



Daily Current Affairs Prelims Quiz 13-10-2021 - (Online Prelims Test)

1) Which of the following conducts are commonly identified as an activity of Cartel?

1. Bid-Rigging
2. Output Restrictions
3. Harmony in Price-Fixing
4. Market sharing by territory

Select the correct answer using the codes given below:

- a. 2 and 4 only
- b. 3 and 4 only
- c. 1, 3 and 4 only
- d. 1, 2, 3 and 4

Answer : d

According to ICN, four categories of conduct are commonly identified across jurisdictions.

1. Price-fixing
2. Output restrictions
3. Market allocation
4. Bid-rigging

WHAT IS A CARTEL?

According to the Competition Commission of India, a "Cartel includes an association of producers, sellers, distributors, traders or service providers who, by agreement amongst themselves, limit, control or attempt to control the production, distribution, sale or price of, or, trade in goods or provision of services".

The International Competition Network defines a cartel as "an agreement between competitors to restrict competition".

HOW DO THEY OPERATE?



PRICE FIXING

Companies agree to act in concert to raise or drop prices, fix prices according to a formula, introduce and withdraw discounts and withdraw low-priced products



MARKET SHARING

Companies divide markets by territory or customers among themselves. More restrictive than price-fixing as carving up markets leave no room for competition.



OUTPUT RESTRICTION

Companies agree to restrict output with the objective of creating a scarcity of a product and thus create an environment where prices can be raised



BID RIGGING

Also known as collusive tendering. Competing firms agree to restrict competition by bidding at the same price or in a manner that predetermined companies win in rotation.

2) Match the following:

Types of Plastics - Applications

1. Polypropylene - a. Bottles, Carry bags, Recycling bins
2. Polyethylene Terephthalate - b. CD covers, cassette boxes
3. Polystyrene - c. Bottle caps, Auto parts and Industrial fibres
4. Poly-Vinyl Chloride - d. Pipes, Hoses, Wire cable insulations

Select the correct answer using the codes given below:

- a. 1-d; 2-b; 3-c; 4-a
- b. 1-a; 2-b; 3-c; 4-d
- c. 1-c; 2-a; 3-b; 4-d
- d. 1-c; 2-d; 3-b; 4-a

Answer : c

Control Board (CPCB) has defined the numerous applications of these categories under Guidelines for Disposal of Plastic Waste, 2017.⁴

