nations (2010)' said that it is high time that we look what League was; it was a bold step towards enhancing international cooperation which failed on some parameters and but succeeded on others.

League of Nations was like the first experiment which provided the blueprint for more effective and long-lasting institution for international cooperation i.e. United Nation. The Assembly, the council, and the secretariat were directly taken from League. League's Permanent court was replaced by almost identical International Court of Justice. The International Labour Organization is still working today. Several UN bodies like World Health Organization and Economic and Social council were built on the foundation of work done by various commission of League.

Expectations attached to League of Nations was way too high and unrealistic. How it was supposed to deliver when it had no military of its own nor any mechanism to compel members to contribute troops? Having said that it was a dynamic step towards international diplomacy. Rather than only criticizing it and only looking toward its failure we should learn lessons from its History.

Although, there were some occasions when the League was not able to make an impact. It was quite successful in resolving international disputes in 1920s.

**20. WW1 was the product of existing political, diplomatic, and military conditions of Europe.**  
**Comment**

- WW1 was the product of existing political, diplomatic, and military conditions of Europe. This was not the result of any sudden development but the condition responsible for war was prepared over a period of almost 50 years.
- The development of arms and ammunitions during first decade of 20th century led to arms race. This led to complete militarization of Europe. Because of militarization of Europe it was clear that any war in future would result in large scale destruction. As a result most of the countries of Europe did not want to participate in war.
- The emergence of triple entente (Germany – Austria – Russia) has completed the process of division of Europe in to 2 rival armed groups. The capability of both groups were almost equal, under this circumstances it was impossible to predict the outcome of military crisis which may take place in future.

- Britain followed the policy of isolation in matter of continental Europe. Russia was defeated by Japan in 1904 because of this Russian government was not in a position to risk another war immediately. Austria Hungary was concerned about the maintenance of unity and integrity. Because of all these factors very few countries wanted to participate in the war.
- European powers attempted to resolve the murder issue of Austrian prince in peaceful manner. But when war erupted none of the major power could stay of war. It was believed that it would be difficult to stay out of war given the complex scenario that was existing at that time.
- The policy of peacetime military alliance initiated by Bismarck had resulted in division of Europe in to two armed camps. Since the alliance was kept secret nobody was sure of friendship of other. This made the condition volatile filled with uncertainty and insecurity. At this point of time military strength was considered to be the only strength to maintain and protect the national interest of the country.
- Russia wanted to stand by Serbia when Austrian prince was murdered by Serbian nationalists. Relation between Germany and Austria forced Germany to stand with Austria as at this point of time Austria was having no friend except Germany.
- The interest of Britain and France would have adversely affected if Russia was defeated by Austria – Hungarian alliance. So Britain and France was aware that it would be difficult to stand out if the war erupted.
- This dichotomy created by the wish to stay out of war and compulsion to join the war had resulted in militarization of Europe and created necessary conditions for great war and spark was needed and the assassination of Austrian prince provided that necessary spark.

**Q.21) The Sendai Framework for Disaster Risk Reduction 2015-2030 (Sendai Framework) is the first major agreement of the post-2015 development agenda. What are its main features?**

Always keep short notes ready for any landmark agreements signed recently, especially in the areas of environment, climate change, disaster management etc.

The Sendai Framework (2015-2030) which replaces Hyogo framework is an outcome of 3rd UN World Conference on Disaster Risk Reduction (UNWCDRR)

It works on the principle of 4 Priorities and 7 Global targets

**Four priorities:**

- 1) Understanding Disaster risk
- 2) Manage disaster risk – By strengthening disaster risk governance
- 3) Build Resilience – By investing in disaster risk reduction
- 4) Effective response – by enhancing disaster preparedness

Most importantly the framework focuses on “Build back better” in 3R’s – Recovery, rehabilitation and Reconstruction

**Seven Global targets:**

**Substantially reduce the following parameters**

- 1) Global disaster mortality
- 2) People directly affected globally
- 3) Direct economic loss in terms of Global GDP
- 4) Damage to Critical infrastructure and basic services

**Enhance /increase the following parameters**

- 5) The number of countries with National risk reduction strategies
- 6) International cooperation to developing countries by means of support for implementing the framework
- 7) Availability and access to Multi hazard early warning systems, disaster risk information, assessments to people.

**India and Sendai Framework:**

- Roping in private sector in recovery and rehabilitation phase by using corporate social responsibility.
- Multi hazard warning systems are especially important as India is subject to almost all disasters
- Improving governance is key to address various bottle necks of NDMA and other agencies and the framework can be a basis for it.
- India can lead talks in UN conferences bringing better integration of Sendai framework and Sustainable development goals.

**Q.22) Bring out the implicit gender issues within the area of disaster management. Suggest ways to correct this gender imbalance vis-à-vis disaster management.**

The framing of question has been purposefully kept so confusing. At times UPSC also does this – frame a simple question in a highly twisted manner to check how well students are able to decode it or what their raw thought process is.

Here gender issues pertain to the fact that women are more affected in times of disaster compared to men. You have to answer why such a thing happens. And then, how to correct our disaster management framework to make it more gender-sensitive.

**Why women are more affected:**

- Lesser decision making powers
- Lesser financial autonomy
- Higher illiteracy rates
- Physically weaker compared to men
- Less mobile (pregnancy, menstruation etc.)

**Ways to correct this:**

- Include women groups in the disaster management process to develop gender sensitive policies
- Rescue and Recovery stages of disaster management process should take into consideration special needs of women
- In post-disaster shelter camps there should be adequate female representative and guards to prevent cases of abuse and exploitation

- Psychological counseling for widows and mothers under emotional distress
- In long term, women should be made financially independent and equipped with important life skills to make them more resilient. Ex – SHG groups specializing in disaster management.

**Q.23) The recent floods in Mumbai and Bengaluru and in Chennai last year, brought to attention the concept of urban floods. What are the unique features of urban flooding that differentiate them from otherwise river-floods. What special measures need to be taken to mitigate such urban floods?**

There are two parts to this question: what makes urban floods unique and what are unique measures required to tackle such floods. So, 100 words for each section and thus no time and space for fancy intro. And definitely no time to write as intro the same things already mentioned in the question. So just get on with it.

The unique features that differentiate urban floods from other river floods:

- Unplanned urbanization leads to development of small catchment pockets. Hence, flood levels rise rapidly due to a narrow flow.
- Densely populated slum areas are often low-lying and most vulnerable to flooding. Combined with overflowing sewage makes urban floods a hotbed for epidemics.
- Concretization of urban spaces cause the water to percolate slowly and stand for much longer time
- The economic losses due to an urban flood tend to be much larger since industrial centres are concentrated in and around city areas.

**Measures to tackle urban floods:**

- Scientific urban planning – with robust underground sewage system, sufficient green spaces and proper solid waste management



- Stringent inspection laws for urban constructions
- Promotion of mass transport over private vehicles for de-congesting the roads
- City lakes and ponds to be cleaned regularly and turned into waterfronts and recreational centers.
- There should be clearly defined command line for swift action. Eg – in recent floods there was confusion between the deployment of NDRF or SDRF as primary force.

