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Q.1) Consider the following statements with respect to PRAGATI:

1. It is aimed at addressing common man's grievances, and simultaneously monitoring and reviewing important programmes and projects of the Government of India as well as projects flagged by State Governments
2. It involves Digital data management, video-conferencing and geo-spatial technology

Which of the following statements is/are correct?

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

Q.1) Solution (c)

PRAGATI (Pro-Active Governance and Timely Implementation)

- It is an ICT-based multi-modal platform for monthly interaction by the PM with top officials of the states via video-conferencing.
- The platform is aimed at addressing common man's grievances, and simultaneously monitoring and reviewing important programmes and projects of the Government of India as well as projects flagged by State Governments.
- The PRAGATI platform uniquely bundles three latest technologies: Digital data management, video-conferencing and geo-spatial technology. It also offers a unique combination in the direction of cooperative federalism since it brings on one stage the Secretaries of Government of India and the Chief Secretaries of the States.

Source: https://www.business-standard.com/article/news-ani/pm-modi-chairs-30th-interaction-through-pragati-platform-119073101419_1.html

Q.2) Consider the following statements with respect to 'External Commercial Borrowings (ECBs)'

1. It is governed by the Foreign Exchange Management Act, 1999 (FEMA)
2. A limited liability partnership (LLP) cannot raise ECBs

Select the correct statements

- a) 1 Only
- b) 2 Only

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

Q.2) Solution (c)

External commercial borrowing (ECBs) are loans in India made by non-resident lenders in foreign currency to Indian borrowers. They are used widely in India to facilitate access to foreign money by Indian corporations and PSUs (public sector undertakings).

Transactions on account of External Commercial Borrowings (ECB) and Trade Credits (TC) are governed by clause (d) of sub-section 3 of section 6 of the Foreign Exchange Management Act, 1999 (FEMA).

As LLPs are not eligible to receive FDI, they cannot raise ECBs.

Source: <https://www.livemint.com/news/india/rbi-eases-end-use-norms-for-external-commercial-borrowings-by-corporates-nbfcs-1564495376661.html>

Q.3) Consider the following statements about 'Public Accounts Committee (PAC)'

1. It was first set up in the wake of the Montague-Chelmsford Reforms
2. It is formed every year with all the members from Rajya Sabha

Select the correct statements

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

Q.3) Solution (a)

The Public Accounts Committee (PAC) is a committee of selected members of Parliament, constituted by the Parliament of India, for the auditing of the revenue and the expenditure of the Government of India.

The PAC is formed every year with a strength of not more than 22 members of which 15 are from Lok Sabha, the lower house of the Parliament, and 7 from Rajya Sabha, the upper house of the Parliament. The term of office of the members is one year. The Chairman is appointed by the Speaker of Lok Sabha. Since 1967, the chairman of the committee is

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selected from the opposition. Earlier, it was headed by a member of the ruling party. Its chief function is to examine the audit report of Comptroller and Auditor General (CAG) after it is laid in the Parliament. CAG assists the committee during the course of investigation. None of the 22 members shall be a minister in the government.

The PAC website says the Committee on Public Accounts was first set up in 1921 in the wake of the Montague-Chelmsford Reforms. W M Hailey was its first president, and Bhupendra Nath Mitra its first Indian president. The last president before Independence was Liaquat Ali Khan.

With the Constitution coming into force on January, 26, 1950, the Committee became a Parliamentary Committee functioning under the Speaker with a non-official Chairman appointed by the Speaker from among the Members of Lok Sabha elected to the Committee. But even then, a member from the ruling party continued to be Chairman.

Source: <https://www.news18.com/news/politics/congress-leader-adhir-ranjan-chowdhury-to-head-public-accounts-committee-in-lok-sabha-2246131.html>

Q.4) Consider the following statements with respect to 'equalisation levy'

1. It is aimed at taxing business-to-business transactions in the digital advertising space
2. It is an indirect tax which was introduced through Finance Act, 2016

Select the correct statements

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

Q.4) Solution (a)

The equalisation levy of 6% is aimed at taxing business-to-business transactions in the digital advertising space - that is, the income accruing to foreign ecommerce companies from within India. It's a direct tax which is withheld at the time of payment by the recipient of the services.

Equalisation Levy is a direct tax, which is withheld at the time of payment by the service recipient.

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Source: <https://www.thehindu.com/todays-paper/tp-business/start-ups-write-to-govt-on-equalisation-levy/article28777984.ece>

Q.5) 'Distance to Frontier' score is associated with which of the following organisations?

- a) World Economic Forum
- b) World Bank
- c) World Trade Organisation
- d) International Monetary Fund

Q.5) Solution (b)

Distance to Frontier

- The distance to frontier score helps assess the absolute level of regulatory performance over time.
- It measures the distance of each economy to the "frontier," which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005.
- One can both see the gap between a particular economy's performance and the best performance at any point in time and assess the absolute change in the economy's regulatory environment over time as measured by Doing Business.
- An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represent the frontier. For example, a score of 75 in 2017 means an economy was 25 percentage points away from the frontier constructed from the best performances across all economies and across time. A score of 80 in 2018 would indicate the economy is improving. Read the methodology, explaining how the ease of doing business rankings and the distance to frontier measure are calculated (PDF).
- Distance to Frontier scores were introduced in the Doing Business 2015 report.