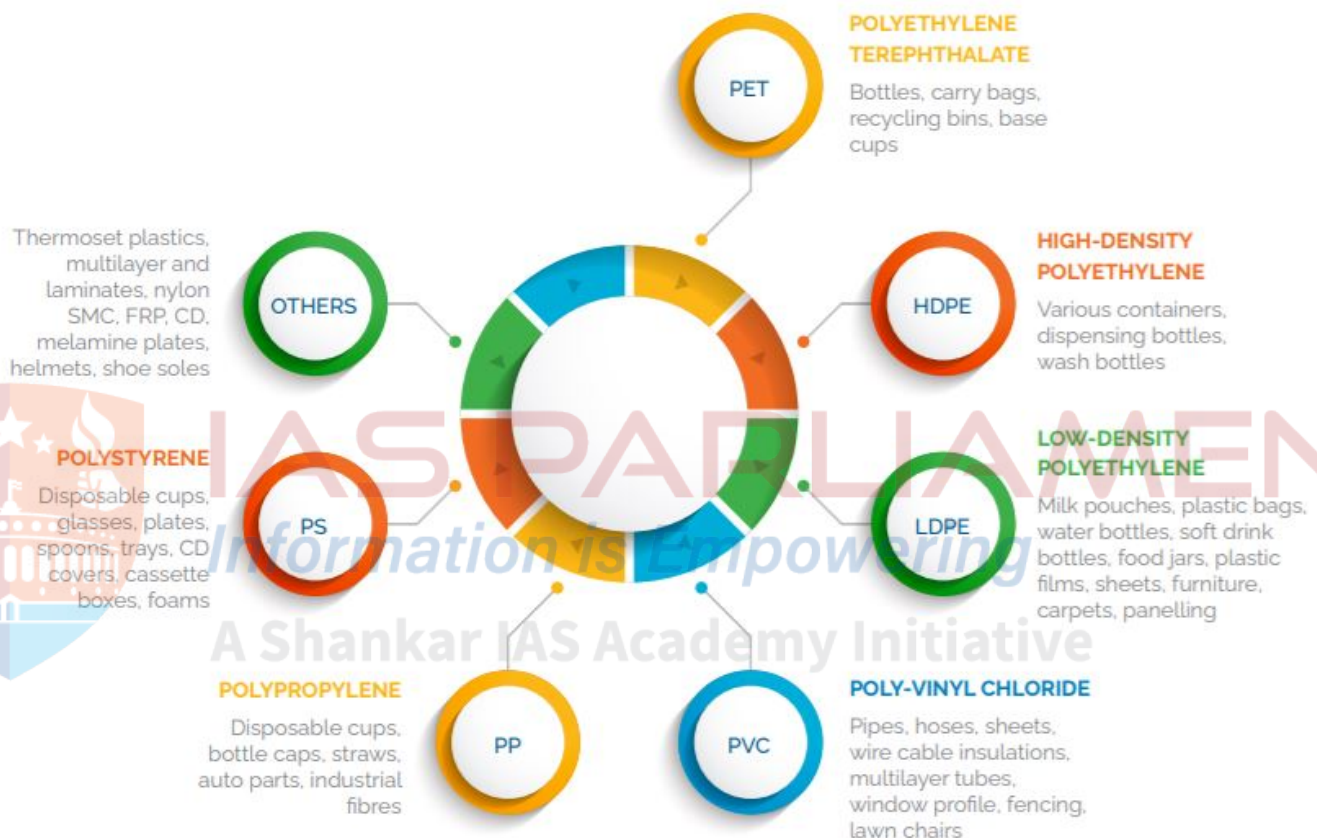


Figure 2 Types of plastics and their applications. Source: MoEFCC Rules on PWM

3) Which of the following best describes the term Circular Economy?

- a. It is an alternative to a traditional linear type “take-make-waste” economy.
- b. It connects freelancers with customers to provide short term services using digital platforms
- c. It is a peer-to-peer based activity of acquiring, providing, or sharing access to goods and services
- d. None of the above

Answer : a

Background

- Since the second industrial revolution, our economy has been linear, working on take-make-use-dispose principles.

- On the one hand, this has resulted in increased economic benefits and prosperity, but on the other hand, it has also led to the overuse of resources by promoting a 'use-and-throw' approach.
- According to the Circular Gap Report 2021, 100 billion tonnes of different materials enter the Earth every year.
- This model not only leads to environment degradation and resource depletion, but it also increases the cost of products by disturbing the material supply system.
- This results from fluctuating raw material prices, low materials availability, geopolitical dependence on different materials and increasing demand.
- To address this issue, we need to focus on resource efficiency by adopting a circular economy.

Circular Economy

- The circular economy is defined as an alternative to the linear 'take-make-waste' approach.
- It seeks to design out waste, regenerate natural ecosystems and keep materials and products in use for as long as possible.
- To this end, resources are not consumed and discarded, destroying their value.
- Rather, their value is retained by reusing, repairing, remanufacturing or recycling.
- Adopting a circular economy results in extended life of products and assets by recycling/upcycling end-of -life products and closing the loop.



Figure 14 Plastic segregation representation. Source: CPCB Guidelines on Plastic Waste Management

4) Match the following:

Types of Wastes - Classification

1. Glass bottles & Worn out shoes – Hazardous Household Waste
2. Paper & Old Clothes – Municipal Dry Waste
3. Used Sanitary napkins – Biomedical Waste
4. Kitchen & Uncooked waste – Biodegradable Municipal Waste

Which of the pairs given above are correct?

- a. 2 and 4 only
- b. 1, 2 and 3 only
- c. 2, 3 and 4 only
- d. 1, 2, 3 and 4

Answer : a



Figure 4 Characterization of Municipal Solid Waste. Source: CPCB

5) Consider the following statements with respect to the European Court of Justice (ECJ)

1. It is the supreme court of the European Union (EU) in matters of the EU law
2. It was founded in 1952 after the Treaty of Paris.
3. In terms of hierarchy, the national courts of member countries are below the ECJ in matters of EU

law.

Which of the statements given above are correct?

- a. 1 and 2 only
- b. 1 and 3 only
- c. 2 and 3 only
- d. 1, 2 and 3

Answer : d

Polexit

- A Polish court in its ruling rejected the primacy of EU law over Polish national legislation in certain matters.
- **Ruling of the Poland's Constitutional Tribunal** - Some articles of one of the EU's primary treaties were not compatible with the Polish Law.
- EU law should not have primacy over every national legislation in Poland.
- Polish Judges should not use EU law to question their peers.

European Court of Justice (ECJ)

- The ECJ is the supreme court of the European Union (EU) in matters of the EU law.
- It is a part of the Court of Justice of the European Union (CJEU).
- The Luxembourg-based court was found in 1952 after the Treaty of Paris.
- It ensures that EU law is interpreted and applied the same in every EU country, and that the countries and EU institutions abide by the EU law.
- It settles the legal disputes between national governments and EU institutions.
- In terms of hierarchy, the national courts of member countries are below the ECJ in matters of EU law.

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