

UPSC 2017: Comprehensive News Analysis “November 12

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Category: GOVERNANCE

1. [Illegal phone exchanges thriving on SIM boxes Imported hardware serving as backbone for racket](#)

Keypoints:

- As technology develops, so does the scope to misuse it.
- The police observed it with Voice Over Internet Protocol (VoIP) facility, which is increasingly used for criminal activities.
- Flashers, devices that can change IMEI (International Mobile Equipment Identity) numbers of handsets, are used to make stolen cell phones untraceable, and SIM boxes enable setting up of illegal telephone exchanges that rake in crores of rupees and cause massive losses to the government.

No international tariff

- Each SIM box can hold up to 32 SIM cards which route international calls. A person in Dubai can call a local number from Dubai, which will be routed to a number in India and then to the intended call recipient. This way, the caller avoids the international tariff, which causes loss of revenue to the government. Even if operators of SIM box rackets charge 60% of the tariff, they make crores in a month, said a Crime Branch officer who is part of the probe.

Hawala money

- Investigations conducted so far into the two illegal exchanges that were running in Mumbai have indicated that the accused got money from their Dubai counterparts via hawala channels.
- The Dubai-based operators, who were allegedly the masterminds, would take a percentage of the profits, keep some aside for maintenance of equipment and send the rest to their Indian counterparts.
- The entire racket was operating on word of mouth. The Dubai-based operators had spread the word that they had the resources in case anyone wanted to make calls abroad at concessional rates.
- The preliminary estimate of the losses caused to the national exchequer is around ₹100 crore.

Category: GOVERNANCE

2. [CJI Mishra asserts himself in SC amidst corruption storm](#)

- A five-judge constitution bench headed by Chief Justice of India Dipak Misra has annulled an unprecedented order passed by the second senior-most judge, Justice J. Chelameshwar, to constitute a five-judge bench to deal with bribery allegations against a retired high court judge
- A two-judge bench headed by Justice Chelameshwar had issued the order to set up the constitution bench to decide whether a special team should probe allegations that former Orissa High Court judge Justice I.M. Quiddusi had taken a bribe with the promise of influencing a Supreme Court case involving a private medical college.

What is the issue?

- The matter concerns two petitions seeking a probe by a special investigation team (SIT) into allegations of corruption contained in a first information report registered by the CBI last September.
- The FIR alleged that a conspiracy was hatched by some persons, including a former Orissa High Court judge and a hawala dealer, to bribe Supreme Court judges hearing the case of a debarred private medical college.
- The case involves corruption in the very highest echelons of power, including the justice delivery system.

Constitutional Benches of the Supreme Court:

- Constitution bench is the name given to the benches of the Supreme Court of India which consist of at least five judges of the court which sit to decide any case involving a substantial question of law as to the interpretation of the Constitution of India.
- This provision has been mandated by Article 145 (3) of the Constitution of India.
- The Chief Justice of India has the power to constitute a Constitution Bench and refer cases to it.
- Constitution benches have decided many of India's best-known and most important Supreme Court cases.

Category: INTERNATIONAL RELATIONS

1. [11 Trade ministers reach deal on Pacific trade without US](#)

Keypoints:

- Trade ministers from 11 Pacific Rim countries said they reached a deal to proceed with the free-trade Trans-Pacific Partnership deal
- An accord was reached on core elements of the 11-member pact
- The deal was in doubt after US President Donald Trump abandoned it in January this year.
- The TPP member countries are trying to find a way forward without the U.S., the biggest economy

What is the USA's stand now?

- The U.S. president lambasted the World Trade Organization and other trade forums as unfair to the United States and reiterated his preference for bilateral trade deals
- He said that he would not enter into large trade agreements, alluding to U.S. involvement in the North American Free Trade Agreement and the TPP

China supporting Free Trade

- Chinese President Xi Jinping said that nations need to stay committed to economic openness or risk being left behind
- He urged support for the multilateral trading regime and progress toward a free-trade zone in the Asia-Pacific
- China is not part of the TPP

Impact of Open Trade

- Open trade has an unequal impact on workers
- There are also concerns over automation in manufacturing that could leave many millions in a wide array of industries with no work to do

Category: ENVIRONMENT

1. [Public transport system not equipped to accommodate all Experts say NGT order on odd-even difficult to implement](#)

Keypoints:

- If the Delhi government enforces the odd-even scheme without the proposed exemptions, as the National Green Tribunal (NGT) ordered, the Capital's public transport infrastructure would need a significant refurbishment.
- According to government sources, the combined capacity of State-run buses and the Delhi Metro would need to be doubled to cater to just the registered number of two-wheeler users during implementation of the vehicle rationing measure.

Doubling capacity

- Public transport needs to be streamlined. We need to have evaluated pathways only for buses. Merely increasing the number of buses is not a solution.
- Road transport expert Dr. S.M. Sarin, questioning the efficiency of the odd-even scheme, said, "The contribution of vehicles (to air pollution levels) is only 16% to 20%.
- If the government goes ahead with its previous model of the scheme, there will be more two-wheelers and rickshaws on the road, rendering the task futile."

Category: ECONOMY

1. [Only 50 items left in highest GST slab, list slashed three-quarters to ease tax burden](#)

Keypoints:

- The highest Goods and Services Tax (GST) bracket was lowered three-quarters with only 50 items being retained in the 28 percent slab.
- It also decided to reduce the tax rate for all restaurants, barring those in luxury hotels, to 5 percent, without any input tax credit

- These measures are expected to cost the exchequer around Rs 20,000 crore
- The tax rate for manufacturers under the composition scheme was also reduced to 1 percent from the earlier rate of 2 percent, bringing it at par with the tax rate for traders
- The composition scheme for restaurants will continue unchanged with a tax rate of 5 percent
- The hike in the threshold for the composition scheme would require an amendment in the CGST Act, there was an agreement to increase it to Rs 2 crore from Rs 1 crore at present.
- Tanks and armored fighting vehicles have been now placed in the 12 percent tax slab instead of the earlier 28 percent
- The proposed rate changes will be effective from November 15 prospectively
- GST rate on takeaways have also been reduced to 5 percent without input tax credit, while the rate on outdoor catering will continue to be 18 percent with full input tax credit.
- The Council also provided relief to businesses by easing requirements for return filing as well as lowering the penalty for late filing
- As many as 40 percent of the businesses filing returns on GST Network portal have nil tax.
- The Council lowered late return filing fees for businesses

Nothing here for Today!!!

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F. Practice Questions for UPSC Prelims Exam

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G. UPSC Mains Practice Questions

GS Paper II

GS Paper III

- Considering the Mexico's pollution mitigation strategy briefly suggest suitable model to overcome the environmental crisis in India's capital region.