



INSIGHTSIAS

SIMPLIFYING IAS EXAM PREPARATION

INSTA MINDMAPS

SIMPLIFYING IAS EXAM PREPARATION

NOVEMBER 2022

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General Studies – 1

Topic: Salient features of Indian Society, Diversity of India.

1. Elderly as an Asset

Introduction

- **Proof of a truly developed country lies in the way it not only nurtures its young but also cares for its elders, equally.**

Focus on Elders

- **Even as we pay attention to the young, there is both need and benefit to look at the other end of the spectrum.**
- Life expectancy in India has risen from 50 (1970-75) to 70 years (2014-18); as a result, the number of elders is expected to increase by 40% to 195 million in 2031.
- **While one perspective would look at them as dependents, a different view would look at them as a potential asset: a massive resource of experienced, knowledgeable people.**
- Converting them from dependents to productive members of society depends on two primary factors: their health and their capabilities.

Changing health-care needs

- Generally, the elderly population needs more medical attention of a diverse range.
- According to a study, 11% of the elderly suffer from at least one form of impairment (locomotor, mental, visual and hearing).
- In India cardiovascular disease (CVD) prevalence is estimated to be 34% amongst 60-74 year-olds.
- As per the 2016 Healthcare Access and Quality Index (HAQ), India improved its HAQ score. However, we still are significantly below the global average.
- **Inequity in health-care access compounds the problems for the elderly.**

Concerns / Challenges

- As we move to a demographic where the growth rate of elders far exceeds that of the young, the **biggest challenge for the country would be to provide quality, affordable, and accessible health care services to the elderly.**
- Factors such as familial neglect, low education levels, socio-cultural beliefs and stigma exacerbate the situation for the elders.
- An overwhelming proportion of the elders are from the lower socio-economic strata. They are unable to afford the cost of health care and slip into ever poorer health.
- **The vicious cycle of poor health and unaffordable health costs is further accelerated by their inability to earn a livelihood.**
- As a result, not only are they economically unproductive but are dependent on support from family or others.
- This adds to their mental and emotional problems.
- A NITI Aayog report indicates that 400 million Indians do not have any financial cover for health expenses. A very large number of elders are among the uncovered.
- In some states, the pension schemes for the elders is as low as ₹350 to ₹400 a month.
- India has a major deficit in infrastructure and skilled medical care resources.

Way Forward

- The success of the COVID-19 vaccination strategy gives hope, which had a seniors-first approach.
- **India should reimagine its entire health-care policy with an elderly prioritised approach.**
- As senior citizens require the most diverse array of health-care services, the creation of adequate services for them will benefit all other age-groups.
- India needs to rapidly increase its public health-care spending.

- Creation of well-equipped and staffed medical care facilities and home health-care and rehabilitation services.
- We need to accelerate implementation of programmes such as the National Programme for Health Care of the Elderly (NPHCE).
- The National Digital Health Mission has tremendous potential to expand medical consultations into the interiors of the country. However, this requires a digital literacy campaign for senior citizens.
- These essential steps will help to convert elders into a massive resource for socio-cultural and economic development.

2. Widening the Demographic Debate

Introduction

- Political leaders, businessmen, and economic commentators started talking about India's demographic dividend at least a decade ago.
- But typically, much of the discussions and commentaries have focused on narrow parameters, specifically the proportion of the dependent population to the working age population.

Demographic Dividend

- If a large proportion of a country's population is in the working age group, the added productivity of this group can provide a "demographic dividend" of economic growth.
- The demographic dividend doesn't last forever.
- Countries need to reap the benefits of the demographic dividends before the working age population becomes smaller than the dependent population.

India's dependency ratio

- India's dependency ratio—or the ratio of dependent population to working age population—fell below 50% by 2020.
- Much will depend on the fall in the fertility rate, the mortality rate and the life expectancy of the population over the next couple of decades.
- **India's demographic dividend conversations have focused too much on the dependency ratio and not enough on the policies and other factors.**
- Some of it was primarily because the benefits of the economic reforms started showing up in the second half of the decade and continued till 2008–10.
- Apart from allowing private sector participation, our healthcare, education, labour and trade policies did not really keep up with what was required.
- The Union as well as the state governments did not devote the resources that were needed.
- Nor did we pay enough focused attention to trade or labour flexibility policies.

Labour Force Participation Rate (LFPR)

- Labour Force Participation Rate (LFPR) looks at the number of people within the working age population who are willing to work.
- The unemployment rate looks at the people who have failed to find employment despite being willing to work.
- Less than 50% of our working age population is actively looking for work in India.
- In terms of women in the workforce, the LFPR is hovering just around 25%.
- Multiple factors have led to the current conditions in LFPR and unemployment in India.
- Education – Employment opportunity mismatch is one.
- Many companies, particularly engineering companies, are dissatisfied with the lack of candidates who meet their minimum requirements in terms of knowledge even if they have the requisite degrees.
- This is the issue, even in manual labour that requires skills.
- The revolution in technology—especially digital technology—as well as formalisation taking place in a number of sectors, is another major issue.

- Automation and robotics are reducing the role of manual and even white-collared labour in low knowledge jobs.
- Formalisation has also reduced the number of jobs available to the labour pool.
- Consolidation taking place in sectors also reduces the need for labour in the entire sector.
- These trends will only accelerate in the future. And that is why the demographic dividend debate needs to expand.

Way Forward

- India can reap a dividend and grow consistently at more than 8% for at least two and a half decades.
- The right policies are needed in four areas
 - public health
 - family planning
 - education and
 - economic policies that promote labour market flexibility, openness to trade, and savings.
- All these policies need to be in place well before the demographic bulge in working age population takes place.

Topic: Women related Issues

3. Reproductive Rights of Women

Introduction

- Reproductive rights are **legal rights** and freedoms relating to reproduction and reproductive health that vary amongst countries around the world.
- Women's reproductive rights may include some or all of the following:
 - the right to legal and safe abortion;
 - the right to birth control;
 - freedom from coerced sterilization and contraception;
 - the right to access good-quality reproductive healthcare; and
 - the right to education and access in order to make free and informed reproductive choices.

National Family and Health Survey (NFHS-5) Data

- There has been a more than 10% increase in the use of contraception among married women aged 15-49 years: that is, from 53.5% in 2015-16 to 66.7% in 2019-20.
- **Female sterilization continues to be the most popular choice.**

Factors that affect reproductive rights and contraception choices of women

- Early marriage, pressure for early childbearing and lack of decision-making power within the family.
- Patriarchal mindsets and childbearing until requisite number of sons are born without proper spacing between children.
- Female sterilization is the most wide-spread method, despite the lower cost and safer procedure of male vasectomy.
- Reproductive rights in India are understood only in the context of selective issues like child marriage, female foeticide, sex selection and menstrual health and hygiene issues

Concerns / Challenges

- The recognition of sexual and reproductive rights of women in India still remains negligible.
- The major barrier is **women's lack of agency**.
- The absence of reproductive rights has negative repercussions on women's education, income and safety, leaving them "unable to shape their own futures".
- Inequities in access to family planning have translated into poor health and development outcomes.
- For a large proportion of India's backward communities, social development programmes remain out of reach.

Way Forward

- Fostering better informed and healthier reproductive behaviour among the country's masses.
- The issues on health needs of women, their nutritional status, the risk of early marriage and child bearing require urgent attention if condition of women has to be improved.
- Need for the proper legal framework to address and recognize the promotion and protection of reproductive rights of women in India.
- Health programmes should focus more on women's health including reproductive health.
- Need for legislation like **Reproductive Rights (Protection) Act** in order to protect and promote reproductive rights of women and to look after all the issues of reproductive health of women.
- The sexual and reproductive health must become a priority at the policy level.
- Empowering frontline workers to increase women's access to contraceptives, especially spacing methods.
- Engaging religious leaders in family planning and reproductive healthcare advocacy to encourage public acceptance.
- This practice has been implemented across many programmes in other countries, with great success.



