

Daily Mcqs- November 26th

1.The 'Anti-dumping duty' refers to

- (a) A tariff that a domestic government imposes on foreign imports that it believes are priced below fair market value
- (b) An import tax imposed on certain goods in order to counter export subsidies
- (c) A tax imposed on imports and exports of goods on valorem basis.
- (d) None of the above

Answer: A

Explanation:

Option A is correct: An anti-dumping duty is a protectionist tariff that a domestic government imposes on foreign imports that it believes are priced below fair market value. Dumping is a process where a company exports a product at a price lower than the price it normally charges on its own home market.

Option B is incorrect: Countervailing Duties (CVDs) are tariffs levied on imported goods to offset subsidies made to producers of these goods in the exporting country. CVDs are meant to level the playing field between domestic producers of a product and foreign producers of the same product who can afford to sell it at a lower price because of the subsidy they receive from their government

Option C is incorrect: Customs Duty is a tax imposed on imports and exports of goods.

Description: The rates of customs duties are either specific or on ad valorem basis, that is, it is based on the value of goods

Why in the news?

The textile and clothing sec-tor has urged the Centre to **remove anti dumping duty (ADD) on viscose fibre** and address problems related to inverted duty structure in Man Made Fibre

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(MMF) segment for the industry to benefit from the recently announced Production Linked Incentive (PLI) scheme.

2. With reference to the Inverted duty structure, consider the following statements.

1. It is a situation where import duty on raw materials is low compared to the import duty on finished goods
2. Government uses such a tax regime to boost the competitiveness of domestic industries against imported finished goods.

Which of the statements given above is/are correct?

- A. 1 only
- B. 2 only
- C. Both 1 and 2
- D. Neither 1 nor 2

Answer:

D

Explanation:

- **Statement 1 is incorrect:** Inverted duty structure is a situation where import duty on finished goods is low compared to the import duty on raw materials that are used in the production of such finished goods.
- For example, suppose the tariff on the import of tyres is 10% and the tariff on the imports of natural rubber which is used in the production of tyres is 20%; this is a case of inverted duty structure.
- When the import duty on raw materials is high, it will be more difficult to produce the concerned good domestically at a competitive price. Several industries depend on imported raw materials and components.
- High tax on the raw materials compels them to raise prices. On the other hand, foreign finished goods will be coming at a reduced price because of low tax advantage. In conclusion,

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manufactured goods by the domestic industry become uncompetitive against imported finished goods. **Hence, statement 2 is incorrect.**

- The disadvantage of the inverted duty structure increases with the increased use of imported raw materials. An inverted duty structure discourages domestic value addition.

Why in the news?

The textile and clothing sector has urged the Centre to **remove anti dumping duty (ADD) on viscose fibre** and **address problems related to inverted duty structure** in Man Made Fibre (MMF) segment for the industry to benefit from the recently announced Production Linked Incentive (PLI) scheme.

3. Consider the following statements about PRAGATI (Pro-Active Governance And Timely Implementation) Scheme.

1. It is a multi-purpose and multi-modal platform that is aimed at addressing common man's grievances, and simultaneously monitoring and reviewing important programmes directly by the Prime Minister.
2. It is a three-tier system comprising of the Prime Minister office, Chief Secretaries of the States and the Local Government Officials.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: A

Explanation:

PRAGATI, a multimodal platform launched by Prime Minister in 2015 for addressing grievances, monitoring and **reviewing** important programmes. This is the ultimate aim of the initiative.

The PRAGATI platform uniquely bundles **three latest technologies**: Digital data management, video-conferencing and geo-spatial technology.

So, Statement 1 is correct.

Key Features of the Pragati Initiative:

- Prime Minister will hold a monthly programme where he will interact with the Government of India Secretaries, and Chief Secretaries through Video-conferencing enabled by data and geo-informatics visuals;
- **It is a three-tier system (PMO, Union Government Secretaries, and Chief Secretaries of the States). There is no involvement of local government officials in the programme.**

So, the statement 2 is incorrect.

- Issues to be flagged before the PM are picked up from the available database regarding Public Grievances, on-going Programmes and pending Projects.
- The system will ride on, strengthen and re-engineer the data bases of the CPGRAMS for grievances, Project Monitoring Group (PMG) and the Ministry of Statistics and Programme Implementation. PRAGATI provides an interface and platform for all these three aspects.
- It will take into consideration various correspondences to PM's office by the common people or from high dignitaries of States and/or developers of public projects.

Why in the news?

Prime Minister Shri Narendra Modi chairs thirty-third interaction through PRAGATI – the ICT based multi-modal platform for Pro-Active Governance and Timely Implementation, involving Central and State governments.

4. Consider the following statements related to Unified Mobile Application for New-age Governance (UMANG)

- 1) It provides a single platform for all Indian citizens to access pan India e-Government services ranging from central to local government bodies and other citizen centric services.
- 2) It is a Digital India initiative of the Ministry of Electronics and Information Technology.

Which of the statements given above is/ are correct?

- a) 1 only

- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: C

Explanation:

- Umang App provides a **single platform for all Indian citizens to access pan India e-Government services** ranging from central to local government bodies and other citizen centric services.
- It is a unified, secure, multi-channel, multi-platform, multi-lingual, multi-service mobile app.
- It is a **Digital India initiative of the Ministry of Electronics and Information Technology (MeitY)** launched in 2017.

Features:

- It provides seamless integration with popular customer centric services like Aadhaar and Digilocker.
- It provides a unified approach where one can install one application to avail multiple government services.
- It can be accessed on multiple channels like mobile application, web, and SMS which can be accessed through smartphones, tablets and desktops.
- It has a rich multimedia interface with a focus on maximizing usability and enriching user experience.

5. Consider the following statements with respect to National Disaster Relief Fund (NDRF)

1. It is a fund managed collectively by Central Government and state government
2. Comptroller and Auditor General of India (CAG) audit the accounts of NDRF

Which of the statements given above is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: B

Explanation:

National Calamity Contingency Fund (NCCF) was renamed as National Disaster Response Fund (NDRF) with the enactment of the Disaster Management Act in 2005. It is defined in Section 46 of the Disaster Management Act, 2005

Statement 1 is incorrect: It is a fund **managed by the Central Government** (not collectively by central and state government) for meeting the expenses for emergency response, relief and rehabilitation due to any threatening disaster situation or disaster.

Key features of NDRF

- Located in the “Public Accounts” of Government of India under “Reserve Funds not bearing interest”
- Department of Agriculture and Cooperation under Ministry of Agriculture (MoA) monitors relief activities for calamities associated with drought, hailstorms, pest attacks and cold wave /frost while rest of the natural calamities are monitored by Ministry of Home Affairs (MHA)
- Comptroller and Auditor General of India (CAG) audits the accounts of NDRF. So, **statement 2 is correct.**

Sources of Financing NDRF

- Financed through the levy of a cess on certain items, chargeable to excise and customs duty, and approved annually through the Finance Bill
- The requirement for funds beyond what is available under the NDRF is met through general budgetary resources
- Currently, a National Calamity Contingency Duty (NCCD) is levied to finance the NDRF and additional budgetary support is provided as and when necessary
- A provision also exists in the DM Act to encourage any person or institution to make a contribution to the NDRF.