Contents

Probe agencies want single anti-terror mechanism
32 websites go blank: Section 69A
Centre moots health as a fundamental right
Core sector growth at five-month high
NITI Aayog
Forest Rights Act not delaying projects: official
RBI relaxes ECB norms
Plant Protection Code rolls out to make tea a safer beverage
Deteriorating asset quality will put pressure on bank finances
Beti Bachao Beti Padhao (BBBP) initiative
Scheme for Rating of ITIs to Promote Excellence in Vocational Training
Implementation of Bezbahou Committee
Palestine submit documents to join ICC
ICICI Digital Village
RBI eases KYC norms for NBFCs
Nepal to join Silk Road Economic Belt through Tibet
Excavation at Harappan site reveals house plan
India lost 66 wild tigers in 2014
AFSPA extended in Assam
Govt. urged to reject Kasturirangan report
36000 RTI queries pending as CIC remains headless
GDR route for bringing back black money under scanner
Smart cards soon for unorganised sector workers
Raising voice over net neutrality

Investigative Units on Crimes Against Women

Only 10% of 22 lakh NGOs file returns: CBI

SC lawyers’ body plea to declare NJAC invalid

Govt. aligns FDI policy with NIC code

SEBI moots curbs on wilful defaulters

HC notice to Rajasthan on eligibility for panchayat polls

Concessions for the West Pakistan Refugees of Jammu and Kashmir

Guidelines issued by Dept. of Financial services

Six more test positive for swine flu

HC sets aside disqualification of MLAs

Punjab bans sale of loose cigarettes and tobacco

Amend law to protect Hindu wife, says panel

Pension burden to increase: Crisil

Thyagaraja aradhana celebrations begin

Restriction on production of Neem coated Urea removed

Pravasi Bharatiya Divas 2015

Citizenship (Amendment) Ordinance, 2015 Promulgated

BCCI should pay service tax for recording matches: SC

CIC plans action against parties

Rock paintings at risk of fading away

Classical status for Marathi soon

Atul Khare is U.N. Under-Secretary-General

Eurozone pricefall fuels deflation fears

Embarkments are sinking Bangladesh’s islands

What will be the India-based Neutrino Observatory’s impact?
Commemorative Postage Stamp on 100 Years of Mahatma Gandhi’s Return

K.K. Paul sworn in Governor

India, South Africa discuss UNSC reforms

SEBI proposes e-IPO norms

Collapse of oil economies may affect India

Consumer durable firms hike prices by up to 5 per cent

Pravasi Bhartiya Samman Awards -2015

Consumer forum fines bank for destroying title deeds

TS Wakf Board likely in a month’

DRI notice to Vodafone

SC has no option but to set rapist free

Ancient murals ‘ravaged’ at Kuttralam temple

Protest against ‘jallikattu’ ban

Pact for mega solar project

Eruthattam banned in Salem district

Decoding the oil price fall

Idukki in Kerala Becomes the First District of India with Complete Rural Broadband Coverage

NRIs can vote from abroad: govt. tells SC

RTE: private schools want to opt out of online process

World Bank signs pact for Smart Cities

SEBI proposes easier norms for domestic MF managers

Mines and Minerals (Development and Regulation) (Amendment) Ordinance, 2015

Learning outcomes poor, says ASER

Search ads on sex determination under lens

Burning of cow dung cakes near Taj Mahal banned
‘Decent’ humour, dissent, not prohibited .................................................................................................................................

Jan Dhan Yojana a game changer, says RBI ........................................................................................................................................

Forest owlet sighted in M.P. ..............................................................................................................................................................

Global economy to expand by 3 per cent this year ...........................................................................................................................

India will catch up with China’s growth in 2016–17: World Bank .....................................................................................................

Brahma to be new CEC ....................................................................................................................................................................

Draft Bill moots heavy fine for smoking in restricted areas ............................................................................................................

Meningitis: Indian vaccine will protect infants also ...........................................................................................................................

Manipur Councillors call on MoS (DoNER) ........................................................................................................................................

Households’ inflation expectations ease: RBI survey ........................................................................................................................

Moody’s says India rating upgrade to depend on fiscal consolidation ............................................................................................

Opec downgrades demand for oil ......................................................................................................................................................

Sebi notifies stringent insider trading norms ....................................................................................................................................

RBI cuts repo rate by 25 basis points, adjusts reverse repo rate to 6.75% ........................................................................................

JBIC Survey Ranks India as No. 1 Destination for Future Investments ...........................................................................................

Govt. cuts petrol, diesel price; hikes excise duty ..............................................................................................................................

Kasturirangan report: subcommittee to give priority to people’s concerns ....................................................................................

EZC meet focuses on internal security, developmental issues .......................................................................................................

Fiscal autonomy of Local Self-Governments is at stake ....................................................................................................................

Supreme Court ruling limits life of ordinances ................................................................................................................................

RS chaos may stymie joint session on ordinances ...........................................................................................................................

U.S. worried at ‘Make in India’ rule ..................................................................................................................................................

Pulse Polio Immunization Programme ........................................................................................................................................

Drug patent: Gilead prepares to appeal ..........................................................................................................................................

New censor board chief .......................................................................................................................................................................

Over a billion live on less than $1.25 a day: Oxfam .............................................................................................................................
Giant leap for big cat

Periyar tiger reserve wins NTCA award

Odds of escaping poverty in India, U.S. same: WB

H1N1: States told to be ready

India is world’s second most trusting nation: survey

EU lifts ban on Indian mangoes

Will implement 13th Amendment within a unitary state: Ranil

Housing for All

NDRF Celebrates 10th Raising Day

Heritage City Development Scheme (HRIDAY) launched

Petrol costs more than ATF in India

Haemorrhagic fever alert sounded

National Bravery Awards 2014

Appointment Of Jammu & Kashmir Chief Justice

Sukanya Samruddhi account scheme

Panel for fewer TPDS beneficiaries

Joint Declaration

Undertaking a must to contest BCCI elections

THE NUCLEAR DEAL

PM Relief Fund

India-US Delhi Declaration of Friendship

Companies can collaborate with each other for CSR

IT sector to raise totalisation pact

Permanent commission for women hanging on fire

Padma awards

Big blizzard likely in U.S. northeast
Wage code to replace all related laws

EC warns Kejriwal of ‘stern action’

India appeals to DSB over import of U.S. farm products

Fog hangs over nuclear “breakthrough”

MoU between India and Oman

Beating Retreat Ceremony

Now, German help for smart cities

Govt won’t appeal in Vodafone case

90% mandatory jute packaging for grain, 20% for sugar

SC cracks down on search engines

New Sangeet Natak Akademi chairman

Banks free to decide NPA norms

Sharp rise in heat waves in urban areas

Evolution of Kuchipudi

FCI revamp panel’s ideas will boost India’s rating: Moody’s

Gold award for the Income Tax Department

Telepresence Service of Railtel

CIL sale garners Rs. 22k cr., retail investors lukewarm

A village in Rajasthan yields artefacts of yore

‘Muslims, Dalits better off in developed districts’

FDI inflows beat global trends, surge 26%

Base year revision impact: FY14 GDP at 6.9%, FY13 at 5.1%
Probe agencies want single anti-terror mechanism

- Investigating agencies have recommended the setting up of a central anti-terror mechanism placing **intelligence and investigation wings under a single command**.

**Why?**

For more coordinated action against emerging internal security challenges.

**Such unified body would consist of:**

- The intelligence gathering, analysis and dissemination wing;
- Forensic divisions; and
- Investigation and prosecution wings
- It is expected to be created through an executive order.

**Other suggestions made:**

- The Multi Agency Centre and the operations wings of the Intelligence Bureau, other than those dealing with political intelligence, be brought under the new setup.

**Arguments in opposition to the proposed idea:**

- Many IB officers have expressed reservations about such a mechanism. They also have concerns about the safety and security of field officers and the secrecy of covert operations.
- Arguing for insulating the intelligence wing from any vulnerability under the proposed single command, some security experts said all the divisions could function independently.

**Background:**

- It was after the 26/11 Mumbai terror attack that the then Home Minister suggested setting up of the **National Counter Terrorism Centre (NCTC)**, on the lines of the one in the United States and the British Joint Terrorism Analysis Centre, for coordinated counter-terror operations. However, concerned that such an agency could well be abused by the Centre for political ends, **many Chief Ministers struck down the idea primarily because the unit was to function under the Intelligence Bureau** and, unlike the U.S. agency, it would be empowered to conduct searches and arrests under Sections 43 and 43A of the Unlawful Activities Prevention Act.

- In 2012, the Centre came up with an office memorandum defining the functions, powers and duties of the NCTC as a single and effective point of control and coordination of all counter-terrorism measures, which would work through the existing agencies in the country.
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32 websites go blank: Section 69A

- Department of Telecommunications has issued Instructions to Internet service providers in the country directing them to block 32 websites on data archiving, video sharing and software development.

- The DoT invoked Section 69A (power of blocking public access to Internet contents) of the Information Technology Act and the Information Technology (Procedures and Safeguards for Blocking of Access of Information by Public) Rules to issue the directive.

Why websites were blocked?

- The blocking of websites was linked to the Islamic State (IS) recruitment issue. There have been “instances” of recruitment of youth from Maharashtra to the IS in Iraq.

- The ban came on the basis of a request by the State Anti-Terrorism Squad.
• Web contents are often blocked for objectionable/communally inflammatory contents. They are also blocked either on court orders or on the direct request of security agencies, which also approach the agencies concerned for the same through the Home Ministry. In the recent past, websites posting IS propaganda material have been a cause of concern.

Centre moots health as a fundamental right

• The Union Ministry of Health and Family Welfare has suggested making health a fundamental right, similar to education. This key proposal in the draft National Health Policy, 2015, suggests making denial of health an offence.

About the New draft policy:

• It has addressed the issues of universal health coverage, reducing maternal mortality and infant mortality, access to free drugs and diagnostics, and changes in laws to make them more relevant.

• The draft policy proposes that “the Centre shall enact, after due discussion and on the request of three or more States (using the same legal clause as used for the Clinical Establishments Bill), a National Health Rights Act, which will make ensuring health as a fundamental right, whose denial will be justiciable.

• The States would voluntarily opt to adopt this by a resolution of their Legislative Assembly.

• On the issue of increasing health spending, the draft says it accepts and endorses the understanding that a full achievement of the millennium development goals will require an increase in public health expenditure from 4 to 5 per cent of the GDP.

International covenants:

• Many of the developing nations that have made significant progress towards universal health coverage, such as Brazil and Thailand, have made it a Fundamental Right, and such a law is a major contributory factor.

Need for such law:

• A number of international covenants to which India is joint signatory give it a mandate.

• Courts have also rulings that, in effect, see health care as a fundamental right — and a constitutional obligation flowing out of the right to life.

Suggestions made in the Draft:

• Given that the NHP 2002 target of 2 per cent was not met, and taking into account the financial capacity of the country to provide this amount and the institutional capacity to utilise the increased funding in an effective manner, this policy proposes a potentially achievable target of raising public health expenditure to 2.5 per cent of the GDP.
40 per cent of the expenditures would need to come from Central expenditures. At current prices, a target of 2.5 per cent of the GDP translates to Rs. 3,800 per capita, representing an almost four-fold increase in five years. Thus, a longer time frame may be appropriate to even reach this modest target.

Core sector growth at five-month high

The growth rate of eight core sector industries rose to five-month high of 6.7 per cent in November on the back of better output in coal, refinery products, electricity and cement.

The eight core sector industries are— coal, crude oil, natural gas, refinery products, fertilizer, steel, cement and electricity.

Quick facts:

- The core sector contributes 38 per cent in the overall industrial production a parameter that RBI takes into account while framing its monetary policy.

NITI Aayog

- The Government has replaced Planning Commission with a new institution named NITI Aayog (National Institution for Transforming India). The institution will serve as ‘Think Tank’ of the Government—a directional and policy dynamo.

- This comes after extensive consultation across the spectrum of stakeholders, including state governments, domain experts and relevant institutions.

Its role:

- The centre-to-state one-way flow of policy, that was the hallmark of the Planning Commission era, is now sought to be replaced by a genuine and continuing partnership of states.

- NITI Aayog will seek to provide a critical directional and strategic input into the development process.

- NITI Aayog will emerge as a “think-tank” that will provide Governments at the central and state levels with relevant strategic and technical advice across the spectrum of key elements of policy.

- The NITI Aayog will also seek to put an end to slow and tardy implementation of policy, by fostering better Inter-Ministry coordination and better Centre-State coordination. It will help evolve a shared vision of national development priorities, and foster cooperative federalism, recognizing that strong states make a strong nation.

- The NITI Aayog will develop mechanisms to formulate credible plans to the village level and aggregate these progressively at higher levels of government. It will ensure special
attention to the sections of society that may be at risk of not benefitting adequately from economic progress.

