



Daily Current Affairs Prelims Quiz 06-04-2024 (Online Prelims Test)

1) Consider the following statements with respect to Tornado:

1. It is a narrow, violently rotating column of air that extends from a thunderstorm to the ground.
2. In the United States, twister is used as a colloquial term for tornado.
3. In India, West Bengal and Odisha are vulnerable to tornadoes during pre-monsoon season.

How many of the above statement(s) is/are **incorrect**?

- a. Only one
- b. Only two
- c. All three
- d. None of the above

Answer : d

Tornado

IMD warns of more tornadoes in northern Bengal after 5 killed.



- **Tornado** - A tornado is a narrow, violently rotating column of air that extends from a thunderstorm to the ground.
- In the United States, twister is used as a colloquial term for tornado.
- **Characteristics** - Because wind is invisible, it is hard to see a tornado unless it forms a condensation funnel made up of water droplets, dust and debris.
- Tornadoes can be among the most violent phenomena of all atmospheric storms experienced on Earth.
- Before a tornado hits, the wind may die down and the air may become very still.
- A cloud of debris can mark the location of a tornado even if a funnel is not visible.
- Tornadoes generally occur near the trailing edge of a thunderstorm.
- **Occurrence** - Tornadoes occur in many parts of the world, including Australia, New Zealand, Europe, Africa, Asia, and South America.
- Two of the highest concentrations of tornadoes outside the U.S. are Argentina and Bangladesh.
- **India** - In India, West Bengal and Odisha are vulnerable to tornadoes during pre-monsoon season (March-May).
- Northwest India does not normally experience this violent weather phenomenon; but there have been a few cases over the region.
- In India, there is no official monitoring of tornadoes.

2) Consider the following statements:

1. Gurkhas are soldiers from Nepal serving currently both in the Indian Army and in the British Army.
2. The Lisu people of China and Myanmar are known as Yobins in India.
3. The Yobins are considered refugees from Myanmar and do not have no citizenship rights in India.

How many of the above statement(s) is/are correct?

- a. Only one
- b. Only two
- c. All three
- d. None of the above

Answer : b

Gurkhas & Yobins

Tensions between the settlers, who are primarily families of Gurkhas who served in the Army and the Assam Rifles, and the Yobins, a trans-border community that was given Scheduled Tribe status, have been rising.

- **Gurkhas** - Gurkhas are soldiers from Nepal serving in the Indian Army and in the British Army.
- In 1947, when India became independent, it was decided to split Gurkha regiments between the British and Indian armies.
- After the 1947 Tripartite Agreement, the British Army amalgamated the Gurkha regiment into combined Royal Gurkha Rifles (RGR).
- Currently, the Gurkhas comprise up to 3% of the British Army.
- The Gurkhas are recruited every year at the British Gurkha camp at Pokhara in Nepal.

Lisu People - Yobins

- The vast majority of the Lisu people live in China or Myanmar, but a few reside in Thailand or India.
- The Lisu people in India are called Yobin.
- In India, they are found in Shidi Valley and Nibodi village of Arunachal Pradesh, surrounded by Namdapha National Park.
- The tribe is speculated to have originated from the Yunnan region in North-Western Tibet in the 18th century and were traditionally slash and burn farmer communities.
- It is believed that in the 19th century, they started going towards the south and reached what is now China, India, Myanmar, Laos, and Thailand.
- They have the largest population in South-West China and almost all Yobin claim to be Christians.
- They celebrate harvest festival for two days in October.
- In the 1980s, the Lisu tribe in India was not given the privilege of Indian citizenship, and they were considered refugees from Myanmar and China.
- By 1994, India granted them citizenship, and in 1950, they were included in the Scheduled Tribes list.

3) Consider the following statements with respect to the Exchange Traded Currency Derivatives (ETCDs):

1. ETCDs are standardized financial contracts that are traded in stock exchanges.
2. In India ETCDs are administered by the Reserve Bank of India (RBI).

Which of the above given statement(s) is/are correct?

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

Answer : a

Exchange Traded Currency Derivatives (ETCDs)

RBI defers Exchange Traded Currency Derivatives (ETCDs) norms.