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General Studies – 2

Topic: Statutory, regulatory and various quasi-judicial bodies

4. Tribunals in India

Introduction

- Tribunal is a **quasi-judicial institution** that is set up to resolve administrative or tax-related disputes.
- The tribunals have carved out a distinct position in the Indian landscape by adjudicating several interesting issues.
- **Part XIV-A** of the Constitution which consist of **two articles 323A and 323B** deals with Tribunals.

Tribunals and their mandate

- The original Constitution did not contain provisions with respect to tribunals.
- The 42nd Amendment Act of 1976 added a new Part XIV- A to the Constitution.
- This part is entitled as 'Tribunals' and consists of only two Articles—Article 323 A dealing with administrative tribunals and Article 323 B dealing with tribunals for other matters.

Tribunals and judicial efficiency

- Tribunals goes by the principle of natural justice.
- Its procedures are simple and can be easily understood by a layman.
- They take a load off the already overburdened courts. They hear disputes related to the environment, armed forces, tax and administrative issues.
- **To reduce the pendency of cases in various Courts**, Tribunals have been established under different Statutes.
- Administrative tribunals have become the most appropriated means of administrative action.

Constraints faced by tribunals in India

- The **manner of appointment of its members, performance appraisal, remuneration, terms of service, are all outside the oversight of the judiciary.**
- **Executive interference in the functioning of tribunals** is often seen in matters of appointment and removal of tribunal members, as well as day-to-day functioning of the tribunals.
- Administrative tribunals, with their separate laws and procedures often made by themselves, puts a limitation upon the principles of Rule of Law.
- Most of the tribunals do not enjoy the same amount of independence of the Executive as do the Courts and the judges.
- **Rising number of vacancies in various law tribunals** across the country.
- **Administrative tribunals are manned by administrators and technical heads** who may not have the background of law or training of judicial work.
- In Chandra Kumar case, SC held that the appeals to tribunals lies before the court and hence defeats the whole purpose of reducing burden of the superior courts.
- Since the tribunals are mainly chaired by the retired judges, the **present judges in courts may favour government** in certain matter to gain appointment to such tribunals after retirement.
- **Lack of adequate infrastructure** to work smoothly and perform the functions originally envisioned.

National tribunal commission – a way forward

- The idea of an NTC was first mooted by the Supreme Court in L. Chandra Kumar v. Union of India (1997).
- NTC is envisaged to be an independent umbrella body to supervise the functioning of tribunals, and to take care of administrative and infrastructural needs of the tribunals.
- The NTC could pave the way for the separation of the administrative and judicial functions carried out by various tribunals.
- NTC could function as an independent recruitment body to operationalise the procedure for disciplinary proceedings and appointment of tribunal members.

- **The independence of tribunals was described as a fundamental feature of the Indian Constitution in the case of Rojer Mathew's decision.**
- This fundamental feature must be encapsulated and maintained in reality through the creation of the NTC.

Topic: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.

5. The dream of a healthy nation

Introduction

- To meet India's healthcare challenges and transform it into a world leader in the field in the next 25 years, we must act now to transform education, expand care and research.

Present challenges

- These include **climate change, the rising aspirations of people, inequitable access to resources and the biggest challenge of all: Health.**
- India is predicted to be the capital of non-communicable diseases, cancers and deaths due to trauma.
- **The challenges are humongous due to the huge population of 1.4 billion, along with inadequate public health system and the huge difference between the haves and have-nots.**
- India@100 will have addressed all the challenges humanely, efficiently and adequately.

Overcoming Challenges in Medical education

- The most critical challenge is the mushrooming of medical, nursing and AYUSH colleges, and non-availability of dedicated faculty.
- We can overcome this by using digital technology to reach the unreached students quickly and effectively.
- Align medical education to India's healthcare needs through integrated courses and creating a bigger and better pool of paramedical and nursing personnel on priority.
- The district residency programme can be expanded to provide district PG programmes with adjunct faculty from the public hospitals.
- This will improve the quality of care and also meet the aspirations of the students.
- India with its huge and young population can become a provider of healthcare personnel to the world.
- Today there is blurring of the line between engineering and medicine.
- While engineering and science institutions are setting up medical colleges, medical universities can effectively utilise data science, computing tools and inputs from design schools to improve on innovations and find solutions.

Promoting Research

- Research will slowly move out of the laboratories to the bedside.
- Reserving most of the available funds for life science research towards finding solutions for the health problems of the country.
- With good infrastructure and capacity building, India@100 will have Nobel Prize-winning scientists.

Clinical and primary care

- Most clinical, preventive and primary care will be taken over by technology-based solutions and paramedical personnel.
- Clinicians will need to be trained to provide secondary and tertiary care.
- India@100 will ensure equitable and the best healthcare to every citizen of the world.

Way Forward

- The need of the day is a revolution to make India a world leader in health.
- Provided we act now, the next 25 years will witness a big change in the health indices.

- We need to collaborate and work together as a society and as a polity.
- The silos of medical education in colleges, life science research in laboratories and public health in government hospitals will need to be integrated and work in close collaboration, with linkages through NEP 2020, National Digital Health Mission.
- India@100 will then see a smoothly oiled machine where public health drives education and research.

6. Childhood Malnutrition

Introduction

- **Persistently high rates of childhood undernutrition were reported by the last National Family Health Survey.**
- It reported prevalence of 35.5% stunting, 32.1% underweight and 19.3% wasting in children under five years of age.

Susceptibility of Undernourished children

- Undernourished children are highly susceptible to serious infections because of poor immunity.
- They are physically inactive because of low muscle mass and reduced lung capacity.
- They suffer cognitive impairment, which diminishes their potential for education and employment.
- This adversely affects the country's economic development by undermining the demographic dividend.
- Such children are also more likely to suffer early onset diabetes and cardiovascular disease as they grow into adulthood.

Nutrition supplementation

- There is genuine concern about how **inappropriate nutrition supplementation** can have adverse consequences.
- Several studies have demonstrated that children who receive poor nutrition during pregnancy and early childhood are likely to remain shorter even as their weight increases.
- With the calorie intake increases in later childhood, their weight gain is mostly in the form of body fat rather than lean muscle.
- After initial reports of stunted, obese children in Chile, experts cautioned that nutrition supplementation for hastening 'catch-up growth' in previously undernourished children would be counterproductive.
- If there is an increase in body fat at the expense of lean muscle, it is a physiologically undesirable state.
- Planners did not recognise that **calories alone do not translate into nutrition.**

Dangers of 'rebound adiposity'

- **There are dangers of 'rebound adiposity', where increased dietary intake gets converted to fat that sparks inflammation in the body.**
- It was observed when the additional calories came from the wrong kind of foods, such as those high in refined sugars and unhealthy fats while being low in good quality protein and fibre.
- Ultra-processed foods (UPF) are especially undesirable because they provide the wrong proportion of nutrients.
- The gut bacteria (microbiome), which thrive on dietary fibre and keep us healthy, cannot thrive on such foods.

Way Forward

- We need to prevent childhood malnutrition by **promoting adequate and appropriate nutrition for the girl child, pregnant woman and lactating mother.**
- We need sound infant feeding practices, with **emphasis on breastfeeding.**
- The growing child needs a **balanced diet**, with good quality proteins, fruits and vegetables, millets, unrefined fibre-rich grains, and healthy, unsaturated fats.