- The NITI Aayog will create a knowledge, innovation and entrepreneurial support system through a collaborative community of national and international experts, practitioners and partners. It will offer a platform for resolution of inter-sectoral and inter-departmental issues in order to accelerate the implementation of the development agenda.

- In addition, the NITI Aayog will monitor and evaluate the implementation of programmes, and focus on technology upgradation and capacity building.

**NITI Aayog will aim to accomplish the following objectives and opportunities:**

- An administration paradigm in which the Government is an “enabler” rather than a “provider of first and last resort.”

- Progress from “food security” to focus on a mix of agricultural production, as well as actual returns that farmers get from their produce.

- Ensure that India is an active player in the debates and deliberations on the global commons.

- Ensure that the economically vibrant middle-class remains engaged, and its potential is fully realized.

- Leverage India`s pool of entrepreneurial, scientific and intellectual human capital.

- Incorporate the significant geo-economic and geo-political strength of the Non-Resident Indian Community.

- Use urbanization as an opportunity to create a wholesome and secure habitat through the use of modern technology.

- Use technology to reduce opacity and potential for misadventures in governance.

**The NITI Aayog will comprise the following:**

- Prime Minister of India as the Chairperson

- Governing Council comprising the Chief Ministers of all the States and Lt. Governors of Union Territories

- Regional Councils will be formed to address specific issues and contingencies impacting more than one state or a region. These will be formed for a specified tenure. The Regional Councils will be convened by the Prime Minister and will comprise of the Chief Ministers of States and Lt. Governors of Union Territories in the region. These will be chaired by the Chairperson of the NITI Aayog or his nominee.

- Experts, specialists and practitioners with relevant domain knowledge as special invitees nominated by the Prime Minister
The full-time organizational framework will comprise of, in addition to the Prime Minister as the Chairperson:

- Vice-Chairperson: To be appointed by the Prime Minister
- Members: Full-time
- Part-time members: Maximum of 2 from leading universities research organizations and other relevant institutions in an ex-officio capacity. Part time members will be on a rotational basis.
- Ex Officio members: Maximum of 4 members of the Union Council of Ministers to be nominated by the Prime Minister.
- Chief Executive Officer: To be appointed by the Prime Minister for a fixed tenure, in the rank of Secretary to the Government of India.
- Secretariat as deemed necessary.

**Forest Rights Act not delaying projects: official**

- The Union Ministry of Tribal Affairs says that there is no evidence that the process under the Forest Rights Act (FRA) delays projects, even as there is pressure from the Ministry of Environment to dilute the law and do away with the condition that gram sabhas should give consent for projects.
- FRA does not provide any scope to any executive agency for any kind of relaxation of the applicability of the Act. The responsibility is neither vested in the Environment Ministry nor in the Tribal Affairs Ministry.
- Tribal Affairs Ministry says that an impression is being created that the administration/implementation of the FRA is hindering or delaying clearance of the developmental projects.

**Forest Rights Act:**

- The legislation was passed on 18 December 2006.
- It has also been called the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006., the Tribal Rights Act, the Tribal Bill, and the Tribal Land Act.
- The law concerns the **rights of forest-dwelling communities** to land and other resources, denied to them over decades as a result of the continuance of colonial forest laws in India.

**Rights under the Act:**
• Title rights – i.e. ownership to land that is being farmed by tribals or forest dwellers subject to a maximum of 4 hectares; ownership is only for land that is actually being cultivated by the concerned family, meaning that no new lands are granted.

• Use rights – to minor forest produce (also including ownership), to grazing areas, to pastoralist routes, etc.

• Relief and development rights – to rehabilitation in case of illegal eviction or forced displacement; and to basic amenities, subject to restrictions for forest protection.

• Forest management rights – to protect forests and wildlife

• The Act grants legal recognition to the rights of traditional forest dwelling communities, partially correcting the injustice caused by the forest laws.

• Eligibility to get rights under the Act is confined to those who “primarily reside in forests” and who depend on forests and forest land for a livelihood. Further, either the claimant must be a member of the Scheduled Tribes scheduled in that area or must have been residing in the forest for 75 years.

• Process of recognition of rights:

• The Act provides that the gram sabha, or village assembly, will initially pass a resolution recommending whose rights to which resources should be recognised. This resolution is then screened and approved at the level of the sub-division (or taluka) and subsequently at the district level. The screening committees consist of three government officials (Forest, Revenue and Tribal Welfare departments) and three elected members of the local body at that level. These committees also hear appeals.

RBI relaxes ECB norms

• The Reserve Bank of India has introduced changes in external commercial borrowings (ECB) norms under which authorised money changing banks have been allowed to create a charge on securities.

Present situation:

• At present, the choice of security to be provided to the overseas lender or the supplier for securing ECB is left to the borrower.

Why this decision:

• It was taken with a view to liberalising, expanding the options of securities and consolidating various provisions related to creation of charge over securities for ECB at one place.

Details:
• It has been decided that Authorised Dealer Category-I banks may allow creation of charge on immovable assets, movable assets, financial securities and issue of corporate and/or personal guarantees in favour of overseas lender/security trustee, to secure the ECB to be raised/raised by the borrower. However, the new rules are subject to certain conditions.

• The underlying ECB must be in compliance with extant ECB guidelines, there should be a security clause in the loan agreement, requiring the ECB borrower to create charge, and a no objection certificate will have to be obtained from an existing domestic lender.

• Additionally, Authorised Dealer Category-I bank may permit creation of charge on immovable assets, movable assets, financial securities and issue of corporate and/or personal guarantees.

• Authorised Category banks are Authorised Money Changers (AMCs) which are entities, authorised by the Reserve Bank under the Foreign Exchange Management Act, 1999. An AMC is a Full Fledged Money Changer (FFMC) authorised by the Reserve Bank to deal in foreign exchange for specified purposes.

Plant Protection Code rolls out to make tea a safer beverage

• Plant Protection Code (PPC), a set of guidelines for regulating the chemical inputs in tea cultivation, was rolled out recently.

• The aim is to make Indian tea a safe and healthy drink.

PPC:

• The PPC is a comprehensive document, which deals with safe usage of crop protection products and methodologies that would be followed to reduce pesticide residues in tea.

• The code encourages tea growers to critically review their plant protection formulations (PPF), which are a list of chemicals that are used in tea.

• The code is based on the Codex Alimentarius, which is a set of international food standards and guidelines.

Plant protection formulations (PPF):

• The PPF, evolved by Tea Board, has detailed the chemicals that can be used in tea plantations making some exceptions for South India. It said that chemical use should be restricted not only in tea estates, but also near water bodies, wildlife habitats and human dwelling to check contamination.

• PPF covers insecticides, fungicides, herbicides and bio pesticides. Tea Board noted that in spite of using PPFs, the tea industry loses nearly 30 per cent of its crop due to pests, weeds and diseases. The tea research institutes, which were engaged in the PPF exercise, have ensured that their recommendations comply with food safety standards as stipulated by the Food Safety & Standards Authority of India.
Deteriorating asset quality will put pressure on bank finances

- The Associated Chambers of Commerce and Industry of India (Asscoham) in a report ‘Non performing assets: current and expected scenario’ has said that the banking sector is faced with downgrading of rating as deteriorating asset quality would put further pressure on its finances, make international operations and funding much more difficult during 2015.

The report also says that:

- The banking sector would attract additional provisioning, which would further put pressure on the profits of banks, which are already under tremendous stress. This would reduce the effective internal source of increasing capital which is even under a lot of pressure on account of the impending Basel-III guidelines and the capital adequacy ratio is adversely affected.

- The gross non-performing assets (NPAs) of banks are expected to be 4.4 to 4.7 per cent for public sector banks by March, 2015, (as against 4.4 per cent as on March, 2014) and 4-4.2 per cent for the whole banking sector (as against 3.9 per cent for March, 2014).

- Standard assets incremental restructuring would continue in 2014-15 and not much headway is expected in sale of assets to assert reconstruction companies after the guidelines have been changed.

- For reducing NPAs, Assocham has suggested a four-pronged strategy for early recognition of stress and remedial action thereafter. The measures are categorised under ‘preventive and corrective Management.

Beti Bachao Beti Padhao (BBBP) initiative

- As a part of statewise consultation process on Beti Bachao Beti Padhao(BBBP) Scheme, the Union Minister of Women & Child Development recently held a Video Conference with the Principal Secretaries of Departments of Women & Child Development from States of Andhra Pradesh, Karnataka, Kerala, Madhya Pradesh, Telangana, Odisha and West Bengal along with district collectors of identified districts under BBBP.

About BBBP:

- Beti Bachao, Beti Padhao Andolan will help in generating awareness and improving the efficiency of delivery of welfare services meant for women.

- It is set up with an initial corpus of Rs 100 crore.

Aim:
• The adverse and declining child sex ratio (CSR) across the States is a major cause of concern as it has fallen from 927 in 2001 to 918 in 2011. The BBBP seeks to arrest the trend and over time to reverse it.

Implementation:

• A 100 critical low CSR districts in all States and UTs have been identified for focused and convergent action by the Ministries.

• The Ministry of WCD is the nodal Ministry for this initiative and will carry out training to stakeholders, community mobilization and sensitization. It will also embark upon a range of advocacy measures and activities, not limited to the 100 low CSR districts but all across the country.

• All forms of media and social media platforms would be used for this.

• The key to the success of the initiatives would lie with the communities, States, Panchayats and the local self-Government.

**Scheme for Rating of ITIs to Promote Excellence in Vocational Training**

• Ministry of Labour and Employment has introduced a scheme for rating of ITIs in order to promote excellence in vocational training.

• Presently there are about 12000 ITIs in the country.

• The numbers of ITIs have doubled over the last about five-six years and many more ITIs are proposed to be opened within the next five years.

• With such a vast rate of growth, it was felt necessary to introduce quality assurance system for these institutions.

About the Rating Scheme:

• The rating scheme can provide a benchmark for comparison amongst various institutes and trades offered therein.

• It is also expected to bring a differentiating factor for institutions leading to increased market competition and thereby quality improvement in laggard institutions so that they would remain competitive.

• The rating will also help students and employers by serving as a formal recognition from the Government about a specified level of quality of training and facilities.

• The rating of institute will be valid for a period of two years.

• Fee for the rating process will not be regulated. However, the rating agencies will disclose the fees charged to a specific institute.
In order to ensure quality of vocational training in ITIs, decision of compulsory re-affiliation of ITIs after five years has also been taken by National Council on Vocational Training (NCVT).

Rating system will serve as a management tool to identify problem areas and design appropriate policy intervention.

**Implementation of Bezbaruah Committee**

- Union Home Minister has said that the recommendations made by the Bezbaruah Committee with regard to immediate measures have been accepted.

**Background:**

- The Ministry of Home Affairs had constituted a Committee in February 2014 under the chairmanship of Shri M.P. Bezbaruah.

- Why? to look into the various concerns of the citizens hailing from the North Eastern States who are living in different parts of the country and to suggest suitable remedial measures including legal measures which could be taken up by the Government.

- The committee was set up after the death of Nido Tania, a 19-year-old student from Arunachal Pradesh, who died in Delhi on January 29, 2014.

- The Committee’s mandate was to listen to the issues raised by people from Northeast India living in other areas of the country, especially metro cities.

**Accepted measures:**

- As part of the Legal Measures, the Indian Penal Code (IPC) will be amended for insertion of new sections of **153C and 509A** as recommended by the Committee.

- The proposed Section 153-C makes acts causing or likely to cause fear or feeling of insecurity among the community punishable with up to five years’ imprisonment. It also makes offences of such attempts, promotion or participation in violence on grounds of racial features, behaviour, culture or way of living. The proposed Section 509-A provides up to three years’ imprisonment for words, gesture or act intended to insult a member of any race.

- As part of Legal Assistance, a panel of seven lawyers including five women lawyers has been constituted by the Delhi State Legal Service Authority (DSLSA) for providing legal assistance to the needy people from the North East.

- The Delhi Government will also be providing compensation and monetary assistance to the NE people under Delhi Victim Compensation Scheme 2011.

- State Bhawans of concerned NE States have also agreed to play active roles to assist the persons in distress.
• All the recommendations made by the Committee regarding Special Police Initiatives and additional steps to be taken by the various State Police Forces and Delhi Police have been accepted for immediate implementation. Some of these initiatives include:

• Delhi police will recruit 20 police personnel, (10 male – 10 female) each from North East States.

• Police exchange programme has been approved between NE States and metropolitan cities including Delhi.

• North East Special Unit at New Delhi is activated to address the grievances of the NE people. Other States have been advised to do the same.

• A decision has been taken that cases of NE people be referred to the existing fast track courts for early decision.

• Various Metropolitan Police including Delhi Police are being advised to post NE Personnel in their force in the visible positions in vulnerable areas prone to crime against NE people. Also they will be advised to have due representation of the senior officers at the field level.

