



Daily Current Affairs Prelims Quiz 22-04-2022 - (Online Prelims Test)

1) Consider the following statements regarding Tri-party Repo Dealing System (TREPS):

1. In this, a third party acts as an intermediary between the borrower and the lender and facilitates for collateral free loans.
2. TREPS and Standing Deposit Facility (SDF) are overnight liquidity management facilities.

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

Answer : b

Tri-party Repo Dealing System (TREPS)

- Background: Banks are borrowing from mutual funds via the TREPS at around 3.50 percent, and deposit them in the Standing Deposit Facility (SDF) at 3.75 percent.
- Banks earn a clean spread of up to 25 basis points.
- Tri-party Repo Contract: It is a repo contract where a third entity (apart from the borrower and the lender), called a Tri-party agent, acts as an intermediary between the two parties.
- The third party facilitate services likes collateral selection, payment and settlement, custody and management during the life of the transaction.
- TREPS and Standing Deposit Facility (SDF) are overnight liquidity management facilities.

2) NITI Aayog has released a draft battery-swapping policy recently. In this context, consider the following statements regarding Battery Swapping:

1. It is a mechanism that involves swapping discharged batteries for charged batteries that provides the flexibility of charging independent of the vehicle.
2. At present battery Swapping is suitable only for two- wheelers and three-wheelers.

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

Answer : c

Niti Aayog has released a draft battery swapping policy.

Battery Swapping

- Battery swapping is a mechanism that involves exchanging discharged batteries for charged ones.
- This provides the flexibility to charge these batteries separately by de-linking charging and battery usage, and keeps the vehicle in operational mode with negligible downtime.
- Battery swapping is generally used for smaller vehicles such as two-wheelers and three-wheelers with smaller batteries that are easier to swap, compared to four-wheelers and e-buses, although solutions are emerging for these larger segments as well.
- Niti Aayog said battery swapping will fall under the battery-as-a-service (BaaS) business model.

3) Consider the following statements regarding Marginal Cost of Funds-based Lending Rates (MCLR):

1. It is the lowest interest rate that a bank or lender can offer.
2. An increase in MCLR will increase the EMI of existing home, vehicle, and personal loans.

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

Answer : c

SBI raised the marginal cost of funds-based lending rates (MCLR) for the first time in three years.

Marginal Cost of Funds-based Lending Rates (MCLR)

- It was by the RBI with effect from April 1, 2016, is the lowest interest rate that a bank or lender can offer.
- It is applicable to fresh corporate loans and floating rate loans taken before October 2019.
- RBI then switched to the external benchmark linked lending rate (EBLR) system where lending rate is linked to benchmark rates like repo or Treasury bill rates.
- As a result of the increase in MCLR, borrowers who have taken home, vehicle, and personal loans will find their equated monthly instalments (EMIs) rising in the coming months.

4) Consider the following statements with respect to double ridge:

1. It is an M-shaped crest discovered on ice sheets in Greenland, formed by fracturing of ice around pressurised liquid.
2. This double ridge feature is extremely common on the Galilean moon's surface.

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

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

Answer : d

Study of a 'double ridge' geographical feature in Greenland has led researchers to conclude that Jupiter's icy moon Europa is a prime candidate to find life in this solar system.

Double Ridge

- It is an M-shaped crest discovered in Greenland.
- They were produced by the fracturing of ice around a pocket of pressurised liquid water that was refreezing inside the ice sheet, causing the double ridge to form with the distinct two peaks.
- It is the miniature version of a feature that is prominent on Europa, Jupiter's moon.
- This double ridge feature is extremely common on the Galilean moon's surface.

5) Consider the following statements:

1. Females give birth every five years, and continue to mate until about the age of 50.
2. It is comparatively a rare event for this species to give birth to more than one offspring at a time.
3. The gestation period of this animal lasts up to 23 months, longest for any animal.

Identify the animal species.

- a. Elephants
- b. Kangaroos
- c. Rhinoceros
- d. Hippopotamus

Answer : a

A cow elephant in Bandipur Tiger Reserve recently gave birth to twin calves.

Elephant's Pregnancy

- The male elephant is referred to as a bull, the female as a cow and the baby as a calf.
- After mating, the bull and cow elephants do not stay together.
- The bull elephant usually mates with several different females.
- Females give birth every five years, and continue to mate until about the age of 50.
- Pregnancy lasts up to 23 months, longer than other animals.
- Within an hour of birth the calf can stand, and within a few hours it can walk.