

## TABLE OF CONTENTS

A. [GS1 Related](#)

B. [GS2 Related](#)

### POLITY

1. [Collegium and transparency](#)

### HEALTH ISSUES

1. [Threefold rise in domestic budget for fight against tuberculosis](#)

C. [GS3 Related](#)

### ECONOMICS

1. [Govt. plans to sell Air India, AI Express together](#)

2. [Crypto currencies, ICOs under SEBI lens](#)

3. [Fiscal deficit rises to 91.3% of FY18 target in 6 months](#)

D. [GS4 Related](#)

E. [Prelims Fact](#)

F. [UPSC Prelims Practice Questions](#)

G. [UPSC Mains Practice Questions](#)

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**Category: POLITY**

1. [Collegium and transparency](#)

#### Context:

- Recently, the Supreme Court decided to make public, on the court's website, its various decisions, including its verdicts on persons nominated for elevation as judges to the high courts, its choices of candidates for elevation to the Supreme Court, and its decisions on transfer of judges between different high courts

#### Case Histories:

- In the cases of **A. Zakir Hussain and Dr. K. Arul** (candidates nominated for elevation to the Madras High Court) the collegium has said: "keeping in view the material on record, including the report of Intelligence Bureau [IB] he is not found suitable for elevation to the HC Bench"
- The reasons offered for rebuffing the nomination of **Vasudevan V.N .**, a judicial member of the Income Tax Appellate Tribunal, are particularly perplexing. The report said: "While one of the two consultee-colleagues has offered no views about his suitability, the other colleague has not found him suitable for elevation"
- As per record, his name was also recommended by the Collegium of the Calcutta High Court on 28.11.2016 and the Government of West Bengal has expressed its disagreement
- Record placed before us also shows that the proposal for his elevation initiated on a previous occasion by the Collegium of the Bombay High Court was rejected by the Supreme Court Collegium on 1st August 2013

#### Issues related to Vasudevan VN

- The collegium, ever since its inception, following the Supreme Court's judgment in what is known as the Second Judges Case (1993). The present revelations, much opposed to their perceived objective, scarcely make the system more transparent
- In Mr. Vasudevan's case, for example, we don't know which of the consultee-judges objected to his elevation, and why the judge interviewed found him unsuitable
- Also the collegium's express noting that Mr. Vasudevan had previously been recommended by two different high court collegia
- These issues concerning the system employed to appoint judges to the Supreme Court and the high courts are of particular salience

#### Constitution of India and appointments of High Court judges:

- The President, who would act on the advice of the council of ministers is required to compulsorily consult certain authorities, including the Chief Justice of India (CJI)
- And when making appointments to a high court, the chief justice of that court

#### Consultation :

- In 1977, in *Sankalchand Sheth's* case, when interpreting the word "consultation," the Supreme Court ruled that the term can never mean "concurrence". Hence, the CJI's opinion, the court ruled, was not binding on the executive
- And in 1981, in the *First Judges Case*, the court once again endorsed this interpretation, partly
- But twelve years later, in the *Second Judges Case*, the court overruled its earlier decisions. It now held that "consultation" really meant "concurrence". And that the CJI's view enjoys primacy, since he is "best equipped to know and assess the worth" of candidates

- In 1998, in the Third Judges Case, the court clarified its position further. The collegium, it said, will comprise, in the case of appointments to the SC, the CJI and his four senior-most colleagues. And, in the case of appointments to the high courts, the CJI and his two senior-most colleagues

### Collegium is a part of the basic structure of the constitution

- When the Constitution was altered, through the **99th constitutional amendment** and when the collegium was sought to be replaced by the **National Judicial Appointments Commission**, the court swiftly struck it down
- It ruled, in what we might now call the **Fourth Judges Case** (2015), that the primacy of the collegium was a part of the Constitution's basic structure and this power could not, therefore, be removed even through a constitutional amendment

### Category: HEALTH ISSUES

#### 1. [Threefold rise in domestic budget for fight against tuberculosis](#)

##### World Health Organisation report regarding TB cases in India:

- India's domestic budget for fighting tuberculosis showed a dramatic jump from about ₹1,700 crore in 2015 to ₹12,500 crore last year.
- In 2016, India recorded a 12% dip in the number of TB deaths from the previous year though the incidence dipped marginally by 1%.
- The number of notified cases of drug-resistant tuberculosis (MDR-TB) jumped from 79,000 to 84,000 in 2016
- However, with 1.7 million new cases in 2016, India still continues to be the largest contributor to the global burden with up to a quarter of the 6.3 million new cases of TB (up from 6.1 million in 2015). In spite of the dip, India accounts for about 32% of the number of people worldwide who succumbed to the disease.