• For further reference: http://pib.nic.in/newsite/PrintRelease.aspx.

Palestine submit documents to join ICC

• The Palestinians took the last formal step recently to join the International Criminal Court.

• Why? To pursue war-crimes charges against Israel over the recent conflict in Gaza and Jewish settlements in Palestinian territories.

• Israel has opposed this move and the U.S. has seen this as an obstacle to reaching an Israeli-Palestinian peace deal.

Background:

• The Palestinians moved quickly to join the court after suffering a defeat in the U.N. Security Council, which rejected a resolution recently that would have set a three-year deadline for the establishment of a Palestinian state on lands occupied by Israel.

• Joining the ICC is part of a broader strategy to pressure Israel into withdrawing from the territories and agreeing to Palestinian statehood.

• The General Assembly’s recognition of Palestine as an observer state made it possible for the Palestinians to join the International Criminal Court and other U.N. bodies.

• Once it becomes a member, Palestine could seek to have Israeli military or political figures prosecuted for alleged crimes involving settlement construction on occupied lands or actions by the military that cause heavy civilian casualties.
ICC:

- The International Criminal Court (ICC), located in The Hague, is the court of last resort for prosecution of genocide, war crimes, and crimes against humanity. It is the first permanent, treaty-based, international criminal court established to help end impunity for the perpetrators of the most serious crimes of concern to the international community.

- Its founding treaty, the Rome Statute, entered into force on July 1, 2002.

- As of July 2013, the ICC had 122 states parties, opened investigations in eight countries, and issued two verdicts (Lubanga case and Ngudjolo case).

- The governments on which the ICC depends to carry out its mandate have been inconsistent in their support, particularly when it comes to arrests.

- The ICC is an independent international organisation, and is not part of the United Nations system. Although the Court’s expenses are funded primarily by States Parties, it also receives voluntary contributions from governments, international organisations, individuals, corporations and other entities.

- The Court’s management oversight and legislative body, the Assembly of States Parties, consists of one representative from each state party. Each state party has one vote and “every effort” has to be made to reach decisions by consensus. If consensus cannot be reached, decisions are made by vote. The Assembly is presided over by a president and two vice-presidents, who are elected by the members to three-year terms.

ICICI Digital Village

- ICICI Bank has announced the creation of the “ICICI Digital Village” at Akodara in Sabarkantha district of Gujarat.

Salient features of Digital village:

- It enables villagers to use technology in banking, payments, education, health care and other services.

- It aspires to include cashless transactions, paperless textbooks, with children reading books on LED screens and tablets, telemedicine and Wi-Fi connectivity.

- The digital village initiative had three dimensions — access to banking and seamless banking services; leveraging technology in social sectors for improvement in the lives of the villagers and creating enabling infrastructure to make technology available and access and disseminate information.

- The digital village is not limited to providing cashless banking through digital platforms, but was focussed on use of technology in all aspects of every resident there.
Banks can be agents of social transformation, and cashless transactions will bring down black money significantly in the system.

(This village, named Akodara, in Sabarkantha district of Gujarat incidentally happens to be the same place where Modi started Gujarat’s first animal hostel in 2011 when he was the Chief Minister of the state.)

The Industrial Credit and Investment Corporation of India (ICICI) was originally set up as an Indian financial institution at the initiative of the World Bank, the Government of India and representatives of Indian industry to provide project financing to Indian businesses. It later got merged with ICICI Bank, which was set up in 1994.

RBI eases KYC norms for NBFCs

The Reserve Bank of India has Amended rules for non-banking financial companies (NBFCs) with regard to their Know-Your-Customer (KYC) exercise. It has relaxed the time limit during which such due diligence is required.

Why? The rules have been eased due to practical difficulties and constraints in getting KYC documents at frequent intervals.

Norms include:

- Full KYC exercise will be required to be done at least every two years for high risk individuals and entities, at least every 10 years for low risk and at least every 8 years for medium risk individuals and entities, taking into account whether and when client due diligence measures have previously been undertaken and the adequacy of data obtained.

- However, physical presence of clients may not be insisted at such periodic updations.

- KYC means “Know Your Customer”. It is a process by which banks obtain information about the identity and address of the customers. This process helps to ensure that banks’ services are not misused. The KYC procedure is to be completed by the banks while opening accounts and also periodically update the same.

Nepal to join Silk Road Economic Belt through Tibet

- China has taken a firm step to extend the Silk Road Economic Belt to South Asia, by working out a blueprint of connecting Nepal with the Eurasian transport corridor.

- Nepal has formally signed a four-point document endorsing the Silk Road Economic Belt. Analysts point out that Nepal has joined a project that China has marshalled along with Russia as its core partner, to counter the Washington-led “Asia Pivot” doctrine, which has the containment of a rising China at its heart.
• Observers say that the rail connectivity with China will spur the globalisation of the Nepalese economy. Once a rail connection with China is established, Nepalese goods can be transited to the international markets through the Eurasian transportation network.

Silk Road Initiative:

• The Silk Road, or Silk Route, is a series of trade and cultural transmission routes that were central to cultural interaction through regions of the Asian continent connecting the West and East by linking traders, merchants, pilgrims, monks, soldiers, nomads, and urban dwellers from China to the Mediterranean Sea during various periods of time.

• The new project is an initiative by China to resurrect the ancient maritime Silk Road. It is perceived to be an attempt by China to ameliorate relations with South and Southeast Asia.

• The new initiative is a pet project of President Xi Jinping for connecting Asia with Europe along a land corridor, with China as its hub.

• Under the new Silk Route, the Chinese want to open up the transportation channel from the Pacific to the Baltic Sea, from which would radiate rail and road routes, which would also connect with East Asia, West Asia, and South Asia.

• The Silk Road strategy’s ambitious vision aligns with Beijing’s goals much more closely than the Trans-Pacific Partnership (TPP), which is a reflection of the U.S. international trade model writ large.

• The Silk Road strategy aims to facilitate large-scale infrastructure construction, energy sale and transport, and relocation of manufacturing industries.

• This initiative aspires to deepen linkages between China and its neighbours via trade, investment, energy, infrastructure, and internationalization of China’s currency, the renminbi.

Indian and Silk Road Initiative:

• Aware of India’s sensitivities regarding the perceived expansion of Chinese influence, a Beijing-Kathmandu-New Delhi trilateral development partnership is proposed as a confidence building step.

• Relations between China and India are mutually reinforcing. Nepal and India are also reinforcing their relations for mutual benefit.

• From a historical point of view India is the converging point of the Maritime Silk Road and the Silk Road on land. Based on that, the Chinese government believes inevitably that naturally India is one of the important partners to build one belt and one road.

• India also benefits from at least reasonable ties with most stakeholders in the New Silk Road, including Iran, where India has invested heavily in the Chabahar Port. But India must also make serious efforts to strengthen its links with Southeast Asia, and for this it must develop stronger ties with Bangladesh.
• India will also need to work towards a manageable relationship with Pakistan, which would not only facilitate pipeline projects like TAPI, but also enable access to Afghanistan and Central Asia.

• India needs to change its approach towards border regions, and not allow security to cloud its overarching vision. One of the important cornerstones of China’s Silk Road vision has been its emphasis on utilizing border regions, while also making use of their strategic location.

Excavation at Harappan site reveals house plan

• Excavation conducted by the Archaeological Survey of India (ASI) at the late-Harappan site of Chandayan in Uttar Pradesh has, for the first time, revealed the plan of a house on the Ganga-Yamuna doab, with its mud walls, four successive floor levels and post-holes.

Details:

• The excavation in the residential area revealed a mud wall and post-holes in one trench and four closely laid and successive floors of a house in another trench and pots.

• The posts positioned in the holes would have supported the roof of the house. The habitation area is significant for the floor levels, and mud walls were occurring in the Ganga-Yamuna doab for the first time.

• In the burial site, 150 metres from the residential area, excavations brought to light 21 pots, including deep bowls, dishes, flasks and lids with knobs and cylindrical agate beads.

• The copper crown was embedded with carnelian and faience beads.

• The orientation of the burial site was from northwest to southeast.
Twenty metres from the skeleton, remains of animal sacrifice, other refuse and pots similar to those found in the habitation area were found, suggesting some religious ceremony during the funeral.

**India lost 66 wild tigers in 2014**

As per statistics provided by Tigernet, the official database of the National Tiger Conservation Authority, Sixty-six wild tiger deaths were reported in the country in 2014.

**Other details:**

- The highest number of wild tiger deaths was reported from the forests of Tamil Nadu — 15, followed by Madhya Pradesh — 14. Six of the deaths in Tamil Nadu were from the Mudumalai Tiger Reserve.

- The **majority** of wild tiger deaths were caused by **poaching**.

- The data do not give a clear figure on the number of tigers killed by poachers, but it is estimated that about 50 tigers could have been killed in this manner.

- Of the 66 deaths, only one death was due to natural causes — reported from the Valmiki Tiger Reserve, Bihar. Fights between tigers, possibly for territory control, caused three deaths. Two tigers, suspected to be man-eaters, were shot dead by police personnel. Wild tiger deaths were also reported from Andhra Pradesh, Assam, Kerala, Karnataka and Uttarakhand.

- During the year, 12 cases of seizure of tiger parts were registered. This included seizure of seven tiger skins. While three tiger skins were seized from Maharashtra, two were seized from Andhra Pradesh and one each from Tamil Nadu and Kerala.

- In 2013, the number of wild tiger deaths was 63 and the highest number was reported from the forests of Karnataka — 16, followed by Maharashtra, 9. In 2014, Karnataka accounted for seven wild tiger deaths. In 2013, only one wild tiger death was reported from Tamil Nadu.

**Government measures:**

- The Government of India has taken a pioneering initiative for conserving its national animal, the tiger, by launching the ‘Project Tiger’ in 1973. From 9 tiger reserves since its formative years, the Project Tiger coverage has increased to 47 at present, spread out in 17 of our tiger range states. This amounts to around **2.08% of the geographical area** of our country. The tiger reserves are constituted on a core/buffer strategy. The core areas have the legal status of a national park or a sanctuary, whereas the buffer or peripheral areas are a mix of forest and non-forest land, managed as a multiple use area.

- The Project Tiger aims to foster an exclusive tiger agenda in the core areas of tiger reserves, with an inclusive people oriented agenda in the buffer.
• Project Tiger is a Centrally Sponsored Scheme of the Ministry of Environment and Forests, providing central assistance to the tiger States for tiger conservation in designated tiger reserves.

• The Wild Life (Protection) Act, 1972 was amended in 2006 keeping in view the needs of the Project Tiger for providing enabling provisions for constitution of the National Tiger Conservation Authority and the Tiger and Other Endangered Species Crime Control Bureau.

• The functions of NTCA are as follows:
  
  • Ensuring normative standards in tiger reserve management
  • Preparation of reserve specific tiger conservation plan
  • Laying down annual/ audit report before Parliament
  • Instituting State level Steering Committees under the Chairmanship of Chief Minister and establishment of Tiger Conservation Foundation.
  • According approval for declaring new Tiger Reserves.

Special Tiger Protection Force (STPF):

• Creation of Special Tiger Protection Force (STPF) was announced in 2008.

• A onetime grant of Rs. 50 Crore was provided to the National Tiger Conservation Authority (NTCA) for raising, arming and deploying a Special Tiger Protection Force for 13 tiger reserves. The rest of the reserves were taken up later.

AFSPA extended in Assam

• The Centre has extended the Armed Forces (Special Powers) Act to declare Assam a ‘disturbed area’ for one more year.

• The Government of India in exercise of powers under AF(SP) Act, 1958 has also declared, besides other areas, the area falling within 20 km wide belt in Assam and Arunachal Pradesh and Meghalaya along their border with the Assam as disturbed area.

AFSPA:

• It is an Act empowering armed forces to deal effectively in ‘Disturbed Areas’. Any area which is declared ‘Disturbed’ under the disturbed areas act enables armed forces to resort to the provisions of AFSPA.

Who declares an area as disturbed?

• The choice of declaring any area as ‘disturbed’ vests both with state and central government.
Special powers provided to armed forces:

After an area comes under the ambit of AFSPA, any commissioned officer, warrant officer, non-commissioned officer or another person of equivalent rank can use force for a variety of reasons while still being immune to the prosecution.

Ambit:

The act was passed on 11 September 1958 by the parliament of India to provide special legal security to the armed forces carrying out operations in the troubled areas of Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland, Tripura (seven sisters).

In 1990 the act was extended to the state of Jammu and Kashmir to confront the rising insurgency in the area.

In Manipur, despite opposition from the Central government, state government withdrew the Act in some parts in Aug, 2004.

The government can declare AFSPA in the following conditions:

When the local administration fails to deal with local issues and the police proves inefficient to cope with them.