- Such healthy diets must be coupled with adequate exercise through active sports and yoga.
- We need to proactively build healthier, stronger, more muscular and agile children.
- We need a **coherent policy response** which
 - steers agriculture and food systems towards production and supply of healthier foods at affordable prices,
 - regulation of unhealthy foods (especially UPF) through raised taxes and curbed advertising,
 - improving the composition and quality of pre-school and school meals, and
 - promotion of physical activity in an engaging manner for all children.
- **Poverty reduction is important to make healthier diets more affordable.**
- If we do not do all of this, our children will not grow to their full potential, neither physically nor mentally.
- If we accept an adiposity-dominated body composition as the Indian norm, we cannot meet **Swami Vivekananda's call to develop youth who have "muscles of iron, nerves of steel, inside which dwells a mind of the same material as that of which the thunderbolt is made"**.

7. Importance of Mother Tongue in Education

Introduction

- India is a land of linguistic diversity and the languages differ in their dialects every 100 kms.
- The **National Education Policy (NEP), 2020**, says that wherever possible the medium of instruction in schools until Grade V — preferably until Grade VIII — should be the mother tongue or regional language.

Importance of Mother Tongue as foundational language

- Mother tongue is the very first language that one hears, understands and gets familiar with.
- Thus, it plays important role in shaping feelings, emotions and thought processes.
- **Several psychological, social and educational experiments proved that learning through the mother tongue is faster and more effective.**
- Incomplete first language skills often make learning other languages more difficult. Thus it will lower the drop-out rate.
- Mother tongue is critically important for **cognitive, psychological and personality development, education and learning.**
- Educating children in their mother tongue will also build a strong home-school partnership in their learning.
- Parents will be able to participate in their child's education and make the experience of learning for the students more wholesome.

Should primary education be in mother tongue or in English?

- Every language spoken in the world represents a special culture, melody, colour and is an asset.
- Several psychological, social and educational experiments proved that learning through the mother tongue is deeper, faster and more effective.
- Much of a child's future social and intellectual development hinges on the milestone of mother tongue.
- Incomplete first language skills often make learning other languages more difficult.
- Children of migrant families are finding themselves at crossroads, being unable to master either the first or the second language they are forced to study in.
- **Gandhiji warned: "If the English educated neglect as they have done and even now continue, as some do, to be ignorant of mother tongue, linguistic starvation will abide."**

Concerns / Challenges

- It might not be possible for all languages to become the medium of instruction.
- The use of mother tongue in schools widen the divide between those who can communicate in English and those who cannot.

- Providing **technical education** in regional languages requires **teachers proficient** in undertaking classes **in the vernacular medium**.
- It might **not be financially viable** because of the lack of funds and lack of trained staff.
- The initial investment in bilingual programmes can be high because of the additional cost of developing new learning material.
- Another challenge is selecting which mother tongues become the medium of instruction in a school and which do not.

Government and Private Initiatives

- The need to build an effective **multilingual education system** across diverse streams and disciplines is imperative.
- In this context, the collaboration between the AICTE and IIT Madras to translate some courses on the central government's e-learning platform, **Study Webs of Active Learning for Young Aspiring Minds (SWAYAM)** into regional languages is commendable.
- Such tech-led initiatives will serve to democratise higher education.
- At the same time, the decision of the AICTE to permit **Tech programmes in native languages**, in tune with the NEP, is a historic move.
- **Google's Project Navlekha in India**: the project is aimed at increasing the online content in Indian local languages.

Way Forward

- When it comes to education in mother tongue and local languages, we can take the cue from **European countries as well as Asian powers such as Japan, China and Korea, among others**.
- People should be made aware of the professional viability of pursuing degrees in native languages.
- To maintain any native language, it is necessary that it is spoken.
- The inclusion of languages in the digital world and the creation of inclusive learning content is vital.
- Remote learning based on the mother tongue should be incorporated into education systems in order for all learners, especially those from linguistic minorities, to access education during school closures and beyond.

8. Foundational literacy in all primary schools

Introduction

- It is alarming that India ranks 132 out of 191 countries in the **2021 Human Development Index**, which is a measure of a nation's health, average income, and education.
- The **National Education Policy (NEP) of 2020** states, A **National Mission on Foundational Literacy and Numeracy** will be set up on priority for attaining universal foundational literacy and numeracy in all primary schools.

Efforts over the years

- Ever since the 1990 **World Declaration on Education for All** at the Jomtien Conference, concerted efforts have been made to bring all children to school.
- Even before the conference, in 1987, the **Shiksha Karmi Project** was started in schools to tackle teacher absenteeism in remote villages in Rajasthan.
- By supporting and training local persons, the project succeeded in creating teachers.
- The Bihar Education Project was introduced in the early 1990s to give a fillip to the universalisation of primary education.
- Peoples Movement for Education for All, was launched in 1992 in Rajasthan.
- By providing a thrust to innovations and emphasising civil society partnership, this programme demonstrated successes, especially in tribal districts.
- In 1993, the Supreme Court ruled in Unni Krishnan v. State Of Andhra Pradesh that the right to education for children up to age 14 is central and fundamental.
- **Sarva Shiksha Abhiyan**, aimed at the universalisation of elementary education, was launched in 2001.

- While it has made a difference to school participation and has brought about improvement in school infrastructure, classroom processes still remain a challenge.

Concerns/ Challenges

- We have still not figured out a systemic way of recruiting good teachers and establishing teacher development institutions.
- Poor governance affects the effectiveness of face-to-face or digital teacher development initiatives like Nishtha.
- Pratham's Read India campaign and the Azim Premji Foundation's large-scale efforts to improve government schools will suffer due to poor governance of schools and teachers.
- There are many innovations in the civil society space, such as by Gyan Shala, Saksham, and the Central Square Foundation, but many of them are not initiatives aimed at improving mass education.

Giving communities power

- We need to work on **community connect and parental involvement**.
- Communities can both enable and discipline teachers if funds, functions and functionaries are their responsibility.
- The Panchayati Raj, Rural and Urban Development Ministries can work on community connect and make learning outcomes a responsibility of local governments.
- Providing decentralised funds to schools with the community overseeing such funds is the best starting point towards achieving the NEP objective.

Way Forward

- The recruitment of teachers, educators and administrators has to become a priority if we want to make a difference.
- Ensure that there are direct funds to schools, no teacher vacancies, fewer non-teaching tasks, and a vibrant community and panchayat connect for accountability.
- **It is time for everyone from the Panchayat level to the Prime Minister to ensure that all children are in school and are learning by 2025.**
- Foundational literacy and numeracy are necessary to prepare a generation of learners who will secure for India high rates of economic progress and human well-being.

Topic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes;

9. Pradhan Mantri Garib Kalyan Anna Yojana scheme

Introduction

- The government extended the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), a scheme to distribute free foodgrains to the poor, for another three months.
- It wanted to support the poor and the vulnerable, estimated to be 80 crores, during the festival season between October and December.

About PMGKAY

- It is aimed at **providing an additional allocation of foodgrains** (rice or wheat) from the central pool at five kilograms per person per month free of cost.
- The PMGKAY benefits cardholders of the Antyodaya Anna Yojana (AAY) and Priority Households (PHH) categories, both falling under the National Food Security Act (NFSA).
- This is over and above the regular monthly quota under the NFSA.
- The PMGKAY covers even Direct Benefit Transfer (DBT) beneficiaries.

Critics Arguments

- There is much debate on the **relevance of freebies**.