##### 90-90-90 target by 2035:

- The government has committed to achieve a **90-90-90 target by 2035** (90% reductions in incidence, mortality and catastrophic health expenditures due to TB).
- This is premised on improved diagnostics, shorter treatment courses, a better vaccine and comprehensive preventive strategies.

##### Activist opinions:

TB is still stigmatized and under-reported especially from the private sector and top-line drugs are still inadequate to treat people who suffer from the drug-resistant forms of the disease.

### Category: ECONOMICS

#### 1. [Govt. plans to sell Air India, AI Express together](#)

##### In news:

- The Union government is working to conclude the sale of national carrier Air India by June 2018 and is keen on selling its core airline operations, together with its low-cost international airline, Air India Express.
- The decision was taken by the **Air India-specific Alternative Mechanism** a group of Ministers led by Finance Minister to decide on the modalities of stake sale in the national carrier.
- **Modalities:** As per the decision, the Centre will look to sell AI's regional airline Alliance Air to a separate universe of bidders while Air India and Air India Express will likely go together.
- On June 28, the **Cabinet Committee on Economic Affairs**, chaired by Prime Minister Narendra Modi, gave an in-principle nod for strategic disinvestment of Air India. The ministerial panel, led by Finance minister, is aiming to divest stake in Air India and its subsidiaries by June 2018.
- The panel is also in favour of hiving off Air India's properties and non-operational assets into a special purpose vehicle (SPV) to retire a portion of the national carrier's debt.

#### 2. [Crypto currencies, ICOs under SEBI lens](#)

##### Context:

- The rising popularity of **crypto currencies** and the increasing number of entities looking at raising funds through **Initial Coin Offerings (ICO)**.
- The trend has caught the attention of the capital market regulator, which is evaluating whether such instruments and offerings can be brought under its regulatory purview.

##### In news:

- The **Securities and Exchange Board of India (SEBI)** is mulling whether an ICO can be regulated under the existing legal framework or certain amendments would be required in case the government wants the capital market watchdog to be the regulatory authority for such issuances.

##### Who should regulate?

- Incidentally, crypto currencies like bitcoin, ethereum and such offerings have been under government radar for long.
- Discussions have been held between various bodies, including SEBI and the Reserve Bank of India (RBI), on the possible ways in which this segment can be regulated.
- The central bank is of the view that these instruments are securities and so SEBI should be the regulating body.

##### About ICO:

- An ICO, like an equity initial public offer (IPO), is an issuance of digital tokens that can be converted into crypto currencies and are mostly used to raise funds by start-up firms dealing in blockchain technology and virtual currencies like bitcoins and ethereum.
- Unlike an IPO, which is governed by SEBI regulations, there is no regulatory body for ICOs in India.

#### **Key Points:**

- According to data from UK-based CoinDesk, nearly \$2.7 billion has been raised globally through ICOs since 2014.
- “Bitcoins are neither “commodities derivatives” nor “securities” under Securities Contracts (Regulation) Act, 1956.

### **3. Fiscal deficit rises to 91.3% of FY18 target in 6 months**

#### **In news:**

- In the first six months of the current financial year, the country’s fiscal deficit touched 91.3 percent of the full-year budget estimate
- During the same period in the previous fiscal year, this figure was 83.9 percent
- In addition to the annual deficit, the national debt “the accumulation of past deficits and interest due to lenders to the Treasury “ now exceeds trillion

#### **Slippage of Fiscal deficit target:**

- This will be due to lower-than-budgeted revenues, which are because of
- Uncertainty related to the buoyancy of indirect taxes post-GST, revenues from telecom and disinvestment flows
- Lower surplus transferred by the RBI

#### **Basic Information:**

#### **What is “Fiscal Deficit”?**

- A fiscal deficit occurs when a government’s total expenditures exceed the revenue that it generates, excluding money from borrowings. Deficit differs from debt, which is an accumulation of yearly deficits.
- A fiscal deficit is regarded by some as a positive economic event. For example, economist John Maynard Keynes believed that deficits help countries climb out of economic recession. On the other hand, fiscal conservatives feel that governments should avoid deficits in favor of a balanced budget policy.

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### **F. Practice Questions for UPSC Prelims Exam**

### **G. UPSC Mains Practice Questions**

#### **GS Paper I**

1. How do you justify the view that the level of excellence of the Gupta numismatic art is not at all noticeable in later times?

#### **GS Paper II**

1. “The local self government system in India has not proved to be effective instrument of governance”. Critically examine the statement and give your views to improve the situation.