When the scale of unrest or instability in the state is too large for the police to handle.

Legal provisions of AFSPA:

In an area declared "disturbed" an army officer is legally free to carry out following operations:

Fire upon or otherwise use force, even to the causing of death, against any person who is acting in contravention of any law” against “assembly of five or more persons” or possession of deadly weapons.

Destroy any shelter (private or govt.) from which armed attacks are made or likely to be made or attempted to be made.

Arrest any person without warrant who has committed a cognizable offence or against whom a reasonable suspicion exists that he has committed or is about to commit a cognizable offence.

Enter and search, without warrant, any premises for purpose of arrest or to recover any person, arms, explosives.

To search and seize any vehicle suspected to be carrying an offender or any person against whom any reasonable suspicion exists that he has or is about to commit an offence.

To provide legal immunity to the army personnel found involved in any violation or ethical breach i.e., they cannot be sued or prosecuted.
Why do armed forces need AFSPA?

- The forces are aware that they cannot afford to fail when called upon to safeguard the country’s integrity. Hence, they require the minimum legislation that is essential to ensure efficient utilization of combat capability. This includes safeguards from legal harassment and empowerment of its officers to decide on employment of the minimum force that they consider essential.

- The absence of such a legal statute would adversely affect organizational flexibility and the utilization of the security capacity of the state. This would render the security forces incapable of fulfilling their assigned role.

- Common people see it as ‘Right to Kill’ Act. Since its inception many Human Rights organizations and civil societies have been opposing it for the following reasons:

  - It makes no distinction between a peaceful gathering of five or more people and a berserk mob.

  - The law also states that, “no prosecution can be initiated against an officer without the previous sanction of the Central government”.

  - The decision of the government to declare a particular area ‘disturbed’ cannot be challenged in a court of law.

  - In 2005 the Jeevan Reddy Commission said that AFSPA should be repealed and the clauses that are required should be included in other Acts.

Govt. urged to reject Kasturirangan report

- People from Udupi, Karnataka have urged the Union and State governments to reject the recommendations of the K. Kasturirangan Panel’s report on conservation of the Western Ghats.

Why?

- 35 villages in Udupi district in the Western Ghats come under the ambit of the report and the report also proposed a buffer zone of 10 km from the boundary of Western Ghats, which would include another 38 villages. The people are against the report as it would hamper development in the villages.

Kasturirangan Report:

- The Kasturirangan panel was set up to study the Gadgil committee report on the Western Ghats. The Gadgil panel report had faced unanimous opposition from state governments for recommending that almost three-fourth of the hills, including plantations, cultivated lands and large habitations, be turned into a restricted development zone with an over-arching authority to regulate the region superseding the elected authorities’ role.

Recommendations made:
Around 60,000 sq km of Western Ghats, spread across six states, should be turned into a no-go area for commercial activities like mining, thermal power plants, polluting industries and large housing plans.

It has suggested that 90% of the natural forests left in the Western Ghats complex — adding up to 60,000 sq km and constituting 37% of the entire hilly belt — be conserved under the Ecologically Sensitive Area (ESA) provisions of the green law. The forest area falling within the ESA would also cover 4,156 villages across the six states. The panel has said, “The villages falling under ESA will be involved in decision making on the future projects. All projects will require prior-informed consent and no-objection from the gram sabha (village council) of the village.”

The panel has recommended that there should be a complete ban on mining activity in this zone and current mining activities should be phased out within five years, or at the time of expiry of the mining lease. It has banned development of any township or construction over the size of 20,000 sq m in the ESA zone. It has not recommended a ban on hydroelectric projects in the zone, but put a regime of stricter clearances for dams and other projects.

The report suggests doing away with the complete moratorium on industrial and mining activity in the two Maharashtra districts of Sindhudurg and Ratnagiri. It has suggested persisting with the ban only on the area of the two districts falling within the ESA and a strict regulation in the rest.

The report has steered clear from demanding a strict ecological control over the Western Ghat complex requiring changes and regulations on agricultural practices the way Gadgil committee report had suggested.

36000 RTI queries pending as CIC remains headless

There are over 36000 pending Right to Information (RTI) queries pending at the Central Information Commission (CIC), which has been functioning without a Chief Information Commissioner for almost four months now.

CIC appointment:

The Chief Information Commissioner and Information Commissioners are appointed by the President on the recommendation of a committee consisting of—

The Prime Minister, who shall be the Chairperson of the committee;

The Leader of Opposition in the Lok Sabha; and

A Union Cabinet Minister to be nominated by the Prime Minister.

The Chief Information Commissioner heads the Central Information Commission, the body that hears appeals from information-seekers who have not been satisfied by the public authority, and also addresses major issues concerning the RTI Act.
• The Central Information Commission (CIC) is set up under the Right to Information Act and is the authorised body, established in 2005, under the Government of India.

Upload records of parties’ bungalows, CIC tells Centre

• The Central Information Commission has directed the Centre to upload records of land/bungalow allotment to all political parties in the country.
• The order comes after the Lalu Prasad-led Rashtriya Janata Dal government in Bihar rejected an RTI query on its headquarters in New Delhi.
• The CIC, in its order in June 2013, had declared political parties to be under the purview of the Right to Information Act, 2005.

GDR route for bringing back black money under scanner

• Regulatory and other agencies suspect that Global Depository Receipt (GDR) route is being used for bringing back suspected illicit funds stashed abroad.
• SEBI has come across quite a few cases where GDR (Global Depository Receipt) route could have been used for round-tripping of funds in the name of capital-raising activities of listed companies from abroad. The issue has also been flagged by other agencies. GDR is a popular financial instrument used by listed companies in India, and in many other countries, to raise funds denominated mostly in U.S. dollars or Euros.

GDR:

• A global depository receipt (GDR), also known as international depository receipt (IDR), is a certificate issued by a depository bank, which purchases shares of foreign companies and deposits it on the account.
• They are the global equivalent of the original American depository receipts (ADR) on which they are based.
• GDRs represent ownership of an underlying number of shares of a foreign company and are commonly used to invest in companies from developing or emerging markets by investors in developed markets.

Characteristics:

• It is an unsecured security
• It may be converted into number of shares
• Interest and redemption price is public in foreign agency
• It is listed and traded in the stock exchange
Their regulation in India:

- Indian companies are allowed to raise capital in the international market through the issue of ADRs/GDR. They can issue ADRs/GDRs without obtaining prior approval from RBI, if it is eligible to issue ADRs/GDRs in terms of the scheme for issue of foreign currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and subsequent guidelines issued by Ministry of Finance, Government of India.

- After the issue of ADRs/GDRs, the company has to file a return to the RBI. The company is also required to file a quarterly return.

- There are no end-use restrictions on GDR/ADR issue proceeds, except for an express ban on investment in real estate stock markets.

**Smart cards soon for unorganised sector workers**

- Every worker in the unorganised sector may soon be issued a smart card with a unique identification number. The portable benefits card will be issued under the Unorganised Workers Social Security Act, 2008.

**Why?**

- For accessing social schemes and benefits.

- Such project was launched in Gujarat on pilot basis. “U-WIN” card was launched in Gujarat and it was announced that benefits under various social security schemes would be routed to registered workers through this card.

**Other Details:**

- The proposal is all workers must get three things — health insurance, pension and disability assistance. This card will allow workers to self-certify that they are unorganised sector workers, and get these benefits through a portable card.

- National Commission for Enterprises in the Unorganised Sector Report, 2005, had said that over 394 million workers, 87 per cent of the country’s working population, are in the unorganised sector.

- The report said 79 per cent of these workers lived on less than Rs. 20 a day In Gujarat, the government announced that benefits under 20 schemes, including education aid, maternity benefits, funeral benefits, accident group insurance scheme and housing, would be routed through the cards.

- The Unorganised Workers Social Security Act, 2008, passed after the setting up of the National Commission for Enterprises in the Unorganized Sector in 2004 provides for constitution of the National Social Security Advisory Board at the Central level, which is to recommend social security schemes, health and maternity benefits and pension
schemes for unorganised workers. It said that every adult worker could self-certify that he or she worked in the unorganised sector and shall be issued a smart card and a unique identification number.

**Raising voice over net neutrality**

- On December 24, India’s biggest telecom operator Bharti Airtel Ltd announced that it would charge customers for calls made using VoIP (Voice over Internet Protocol) and then did a volte face five days later by withdrawing the proposal.

- The stated reason for the U-turn was that the telecom regulator was working on a consultation paper on the subject.

- The unstated part was that Airtel’s proposal had customers and advocates of net neutrality up in arms.

- Proponents of the principle of net neutrality hold that all traffic on the Internet should be treated equally or in other words, service providers such as Airtel should allow access to all content without favouring any particular product or website.

**What the TRAI says?**

- The Telecom Regulatory Authority of India chief has said even though Airtel’s move is against net neutrality it is not illegal as **there is no legal framework**.

- The net neutrality debate becomes even more relevant in case of India where the penetration of smart phones is increasing and efforts are on to bring more people to the Internet, through the digital India campaign.

**Telecom/service provider’s argument:**

- The telecom/ISPs argue that they have made huge investments in broadband capacity, and, therefore, they should be allowed to charge for the services, which generate lot of traffic. Preventing the service providers from charging for over-the-top services (OTT) services would mean that they would reduce their investments in building networks.

**Net neutrality:**

- Net neutrality is the principle that Internet service providers and governments should treat all data on the Internet equally, not discriminating or charging differentially by user, content, site, platform, application, type of attached equipment, or mode of communication.

- Neutrality proponents claim that telecom companies seek to impose a tiered service model in order to control the pipeline and thereby remove competition, create artificial scarcity, and oblige subscribers to buy their otherwise uncompetitive services. Many believe net neutrality to be primarily important as a preservation of current freedoms.

- **There are no laws enforcing net neutrality in India.** Although TRAI guidelines for the Unified Access Service license promote net neutrality, it does not enforce it. The
Information Technology Act 2000 also does not prohibit companies from throttling their service in accordance with their business interests.

**Investigative Units on Crimes Against Women**

- The Ministry of Home Affairs (MHA) proposes to set up Investigative Units on Crimes against Women (IUCAW), in 20% of the districts of each State on a 50:50 cost sharing basis with the states.

**Objectives:**

- to investigate cases referred to them, augment the investigative machinery of the States in relation to the heinous crimes against women, especially Rape, Dowry Death, Acid Attack and Human Trafficking, instill confidence and encourage women to come forward and lodge their complaint and improve the gender ratio in the State Police forces which is adversely impacting effective implementation of the legislations relating to women.

- These units will have the additional functionality of proactive policing, intelligence gathering, tackling organized crime, monitoring proper implementation of the legislative provisions, helping awareness generation and promotion of social participation in checking crimes against women.

**Details:**

- MHA has proposed to set up 150 such IUCAW units initially on pilot basis in most crime prone districts of each state.

- These units may consist of 15 personnel, preferably five of them women.

- The states will have full flexibility on whether to create new posts or to designate from the existing strength.

- Each IUCAW will be headed by an officer of the rank of Additional Superintendent of Police assisted by two DSPs.

- Out of the total 2250 personnel required for the 150 IUCAWs, 750 will be women.

- This will involve a total expenditure of 84 crore rupees annually, out of which 42 crore rupees will be provided by the Centre.

- These measures will help in ensuring higher conviction rate in different states to check crimes against women and human trafficking.
Only 10% of 22 lakh NGOs file returns: CBI

- The CBI has said that only about 10 per cent of the over 22 lakh non-governmental organisations file their annual income and expenditure statements with the authorities they are registered with.

CBI's view on the issue:

- CBI has urged the court to impose a pre-condition on NGOs that they first submit their balance sheets, including income and expenditure statements, for the preceding three years before further grants were allowed.

Court's view:

- The SC said that an order could be given only after an extensive hearing. The CBI should first complete compiling data on NGOs and argue its case in detail. Then the SC will see why NGOs cannot be asked to maintain complete records.

Statewise data:

- Among the 20 States, Uttar Pradesh has the highest number of NGOs, at 5,48,148, and of which 1,19,000 of them submit annual returns.

- Maharashtra has 5,18,437 registered NGOs, of which 77,766 file balance sheets.

- Kerala shows 3.6 lakh registered NGOs, but none files balance sheets as there is no provision in the State's statute requiring them to do so.

- Similar is the case with Punjab and Rajasthan, which have over 1.36 lakh registered NGOs.

- Of the 2.34 lakh NGOs in West Bengal, only 17,089 were found to be active and filing annual returns.

- In Jammu and Kashmir, all 147 registered NGOs file annual returns. Of the 147 NGOs registered, all file annual returns.

- In the Northeast, none of the NGOs in Assam, Manipur, Meghalaya, Nagaland and Tripura file returns.