- There were reports that the Expenditure Department at the Centre did not favour it, citing a funds crunch.
- It also held the view that such a scheme was no longer needed “in non-pandemic times”.
- This has to be viewed in the context of the Russia-Ukraine conflict, and its adverse impact on the world’s food and energy sectors.
- The central and State authorities need to ponder over the scheme’s continuance, given the chronic problem of diversion from the Public Distribution System (PDS).

Impact of the Scheme

- Policymakers and experts concede that the scheme made a **difference to food security and public health during the pandemic**.
- The scheme has received commendation Parliamentary Standing Committee on Food and Public Distribution and authors of an IMF-published working paper.
- It concluded that the social safety net provided by the expansion of India’s food subsidy program absorbed a major part of the pandemic shock.

Way Forward

- The central authorities should commission a study and make its findings public.
- The study should be the basis for **updating the database of foodgrain-drawing card holders, scrutinising the data critically and zeroing in on the needy**.
- To keep the budgetary allocation under control, rules on quota for rice or wheat can be changed suitably.
- If they feel the need to go beyond the mandate of the NFSA, as is being done under the PMGKAY, they can supply the foodgrains at a reasonable price.
- The **elimination of the problem of diversion of foodgrains** has to be taken up with renewed vigour as, farmers toil hard in the fields to produce the grains and many deserving persons remain outside the food security net.

Topic: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

10. The Start-up Economy

Introduction

- January 16 is celebrated as National Start-up Day. **Start-up is therefore the new star in our midst**.
- A mature start-up ecosystem, with seasoned entrepreneurs and technology-led solutions, paves the way for innovation and expanding its global footprint.

Change in Focus overtime

- Every few decades, we have a new focus and new vision in the business-scape.
- At the point of Independence, it was all about “**Jai Jawan, Jai Kisan**”.
- As agriculture boomed and as Operation Flood got plentiful milk for India, **manufacturing became the focus**.
- Subsequently came the push on **manufacturing-for-exports** to earn valuable foreign currency.
- Then there was push towards creating **services** of every kind for itself first and for export later.
- The end-to-end services revolution has become the hallmark of India to date, with the success brought in by TCS, Infosys and Wipro.
- India has begun a very robust start-up culture.
- In 2021 alone, Indian start-ups have raised upward of \$20 billion in funding, achieved unicorn statuses, and more.
- As on 30th June 2022, a total of 72,993 have been recognized by Department for Promotion of Industry and Internal Trade (DPIIT).

The ultimate motivator

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- The ultimate motivator of them all: Money.
- Investors are looking out for ideas and the entrepreneur is creating a glut of ideas to chase.
- Entrepreneurs have made billions out of big ideas to date in the world of start-ups.
- The funded ideas are growing into enterprises that are offering jobs.
- Out of these start-ups have emerged the unicorns (start-ups with a valuation of \$1 billion plus).

The Start-up Economy

- The proliferation of this start-up economy has brought with it new business opportunities, innovation, tech-centric approaches and job creation across sectors.
- The flow of investments from traditional industries into tech-focused sectors has been instrumental for entrepreneurs.
- Even amid the Covid-19 pandemic, Indian start-ups have provided indigenous, tech-enabled solutions from testing kits and ventilators to remote monitoring, as well as innovations in supply chain management, logistics, and education.
- **Solutions built by Indian start-ups saw widespread adoption not just domestically but also on a global scale.**
- The ability of the young generation to take risks, move fast, and disrupt things without fear, has become our biggest asset today.

Digital Decade

- **The next 10 years ahead for India is the digital decade. Digitalism is the new religion.**
- India of the future will be built by thousands of start-ups that will spur the innovation process.
- Out of a thousand, one will win. And this win will compensate for all the losses.
- This win will then spur on an entire new generation of ideas that will continue the virtuous cycle.

Government Support

- The Government of India, as part of Startup India initiative, is implementing **Fund of Funds for Startups (FFS) Scheme** and **Startup India Seed Fund Scheme (SISFS)** to provide financial assistance to startups through Alternative Investment Funds (AIFs) and incubators respectively.
- To enable ease of procurement, Central Ministries/Departments are directed to relax conditions of prior turnover and prior experience in public procurement for all Startups subject to meeting quality and technical specifications.
- **Government e-Marketplace (GeM) Startup Runway**; a dedicated corner for startups to sell products & services directly to the Government.
- **Start-ups Intellectual Property Protection (SIPP)** which facilitates the startups to file applications for patents, designs and trademarks.
- Startup India has launched bridges with over 15 countries that provides a soft-landing platform for startups from the partner nations and aid in promoting cross collaboration.
- **National Startup Advisory Council** to advise the Government on measures needed to build a strong ecosystem for nurturing innovation.

Way Forward

- In order to achieve the demographic dividend, education, and reskilling, and upskilling of our workforce is crucial.
- **Apart from policy-level decisions that promote entrepreneurship, the onus is also on India's corporate sector to foster entrepreneurialism.**
- With Indians set to make up one-fifth of the world's working-age population in the next five years, the country stands at the cusp of unprecedented economic growth, and the opportunity to be a global game-changer.
- Speed, inclusion, and sustainability are key elements in this mission.
- **The Indian start-up ecosystem must focus on developing solutions that allow businesses in key sectors to meet goals of national importance.**
- **It must view India's economic and social challenges as opportunities for growth and leverage new technologies.**

Conclusion

- The economic brand image of India today depends not on the single but on the multiple.
- **Multiple start-ups across multiple sectors will define India of the future.**

11. Deregulation of Geo-spatial Sector

Introduction

- The Ministry of Science and Technology had released new guidelines for the Geo-spatial sector in India, which deregulates existing protocol and liberalises the sector to a more competitive field.

Geospatial technology

- Geospatial data is data about objects, events, or phenomena that have a location on the surface of the earth.
- Geo-spatial data involves information of public interest such as roads, localities, rail lines, water bodies, and public amenities.
- **Geospatial technologies** contribute to the geographic mapping and analysis of the Earth and human societies.
- India has a robust ecosystem in geospatial, with the Survey of India (SoI), ISRO, the National Informatics Centre (NIC) and all ministries and departments using geospatial technology.
- However, the full benefits have yet to percolate to the public.
- For decades, geo-spatial data has been a priority for strategic reasons and for internal and external security concerns.
- Geo-spatial data has now become imperative for the government in planning for infrastructure, development, social development, natural calamities as well as the economy.

Present Status

- Till recently, the government had a near-monopoly regarding the collection, storage, use, sale, dissemination of geo-spatial data and mapping.
- This was because of concerns over internal as well as external security threats.
- Only government-run agencies such as the **Survey of India, Defence and Home Ministries** were allowed to use geospatial data.
- The private companies needed approval from different departments of the government to collect, create or disseminate geospatial data.
- The lack of private participation led to the underdevelopment of the **Geographic Information System (GIS) mapping**.
- The Kargil war highlighted the dependence on foreign data and the need for indigenous sources of data.
- Only, after the **Kargil war**, the government heavily invested in Geographic Information System (GIS) mapping.
- The system of acquiring licenses or permission has delayed projects for both private companies and government agencies.

Advantages of De-regulation of geospatial sector

- The deregulation **eliminates the requirement of permissions** as well as scrutiny.
- Indian **companies now can self-attest**, conforming to government guidelines without having to be monitored by a government agency.
- Opening up the sector and incentivising the private sector will **speed up the process of mapping**.
- Startups and businesses can now use this data in the sector of e-commerce or geo-spatial based apps.
- Indian companies will be able to develop indigenous apps, for example an Indian version of google maps.
- The government also expects an increase in investment in the geo-spatial sector by companies.

