

# IASbaba's Daily Quiz

September 2, 2016

**Q.1) Recently Union Cabinet approved a scheme to grant Permanent Residency Status (PRS) to foreign investors. Consider the following statements with respect to same.**

1. It will serve as a multiple entry visa without any stay stipulation
2. The foreign investor will have to invest a minimum of Rs. 10 crores to be brought within 18 months to be eligible for this scheme

**Select the correct statements**

- a) Only 1
- b) Only 2
- c) Both 1 and 2
- d) None

**Q.1) Solution (c)**

The Union Cabinet under the Chairmanship of Prime Minister Shri Narendra Modi has approved the scheme for grant of Permanent Residency Status (PRS) to foreign investors subject to the relevant conditions as specified in the FDI Policy notified by the Government from time to time.

Under the Scheme, suitable provisions will be incorporated in the Visa Manual to provide for the grant of PRS to foreign investors.

The PRS will be granted for a period of **10 years with multiple entry**. This can be reviewed for another 10 years if the PRS holder has not come to adverse notice.

The scheme will be applicable only to foreign investors fulfilling the prescribed eligibility conditions, his/her spouse and dependents.

- In order to avail this scheme, the foreign investor will have to **invest a minimum of Rs. 10 crores to be brought within 18 months or Rs.25 crores to be brought within 36 months**.
- Further, the foreign investment should result in **generating employment to at least 20 resident Indians every financial year**.
- Permanent Residency Status will be granted for a period of 10 years initially with multiple entry facility, which can be renewed for another 10 years.
- PRS will serve as a **multiple entry visa without any stay stipulation** and PRS holders will be **exempted from the registration requirements**.
- PRS holders will be allowed to purchase one residential property for dwelling purpose.

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- The spouse/ dependents of the PRS holder will be **allowed to take up employment in private sector (in relaxation to salary stipulations for Employment Visa) and undertake studies in India.**

The scheme is expected to encourage foreign investment in India and facilitate Make in India Programme.

In News - <http://indianexpress.com/article/business/business-others/permanent-residency-status-prs-to-foreign-investorsfor-10-crore-3007129/>

**Q.2) Logistics Performance Index (LPI) is released by**

- a) World Bank
- b) World Trade Organisation (WTO)
- c) International Monetary Fund (IMF)
- d) International Chamber of Commerce

**Q.2) Solution (a)**

The World Bank has recently released a Logistics Performance Index (LPI) 2016 report titled "Connecting to Complete 2016".

The Logistics Performance Index Report is published by World Bank every two years.

India has now been ranked 35 amongst 160 countries compared to rank of 54 in LPI 2014. This is a jump of 19 places.

**Components of the LPI –**

1. Customs
2. Infrastructure
3. International Shipments
4. Logistics Quality and Competence
5. Tracking and Tracing
6. Timeliness

In News - <http://pib.nic.in/newsite/PrintRelease.aspx?relid=149385>

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**Q.3) Central trade unions have called a nationwide strike today (2 September, 2016) to protest the government's announcement of a hike in minimum wages for workers. Consider the following in regard to minimum wages and choose the incorrect statement:**

- a) States may notify minimum wages only if there are more than 1,000 workers in a particular employment.
- b) National Floor Level Minimum Wage has a statutory backing, which makes it mandatory for states to fix minimum wages at not less than the National Floor Level Minimum Wage.
- c) Currently the National Floor Level Minimum Wage stands at Rs 160 per day.
- d) None

### **Q.3) Solution (b)**

Based on the recommendations of the National Commission on Rural Labour in 1991, a National Floor Level Minimum Wage was proposed in order to have a uniform wage structure across the country.

In 1996, the National Floor Level Minimum Wage was fixed at Rs 35 per day, which was revised in subsequent years and currently stands at Rs 160 per day.

Since the the National Floor Level Minimum Wage does not have statutory backing, it is not mandatory for states — although they are advised to fix minimum wages at not less than the National Floor Level Minimum Wage.

Some states such as Kerala and Delhi already have a higher minimum wage for unskilled labourers than what has been announced by the government, but in the absence of legal backing, the lowest minimum wage can drop very low.

**In News** - <http://indianexpress.com/article/explained/bharat-bandh-trade-union-strike-minimum-wage-3008835/>

**Q.4) Consider the following statements with respect to Asian Infrastructure Investment Bank (AIIB)**

- 1. It is aimed at supporting the building of infrastructure projects in Asia-Pacific region
- 2. It is headquartered at Singapore

**Select the correct statements**

- a) Only 1

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- b) Only 2
- c) Both 1 and 2
- d) None of the above

### Q.4) Solution (a)

The Asian Infrastructure Investment Bank (AIIB) is an international financial institution that aims to support the building of infrastructure in the Asia-Pacific region.

The bank has 57 member states (all "Founding Members") and was proposed as an initiative by the government of China.

It is headquartered at Beijing, China.

**In News -** [http://www.business-standard.com/article/international/canada-to-apply-to-join-china-backed-aiib-116083100670\\_1.html](http://www.business-standard.com/article/international/canada-to-apply-to-join-china-backed-aiib-116083100670_1.html)

**Q.5) This tool allows developing countries to raise tariffs temporarily to deal with import surges or price falls. Identify the tool from the following options:**

- a) Special Drawing Rights
- b) Special Safeguard mechanism
- c) GATT
- d) National Treatment Obligation

### Q.5) Solution (b)

**In News -** <http://www.indianeconomy.net/splclassroom/95/what-is-special-safeguard-mechanism-under-wto/>

