

Q1 Assess the present status of India's skilling and manufacturing ecosystem. (10)

Q2 The government has indicated towards phasing out conventional vehicular fuels in the next few years. Briefly explain about the available alternatives. Can these alternatives help in sustainable transition? (10)

Q3 What is 'Green GDP'? How is it different from the 'Gross Environment Product'? Are these words mere connotations or do they have any real significance? (10)

Q4 Critically examine the disinvestment policy of the incumbent government while giving relevant examples. (15)

Q5 Discuss the major provisions of Budget 2022 to enhance growth, connectivity and social welfare (15)

Ans-1

India is one of the fastest growing economy in the world with huge potential of demographic dividend.

For any country to progress, the two of the most important ecosystems are skills of its demography and manufacturing sector so as to ensure high growth.

### India's skilling ecosystem

- India has a separate ministry for skill development.
- The huge potential for demographic dividend can be reaped if there is skill development → so, NSDC as an infrastructure is present (National Skill Development Council).
- Promotion for the skill through various programmes like Standup India, Startup India.
- Various courses offered by ISRO so as

To strengthen scientific skills -

- ) Various courses by IITs, IIMs - the top notch universities -

### Manufacturing Ecosystem

- ) India launched National Manufacturing Policy in 2011 to increase manufacturing growth till 25%.
- ) 'Make in India' Initiative in 2015
- ) Grant of easy credits to manufacturing sectors and sufficient provisions for tax rebates etc.
- ) MUDRA and SIDBI for growth.
- ) Strengthening of MSMEs

However despite such efforts the skills level remain low and the objective of 25% growth in manufacturing has not been achieved. Hence, there is a long road to go.

Ans 2

The government of India has been coming up with various alternatives for conventional fuel vehicles which are affecting the environment.

Alternatives :-

1) Electric Vehicles

The GOI has been promoting electric vehicles which run on lithium batteries.

- more environment friendly.
- rechargeable.
- convenient.

Govt has also launched E-Amrit Portal for the guides.

EV scooters, EV buses, EV cars are new alternatives.

2) Ethanol Blending Vehicles

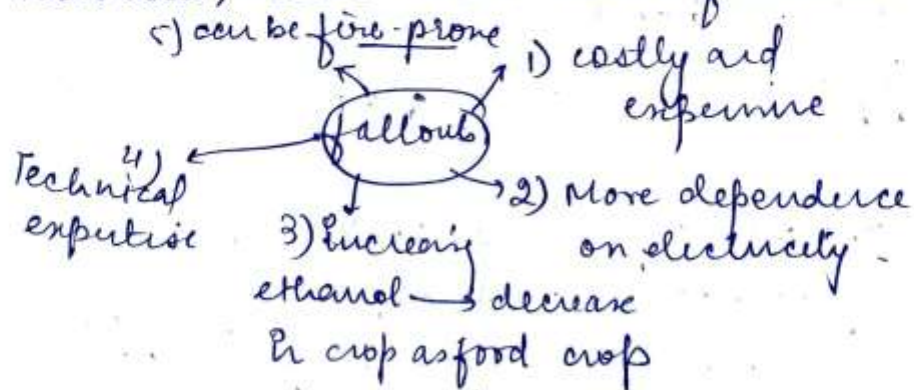


Government has come up with a roadmap to bring about a change in the composition of conventional fuel. E-20 (80:20) in petrol and E-5 (95:5) for diesel vehicles

Can these help in sustainable transition?

- 1) The environment friendly behaviour of these vehicles can actually help in achieving sustainability.
- 2) Reduce our dependency on Petrol and oil from Gulf and West; so can ensure economic sustainability.

However, these have some fallouts.



Hence, for a sustainable transition, only phasing out vehicles won't help, there has to be a sustainable approach.

Ans 3

'Green GDP' is the calculation of the goods produced in the domestic territory of the country taking into consideration the environmental factors.

[GREEN GDP and Gross Environment Product]

Green GDP, is the economic indicator of growth. It includes the standard GDP.

On the other hand, Gross Environment Product is the economic value of the goods and products given as the services by the ecosystem (GEP)

Green GDP

1) It is the value of goods produced in the country including environmental damage done in order to produce them.

GEP

1) It is the value of the <sup>and services</sup> goods produced by the ecosystem.

2) It is a broad term and includes GEP.

3) It tells about the economic growth of the country

4) It can be used in comparison with different countries.

2) It is a narrow term including only ecosystem services and goods

3) It tells about the potentials of the ecosystem

4) Comparison of countries on one basis of this is not possible

These words do have real connotations and significance. However, there is one very important issue which is it is subjective and qualitative and difficult to measure in quantitative terms using layman measurement tools.

However, there have been attempts made to follow this approach. Recently, Uttarakhand became the first state to include environment factor in its GSDP.



Ans. 4

Disinvestment is the process of divesting the share of the entities of which government is part of to the private entities.

Disinvestment has been a historic phenomenon since our independence, however gained sufficient popularity recent only.

Government of India has come up with various plans for the disinvestment in the near past.

1) The disinvestment of LIC

One of the most popular and recent phenomenon that took place in 2022.

2) The privatisation of Air India

Initially it was taken by GOI but now has been privatised again.



## The positives of disinvestment:

- 1) It helps in managing the fiscal deficit of the Government.
- 2) The Government was in loss in Air India, so privatising it was a better option as it gives the technical expertise and resilient infrastructure.
- 3) The LIC disinvestment would definitely help in strengthening the institution and maybe help in increasing the insurance density and insurance penetration.
- 4) The government's recent projects of National Infrastructure Pipeline and National Monetary Pipeline, it would focus on brownfield projects developed by the

## Private Players

- 5) The recent 6 lakh crore allocated might actually help generate strong infrastructure.

## Issues in the disinvestment policy :-

- 1) Government's failure to <sup>meet</sup> disinvestment targets in 2021 and could manage ~~only upto 80,000~~ upto some portion of disinvestment.
- 2) Lack of options available while issuing IPO.
- 3) Lack of Public will as disinvestment might affect the welfaristic nature of the earlier public institutions.

Therefore, disinvestment comes with various pros and cons and it cannot be the only option for ensuring development. Hence, should be used whenever required.

Ans. 5 The Budget 2022 comes with a vision of enhancement of growth, connectivity and social welfare.

### Connectivity

The highlighted provision is

"PM GATI Shakti"

Its main aim is to ensure multimodal connectivity with integration ..

1) integration of various ministries at a common digital Portal so as to ensure inter connectedness in their programmes

2) Building of highways, road infrastructure, rail network enhancement to improve logistics.



## Growth

- ) Aim is to achieve \$5 trillion economy.
- ) Growth through launch of Ease of Doing Business 2.0, Ease of Living Index so as to ensure development
- ) Increasing disinvestment,
- ) Introduction of CBDC "central Bank Digital currency"
- ) Issue of green bonds.
- ) Strengthening of MEMES
- ) providing fiscal space to states

## Welfare

- ) PM Awas Yojana → to ensure housing
- ) PM-DeVine for North east villages.

- ) Aspirational District Programme
- ) Digital Banking :- 100% of  
Post offices → core banking  
system
- ) National Digital Health ecosystem
- ) Digital university

Through various welfare programmes, growth models and PM Gati Shakti, the vision of Budget-2022-23 can be achieved if there'll be proper implementation and strong political will with people's achievement.