Limitations and hurdles in using geo-spatial data

- **Market size:**
 - Among the most prominent hurdles is the **absence of a sizable geospatial market** in India.
 - There is **no demand for geospatial services** and products on a scale linked to India's potential and size.
 - The lack of demand is a consequence of the **lack of awareness among potential users** in government and private sectors.
- **Skilled manpower:**
 - The **lack of skilled manpower** across the entire pyramid.
- **Data quality and sharing**
 - The **unavailability of foundation data**, especially at high-resolution.
 - The **lack of clarity on data sharing** and collaboration prevents co-creation and asset maximisation.
- **No professional training**
 - Unlike the West, **India lacks a strata of core professionals** who understand geospatial end-to-end.

Way Forward

- The geospatial sector in the country is rightly positioned for investment.
- Clarity on the issues discussed and the creation of an enabling ecosystem are essential.
- The data available with government departments should be unlocked, and data sharing should be encouraged and facilitated.
- This will only be possible through an **open data sharing protocol**.
- There is a need to establish a geo-portal to make all public-funded data accessible.
- National organisations like Survey of India (SoI) and ISRO should be entrusted with the responsibility of regulation and the projects related to the nation's security.

12. Research and Development Ecosystem in India

Introduction

- **As per latest figure, India spends only 0.66 percent of its GDP** on Research and Development.
- This is below the expenditure of countries like the US (2.8), China (2.1) and Israel (4.3).
- The allocations to various R&D organisations in the recently presented 2022-23 budget shows continued stagnation.

Expenditure on R&D

- Government expenditure, almost entirely the Central Government, is the driving force of R&D in India.
- This is in contrast to the advanced countries where the private sector is the driving force of R&D spending.
- Higher spending in R&D by the private sector will happen as the manufacturing sector expands in the country.

Link between R&D vis-a-vis nation's development

- Research and Development of new products and **solutions to diseases** are **key drivers of economic performance and social well-being**.
- It is important to **inculcate scientific temper among masses** in order to **fight superstitions and distorted truth**.
- **Innovation** and technological improvement is essential to **combat and adapt to climate change and promote sustainable development**.
- It is imperative for **combating national security threats** like **cyber warfare**.
- Investing in research and providing adequate incentives **leads to creation of jobs, especially for the pool of engineers and researchers**.

R&D Statistics

- **PhDs in STEM**
 - *In comparison to China, there are less than half Indian STEM Ph.D students in the US.*
 - *Fewer students have been enrolling for such degrees either due to lucrative career options after master's degree or rising work visa challenges.*
 - *However, there has been an increase in the no. of Ph.D enrolments in India.*
- **Patents**
 - According to WIPO, India is the seventh largest patent filing office in the world. However, India produces fewer patents per capita.

Improving R&D ecosystem in India

- The growth in the R&D expenditure should be commensurate with the economy's growth.
- **It should be targeted to reach at least 2% of the Gross Domestic Product (GDP) by 2022.**
- To stimulate **private sector's investment in R&D**, a minimum percentage of turn-over of the company may be invested in R&D by medium and large enterprises registered in India.
- To keep the industry enthused to invest in R&D, the **weighted deduction provisions on R&D investment should continue.**
- The **states can partner Centre** to jointly fund research and innovation programmes through socially designed **Central Sponsored Schemes (CSS).**
- **Creating dedicated R&D Exports Hub** with cross cutting themes which are of national interest.
- National Education Policy (NEP) 2020, states: Research and innovation at higher education institutions in India is critical.
- NEP 2020 suggested the establishment of a National Research Foundation (NRF) to fund competitive, peer-reviewed grant proposals from the universities, colleges, and institutions of higher learning.

Way Forward

- There is a need for greater participation of State Governments and the private sector in overall R&D spending in India especially in application-oriented research and technology development.
- The Economic survey 2021-22 suggested that the private sector needs to raise its share of spending from 37 per cent to 68 per cent of the total spending on R&D like the other high spenders.
- There is a need to encourage investor-led research. In this direction, the Science and Engineering Research Board (SERB) has already been established.
- It is a promising start that needs to expand with more resources and creative governance structures.
- With increased allocations, joint R&D projects between public institutions and start-ups/industries must also be supported.

Topic: Important aspects of governance, transparency and accountability

13. Artificial Intelligence in Public Service Delivery

Introduction

- **Artificial Intelligence (AI)** is the branch of computer science concerned with developing machines that can complete tasks that typically require human intelligence.
- There is growing use of artificial intelligence in public policy.
- **India's National Programme for AI developed by NITI Aayog**, defines artificial intelligence for social good (and for all) as its goal.

Importance and Benefits

- Artificial intelligence offers limitless opportunities to empower individuals and increase the ease of doing business.
- It can also aid in the early detection and prevention of diseases by capturing the vitals of patients.
- AI-based systems can also help in establishing partnerships with financial institutions with a strong rural presence to provide farmers with access to credit.
- As AI works for digital inclusion in India, it will have a ripple effect on economic growth and prosperity.

- Artificial Intelligence can be used for making our disaster management systems stronger.

AI in public service delivery

- **Reducing fraud and error in the tax collection:**
 - Governments today can benefit from the application of anomaly detection to benefits claims and tax rebates.
- **Examine service delivery processes:**
 - Many public services are becoming digital, creating electronic footprints of the business processes in operation.
 - The use of process mining, a technology which uses timestamps to identify workflows, can be used to understand the flows of citizens through public services.
 - This can help understand where there are bottlenecks, where processes are going awry, and where digital services are failing.
- **Efficient allocation of Resources:**
 - Resource allocation is paramount in delivering effective public services.
 - Eg: During covid pandemic, bed allocation, detecting outbreak in communities were all modelled using artificial intelligence.
 - The ability to predict need before it occurs allows managers to make better decisions. This is important in the public sector.
- **Precision farming:**
 - **Accurate weather prediction**, information dissemination on right time to harvest, even identifying any **pest infestation using image processing** are use cases in Agriculture.
- These are just some of the examples of how AI is beginning to impact public services.
- As governments seek to speed up the pace of implementation, we can look forward to increased benefits.

Way Forward

- Governments are exploring the potential of AI to transform public services.
- It is crucial to design systems to capture the right data at the outset, so that AI can be deployed efficiently.
- This will all be made possible with the help of policy-makers, public servants and data scientists, all working together to fully realize the benefits of this technology.
- Governments that form a clear data strategy with AI implementation guidelines and ethical framework, are well placed to realize these gains and increase public trust.
- Riding on data and AI, India can achieve the bold vision of becoming a US\$5 trillion economy by 2025.
- To achieve this, AI needs to be extensively utilized in all sectors ranging from agriculture, MSMEs, financial services, healthcare to energy and logistics to create a vibrant AI economy.

Topic: Role of civil services in a democracy.

14. Mission Karmayogi

Introduction

- The civil services have remained at the epicentre of all government activities in India, both as agents of policymaking as well as the executive.
- In the moment of Amrit Mahotsav, it is the appropriate time for the civil services to pause, reflect and strategise on the approaches needed to shape its future.

People-centric governance

- People-centric governance is rapidly becoming the national imperative.
- With the rise of information and communication technology, we are becoming more interconnected globally.
- Young Indians living in small towns and villages are connected to the wider world, which is shaping their aspirations and desires.

- India's citizens are actively making claims on the state and feel empowered to shape how it affects their lives.
- This better-informed citizenry is giving shape to a more mature political system.
- These two forces have led to a sharper focus on citizen-centricity, engagement and partnership, which is aptly called Jan Bhagidari.

Mission Karmayogi

- Mission Karmayogi, the National Programme for Civil Services Capacity Building (NPCSCB), encapsulates three transitions.
- The first transition is a change in the mindset of government officials from considering themselves karmacharis to becoming karmayogis.
- The second transition is a change in the workplace, from assigning individual responsibility for performance, to diagnosing the constraints to a civil servant's performance and remediating them.
- The third transition is moving the public HR management system and the corresponding capacity building apparatus from being rule-based to role-based.

