

UPSC 2017: Comprehensive News Analysis – October 17

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Category: POLITY

1. [Plea to ensure OROP for retired judges](#)

In news:

- A former Madras High Court judge has approached the Supreme Court for implementation of the “**One Rank, One Pension**” norm for retired High Court judges.

Petitioner contention:

- There is disparity in the pension paid to those appointed from the Bar and those promoted from the subordinate judiciary.
- The petitioner has sought a direction from the Court to the Centre to evolve a formula to obviate the disparities in the pension payable to judges drawn from subordinate judiciary and the judges drawn from the Bar in tune with the “**One Rank, One Pension**” norms laid down by the Supreme Court in the 2014 judgment in Ramakrishnam Raju’s case.
- **Discrimination:** there is no difference in the pay, allowances and perks between judges irrespective of the number of years of service put in and irrespective of the source from where they were drawn, it is highly unreasonable to make a classification between the judges drawn from the Bar and judges drawn from the subordinate judiciary for the purpose of pension, thereby creating discrimination.
- **Null and Void:** The petition also asked the Supreme Court to take the initiative to declare the provisions relating to pensions payable to retired high court judges in the 1954 Act as a “null and void” and rectify all the anomalies in the Act.

2014 judgment:

- When persons holding constitutional office retire from service, making discrimination in the fixation of the pensions depending upon the source from which they were appointed is in breach of Article 14 and 16(1) of the Constitution of India. **One Rank, One Pension must be the norm in respect of a constitutional office.**

2. [SC allows TN to increase Mullaperiyar water level](#)

Context:

- **Mullaperiyar water level issue**

In news:

- The Supreme Court declared **unconstitutional** the law passed by Kerala in 2006, constituting the **Dam Safety Authority** to prevent the State from raising the water level in the Mullaperiyar dam from 136 ft to 142 ft.
- A major victory for Tamil Nadu.

Judgment:

- Restrained Kerala from enforcing its law on Tamil Nadu.
- By enacting the law and fixing the storage height of the dam at 136 ft, Kerala had nullified the **2006 judgment** and **usurped judicial power** and thus interfered with the judicial functioning.
- The Bench appointed a three-member committee with chairman of the Central Water Commission as the chairperson and representatives from the States of Kerala and Tamil Nadu to supervise and ensure that the water level in the Mullaperiyar dam was raised up to 142 ft.

Important observations :

- Constitution envisaged separation of powers among the Executive, Judiciary and Legislature and one should not encroach into the domain of the other. Independence of the judiciary and courts alone would ensure rule of law.
- Legislation could be invalidated on the ground that there was a breach of separation of powers in enacting the law, though the Legislature might have the competence to do so.
- The Legislature could only amend the law but could not invalidate a judgment or a decree passed by the court. The law enacted by Kerala legislature was an attempt to interfere with the judicial functioning, the Bench said and struck the law as unconstitutional and void.

Background information:

2006 judgment:

- On a suit filed by Tamil Nadu, the apex court in 2006 permitted the State to raise the water level from 136 ft to 142 ft.
- Within 15 days of the verdict, Kerala enacted a law and constituted Dam Safety Authority to prevent Tamil Nadu from raising the water level beyond 136 ft.
- In April 2006, Tamil Nadu filed a fresh suit to declare the law as unconstitutional. On Wednesday, after eight years the apex court decreed the suit in favour of Tamil Nadu.

Mullaperiyar Dam:

- The Mullaperiyar Dam or Mullaiperiyar Dam is a masonry gravity dam on the Periyar River in the Indian state of Kerala
- It is located 881 m (2,890 ft) above mean sea level, on the Cardamom Hills of the Western Ghats in Thekkady, Idukki District of Kerala, South India.
- It was constructed between 1887 and 1895 by John Pennycuik and also reached in an agreement to donate water eastwards to the Madras Presidency area (present-day Tamil Nadu).
- The Periyar National Park in Thekkady is located around the dam's reservoir.
- The dam is located in Kerala on the river Periyar, but is operated and maintained by Tamil Nadu state.
- **Bone of Contention:** For Tamil Nadu, the Mullaperiyar dam and the diverted Periyar waters act as a lifeline for Theni, Madurai, Sivaganga and Ramnad districts, providing water for irrigation and drinking, and also for generation of power in Lower Periyar Power Station. Tamil Nadu has insisted on exercising its unfettered rights to control the dam and its waters, based on the 1886 lease agreement. Kerala has pointed out the unfairness in the 1886 lease agreement and has challenged its validity. However, safety concerns posed by the 119-year-old dam to the safety of the people of Kerala in the event of a dam collapse, have been the focus of disputes from 2009 onwards. Kerala's proposal for decommissioning the dam and constructing a new one has been challenged by Tamil Nadu.