- ETCD is a standardized financial contract that is traded in stock exchanges in a regulated manner.
- They are subject to the rules framed by market regulators such as Securities and Exchange Board of India (SEBI) in India.
- ETCD are essentially contracts, deriving values from the price fluctuation of their underlying assets.
- **Types of Derivatives** - They are two types of derivatives:
 1. One that is subject to standardized terms and conditions, and hence being traded in the stock exchanges.
 2. Second type being traded between private counter-parties, in the absence of a formal intermediary.
- The first type is known as Exchange Traded Derivatives (ETDs), the second is known as Over the Counter (OTC) derivatives.
- **Types of ETDs** - Stock ETDs, Index ETDs, Currency ETDs, Commodity ETDs, and Bond ETDs.
- **Working** - Exchange-traded currency contracts work on the same principle of buying at a low price and selling at a higher price.
- However, exchange-traded currency contracts are always bought in pairs:
 1. Indian Rupee vs United States Dollar (USD-INR)
 2. Indian Rupee vs Euro (EUR-INR)
 3. Indian Rupee vs Great Britain Pound (GBP-INR)
 4. Indian Rupee vs Japan's Yen (JPY-INR)

4) Consider the following statements with respect to Well-Known Trademarks:

1. Both trademarks and well-known trademarks are governed under the purview of the Trademarks Act, 1999.
2. A well-known mark can be both licensed and franchised to others.
3. The Registrar of Trade Marks maintains a list of well-known trademarks of both Indian and foreign trademarks.

How many of the above statement(s) is/are correct?

- a. Only one
- b. Only two
- c. All three
- d. None of the above

Answer : c

Well-Known Trademark

Delhi High Court declared Haldiram and its oval-shaped logo as well-known trademark for food items, restaurants, and eateries under the Trade Marks Act, 1999.

- The Trade Marks Act, 1999, provides protection to well-known trademarks to prevent misuse and obligates the Registrar to safeguard them against similar trademarks.
- Once a mark is declared well-known, the owner can prevent others from registering or using identical or similar marks for different goods and services.

- A well-known mark adds value to a brand and increases its reputation in the market.
- **License** - A well-known mark can be licensed or franchised to others.
- **Criteria** - The Indian Trademarks Act provides several factors that can be considered when determining whether a trademark is well-known, including:
 1. The degree of knowledge or recognition of the mark in the relevant section of the public in India.
 2. The duration, extent, and geographical area of any use of the mark in India.
 3. The duration, extent, and geographical area of any promotion of the mark in India.
 4. The degree of inherent or acquired distinctiveness of the mark.
 5. The extent to which the mark has been registered in India or in other countries.
- **Registrar of Trade Marks** - The Registrar of Trade Marks maintains a list of famous trademark in India.
- This list includes both Indian and foreign trademarks.
- Some of the well-known marks in India include, Amul, Coca-Cola, Bisleri, Google, Pepsi, Nestle, McDonald's, Samsung, LG, Nike, BMW, Mercedes-Benz, Sony, Nokia, and Adidas.

5) Consider the following statements with respect to tax exemptions to political parties:

1. Section 13A of the Income Tax exempts recognised political parties from paying income tax on the income they receive.
2. Parties violating provisions of Section 13A will not be able to claim tax exemption based on rules under the Representation of the People Act, 1951.

Which of the above statement(s) is/are correct?

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



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Answer : c

Tax exemptions to political parties

Income Tax department assured Supreme Court that they would not take coercive steps to recover about Rs 3,500 crore from the Congress Party.

- **Income Tax Act** - Section 13A of the Income Tax Act, which has special provisions, applies to recognised parties.
- Section 13A of the IT Act exempts political parties from paying income tax on the income they receive.
- Accordingly, income from house property, other sources, capital gains or received through voluntary contributions, are exempted from total income.
- However, they must meet prescribed conditions.
- **Prescribed Conditions** -
 1. A party must maintain books of account and other documents to enable the tax department's assessing officer to properly deduce its income.
 2. For each voluntary contribution, other than contributions made through electoral bonds in excess of Rs 20,000 (this no longer applies), it needs to maintain records of contributions and the name and address of the donor.
 3. Party accounts have to be audited by a Chartered Accountant (CA).
 4. Donations of over Rs 2,000 must be made via account payee cheques, electronic transfer, or electoral bonds (now defunct).
 5. The treasurer or an authorized person should furnish a report of donations of over Rs

20,000 to EC on or before the due date for filing returns.

6. Parties must file returns for the previous financial year by the prescribed date.

- **Violation of Conditions** - Non-compliance results in the exemption being withdrawn as it is a beneficial provision.
- If any of these conditions are not satisfied, the party will not be able to claim income tax relief, according to section 13A of the Income-tax Act as well as Section 29C of the Representation of the People Act, 1951.
- Along with returns, parties also have to attach certain documents, such as the balance sheet, income and expenditure statement, contribution report, among others.
- **Denial of Tax Exemption** - In case of denial of tax exemption, political parties are treated as association of persons and are taxed according to the applicable slab.



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