Institutional framework of Mission Karmayogi

- The institutional framework includes four institutions —
 - the Prime Minister's Human Resource Council,
 - the Cabinet Secretariat coordination unit,
 - the Capacity Building Commission (CBC) and
 - the SPV Karmayogi Bharat.

Way Forward

- In a post-Covid world, the understanding of what is public good is also evolving along with the aspirations of citizens.
- India is moving towards a "less government, more governance" approach.
- This requires a paradigmatic shift in the capacities, mindset and actions of the civil servant.
- India is rapidly integrating technology in both governance and in delivering goods and services.
- This can be seen from Aadhaar to DBT and Digilocker, from CPGRAMS to MyGov, from faceless transactions to drone deliveries, from online learning to a digital university.
- The structure and setup of the workplace is rapidly altering and "work from anywhere to deliver good governance" to all citizens will soon become the norm.
- All this **requires a civil servant who is not just committed but also has the competence to deliver on this evolving mandate.**

General Studies – 3

Topic: Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment

15. India's Auto Industry

Introduction

- In the last 3 decades, auto industry has grown substantially. The passenger vehicles, the SUV and two-wheeler volumes have grown more than 10 times.
- The technology features, the safety, the comfort, the emissions, and the energy consumption have all improved.

Advancements in the Auto Industry

- Advancement of the supplier ecosystem in India, both homegrown as well as the MNC offshoots.
- The build-quality of our products.
 - Quality defects have reduced by a staggering 90 per cent and now compare favourably with most advanced markets.
- Our ability to design, engineer and develop world-class products completely in India.
 - Today, every major carmaker has an engineering centre in India, and many have complete product development capability here. This also gives India a competitive edge.
- To increase the adoption of electric vehicles, In the recent budget the government announced that it will release a policy for battery swapping that will bring in standardisation and interoperability.
- This is likely to boost the setting up of charging stations for electric vehicles through subsidies and incentives.

Auto Industry and MSME Sector

- **The auto industry does a lot of good for the MSME sector which is a big employment generator for India.**
- The MSME share of value-addition to a car is 35 per cent.
- The automotive aftermarket provides economic opportunities to thousands of MSMEs.
- One estimate puts the total number of MSMEs engaged in the auto value chain in the range of 25,000-30,000.

Auto industry's Contribution to the Economy

- The Indian auto industry embodies the spirit of Atmanirbhar Bharat, and many other industries can take some lessons from it.
- The industry contributes 6.4 per cent to GDP, around 35 per cent to manufacturing GDP, supports over 8 million jobs directly and as many as 30 million more in the value chain.
- It accounts for cumulative investments of \$35 billion over last 10 years, and generates export revenue of \$27 billion that is nearly 8 per cent of the total merchandise exports from India.
- However, the global semiconductor shortage affects Indian automobile industry.

Potential of the Indian auto industry

- The potential of the Indian auto industry, though, is much larger.
- Auto industry must not be not seen as a “sin” industry, but as an important economic growth driver for the country.
- If the nation wants to be a \$5 trillion economy, it cannot happen without the auto industry making a major contribution.
- The scrappage policy will further help to take polluting, unsafe, gas-guzzlers off the roads.
- Rapid localisation of EV tech also offers a big economic growth opportunity for the auto component sector.

Way Forward

- The time is right for the government and the industry to work together in a mission mode to grow the industry by 10-12 per cent per year for the next 10 years.
- We need to enhance local value addition and make large investments in capacities.
- Indian products need to be globally competitive in cost, quality, and technology.
- India needs to sign bilateral treaties to get favourable tariff regimes for auto exports.
- The government needs to take a hard look at rationalising the extremely high GST rates on automobiles in a phase-wise manner and be pragmatic about introducing new regulations.
- The government had released an Automotive Mission Plan 2026. This plan needs to be revised in the current context jointly with the industry.
- All stakeholders must treat this as a strategy document and commit to implement it.
- Done right, a \$200 billion industry with exports of \$50 billion by 2026 is not out of reach.

16. India's FTA Negotiations

Introduction

- To achieve the export target of \$2 trillion by 2030, India is eyeing on free trade agreements (FTAs).
- FTA has a far-reaching impact on the economy and society.

FTA Negotiations

- India is negotiating FTAs with countries such as the European Union, Canada, the U.K., and Israel.
- **These FTAs cover a wide array of topics such as**
 - tariff reduction impacting the entire manufacturing and the agricultural sector;
 - rules on services trade;
 - digital issues such as data localisation;
 - intellectual property rights that may have an impact on the accessibility of drugs; and
 - investment promotion, facilitation, and protection.

Shortcomings in India's FTA Negotiations

- One legitimately expects transparency and greater scrutiny of the FTA process both during and after the negotiations.
- But India negotiates most FTAs behind closed doors with very little information about the objectives and processes followed and negligible scrutiny.
- In India, no document is produced publicly that makes a case for signing an FTA and assessing its impact on the environment and society at large.
- The Commerce Ministry's website provides the bare minimum information about FTA negotiations.
- The Commerce Ministry also undertakes stakeholder consultations, but there is no public record of these discussions and the government's response to the concerns of stakeholders.
- There is no parliamentary scrutiny of the executive's actions during the FTA negotiations.
- The Parliamentary Standing Committee on Commerce (PSCC) rarely scrutinises the Indian government's objectives behind negotiating and signing an FTA.
- There is no mechanism for any role of Parliament in the ratification of treaties including FTAs.
- Entering into treaties such as negotiations, signing and ratification are within the constitutional competence of Parliament.
- But, Parliament has not exercised its power on this issue, thus giving the executive unfettered freedom in negotiating, signing, and ratifying treaties including FTAs.

Way Forward

- India should develop a law on entering treaties including FTAs.
- The executive should make a clear economic case outlining its strategic objectives publicly for entering into negotiations for a treaty such as an FTA.
- The executive should be under an obligation to consult all stakeholders, respond to their concerns and make this information publicly available.

- The Indian Parliament should constitute a committee that will scrutinise the strategic objectives behind entering into an FTA.
- The executive should place the FTA on the floor of Parliament for a certain duration, allowing Parliament to debate it, before ratifying it.
- The executive's constitutional prerogative of entering into an FTA should be exercised in a manner that makes the executive answerable.
- An integral facet of democracy is to hold the executive to account for its actions. It should be no different for negotiating international treaties including FTAs.

Topic: Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.

17. Impact of e-commerce on MSMEs

Introduction

- Covid has caused a tectonic shift in all spheres of our lives, economy, businesses, education, etc, apart from healthcare.
- The only common thread taking us through it has been digitalization and e-commerce.
- Businesses and services depend ever more on technology.

Micro, small and medium enterprises (MSMEs)

- **MSMEs** account for an **estimated 30% of India's gross domestic product (GDP)** and constitute more than **40% of exports**.
- Currently less than **10% of Indian MSMEs sell online** and 85% are unregistered.
- **MSMEs** could survive with technology and digitization of their processes via the e-commerce ecosystem.