- The CBI was acting on the Supreme Court’s order of September 2, 2013 on a PIL petition, alleging misuse of funds by Anna Hazare’s NGO Hind Swaraj Trust. The court had expanded the scope of the petition and directed the CBI to file the entire list of NGOs in the country registered under the Societies Registration Act.

SC lawyers' body plea to declare NJAC invalid

- The Supreme Court Advocates-on-Record Association (SCAORA) has filed a writ petition seeking a declaration that the Constitution 99th Amendment Act, 2014, providing
constituent status to the National Judicial Appointments Commission, is “invalid, void and unconstitutional”.

Why?

- The petition contends that by passing the NJAC Bill, Parliament had “altered the basic structure of the Constitution” and encroached into judicial independence.

How judicial independence is being encroached:

- Independence of the judiciary includes the necessity to eliminate political influence even at the stage of appointment of a judge. This is being violated.

- The amendment, as passed by the two houses of Parliament, “takes away the primacy of the collective opinion of the Chief Justice of India and the two senior most Judges of the Supreme Court of India”.

- Although the six-member Commission had the CJI as chairperson and two senior most Supreme Court judges as members, there was no “primacy” for them. Even their collective recommendation of a candidate as judge could be frozen if any two non-judicial members on the panel vetoed it.

- The petition said the NJAC Act did not give any “suitability criteria” for appointment as judge, leaving it to the Commission to frame them. It sought a return to the recommendations of the 2002 Justice M.N. Venkatachaliah Committee in which the NJAC was composed of five members.

Background:

- The association had, in August last year, challenged the NJAC law. But the SC had said it was too premature as the States were yet to ratify it. However, the Supreme Court had given the association liberty to approach it at a later stage.

- The NJAC, which restores the political class’ role in the appointment of judges to the Supreme Court and the High Courts, has received the President’s assent after ratification by 16 State legislatures. Both the Constitution Amendment Bill and the NJAC Bill were passed by Parliament in August 2014.

About the NJAC and constitution amendment Bill:

- NJAC is a proposed body responsible for the appointment and transfer of judges to the higher judiciary in India. JAC Bill seeks to replace the collegium system of appointing the judges of Supreme Court and 24 High Courts with judicial appointments commission wherein the executive will have a say in appointing the judges.

- A new article, Article 124A, (which provides for the composition of the NJAC) will be inserted into the Constitution.

- The Bill provides for the procedure to be followed by the NJAC for recommending persons for appointment as Chief Justice of India and other Judges of the Supreme Court
The amendment bill seeks changes in articles 124, 217, 222 and 231.

According to the bill the commission will consist of the following members:

- Chief Justice of India (Chairperson, ex officio)
- Two other senior judges of the Supreme Court next to the Chief Justice of India – ex officio
- The Union Minister of Law and Justice, ex officio
- Two eminent persons (to be nominated by a committee consisting of the Chief Justice of India, Prime Minister of India and the Leader of opposition in the Lok Sabha or where there is no such Leader of Opposition, then, the Leader of single largest Opposition Party in Lok Sabha), provided that of the two eminent persons, one person would be from the Scheduled Castes or Scheduled Tribes or OBC or minority communities or a woman. The eminent persons shall be nominated for a period of three years and shall not be eligible for re-nomination.

Functions of the Commission:

- Recommending persons for appointment as Chief Justice of India, Judges of the Supreme Court, Chief Justices of High Courts and other Judges of High Courts.
- Recommending transfer of Chief Justices and other Judges of High Courts from one High Court to any other High Court.
- Ensuring that the persons recommended are of ability and integrity.
- Under the present Collegium system, the Chief Justice of India would consult the four senior most judges of the Supreme Court for Supreme Court appointments and two senior-most judges for high court appointments

How the NJAC will help:

- The NJAC, once it came into existence, is expected to usher in transparency in judicial appointments in the highest courts and end the highest judiciary’s two-decade-old grip over appointments of judges through the collegium system.
- It would restore an equal role for the executive in higher judicial appointments.

**Govt. aligns FDI policy with NIC code**

- With a view to improving the ease of doing business, the government has aligned the foreign direct investment policy with the upgraded National Industrial Classification (NIC) Code.
National Industrial Classification (NIC) Code:

- National Industrial (Activity) Classification namely NIC plays a very vital role in maintaining standards of data collection, processing and presentation besides its wide range of applications in policy formulation and policy analysis. This classification is used in all types of censuses and sample surveys conducted in India. The Central Statistical Organisation (CSO) in the Ministry of Statistics and Programme Implementation is the nodal authority for bringing out the National Industrial Classification in India. The first classification was NIC-62 followed by NIC-70, NIC-87 and NIC-98,NIC-2004. The latest and sixth Industrial Classification namely NIC-2008 has been developed and released by CSO.

- The government had upgraded the National Industrial Classification (NIC) Code with a view to make business climate more investor friendly.

- NIC 2008 would be followed for classification of economic activities, thus, allowing Indian businesses to undertake globally recognised and accepted classification that facilitate smooth approvals/ registrations and categorisation.

- The move will also help India in improve its ranking in ease of doing business. The National Industrial Classification (NIC) is an essential statistical standard for developing and maintaining comparable data base according to economic activities. Such classifications are frequently used in classifying the economically active population, statistics of industrial production and distribution, the different fields of labour statistics and other economic data such as national income.

- Comparability of statistics available from various sources, on different aspects of the economy, and usability of such data for economic analysis, are prerequisite for standardisation of a system of classification.

- Improved ranking and business climate will help the country to attract both domestic and foreign investments.

**SEBI moots curbs on wilful defaulters**

- The Securities and Exchange Board of India (SEBI) has proposed to amend the SEBI Act for imposing restrictions on ‘wilful defaulters’ from accessing the capital market.

**Proposed amendments:**

- No issuer would be allowed to make a public issue of equity and debt securities and non-convertible redeemable preference shares, if the issuer, its promoter, group company or director of the issuer of such securities, is in the list of the wilful defaulters, published by the Reserve Bank of India (RBI).

- Wilful defaulters would also not be allowed to make public issue of debt securities and non-convertible redeemable preference shares if they are in default of payment of interest or repayment of principal amount in respect of debt instruments issued by them to the public.
- The existing listed companies/its promoter/group company/director of the issuer categorised as wilful defaulter may make a rights issue/private placement to qualified institutional buyers, with full disclosures in the offer document.

- Listed companies/its promoter/group company/director of the issuer categorised as wilful defaulter should not be allowed to take control over other listed entity in accordance with SEBI (SAST) Regulations, 2011. Existing listed companies/its promoter/group company/director of the issuer categorised as ‘wilful defaulter’ should be allowed to make counter offer in case of a hostile bid.

**HC notice to Rajasthan on eligibility for panchayat polls**

- Rajasthan High Court has issued notices to the State government and the State Election Commission on a petition challenging the ordinance on fixing minimum qualification for contesting panchayati raj elections.

**Background:**

- Rajasthan government had implemented a provision related to minimum educational qualification for contesting panchayat polls in the state.

- An ordinance was promulgated prescribing minimum educational qualifications to contest in local body elections in Rajasthan, and effectively keep out illiterate persons from the democratic process.

- The ordinance fixing a minimum educational qualification, which has received the Governor’s assent, amends the Rajasthan Panchayati Raj Act, 1994.

- The ordinance stipulates that a member of a zila parishad or panchayat samiti should have acquired secondary education. While the panchayat sarpanch of a Scheduled area should have passed Class 5, his counterpart in Non-Scheduled areas should have cleared Class 8.

- It is being argued that the ordinance violated the inclusive spirit of the 73rd and 74th Amendments and served as an “exit for illiterate people”.

**Why was it done?**

- According to the government, an elected representative with a basic education will be better placed to stop the embezzlement of funds at the panchayat level.

**Opposition:**

- The political opposition, local communities and civil society groups have argued that the change in law is discriminatory to a large section of the rural population, particularly women.

**Literacy level in Rajasthan:**
• 2001 Census shows that 82.5 percent of the people above 20 years of age in rural Rajasthan did not have formal education beyond class 5 or primary level.

• Rural literacy rates in Rajasthan are 76.16 per cent for men, and an abysmal 45.8 per cent for women.

• In Rajasthan, the literacy rate of women in rural areas is only 45.8 per cent, which is lower than the national literacy rate of 57.93 per cent.

• In tribal areas, the situation is even worse, with the literacy rate of women being 25.22 per cent.

**Concessions for the West Pakistan Refugees of Jammu and Kashmir**

• Union Home Minister has approved certain concessions for the West Pakistan Refugees (WPRs) settled in the State of Jammu and Kashmir after considering the problems being faced by them.

**Approved concessions:**

• He has directed the Heads of all Central Armed Police Forces (CAPFs) that such WPRs from J&K, who are Indian citizens and have valid Voter IDs, be considered for recruitment in the forces, including the special recruitment drives conducted in the State.

• Similar concessions, like waiving off the condition of producing DC and other Identity Certificate, may be permitted in the recruitment to the Armed Forces.

• Instructions have also been issued to the Department of School Education in the Ministry of Human Resource Development to accommodate the children of such WPRs of J&K for admission to the Kendriya Vidyalayas in the State.

• Similar instructions have also been issued to the Department of Higher Education in the Ministry of Human Resource Development to extend those concessions available to the wards of Kashmiri migrants to the wards of WPRs of J&K for admission to technical/professional institutes outside J&K.

• A letter is also sent to the State Government of J&K to resume issuing the DC to WPRs settled in the State so as to enable such people avail equal employment opportunities.

**Current situation:**

• As of now, WPRs face difficulty to fulfil documentary evidence of residency in support of their applications as the CAPFs recruitment rules seek furnishing of Domicile Certificate (DC) from the candidates while the State Government issues only Voter ID with Non-Permanent Residency (NPR) status to such Indian nationals.
Guidelines issued by Dept. of Financial services

- The Department of Financial Services, Ministry of Finance has issued a circular to the Chief Executive Officers (CEOs) of all Public Sector Banks (PSBs), Financial Institutions (FIs) and Insurance Companies assuring them of freedom of non-interference in matters of commercial decisions, transfers, and postings etc.

- It was conveyed in very clear terms that the Government will not interfere in the commercial decisions of the Banks/FIs.

Details:

- The Banks/FIs should take all commercial decisions in the best interest of the organization without any fear or favour. All decisions should be taken based on facts of the case and objectivity. No such decision should be taken out of any other extraneous considerations such as the influence or the position that the borrower is holding.

- Each Bank/FI should have their own objective, well laid out transfer and posting rules which should be followed strictly. No exception should be made in such rules at the behest of any recommendation given by anyone including anybody from the Ministry of Finance. If, for genuine reasons, any exception to the rule is made, it should be done only by CMD by giving proper reasons.

- Each Bank/FI should have a robust grievance redressal mechanism for borrowers, depositors as well as staff. The aggrieved person should have an opportunity to represent his case at least at two levels.

- To run the banks professionally such support from the government is necessary. Experts have appreciated this.

Six more test positive for swine flu

- Six more people, including three children, tested positive for swine flu in Hyderabad, taking the number to 100 since last January in Telangana.

About H1N1/Swine flu:

- H1N1 is a flu virus. When it was first detected in 2009, it was called “swine flu” because the virus was similar to those found in pigs.

- Transmission from Pigs to Humans: The H1N1 virus is currently a seasonal flu virus found in humans. Although it also circulates in pigs, one cannot get it by eating properly handled and cooked pork or pork products.

- In 2009, H1N1 was spreading fast around the world, so the World Health Organization called it a pandemic.

Spread:
Swine flu is contagious, and it spreads in the same way as the seasonal flu.

When people who have it cough or sneeze, they spray tiny drops of the virus into the air. If a person comes in contact with these drops or touch a surface that an infected person has recently touched, the person can catch H1N1 swine flu.

Pregnant women who contract the H1N1 infection are at a greater risk of developing complications because of hormonal changes, physical changes and changes to their immune system to accommodate the growing foetus.

Symptoms:
- Most symptoms are the same as seasonal flu. They can include: cough, fever, sore throat, stuffy or runny nose, body aches, headache, chills, fatigue.
- If not controlled it can lead to more serious complications like pneumonia and respiratory failure.
- Influenza vaccines are one of the most effective ways to protect people from contracting illness during influenza epidemics and pandemics. The antiviral drugs are sometimes prescribed to reduce the severity of symptoms.

**HC sets aside disqualification of MLAs**

- The Patna High Court has set aside the Bihar Assembly Speaker’s November order, disqualifying four rebel MLAs on the grounds of “anti-party activities” and “voluntary surrender of membership.”

**Background:**
- Four JD(U) MLAs were disqualified from Bihar Assembly for anti-party activities, including cross voting in Rajya Sabha election.
- After the MLAs allegedly cross-voted during the Rajya Sabha by-poll in June last, the Speaker on November 1 terminated their membership and divested them of all facilities available to legislators.
- The speaker had disqualified them under the provisions of Anti defection law.
- The MLAs had challenged the ruling in the High Court.

