

January 2, 2019

Q.1) Consider the following statements with respect to 'Equatorial Electrojet'

1. It is a naturally occurring flow of current approximately 100 kilometers above the Earth's surface.
2. The westward movement of the electrons constitutes an eastward electric current which is called the Equatorial Electrojet.

Select the correct statements

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

Q.1) Solution (c)

In the dayside ionosphere, the neutral winds set up a polarization electric field which usually points into the eastward direction. At the magnetic dip equator, where the magnetic field is exactly horizontal, this electric field has an interesting effect: The resulting upward $E \times B$ drift of the electrons generates a negative charge at the top and a positive charge at the bottom of the ionospheric E-region (about 90 to 130 km altitude). The resulting electric field prevents the further upward drift of electrons. Instead, they are now propelled westward by the eastward electric field. This westward movement of the electrons constitutes an eastward electric current which is called the Equatorial Electrojet. The motion of the ions is largely inhibited at this altitude, due to their collisions with the neutral gas.

A new study shows it amplifies the effects of space weather near the equator, putting power grids at risk in regions previously thought to be less prone to space weather than high-latitude regions.

It runs directly above the magnetic equator, affecting worldwide radio communication.

Source (IMPORTANT): <https://www.thehindu.com/sci-tech/science/on-the-cosmic-ray-trail-in-tirunelveli/article25858219.ece>

Q.2) 'SRPHi' was launched by

- a) RBI
- b) NITI Aayog
- c) CIPAM
- d) AISHE

January 2, 2019

Q.2) Solution (a)

The Reserve Bank of India (RBI) will capture payment habits of individuals in six cities, including four metropolitan towns.

For the purpose, the central bank has launched a 'Survey on Retail Payment Habits of Individuals (SRPHi)'.

The survey will cover a sample of 6,000 individuals from various socio-economic backgrounds across six cities -- Delhi, Mumbai, Kolkata, Chennai, Bengaluru and Guwahati.

Source: <https://www.livemint.com/Industry/QEnxJa1DZ8TPzMigM31fWI/RBI-launches-survey-to-capture-retail-payment-habits-in-6-ci.html>

Q.3) Which of the following statements is/are correct?

1. [Masala Bonds](#) are rupee-denominated borrowings issued by Indian entities in overseas markets.
2. A Panda bond is a Chinese renminbi-denominated bond from a non-Chinese issuer, sold in the People's Republic of China.

Select the correct code:

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

Q.3) Solution (c)

Masala bonds are bonds issued outside India but denominated in Indian Rupees, rather than the local currency.

A Panda bond is a Chinese renminbi-denominated bond from a non-Chinese issuer, sold in the People's Republic of China. The first two Panda bonds were issued in October 2005 on the same day by the International Finance Corporation and the Asian Development Bank.

Source: https://www.business-standard.com/article/international/pakistan-cabinet-approves-issuance-of-panda-bonds-in-chinese-currency-118122800361_1.html

Q.4) Government announces [minimum support prices \(MSPs\)](#) for

IASbaba's Daily Quiz

January 2, 2019

1. Copra
2. Groundnut
3. Jute
4. Wheat

Select the correct code:

- a) 1, 2 and 3
- b) 2, 3 and 4
- c) 1, 3 and 4
- d) All of the above

Q.4) Solution (d)

Read More - <http://vikaspedia.in/agriculture/market-information/minimum-support-price>

Q.5) With reference to India's decision to levy an equalization tax of 6% on online advertisement services offered by non – resident entities, which of the following statements is/are correct?

1. It is introduced as a part of the Income Tax Act.
2. Non-resident entities that offer advertisement services in India can claim a tax credit in their home country under the "Double Taxation Avoidance Agreements."

Select the correct answer using the code given below:

- a) 1 Only
- b) 2 Only
- c) Both 1 & 2
- d) Neither 1 nor 2

Q.5) Solution (d)

Both the statements are wrong.

Instead of a straight tax on digital advertising platforms, the government has come up with what it calls an "equalisation levy" of 6% on the fees that advertisers pay.

The 'equalisation' happens because the government is supposedly levelling the playing field and making companies such as Google and Facebook pay for the money they make from local advertisers.

Moolah Route

Equalisation levy to have an impact on online ad revenues of search engines Google and Yahoo besides social networking giants like Facebook and Twitter

This could become an additional cost for small firms/ startups

Industry looking at levy to understand implications

Non-resident companies will not receive credit in their home countries on transactions subjected to the levy

Big players like Google & Facebook may refuse to recognise the levy under existing agreement

₹4,108 cr
Google's revenue from India in 2014-15

₹123.5 crore
Facebook's top line from India in 2014-15