Advantages to MSME's on joining e-commerce

- **Increase revenues and profit margins**
 - Improved timeliness of marketing, global client base and flexible business conduct can aid MSMEs to increase revenues.
 - Knowledge-based customisation to improve customer acquisition
 - Service & feedback channels will enhance the future sales experiences.
- **Reduce spend on marketing and distribution costs**
 - Digital channels provide a cost-effective way to advertise and communicate with target audiences.
 - Most e-commerce platforms provide links on social media channels, which create awareness about their products and services.
 - It allows even the smallest MSMEs to showcase their products in any part of the world.
- **Use data analytics to understand, engage and retain customers**
 - **Most B2B e-commerce players generate, store and analyse customer data.**
- **Access to foreign markets**
 - e-commerce platforms provide a level playing field for all types of businesses that seek access to foreign markets.
- **Building a global reputation**

Issues onboarding MSME's to e-commerce

- Under the current GST framework, many small businesses may not be able to transition from conventional sales to e-commerce platforms.
- Under the current GST rules, even where an **MSME's turnover does not cross the threshold**, it would be **required to register itself under GST** and fulfil all subsequent compliance requirements.
- MSMEs operating through online platforms are burdened with **periodical compliance needs** like registration and the monthly filing of returns.
- Yet, we must get MSMEs sell online, as also artisans and farmer-producer organizations scattered across India, and provide them marketing support.

Government Push

- The government has introduced Digital India, Make in India, Start-up India, Skill India and Innovation Fund to accelerate e-commerce in India.
- It is also encouraging MSMEs to market their products on e-commerce sites, especially on the government-owned websites, such as e-Marketplace (GeM).
- As part of the Digital India initiative, the Ministry of MSME undertook numerous initiatives to digitise the entire MSME ecosystem, wherein all offices have been digitally empowered.

Recent initiatives by e-commerce companies to boost MSMEs sales

- Amazon announced the 'Spotlight North East' programme to provide online support to 50,000 artisans, weavers and small businesses from all states in the Northeast by 2025.
- ICICI Bank launched 'Merchant Stack', a comprehensive digital banking services that is specially curated for retail merchants.
- Walmart's *Vridhhi* programme was extended to Uttar Pradesh to facilitate small businesses in granting access to skills and competencies across online and offline platforms.
- '**MSME Accelerate**' by Amazon to help MSMEs recover from the aftermath of the pandemic.

Way Forward

- E-commerce will play a decisive role in the success of the Indian MSMEs. Technology will be a crucial factor in defining the success and competitiveness of India's MSMEs, both domestically and globally
- Creating an enabling GST ecosystem in the interest of all suppliers, online as well as offline.
- In the spirit of empowering small retailers, MSMEs should be liable for GST only at the threshold value, irrespective of whether they sell offline or online.
- Enabling GST parity between offline and online sellers with respect to registration would help in integrating small business owners in the country with the e-commerce ecosystem.
- Amending the rules to allow small offline sellers to sell online without needing a GST registration will increase GST and income tax collections for the government.
- For growth and development of MSMEs, e-commerce marketplaces help in their transformation at minimal costs, investment and innovation.
- A collaborative effort between the government, the private sector, industry groups, training organisations and SMEs is the most efficient way to support MSMEs.

18. Co-existence of E-commerce and MSMEs

Introduction

- The issue of co-existence of organized and unorganized sectors in a developing country like India is not new.
- The new concern is the **co-existence of traditional brick-and-mortar sellers with online marketplaces (e-commerce aggregators)**, such as Flipkart and Amazon.

Positive impact of e-commerce platforms

- E-commerce platforms have in the past decade-and-a-half provided benefits to consumers in terms of **ease of shopping, saving travel time, providing after-sale services, etc.**
- They have also created a large number of warehouses and supply jobs.
- Some surveys suggest that they provide an added advantage to small home businesses, which do not need a physical set-up to market their products, and hence encourage the entry of new firms.
- The positive spillover effects have also been witnessed by the fintech industry, as many consumers and producers now prefer digital transactions.
- Study shows how the e-commerce industry has facilitated domestic sales of the overall Indian retail sectors by providing them with an additional channel for marketing their products, along with their offline businesses.

- These firms can now take advantage of 24X7 online marketplaces made accessible by e-commerce platforms, without any need for heavy investment to create their own online portals, or advertising/marketing their products.

Negative impact e-commerce platforms

- In recent years, some sections of Indian industry, specifically small retail businesses and traders have expressed concern over the negative impact e-commerce majors are having on their growth and sustainability.
- Their complaint is that these platforms attempt to erode their business opportunities through **predatory pricing, deep discounting, cashback policies and preferential terms for select sellers.**
- This has **squeezed the profitability of Indian retailers** by forcing them to charge customers low prices and reducing their overall market share in the country.
- They claim, the two big e-commerce platforms are effectively trying to induce duopoly elements in the Indian retail market.
- Hence, creating **problems for the survival of incumbent firms** and also for the entry of new players.

Government's Response

- The above issues have been recognized by Indian policymakers, which is evident from the changes that the government introduces/proposes in the country's e-commerce norms.
- In late 2018, the government introduced a new policy that barred any entity related to e-commerce platforms from selling on that site and imposed a quantitative restriction on how much a vendor can sell on a particular online portal.
- More recently, to protect domestic firms, the ministry of consumer affairs proposed to impose new registration requirements for online retailers, place a ban on specific flash sales, and impose stringent data-use norms.

Concerns / Challenges

- Retail MSMEs have not yet gained significantly from the growth of online commerce.
- Though India has one of the world's fastest-growing digital commerce spaces, **Indian businesses, especially MSMEs, still lack proper access to digital technology.**
- **India's digitization level remains low** relative to many other economies such as China and Vietnam

Way Forward

- The Conflicts of interest among various potential gainers and India's huge unorganized set of retailers, make it **imperative for the government to take a balanced approach.**
- E-commerce is only a channel for selling goods or providing services, and a firm cannot directly leverage benefits from such platforms unless **supported by adequate digital infrastructure.**
- **More research is needed** to devise regulations that strengthen the connect between e-commerce and MSMEs.
- This also calls for the creation of a robust database to make such analyses possible, which is presently highly skewed in the case of India.

Topic: Issues related to direct and indirect farm subsidies and minimum support prices; Public Distribution System- objectives, functioning, limitations, revamping; issues of buffer stocks and food security

19. Climate Smart Agriculture

Introduction

- **FAO defines Climate-smart agriculture (CSA)** as "agriculture that sustainably increases productivity, enhances resilience, reduces/removes GHGs where possible, and enhances achievement of national food security".
- **Climate-smart agriculture (CSA)** is an approach for transforming agricultural production systems so that they support sustainable development and can ensure food security under climate change.

India's vulnerability

- India's agricultural is highly monsoon dependent and with 85% small and marginal landholdings, it is highly sensitive to weather abnormalities.
- The Economic Survey 2021-22 points out that the country is over-exploiting its ground water resource.
- There are reports of heat waves, which in turn affects crops, aquatic systems and livestock.
- There will be an increased **risk of pests and diseases due to change in the pattern** of host and pathogen interaction.
- For every two-degree rise in temperature, the agriculture GDP of India will reduce by five percent.
- Poor agricultural performance can lead to inflation, farmer distress and unrest, and larger political and social disaffection.
- It will force farmers to either adapt to challenges of climate change or face the risk of getting poorer.

Relevance of CSA

- **Increased productivity:** Produce more food to improve food and nutrition security.
- **Enhanced resilience:** Reduce vulnerability to drought, pests, disease, and other shocks.
- **Reduced emissions:** Pursue lower emissions for each calorie or kilo of food produced, avoid deforestation from agriculture and identify ways to suck carbon out of the atmosphere.
- The climate-smart agriculture approach seeks to reduce trade-offs and promote synergies to make **agricultural system more productive and more sustainable.**
- Ecosystem and landscape management to conserve ecosystem services that are important for food security, agricultural development, adaptation and mitigation.