**HC’s observations:**
- Defection and dissent were not synonymous, and what the MLAs had done during the Rajya Sabha by-poll was “dissent, and it does not come under the anti-defection law.”
- The MLAs had faith in the party and did not defect. Isolated act of dissent, and nothing further to add, cannot amount to voluntary surrender of membership.

**The anti-defection law:**
• The 10th Schedule to the Constitution, popularly referred to as the ‘Anti-Defection Law,’ was inserted by the 52nd Amendment in 1985.

The grounds for disqualification under the Anti-Defection Law’s Articles 102 (2) and 191 (2):

• A Member of Parliament or state legislature was deemed to have defected

• When the elected member voluntarily gives up his membership of a political party.

• If he votes or abstains from voting in such House contrary to any direction issued by his political party or anyone authorised to do so, without obtaining prior permission.

• Independent members would be disqualified if they joined a political party.

• Nominated members who were not members of a party could choose to join a party within six months; after that period, they were treated as a party member or independent member.

Exceptions under the Law:

• Any person elected as speaker or chairman could resign from his party, and rejoin the party if he demitted that post.

• A party could be merged into another if at least two-thirds of its party legislators voted for the merger.

• The law initially permitted splitting of parties, but that has now been outlawed.

• The anti-defection law raises a number of questions, several of which have been addressed by the courts and the presiding officers.

Recommendations made by various committees:

• The Venkatachaliah Commission recommended that defectors should be barred from holding any ministerial or remunerative political office for the remaining term of the House. It also said that the vote of any defector should not be counted in a confidence or no-confidence motion.

• The rationale that a representative is elected on the basis of the party’s programme can be extended to pre-poll alliances. The Law Commission proposed this change with the condition that partners of such alliances inform the Election Commission before the elections.

• The Goswami Committee, the Election Commission and the Venkatachaliah Commission to Review the Constitution (2002) have recommended that the decision regarding disqualification should be made by the president or the governor on the advice of the Election Commission. This would be similar to the process for disqualification on grounds of office of profit.

SC’s interpretation on ‘Voluntarily giving up’ phrase:
• The Supreme Court, in the Ravi Naik vs. Union of India case, has interpreted the phrase ‘voluntarily gives up his membership.’ It says: ‘The words ‘voluntarily gives up his membership’ are not synonymous with ‘resignation’ and have a wider connotation. A person may voluntarily give up his membership of a political party even though he has not tendered his resignation from the membership of that party.

• Even in the absence of a formal resignation from membership, an inference can be drawn from the conduct of a member that he has voluntarily given up his membership of the political party to which he belongs.

• In another judgment in the case of Rajendra Singh Rana vs. Swami Prasad Maurya and Others, the Supreme Court held that the act of giving a letter requesting the Governor to call upon the leader of the other side to form a Government itself would amount to an act of voluntarily giving up membership of the party on whose ticket the said members had got elected.

**Punjab bans sale of loose cigarettes and tobacco**

• The Punjab Health Department has banned the sale of loose cigarettes (as single sticks) and loose tobacco, becoming the first State to do so.

**Why they were banned?**

• The State government has said the ban had been issued as the sale is in violation of Section 7 of the COTPA (Cigarettes and Other Tobacco Products, Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution Act, 2003). Section 7 of COTPA prohibits any trade or commerce in cigarettes or any other tobacco products unless every package of cigarettes or any other tobacco products sold, supplied or distributed carries specified warning including pictorial warning.

• Since loose cigarettes are affordable and do not carry a pictorial or a written warning, hence, these will not be permitted to be sold.

**COTPA Act:**

• The Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 or COTPA is an Act of Parliament of India enacted in 2003 to prohibit advertisement and regulation of tobacco business in India. The Act put restriction on tobacco products including cigarettes, gutka, panmasala (containing tobacco), cigar, cheroot, Beedi, Snuff, chewing tobacco, hookah, tooth powder containing tobacco.

**Important provisions:**

• The Act prohibits smoking of tobacco in public places, except in special smoking zones in hotels, restaurants and airports and open spaces.

• Advertisement of tobacco products including cigarettes is prohibited.
Tobacco products cannot be sold to person below the age of 18 years, and in places within 100 metres radius from the outer boundary of an institution of education, which includes school colleges and institutions of higher learning established or recognized by an appropriate authority.

Tobacco products must be sold, supplied or distributed in a package which shall contain an appropriate pictorial warning, its nicotine and tar contents.

The Act also gives power to any police officer, not below the rank of a sub-inspector or any officer of State Food or Drug Administration or any other officer, holding the equivalent rank being not below the rank of Sub-Inspector of Police for search and seizure of premises where tobacco products are produced, stored or sold, if he suspects that the provision of the Act has been violated.

A person who manufactures tobacco products fails to adhere to the norm related to warnings on packages on first conviction shall be punished with up to 2 years in imprisonment or with fine which can extend to Rs. 5000, in case of subsequent conviction shall be punished with up to 5 years in imprisonment or with fine which can extend to Rs. 10000.

A fine up to Rs. 200 can be imposed for smoking in public place, selling tobacco products to minors, or selling tobacco products within a radius of 100 metres from any educational institution.

**Amend law to protect Hindu wife, says panel**

The Law Commission has, in a report to the government, recommended that the Hindu law should be amended to cast a legal obligation on the father-in-law to maintain and pay alimony to the daughter-in-law when her husband is unable to do so. The law commission noted that it is the “supreme duty” of a Hindu to protect those dependent on him.

**Current situation:**

Under the existing provisions, a woman does not have the right to claim alimony from her father-in-law or other in-laws if her husband fails to maintain her due to various reasons, including his physical or mental incapacitation, disappearance or renunciation of the world as a religious choice.

**Recommendations:**

The committee has recommended a clause to be inserted in the Hindu Adoption and Maintenance Act, 1956 to financially protect a Hindu woman, whose husband suffers from physical or mental disability and has no means to maintain herself.

The same applies to wives of those who have disappeared or chosen “renunciation of the world by entering any religious order or other reasons.
• The clause will exempt only those cases in which the husband has already received his share in the joint family property and in such cases, his wife could get maintenance out of the properties.

• The panel said that in case of a man’s inability to provide for his wife, the only remedy available to the woman was to make endless rounds of the court to get some share out of her husband’s properties, which was apparently inadequate and time-taking.

Background:

• The issue was referred to the Commission by the Punjab and Haryana High Court last year in a case where the wife of a man of unsound mind had sought one-fourth share in the land belonging to the family from her father-in-law as maintenance for herself, her spouse and their children. The share was initially provided to her through a settlement but she was later dispossessed of the land by her father-in-law and the dispute then reached the high court.

• The seven-member committee was led by the Law Commission of India Chairperson Justice A.P. Shah.

Pension burden to increase: Crisil

• Crisil has said that the fiscal burden of pensions could be 3.4 per cent to 4.1 per cent of gross domestic product (GDP) by 2030, and the pensions in the private sector would be a major challenge.

Challenges:

• There are nearly 100 million people aged over 60 in India today, and that the number will triple to 300 million by 2050. In other words, every fifth citizen will be a sexagenarian compared with every twelfth now.

• The worry is that most of them will be financially insecure in their sunset years if a social security net doesn’t get built starting right now. And if a large number of the old end up having no pension by 2030, the government will have to bear the heavy fiscal burden of providing minimum sustenance to them.

• A multi-fold increase in pension coverage to the private-sector workforce is therefore an imperative.

• With the focus on India’s demographic dividend, the fiscal cost of ageing is not at the forefront of discussion. However, unless addressed, this cost can be onerous in coming decades.

• Government employees joining after 2004 are covered under the defined contribution formula of the National Pension System; hence the government’s pension liability on account of these employees will decline to 0.7 per cent of GDP by 2050 from 2.2 per cent of GDP currently.
Problem in private sector:

- Crisil Research has built a best-case scenario where pension coverage expands such that 70 per cent of the private-sector retirees by 2030 (63 million) will get a pension compared with just 8 per cent (4.8 million) now. Even if this happens, and the government has to provide pension to only 30 per cent of the old, in addition to retired government employees by 2030, its pension bill will rise by 120 basis points to 3.4 per cent of GDP by 2030 from around 2.2 per cent now, assuming each pensioner gets Rs.2,000 every month.

- Under the worst-case scenario, if private-sector coverage stays chronically low at its current level of 8 per cent even by 2030, the government will have to formulate a pension scheme to support the entire population of the old. This will raise the fiscal burden to as high as 4.1 per cent of GDP, assuming a monthly payout of Rs. 1,000 per pensioner – or half the amount in the best-case scenario.

Thyagaraja aradhana celebrations begin

- 168th aradhana celebration of saint composer Thyagaraja has begun.

Details:

- Tyagaraja Aradhana is an annual Carnatic music festival held in January.

- Many exponents of Carnatic music come to perform and are watched by thousands of ardent fans of Indian classical music.

- It is associated with the world famous singer and saint Tyagaraja and is one of the most important music festivals in India.

About Saint Thyagaraja:

- The contribution of Saint Tyagaraja, one of the Trinities of Carnatic music, has been immense not only through his compositions but also through his Sishya Parampara, who have preserved and enriched the true tradition of classical music.

- Thiruvaiyaru in Thanjavur district is the place where the great saint and music composer Thyagaraja lived and attained samadhi.

- Saint Tyagaraja is seen as an Avatharapurusha, who came to this world to savour the souls that suffer in this world. He is considered an avathara of Saint Valmiki.

- Tyagaraja’s compositions are rich in devotional and philosophical content.

- They are noted for their superior structure, superb handling of ragalakshanas and apt choice of raga and words.

- Tyagaraja’s spartan way of life reflects on his unshakable faith in Lord Rama and true devotion for him.
Of special mention are five of his compositions called the Pancharatna Kritis, which are often sung in programs in his honour.

It is said that a major portion of his incomparable musical work was lost to the world due to natural and man-made calamities.

Restriction on production of Neem coated Urea removed

The Government has taken steps to encourage production and availability of fortified and coated urea in the country. In this regard, the cap / restrictions to produce Neem coated urea has been removed.

Impacts:

- Using neem coated urea will not only increase crop yields but also lower input cost to farmers.
- It will also reduce imports of precious fertilizers as well as reduce ground and soil pollution.

Some facts:

- Presently India is using only 60 lakh mt neem coated urea which can be increased to full demand of 310 lakh MT in the country.
- Coated urea is costly by 5% compared to plain prilled urea but it reduces Nitrogen loss by more than 10%, thereby incurring a net savings of Rs. 13.5 per bag for farmers.
- Due to higher nitrogen use efficiency, the use of nitrogen coated urea can also eliminate import of urea resulting in huge foreign exchange savings. Presently, India is importing about 71 lakh MT urea.
- Additionally, farmers will also get advantage of better yield, less pest attack due to less use of urea which will also ensure better NPK use ratio and balanced use of fertilizers.
- There is adequate availability of fertilizers in the country.

Pravasi Bharatiya Divas 2015

- External Affairs and Overseas Indian Affairs Minister inaugurated the Youth Pravasi Bharatiya Divas in Gandhinagar, as a precursor to the main Pravasi Bharatiya Divas.
- The minister cited the importance of three ‘Cs’ in bringing about synergy among Indians worldwide: Come, Connect, and Contribute.
• Pravasi Bharatiya Divas (PBD) is celebrated on 9th January every year to mark the contribution of Overseas Indian community in the development of India.

Why January 9?

• January 9 was chosen as the day to celebrate this occasion since it was on this day in 1915 that Mahatma Gandhi, the greatest Pravasi, returned to India from South Africa, led India’s freedom struggle and changed the lives of Indians forever.

Background:

• PBD conventions are being held every year since 2003.

• These conventions provide a platform to the overseas Indian community to engage with the government and people of the land of their ancestors for mutually beneficial activities.

• These conventions are also very useful in networking among the overseas Indian community residing in various parts of the world and enable them to share their experiences in various fields.

• During the event, individuals of exceptional merit are honoured with the prestigious Pravasi Bharatiya Samman Award to appreciate their role in India’s growth.

• The event also provides a forum for discussing key issues concerning the Indian Diaspora.

• The decision to celebrate Pravasi Bharatiya Divas was taken in accordance with recommendations of the High Level Committee (HLC) on the Indian Diaspora set up by government of India under the chairmanship of L. M. Singhvi. The then Prime Minister of India, Shri Atal Bihari Bajpayee after receiving the report of the Committee at a public function at Vigyan Bhavan in New Delhi on 8 January 2002, announced the “Pravasi Bharatiya Divas” (PBD) on 9 January that year.