3. [Need to implement progressive Acts: CIC](#)

In news:

- **Strengthening of governance:** Chief Information Commissioner of India **Rajiv Mathur** called for immediate implementation of the **Whistleblowers' Protection Act, the Lokpal Act and the Lokayukta Act**, which would strengthen governance systems further.
- **Issue:** Although progressive legislations such as the Whistleblowers' Protection Act, the Lokpal Act and the Lokayukta Act have been enacted, the rules for these Acts have not been framed. As a result, neither the Union government nor States are executing these Acts.

Category: INTERNATIONAL AFFAIRS/BILATERAL RELATIONS

1. [Free movement along Myanmar border](#)

In news:

- The Centre is putting in measures to facilitate free movement of Indian and Myanmar citizens within 16 km along the Myanmar border.
- The Home Ministry held consultations with four States – Mizoram, Nagaland, Manipur and Arunachal Pradesh – on the Free Movement Regime (FMR).

- In June, the Ministry had constituted a committee to examine various methods to curb the misuse of free movement along the Myanmar border, a friendly country, with which it shares unfenced borders and unhindered movement of people across the border.

Parallel discussion:

- Parallel discussion involving the Ministry of External Affairs and their counterparts in Myanmar was on to allow Indian nationals going and staying in Myanmar under the bilateral agreement for up to 72 hours.
- **Present situation:** While India allows Myanmarese nationals to stay for 72 hours without visa, Myanmar allows stay only up to 24 hours.

Category: ECONOMICS

1. [Inflation at wholesale level slows to 2.6% in September](#)

Key Stats:

- According to official data released, Inflation at the wholesale level has slowed down to 2.6% in September
- It shows a slowdown in the increase in food prices
- Growth in the Wholesale Price Index slowed in September from 3.24% in August
- According to the President of the FICCI, overall, inflation remains within RBI's target area (4% to 6%) and this is an encouraging sign
- Inflation in the primary articles category slowed to 0.15% in September from 2.66% in August
- The decrease in vegetable prices was the chief driver of the decline in primary food inflation to 2.0% from 5.8%
- According to the **Investment Information and Credit Rating Agency of India Limited (ICRA)**, initial data has placed the index for crude petroleum at 55.6 for September 2017, only 1% higher than in June 2017,
- Despite the 17% increase in the average price of the Indian crude oil basket in rupee terms in the period

2. [NIIF gets first investor, Abu Dhabi fund brings in \\$1 bn](#)

In news:

- The **Abu Dhabi Investment Authority** became the first institutional investor in the **National Investment and Infrastructure Fund's Master Fund**, with an investment of \$1 billion.

Basic Information:

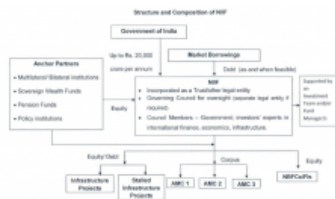
National Investment and Infrastructure Fund (NIIF)

- **National Investment and Infrastructure Fund (NIIF)** is a fund created by the Government of India for enhancing infrastructure financing in the country.
- NIIF was proposed to be set up as a Trust, to raise debt to invest in the equity of infrastructure finance companies such as Indian Rail Finance Corporation (IRFC) and National Housing Bank (NHB). The idea is that these infrastructure finance companies can then leverage this extra equity, manifold.
- In that sense, NIIF is a banker of the banker of the banker. NIIF is envisaged as a fund of funds with the ability to make direct investments as required. As a fund of fund it may invest in other SEBI registered funds

Objective: The objective of NIIF would be to maximize economic impact mainly through infrastructure development in commercially viable projects, both greenfield and brownfield, including stalled projects. It could also consider other nationally important projects, for example, in manufacturing, if commercially viable.

Functions of NIIF

- Fund raising through suitable instruments including off-shore credit enhanced bonds, and attracting anchor investors to participate as partners in NIIF;
- Servicing of the investors of NIIF.
- Considering and approving candidate companies/institutions/ projects (including state entities) for investments and periodic monitoring of investments.
- Investing in the corpus created by Asset Management Companies (AMCs) for investing in private equity.
- Preparing a shelf of infrastructure projects and providing advisory services.



3. [Universal Basic Income is not feasible for India](#)

IMF opinion on UBI:

- The International Monetary Fund (IMF) has added its bit to the ongoing debate on Universal Basic Income in India.
- The latest Fiscal Monitor of the IMF, in its analysis, used fiscal space equivalent to the cost of the public distribution system and energy subsidies in 2011-12
- It showed that this can finance an annual Universal Basic Income of Rs 2,600 per person
- It is equivalent to about 20% of that year's median per capita consumption, with the estimated cost at about 3% of the gross domestic product (GDP)

Is UBI idea new to India?

- The basic idea of Universal Basic Income is not new for India
- The erstwhile Planning Commission had worked on it in the early 1960s

Why UBI debate started?