Concerns / Challenges

- Quick adaptation for new changes is hard, with farmers varying and mixing crops across seasons, along with heavy investments in borewells, tractors, and threshers.
- Because of continuous crop failures, farmers are increasingly abandoning their lands and heading to nearby towns to find work as laborers.
- With India's climate expected to become warmer, intra seasonal and inter-annual weather variability is expected to increase.

Way Forward

- **Farmers, especially smallholder farmers, need handholding during their scaling up to adopt CSA.**
- Mobile telecommunication systems are increasingly cost-effective and an efficient way of delivering weather-based agro-advisories to farmers at a large scale.
- Weather-based agro-advisories must be locale-specific, crop-and farmer-specific.
- On-site training and awareness campaigns, technology demonstrations, farmer-specialist interactions, and engagement with local governance bodies.
- Closer collaboration between public, civil society, and private technology and financial service providers so that farmers get access to accurate information, and affordable technologies.
- Farmer groups and the private sector can be mobilised to develop carbon markets in agriculture, which can reward farmers in cash for switching to low-carbon-intensive crops to lower GHG emissions.
- Such a move towards "net-zero" agriculture will give India a "climate smart" agriculture.

Conclusion

- Climate-smart agriculture is not a new agricultural system, nor a set of practices.
- It is an innovative approach for charting development pathways that can make the agriculture sectors more productive and sustainable and better able to contribute to climate change adaptation and mitigation.

Topic: Conservation, environmental pollution and degradation

20. The Role of Panchayats in tackling Climate Change

Introduction

- **With rural households among the most vulnerable to climate change effects, panchayats, as local governments, can play a pivotal role in tackling many of the causes and consequences of global warming.**

Need to involve Panchayats

- If India has to achieve the set of **goals enunciated in the ‘Panchamrit’ resolution of the COP26 climate summit** in Glasgow 2021, it is necessary that panchayati raj institutions are closest to the people are involved.
- It is necessary to have a **suitable local action plan for implementation and enforcement, initiated and coordinated by local governments.**
- In the context of greater devolution that has taken place, panchayats can play a pivotal role in tackling many of the causes and effects of climate change.
- India’s National Action Plan on Climate Change 2008 identifies a range of priority areas for coordinated intervention at the national and State levels.
- However, there would have been better results had panchayati raj institutions been given a greater role.
- The ongoing decentralisation process which ensures people’s participation, panchayats can play a crucial role in coordinating effective responses to climate risks.

India’s Vulnerability

- Over the past few decades, there has been a manyfold **increase in the number of climate-related national disasters.**
- Much of India’s population still lives in the rural areas and is involved in agriculture and other agri-based activities.
- The greater variability in rainfall and temperatures, etc. experienced of late has directly affected the livelihood and well-being of millions of rural households.

Carbon neutrality projects across India

- As human activities are the cause of the current climate crisis, mitigating greenhouse gas emissions and adapting to growing and extreme weather events are critical.
- Zero carbon development which promotes sustainable living is the effective solution to reducing anthropogenic emissions and improving climate resilience.

Carbon neutral Meenangadi

- In recent years, many panchayats have come forward with the concept of carbon neutrality, a prominent example being Meenangadi gram panchayat in Kerala’s Wayanad district.
- In 2016, the panchayat envisaged a project called ‘Carbon neutral Meenangadi’, the aim being to transform Meenangadi into a state of carbon neutrality.
- An awareness programme was conducted initially. A greenhouse gases emission inventory was also prepared.
- The panchayat was found to be carbon positive.
- Several multi sector schemes were implemented to reduce emissions, increase carbon sequestration, and preserve the ecology and bio-diversity.
- ‘Tree banking’ was one of landmark schemes introduced to aid carbon neutral activities which encouraged the planting of more trees by extending interest-free loans.
- The entire community was involved in the process, with school students, youth, and technical and academic institutions.

Example of Palli gram panchayat

- There is also the example of Palli gram panchayat in Jammu and Kashmir that has followed the people-centric model, with specific local activities.
- The panchayat has prepared a climate-resilient plan where villagers have been made aware of climate change Mitigation.
- A solar plant (500KW) has been installed to power 340 households.
- A Gram Panchayat Development Plan for 2022-23 is being prepared by integrating a climate-resilient plan.

Initiatives by many other panchayats

- There are many other panchayats that have also initiated carbon neutral programmes.
- In Seechewal gram panchayat, the Kali Bein river was rejuvenated with people's involvement.
- Odanthurai panchayat in Tamil Nadu has its own windmill (350 KW).
- Tikekarwadi gram panchayat in Maharashtra is well known for its extensive use of biogas plants and green energy production.
- Chapparapadavu gram panchayat in Kerala has several green islands that have been nurtured by the community.

Clean and Green Village

- **The Ministry of Panchayati Raj has focused its attention on localising the Sustainable Development Goals (SDGs) on a thematic basis.**
- 'Clean and Green Village' has been identified as the fifth theme where panchayats can take up activities on natural resource management, biodiversity protection, waste management and afforestation activities.
- According to the latest data, 1,09,135 gram panchayats have prioritised 'Clean & Green Village' as one of their focus areas for 2022-23.

Way Forward

- There is a need for the **documentation of best practices on carbon neutral programmes and for wider dissemination.**
- The integrated Panchayat Development Plan prepared by all panchayats is a stepping stone towards addressing many of the environmental concerns of villages.
- India's rural local bodies must contribute their strength to ensure the global target of carbon neutrality, as envisaged in the UN conference on climate change.

General Studies-4;

Topic: Corporate Governance.

21. Corporate Governance in India

Introduction

- **Corporate governance is the system of rules, practices, and processes by which a firm is directed and controlled.**
- Corporate governance involves **balancing the interests of a company's stakeholders such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community.**

Importance of Corporate Governance

- Ensures that the management of a company considers the **best interests of all stakeholders involved.**
- Helps companies **deliver long-term corporate success and economic growth**
- Maintains the confidence of investors and as consequence companies raise capital efficiently and effectively.
- Good corporate governance also aims at a **faster decision-making process** that leads to improving sales margins and reducing costs.
- Minimizes wastages, corruption, risks, and mismanagement.
- Helps to create a **strong brand reputation.**
- An **increase in staff retention and motivation** can be expected, especially from senior staff.

Challenges for Corporate governance in India

- **Non-adherence to regulations:**
 - SEBI's guideline report mandates that India's top listed companies must separate the chairperson's role from that of the CEO or MD, and disallow relatives from holding these positions.
 - Reports state that over a third of these companies are yet to comply with the mandate.
- In India, founders' ability to control the affairs of the company has the potential of derailing the entire corporate governance system.
- Unlike developed economies, in India, identity of the founder and the company is often merged.
- It is common for friends and family of promoters and management to be appointed as board members.
- Appointed independent directors are questionable as it is unlikely that Independent Directors will stand-up for minority interests against the promoter.
- An independent director can be easily removed by promoters or majority shareholders. This inherent conflict has a direct impact on independence.
- Data protection is an important governance issue.
- Board's Approach to Corporate Social Responsibility (CSR) is often found unsupportive.

Way Forward

- **Ensure a balanced, competent and diverse Board:** Studies show Boards with greater gender diversity result in improved financial performance.
- Review Board composition on a regular basis to identify any shortcomings and make timely improvements.
- Establish, monitor and evaluate the roles and responsibilities of the Board and management.
- Gear key performance indicators towards long term value creation not just in the short term.
- Establish an effective risk management and internal control framework and periodically review its effectiveness.
- Ensure integrity in corporate reporting such as conducting external audits of the business.
- Beyond stricter supervision, authorities must ensure governance is not done in the letter of the law, but rather in the spirit of the law.
- Only then can the true purpose of corporate governance and its fundamental principles of transparency, accountability, fairness and equity, and responsibility be achieved.