Citizenship (Amendment) Ordinance, 2015 Promulgated

• The President of India has promulgated the Citizenship (Amendment) Ordinance, 2015 on January 06, 2015 with immediate effect which provides for the following amendments to the Indian Citizen Act, 1955:

• At present one year continuous stay in India is mandatory for Indian Citizenship which is relaxed stating that if the Central Government is satisfied that special circumstances exist, it may, after recording such circumstances in writing, relax the period of twelve months specified upto a maximum of thirty days which may be in different breaks.

• To enable for registration as Overseas Citizen of India (OCI) by a minor, whose parents are Indian Citizens.

• To enable for registration as Overseas Citizen of India (OCI) by a child or a grand-child or a great grandchild of such a citizen.
To enable for registration as Overseas Citizen of India (OCI) by such spouse of a citizen of India or spouse of an OCI registered under Section 7A and whose marriage has been registered and subsisted for a continuous period of not less than two years immediately preceding the presentation of the application under this section.

In respect of existing PIO card holders central government may, by notification in Official Gazette, specify a particular date from which all existing PIO card holders will be deemed to be OCI card holders.

Citizenship act 1955:

- The Indian Citizenship Act, 1955 provides for acquisition, termination, deprivation, determination of Indian Citizenship and other related aspects. The Act provides for acquisition of Indian citizenship by birth, descent, registration, naturalization and incorporation of territory under certain circumstances, and also for the termination and deprivation of citizenship.


The Original Act provided:

- a person born in India after 26 January 1950 would, subject to certain exceptions be a citizen of India by Birth

- anyone born outside India after 26 January 1950, subject to certain requirements, would be a citizen of India if his/her father was an Indian citizen at the time of his/her birth

- under certain conditions, certain category of persons could acquire Indian citizenship by registration in prescribed manner

- foreigners could acquire Indian citizenship on application for naturalization on certain conditions

- if any territory became part of India, the Government of India could by order specify the persons who would become citizens of India as a result thereof citizenship could be lost by termination, renunciation or deprivation on certain grounds

- A citizen of commonwealth country would have the status of commonwealth citizen of India. Government could make suitable provisions on the basis of reciprocity.

BCCI should pay service tax for recording matches: SC

- The Supreme Court has said the Board of Control for Cricket in India would have to pay service tax for recording cricket matches, as it was a “service provider.”

Background:
• The BCCI had moved the court against an order by the Central Excise and Service Tax Appellate Tribunal directing it to pay Rs. 18 crore as service tax for recording matches between 2006 and 2010.

• The cricketing body argued that merely recording a match was not part of production of a programme, and could not be included as an act attracting service tax.

• It argued that camerapersons deployed just recorded the matches and this could not be described as production.

• But the court did not agree with the cricketing body’s arguments. The SC said the recording of a cricket match eventually amounted to programming because the visuals were watched by millions of people.

• Service tax is a tax levied by the government on service providers on certain service transactions. It is categorized under Indirect Tax and came into existence under the Finance Act, 1994.

CIC plans action against parties

• Faced with the worst case of defiance of its orders, the Central Information Commission will rule shortly on action to be taken against political parties which refuse to comply with the Right to Information Act.

Issue:

• Eighteen months after it ruled that six national political parties, which enjoy considerable public funding, should be designated as ‘public authorities’ under the RTI Act, a full bench of the CIC held a hearing on their continued non-compliance.

• Yet again, not a single party representative attended the hearing, and none of the parties challenged the June 2013 ruling either.

• For the CIC, this is the first time it is faced with complete and continued defiance of its orders.

• The Central Information Commission (CIC) is set up under the Right to Information Act and is the authorised body, established in 2005, under the Government of India. The Chief Information Commissioner heads the Central Information Commission, the body that hears appeals from information-seekers who have not been satisfied by the public authority, and also addresses major issues concerning the RTI Act.

Rock paintings at risk of fading away

• The rock paintings in the Marayur-Chinnar forest belt of Kerala, the second largest concentration of cave paintings in south India, are at high risk of degeneration.
As per isolated studies conducted so far, there are 21 cave paintings of red ochre in this Kerala-Tamil Nadu region.

Over 50 caves, situated in the forest belt, are believed to be of the prehistoric period.

The cave paintings in Ezhuthala and Attala in Marayur sandal division, the most noted ones, were in more danger.

Problem:

The rock paintings were in the eastern slope of the Western Ghats, at around 3,000 metres above sea level. The sandy rocks were highly prone to degeneration.

It is the duty of the Archaeological Survey of India to protect these paintings.

ASI:

The Archaeological Survey of India is an Indian government agency in the Department of Culture that is responsible for archaeological studies and the preservation of cultural monuments.

The ASI’s function is to “explore, excavate, conserve, preserve and protect the monuments and sites of National & International Importance.”

The Archaeological Survey of India (ASI) is the successor of the Asiatic Society of British archaeologist Sir William Jones, founded January 15, 1784. In 1788 it begun to publish a journal The Asiatic Researches and in 1814 built its first museum in Bengal.

The ASI in its current form was founded in 1861 under British colonial administration by Sir Alexander Cunningham with the help of the then Viceroy Canning.

ASI administers 3636 monuments it has declared to be of national importance under the provisions of the Antiquity and Art Treasure Act 1972.

Classical status for Marathi soon

The Centre is expediting the process to declare Marathi a classical language.

Criteria for declaration of a language as a Classical Language are:

- High antiquity of its early texts-recorded history over a period of 1500-2000 years;
- A body of ancient literature/texts, which is considered a valuable heritage by generations of speakers;
- The literary tradition should be original and not borrowed from another speech community;
The classical language and literature being distinct from modern, there may also be a discontinuity between the classical language and its later forms or its offshoots.

The government of India has declared Tamil, Sanskrit, Telugu, Malayalam, Kannada and Odiya as classical languages.

The benefits that will accrue to a language declared as “Classical Language” are:

- Two major international awards for scholars of eminence in Classical Indian Languages are awarded annually.
- A ‘Centre of Excellence for Studies in Classical Languages’ will be set up.
- The University Grants Commission will be requested to create, to start with at least in the Central Universities, a certain number of Professional Chairs for Classical Languages for scholars of eminence in Classical Indian Languages.

**Atul Khare is U.N. Under-Secretary-General**

- United Nations Secretary-General Ban Ki-moon has announced the appointment of Atul Khare of India as Under-Secretary-General, Department of Field Support (DFS).
- He succeeds Ameerah Haq of Bangladesh.

*An Under-Secretary-General of the United Nations (USG) is a senior official within the United Nations System, normally appointed by the General Assembly on the recommendation of the Secretary-General for a renewable term of four years.*

- USGs have diplomatic rank equivalent to that of a national cabinet minister. Under Article 105 of the United Nations Charter they have diplomatic immunity.

**Eurozone pricefall fuels deflation fears**

- Recently released Data shows that the eurozone slipped into deflationary territory in December for the first time since the height of the financial crisis in 2009 challenging the European Central Bank (ECB) to take action to avert a new economic crisis in Europe.

**Details:**

- Consumer prices in the single currency area fell 0.2 per cent last month, dragged down by plummeting oil prices and signalling big problems ahead with renewed crisis in debt-plagued Greece also on the horizon.
- World stocks nosedived and the euro struck nine year lows against the dollar this week on renewed fears of a Greek exit from the eurozone if poll-leading leftists win snap elections this month in Athens.
• Amid the instability, the first confirmed sign of a real fall in prices since the financial crisis could force the ECB's hand to do more to prop up the single currency.

• ECB is now under pressure to quickly put prices back in positive territory.

• **Deflation** is a decrease in the general price level of goods and services. Deflation occurs when the inflation rate falls below 0% (a negative inflation rate). This should not be confused with disinflation, a slow-down in the inflation rate (i.e., when inflation declines to lower levels). Inflation reduces the real value of money over time; conversely, deflation increases the real value of money — the currency of a national or regional economy. This allows one to buy more goods with the same amount of money over time.

• The **Eurozone** is an economic and monetary union (EMU) of **19 European Union (EU) member states** that have adopted the euro (€) as their common currency and sole legal tender.

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**Embankments are sinking Bangladesh’s islands**

• Recent studies reveal that Bangladesh’s estuarine islands are sinking, and ironically, this could owe to embankments built to protect them from tidal erosion. Some islands have sunk by as much as 1.5 metres in the last 50 years.

**Reasons:**

• Earthen embankments built, to protect fields against tidal and storm-surge inundation and buffering them against floods, have also prevented the deposition of sediment that helps maintain an elevation in this area.

• The loss of elevation was felt most significantly during the 2009 cyclone Alia when large areas of land were left inundated for upto two years.

• Deforestation and a regionally increased tidal range have contributed to the phenomenon.

• The study therefore implicates “direct human modification of the environment” and not global sea-level rise as the most important agent of change in the western Ganges Brahmaputra tidal delta plain.

• Experts say that it is possible to recover some of the lost ground. “Controlled breaching of embankments” can restore elevation and relieve environmental problems. The silver lining for Bangladesh and the delta system remains the one billion tons of river sediment that may be effectively dispersed onto the landscape to alleviate elevation deficits.
What will be the India-based Neutrino Observatory’s impact?

- The Union Cabinet recently approved the India-based Neutrino Observatory project. Coming soon after the approval of the 30-metre telescope which will be located in Hawaii, this decision will cause India to step into big fundamental science.

- The three types of neutrinos, which were initially thought to be mass-less, are now believed to have a small mass.

- This was shown by observations of neutrino oscillation, which is a phenomenon by which one type of neutrino transforms into another.

- There is a hierarchy among the masses of these three types of neutrino and the experiments at the INO will study this mass ordering using a magnetised iron calorimeter (ICAL). The ICAL is a massive detector which will be made of iron — 50,000 tonnes of it. The project will be housed in the 63 acres of land, about 2 km away from the settlement, in the Bodi West Hills about 100 km from Madurai, Tamil Nadu.

About the project:

- The India-based Neutrino Observatory (INO) Project is a multi-institutional effort aimed at building a world-class underground laboratory with a rock cover of approximately 1200 m for non-accelerator based high energy and nuclear physics research in India.

- It is anticipated to provide a precise measurement of neutrino mixing parameters.

- The project, expected to be completed in 2015 at an estimated cost of INR 1,500 crores, has been cleared by the Ministry of Environment for construction in the Bodi West Hills Reserved Forest in the Theni district of Tamil Nadu. When completed, the INO will house the world’s most massive magnet, four times larger than the 12,500-tonne magnet in the Compact Muon Solenoid detector at CERN in Geneva, Switzerland.

- The initial goal of INO is to study neutrinos. According to standard model of particle physics, they are mass less. However recent experiments indicate that these charge-neutral fundamental particles, have finite but small mass which is unknown. They oscillate between flavours as they propagate. Determination of neutrino masses and mixing parameters is one of the most important open problems in physics today.

- The ICAL detector is designed to address some of these key open problems in a unique way. Over the years this underground facility is expected to develop into a full-fledged underground science laboratory for other studies in physics, biology, geology, hydrology etc.

Impact on surroundings:

- Experts say that it will not affect the stability of the surrounding hills.

- The impact will be mainly during construction period; after construction ends within a few years, the lab will be maintained by a small staff with some students and scientists.
and will have negligible environmental impact. The GOI has assured that all efforts will be made to minimise and manage the impact during construction.

Need for such a massive detector and for drilling underground:

- The neutrinos interact very weakly with the surroundings. We are all being washed by a stream of neutrinos every passing minute as they just pass through us without leaving a trace. It is impossible to detect them on the surface of earth.
- Since they interact so weakly, detecting them over other interactions is impossible. So, there is a need to have a barrier of at least 1 km of earth to block out other radiation and particles, such as muons from cosmic rays.
- This is the reason scientists are going underground. They will construct a tunnel at a depth of 1,300 metres below the peak.

What are the benefits to local people from this project?

- The construction contract will specify that local labour should be used, based on the skill levels, to the maximum extent possible.
- Furthermore, gainful employment will be there for a small number of people by way of sourcing of services and daily needs for the INO facility and for the upkeep of buildings and landscapes.
- A major benefit will be for schools and colleges in the region as the students interested in science can benefit from the outreach activities as well as doing projects at the lab.
- Efforts are being made to improve the infrastructure and academic standards of the surrounding schools as permitted by governing rules. Exhibitions and other similar facilities will be arranged to enhance the scientific spirit of the local youngsters, etc.

What are neutrinos?