- Economists in the Union finance ministry published an excellent chapter on Universal Basic Income in the 2016-17 Economic Survey
- A large proportion of the population in India still lives below the poverty line and a number of government programmes providing subsidies and support to the poor are marred by inefficiencies
- There are leakages in the system, and often, people who actually need government support are left out
- Universal Basic Income is seen by many as an alternative to the existing system of subsidies, which is often associated with systemic inefficiencies

Reasons India not opting for Universal Basic Income:

Fiscal capacity

- The Economic Survey calculations showed that a 75% universality rate with an annual Universal Basic Income of Rs 7,620 per year at 2016-17 prices will cost about 5% of the GDP
- Economists calculated that an inflation-indexed Universal Basic Income of Rs 10,000 at 2014-15 prices—about three-quarters of that year's poverty line—will cost about 10% of the GDP
- Thinking: It is often assumed that resources can be raised by rationalizing subsidies and capturing a part of the revenue foregone on account of various tax exemptions, including in the personal income tax
- Reality: The revenue forgone in most cases is optical and the result of poor design. In any case, a part of it is now out of the system with the implementation of the goods and services tax
- Further, politically, it will be extremely difficult to roll back subsidies in order to create fiscal space for Universal Basic Income

Can create distortions in the labour market

- A steady, permanent and guaranteed income without any work is likely to affect labour mobility and participation
- It is also likely to increase wages, as has been witnessed after the implementation of the Mahatma Gandhi National Rural Employment Guarantee Act
- Problem: Higher wages without a commensurate increase in productivity will affect India's competitiveness
- This could also have longer-term implications in terms of higher inflation and lower growth

Nature of Indian politics

- It is highly likely that political parties, in order to improve their chances in elections, would want to increase the amount of Universal Basic Income
- Or try to bring back subsidies in some form or the other, which will have fiscal implications
- India still has to prove that it can actually run balanced budgets for an extended period
- The political class always has this temptation to declare premature victories and give away fiscal gains

Need of the hour:

- India needs rationalization of subsidies, better targeting and operational efficiency
- It needs to move to cash transfers at an accelerated pace with the use of Jan-Dhan, Aadhaar and mobile
- This will help reduce costs and spare resources for capital spending to augment growth
- As history has shown, the best way to pull people out of poverty is sustained higher growth

4. [Time for auto industry to go all electric](#)

Context

- Electric Vehicles (EVs) and how government is planning to achieve its targets related to EVs.

Key Points:

- The government has been working to effect a radical shift in India's energy production and consumption patterns to reduce dependence on fossil fuels
- According to last year's National Electricity Plan (NEP3) forecast, India will achieve (ahead of schedule), the target of renewable energy being 40% of total power production by 2030
- The target was declared at the Paris Climate Change Conference in 2015

NITI Aayog's report on mobility transformation

- The government intends that all vehicles sold in India by 2030 should be electric
- A recently released NITI Aayog report on mobility transformation outlines a feasible and phased approach to achieve this goal
- It presents the government's vision of a shared, electric and connected mobility paradigm where mobility is a service based on an electric vehicle (EV) fleet, enabled by the convergence of
 - (1) Low-cost technologies,
 - (2) Smart designs,
 - (3) Business model innovation and supportive policies
- The Central government is calling global tenders for the first 10,000 electric cars, of which a pilot phase of 500 cars has already been awarded to Tata Motors Ltd and Mahindra & Mahindra

- Among the states, the Karnataka government has taken the lead in formulating India's first comprehensive EV policy
- The policy will support a complete ecosystem from manufacturing to deployment of charging stations

Why EVs are not popular in India?

- Due to range anxiety, high capital cost and long charging time, despite the obvious benefits of very low running costs and zero emission

Government's plan for Public Transport

- Coming to public transport, despite a sharp increase in private vehicle ownership over the last decade, India still relies heavily on public transport
- The government plans to make public transport more economical and environment-friendly by promoting electric buses
- However, the current generation of electric buses with traditional battery technology are prohibitively expensive at four to five times the cost of a diesel bus

How to counter challenges related to EVs?

