



Current Affairs of the Day

GS Paper II

- SC annuls parts of co-op amendment
- SC mulls over 'punishment' for parties facing contempt
- The U.S. condemns extrajudicial surveillance of journalists
- 'India is welcome to join China-South Asia grouping'

GS Paper III

- ADB trims FY22 growth forecast to 10%



SC annuls parts of co-op amendment

In a major boost for federalism, the Supreme Court struck down parts of a constitutional amendment that shrank the exclusive authority of States over their cooperative societies.

Highlights:

1. Part IXB, introduced in the Constitution through the 97th Amendment of 2012, dictated the terms for running cooperative societies.
2. The provisions in the amendment, passed by Parliament without getting them ratified by State legislatures as required by the Constitution, went to the extent of determining the number of directors a society should have or their length of tenure and even the necessary expertise.
3. In a majority judgment authored by Justice Nariman, the court held that cooperative societies come under the “exclusive legislative power” of State legislatures.
4. The judgment may be significant in the background of fears voiced by the States whether the new Central Ministry of Cooperation would disempower them. The SC, however, said the Centre had power over multi-State cooperative societies.
5. Part IX B, which consists of Articles 243ZH to 243ZT, has “significantly and substantially impacted” State legislatures’ “exclusive legislative power” over its cooperative sector under Entry 32 of the State List.
6. In fact, the court pointed out how Article 243ZI makes it clear that a State may only make law on the incorporation, regulation and winding up of a society subject to the provisions of Part IXB of the 97th Constitution Amendment.

States exclusive power:

1. There can be no doubt that our Constitution has been described as quasi-federal in that, so far as legislative powers are concerned, though there is a tilt in favour of the Centre vis-à-vis the States given the federal supremacy principle outlined hereinabove, yet within their own sphere, the States have exclusive power to legislate on topics reserved exclusively to them.
2. The 97th Amendment which inserts the chapter dealing with cooperative societies has not been so ratified by the States, though an amendment of the



Constitution in the exercise of constituent power which differs from ordinary legislative power, such constituent power does not convert Parliament into an original constituent assembly.

3. Parliament being the donee of a limited power may only exercise such power in accordance with both the procedural and substantive limitations contained in the Constitution of India.
4. However, the court did not strike down the portions of Part IXB of the Amendment concerning “Multi-State Cooperative Societies” due to the lack of ratification.
5. When it comes to Multi-State Co-operative Societies (MSCS) with objects not confined to one State, the legislative power would be that of the Union of India which is contained in Entry 44 List I (Union List). It is declared that Part IXB of the Constitution is operative only insofar as it concerns multi-State cooperative societies both within the various States and in the Union Territories.
6. In his dissent, Justice K.M. Joseph said the doctrine of severability would not operate to distinguish between single-State cooperatives and MSCS. The judge said the entire Part IXB should be struck down on the ground of absence of ratification.

SC mulls over ‘punishment’ for parties facing contempt

Political parties facing contempt for defying a Supreme Court judgment to declare or publicise the criminal antecedents of their candidates before elections may run the risk of derecognition or a time-bound forfeiture of their election symbols.

Highlights:

1. The court extensively heard the Election Commission of India (ECI) and amicus curiae and senior advocate K.V. Vishwanathan on how to “punish” the political parties that had not fully complied with the February 13, 2020, judgment. The court has reserved the contempt case, which arose from the Bihar Assembly election, for orders.
2. Despite bringing out criminal antecedents in the public domain, the criminalisation of politics has gone up.



The U.S. condemns extrajudicial surveillance of journalists

The Biden administration has condemned the harassment and 'extrajudicial surveillance' of journalists and others in reaction to reports published by a consortium of news websites that Israeli company NSO Group's spyware, Pegasus, was used for illegal hacking and surveillance of individuals, including in India.

Highlights:

1. The news reports on Pegasus say that in addition to actually or potentially targeting journalists, leaders of the opposition in India, and others, a database of phone numbers that allegedly belonged to the NSO Group contained the numbers of two U.S. Centers for Disease Control and Prevention (CDC) officials in New Delhi and employees of the Bill and Melinda Gates Foundation.
2. Just as states have the duty to protect human rights, businesses have a responsibility to respect human rights, including by ensuring that their products or services are not being used by end-users to abuse fundamental freedoms.

'India is welcome to join China-South Asia grouping'

South Asian Initiative without India:

1. India can join the China-led South Asian initiative for COVID-19 vaccines and poverty alleviation too if it so desires, said Bangladesh, denying that a six-nation grouping launched earlier this month was meant to exclude India.
2. The creation of the China-South Asian Countries Emergency Supplies Reserve, and a Poverty Alleviation and Cooperative Development Centre set up in China on July 8, the outcome of a meeting of the Foreign Ministers of China, Afghanistan, Bangladesh, Nepal, Pakistan and Sri Lanka in April, had raised eyebrows in New Delhi, as it appeared to leave out only India, Bhutan and the Maldives.



ADB trims FY22 growth forecast to 10%

Asian multilateral lender cites the second wave; sees much of India's population vaccinated by 2022-23.

Highlights:

1. The Asian Development Bank (ADB) has pared its forecast for India's growth this year to 10%, from 11% projected in April, citing the curbs imposed across States during the second wave.
2. The lender also said it expects most of the country's population to be vaccinated by 2022-23, suggesting global observers are doubtful that India can meet its target of vaccinating all adults by December 2021.
3. A faster-than-expected spurt in fuel and food prices also nudged the ADB to raise its average inflation projection for 2021-22 to 5.5%, from 5.2% anticipated earlier. The Reserve Bank of India (RBI) has projected retail inflation at 5.1% for this period.