- One way is "Battery swapping"
- To help bring down the capital cost of electric buses, experts are recommending two things among the various solutions being looked at
- (1) reducing the battery size and
- (2) adopting "swappable" battery technology,
- It will help in bringing down the upfront capital cost while reducing the operational cost and charging time
- The Indian auto industry is actively working in this direction as it helps state public transport agencies to induct electric bus fleets without incurring too much additional expenditure

Benefits of connected vehicles

- The government's agenda also focuses on developing an ecosystem to support the EV industry
- It will enable various stakeholders to stay connected, enabling a high-functioning ,EV-driven public transport system
- For example, an electric bus heading for the last stop can signal EV taxis in the area about how many passengers it will be offloading
- This ensures optimum onward journey options for the disembarking passengers
- Or EVs can communicate with refuelling stations about battery requirements, so there is never a danger of getting stranded
- These connected vehicles are also a necessary step towards the inevitable progression to autonomous vehicles

The Way Forward

- The auto industry has been growing at a steady pace and India is now becoming an export hub for small and medium-sized cars
- This leaves the auto industry well-placed to go all out on electric
- This is an opportune time for the auto industry to embrace the government's EV push and collaborate with technology and mobility solution providers to capitalize on this opportunity
- It will hugely benefit the nation, economically and environmentally

Category: SCIENCE AND TECHNOLOGY

1. [Simply put: Now confirmed, mergers of neutron stars are factories of heavy chemical elements](#)

In news:

- European Southern Observatory (ESO) has announced the first direct, visual identification of the source of a gravitational wave
- Detected by the Laser Interferometer Gravitational-Wave Observatory (LIGO) on August 17
- This is the first time that such an event has been seen, rather than detected, and the output of numerous telescopes, terrestrial and in orbit, compared to identify a single source
- Radiations were detected in optical/near-infrared wavelengths as the counterpart of a gravitational wave source

Nobel Prize for LIGO scientists

On October 3, LIGO founders Rainer Weiss, Barry C Barish and Kip S Thorne were awarded the Nobel Prize in Physics for detecting gravitational waves in 2015, generated by the collision of two black holes

What led to this finding?

- In August this year LIGO, together with the Virgo observatory in Italy, detected waves from the cataclysmic merger of two neutron stars, designated GW170817
- Soon after, the Fermi space telescope detected a burst of gamma rays from the same region of space, which is a signature of massive stars in collision
- The ESO then organized the astrophysical equivalent of a manhunt, marshaling its own resources and those of allied organizations
- Its Vista, VST and La Silla telescopes in Chile, along with the US DECam telescope, located the source of light near the galaxy NGC 4993 in the constellation Hydra
- The signal was picked up in Hawaii and over the following weeks, about 70 observatories watched the event unfold when they were on the dark side of the earth

- The Hubble Space Telescope tracked it, too

What do the observations tell?

- The observations place the electromagnetic source at 130 light years away, which matches with the distance to GW170817
- It confirms that when neutron stars collide into a kilonova “ a body 1,000 times brighter than the average Nova “ it produces a gamma-ray burst and gravitational waves
- This enormous exercise has joined the dots between various forms of imaging events and objects in deep space
- Also, ESO’s experiment has established a much more important principle “ that it is now possible to correlate the findings of instruments looking into the sky in different spectra

Category:INTERNAL SECURITY

1. [India in elite group with stealth ship](#)

In news:

- India is rapidly marching towards indigenisation and the



- commissioning of the **third Kamorta class Anti-Submarine Warfare (ASW) stealth corvette- INS Kiltan** , is a classic example of that.
- **Uniqueness:** This ship is unique, as about 81% is built indigenously and is the first built by India that has a superstructure made up of **carbon fibre composite material** . This makes it a stealth corvette and makes India one among the few nations that have this technology or this class of ships.
- **Built by:** Garden Reach Ship Builders and Engineers (GRSE), Kolkata.

Key features:

- The carbon composite material gives it an extra stealth edge and also lowers the top weight and maintenance cost.
- The installed propulsion and auxiliary systems provides very low radiated underwater noise feature, required for anti-submarine warfare.
- The enhanced stealth features include “X” form of Hull, full beam superstructure, inclined ship sides and use of Infra Red Signature Suppression (IRSS).

Nothing here for Today!!!

World Monuments Fund (WMF)

- World Monuments Fund (WMF) is a private, international, non-profit organization dedicated to the preservation of historic architecture and cultural heritage sites around the world through fieldwork, advocacy, grant making, education, and training.
- Founded in 1965, WMF is headquartered in New York, and has offices and affiliates around the world, including Cambodia, France, Peru, Portugal, Spain, and the United Kingdom. In addition to hands-on management, the affiliates identify, develop, and manage projects, negotiate local partnerships, and attract local support to complement funds provided by donors.
- Every two years WMF publishes the World Monuments Watch (formerly the World Monuments Watch List of 100 Most Endangered Sites). Since the first list was compiled in 1996, this program has drawn international attention to cultural heritage sites around the world threatened by neglect, vandalism, armed conflict, commercial development, natural disasters, and climate change. Through the World Monuments Watch, WMF fosters community support for the protection of endangered sites, and attracts technical and financial support for the sites.

F. Practice Questions for UPSC Prelims Exam

G. UPSC Mains Practice Questions

GS Paper II

1. “Independence of the judiciary and courts alone would ensure rule of law”. Analyze.

GS Paper IV

1. Explain how ethics contribute to social and human well-being.