- Neutrinos are tiny, neutral, elementary particles which interact with matter via the weak force. The weakness of this force gives neutrinos the property that matter is almost transparent to them. The Sun, and all other stars, produce neutrinos copiously due to nuclear fusion and decay processes within their core.
- Since they rarely interact, these neutrinos pass through the Sun, and even the Earth, unhindered. There are many other natural sources of neutrinos including exploding stars (supernovae), relic neutrinos, natural radioactivity, and cosmic ray interactions in the atmosphere of the Earth.
- The neutrino was proposed by Wolfgang Pauli in 1930; but it took another 26 years for it to be actually detected. In 1956 Reines and Cowan found evidence of neutrino interactions by monitoring a volume of cadmium chloride with scintillating liquid near to a nuclear reactor. Reines was jointly awarded the Nobel Prize in Physics in 1995 in part for this revolutionary work.
• We now know that not just one but at least three types or flavours of neutrinos and their anti-particles exist in nature. They have a tiny mass whose value is still not known.

Commemorative Postage Stamp on 100 Years of Mahatma Gandhi’s Return

• A set of two Commemorative Postage stamps on 100 YEARS OF MAHATMA GANDHI’S RETURN was released by the Prime Minister of India during the Pravasi Bharatiya Divas celebrations.

More details:

• Department of Posts, Ministry of Communications & Information Technology has brought out this set of two stamps and a miniature sheet on 100 YEARS OF MAHATMA GANDHI’S RETURN from South Africa to commemorate an important milestone not only in the life of Mahatma Gandhi, but also in the history of India.

• Mahatma Gandhi arrived in South Africa at a young age of 24 years as the legal counsel of Indian traders based in the city of Pretoria. He spent more than two decades in South Africa, where he developed the concept of Satyagraha while fighting against the gross injustice, discrimination and racism prevailing there.

• Gandhiji returned to India with a formidable reputation to lead the Indian masses struggling for freedom from colonial domination through civil disobedience and non-violence, which proved to be highly effective moral weapon in the India’s struggle for Independence.

K.K. Paul sworn in Governor

• Krishan Kant Paul was sworn in as the sixth Governor of Uttarakhand recently. Justice V.K. Bisht of the Uttarakhand High Court administered the oath of office to Dr. Paul.

Governor:

• In the Indian Republic, the state Governor stands at the head of the Executive power of any state in India, just like the President who is the head of the executive power in the Union.

• The Governor is the nominal head of a state, unlike the Chief Minister who is the real head of a state in India. In other words, although all executive actions of an Indian state are taken in the name of the Governor, and all executive powers are vested in the Governor, in reality, the Governor merely gives his consent to the various executive actions. He or she is devoid of taking any major decisions. The real powers needed in the executive dealings of a state lie with the Chief Minister and the Council of Ministers.

• According to an amendment in the Constitution of India, brought about in 1956, the same person can be the Governor of two or more states.
• The functions of the Governor of a state are equivalent to the functions of the Lieutenant Governor in an Union Territory in India.

• Like the President of India, the Governor of any state in India is vested with certain executive, legislative and judicial powers. He or she also possesses certain discretionary or emergency powers. But one **major difference** in the powers enjoyed by the President and those enjoyed by the Governor is, **the Governor does not have any diplomatic or military powers.**

• The governors and lieutenant-governors are **appointed by the president** for a term of 5 years.

• Article 157 and Article 158 of the Constitution of India specify eligibility requirements for the post of governor.

• The term of governor’s office is normally 5 years but it can be terminated earlier by: Dismissal by the president on the advice of the prime minister of the country, at whose pleasure the governor holds office or Resignation by the governor. There is **no provision of impeachment**, as it happens for the president.

• The first woman to become a Governor of a state in India was Sarojini Naidu. She remained the Governor of Uttar Pradesh in independent India.

• For further reference: http://www.elections.in/government/state-governor.html.

**India, South Africa discuss UNSC reforms**

• India and South Africa recently discussed the need for UN Security Council reforms especially when 2015 marks the 70th anniversary of the international body.

**UNSC:**

• The United Nations Security Council (UNSC) is **one of the six principal organs** of the United Nations and is charged with the maintenance of international peace and security. Its powers include the establishment of peacekeeping operations, the establishment of international sanctions, and the authorization of military action through Security Council resolutions; it is the only UN body with the authority to issue binding resolutions to member states.

**Why was it created?**

• Like the UN as a whole, the Security Council was created following World War II to address the failings of another international organization, the League of Nations, in maintaining world peace.

**Members:**

• The Security Council consists of fifteen members. Russia, the United Kingdom, France, China, and the United States—serve as the body’s five permanent members. These
permanent members can veto any substantive Security Council resolution, including those on the admission of new member states or candidates for Secretary-General.

- The Security Council also has 10 non-permanent members, elected on a regional basis to serve two-year terms. The body’s presidency rotates monthly among its members.

According to the UN Charter, the United Nations has four purposes:

- To maintain international peace and security;
- To develop friendly relations among nations;
- To cooperate in solving international problems and in promoting respect for human rights;
- To be a centre for harmonizing the actions of nations.

- When a complaint concerning a threat to peace is brought before it, the Council’s first action is usually to recommend that the parties try to reach agreement by peaceful means. If a dispute leads to hostilities, the council’s primary concern is to bring them to an end as soon as possible by issuing ceasefire directives and by deploying military observers/peacekeeping force if necessary. The council may also opt for economic sanctions, blockade or even collective military action.

Proposed reforms:

- Reform of the United Nations Security Council (UNSC) encompasses five key issues: categories of membership, the question of the veto held by the five permanent members, regional representation, the size of an enlarged Council and its working methods, and the Security Council-General Assembly relationship.

- There is also a proposal admit more permanent members.

- Member States, regional groups and other Member State interest groupings developed different positions and proposals on how to move forward on this contested issue.

- The reform of the Security Council requires the agreement of at least two-thirds of UN member states and that of all the permanent members of the UNSC, enjoying the veto right.

India and UNSC:

- India was among the founding members of United Nations.

- It is the second largest and a one of the largest constant contributor of troops to United Nations Peacekeeping missions.

- Today, India has over 8,500 peacekeepers in the field, more than twice as many as the UN’s five big powers combined.
- India, since long time, has been demanding expansion of UNSC and its inclusion as permanent member in it. It has been a member of UNSC for 7 terms and a member of G-77 and G-4, so permanent membership is a logical extension.

**SEBI proposes e-IPO norms**

- The Securities and Exchange Board of India has proposed e-IPO norms, where investors can bid for shares through Internet and eventually on mobiles, while already listed public sector undertakings (PSUs) will be provided a ‘fast-track’ route for share sales to meet the disinvestment targets.

**WHY?**

- To boost fund raising from markets.

**New norms:**

- Under the new norms, SEBI has proposed to drastically cut the timeline for listing of shares within 2-3 days of the IPO, as against 12 days currently.

- The fast-track route of raising capital has been proposed for companies having public shareholding market valuation of as low as Rs.250 crore, as against Rs.3,000 crore at present. The public sector entities can tap the ‘fast-track’ route even without complying to this minimum average market value limit, provided they meet other conditions.

- Under the ‘fast-track’ route, a listed company would not be required to file any draft offer document for its FPO or rights issue and it can proceed with the fund-raising programme without necessarily getting ‘observations’ from SEBI.

- The proposed moves are part of efforts to simplify the process of IPOs, lowering their costs and helping companies reach more retail investors in small towns.

**Collapse of oil economies may affect India**

- The continued slide in Brent crude prices augurs well for the Indian economy despite the temporary setback for stock markets and oil related stocks.

- The fall in the stock markets was due to a combination of fall in crude oil prices below the $50-mark as well as the possibility of Greece being taken out of the eurozone.

**How it is good for India:**

- The fall in crude oil price is good for all users, including major importers like India, as it lowers their trade deficit and hence strengthens their currencies.

- With low oil price, the production cost will go down, and India will be competitive internationally. With this, exports will increase. Imports will be down and this will improve balance of payment situation. Overall it is good for economy.
• The steep fall in crude prices is defacto fiscal stimulus for India as oil accounts for 37 per cent of its imports.

• Lower oil prices will cut inflation, and will bring down our current account deficit.
• It will boost our growth prospects and overall it is good for India.

Effects on exporting countries:
• For the oil exporters, this is bad news as it lowers their export earnings, and given that most countries are dependent on oil exports, their growth would suffer.
• Some analysts believe that the collapse of some oil economies could be a matter of concern for India.

Concerns:
• The collapse of any economy will be a concern for India as it changes economic dynamics. Today the global economy is just about in a recovery mode and the collapse of any economy, be it Greece or any oil producing country would change the policy actions of central banks which will influence the flow of funds thus impacting our external balances. Hence while India may not be affected on the trade front but, it will definitely impact country’s balance of payments.
• Default in loans given to Russia and to shale gas developers in the U.S. could affect the global banking industry which could cause imbalances.

**Consumer durable firms hike prices by up to 5 per cent**

• Few Consumer durable firms are increasing the prices of their products by up to 5 per cent following the withdrawal of excise duty sops, coupled with high input costs.

• Major factors which have led to price hike:
  - 2 per cent increase in excise duty.
  - Weakening of the rupee against the dollar that had increased input costs.
  - The government had decided against extending excise duty concessions given to the consumer durables industry from December 31. The excise duty on the sector is now at 12 per cent up from 10 per cent.

Impacts:
• The government’s decision of not extending excise duty cut on consumer durables would hit the buyer sentiment and impact sales.
• The rollback of the excise duty has led to an increase in product prices as the burden has
been passed on to the consumers

• *Central Excise duty is an indirect tax* levied on those goods which
are *manufactured in India* and are *meant for home consumption*. The taxable
event is ‘manufacture’ and the liability of central excise duty arises as soon as the goods
are manufactured. It is a tax on manufacturing, which is paid by a manufacturer, who
passes its incidence on to the customers.

**Pravasi Bhartiya Samman Awards -2015**

• The Vice President of India Shri M. Hamid Ansari presented the “Pravasi Bhartiya
Samman Awards -2015” to 15 distinguished persons at the Valedictory Session of the
‘Pravasi Bhartiya Divas’.

Pravasi Bhartiya Samman Award:

• The Pravasi Bharatiya Samman (Overseas Indian Award) is an *award constituted by
the Ministry of Overseas Indian Affairs*, Government of India in conjunction with
the Pravasi Bharatiya Divas (Non-resident Indian Day).

Why?

• to honor exceptional and meritorious contribution in their chosen field/profession. The
award is given by the President of India.

**India Water Week**

• The Ministry of Water Resources, River Development and Ganga Rejuvenation,
Government of India will be observing India Water Week from 13 to 17th of January.

Why?

• To raise awareness, conserve and use water resources in an integrated manner.

• To use it as a platform to elicit ideas and opinions from global level decision makers,
politicians, researchers and entrepreneurs in the field of water resources for mutual
benefit and goodwill.

• It will address the issues of sustainability of water resources development and
management in line with Sustainable Development Goals 2015 being finalized by UN.

• **Theme**: The theme for water week will be “*Water Management for Sustainable
Development*”.

More details:
• Australia will be the partner country for this event and 30 Australian companies will be participating in the exhibition to showcase the technological advancement in the area of water resources. Maharashtra will be associated as partner State.

• The event is targeted at international and national audience comprising of policy planners and technologists involved with water resources management in all key sectors of economy like agriculture, irrigation, energy, industry and drinking water supply.

• The event is being organized in co-ordination with nodal Ministries of Agriculture, Environment & Forests and Climate Change, Rural Development, Urban Development, Drinking Water and Sanitation, Power and NITI Ayog along with their associated expert organizations and Public Sector Units, key international bodies and private and public business houses.

• During the week Hamara Jal – Hamara Jeewan initiative will be observed in every district of the country. This will be an initiative to engage scientists, engineers, water communities, PRIs, other stakeholders and NGOs to address the issues of water resources planning at the local level and to generate awareness regarding need for water conservation.

• Participation from school students will be an integral part of the programme for sensitizing the next generation for water conservation. This will also spread awareness regarding need to conserve water in the light of growing water scarcity.

Background:

• Conceptualised and organised for the **first time in 2012**, the India Water Week is an annual forum where the Ministry of Water Resources, River Development and Ganga Rejuvenation, Government of India discusses, talks, strategizes with eminent stakeholders through seminars, exhibitions and sessions to build public awareness to get support to implement key strategies for conservation, preservation and optimum use of available water.

• This is the third event in line with the theme “Water management for sustainable development”. The second event namely India Water Week-2013 with the theme “Efficient Water Management: Challenges and Opportunities” was organised during 8-12 April, 2013.

**Consumer forum fines bank for destroying title deeds**

• The North East District Consumer Disputes Redressal Forum has directed ICICI Bank and Arcil Arms to pay a compensation of Rs 8.50 lakhs to a couple for defacing their original title deeds in lieu of which they had taken a loan.

**CONSUMER PROTECTION ACT:**

• The Consumer Protection Act, 1986 is a benevolent social legislation that lays down the rights of the consumers and provides for promotion and protection of the rights of the consumers.
• It has enabled ordinary consumers to secure less expensive and often speedy redressal of their grievances.

• The Act mandates establishment of Consumer Protection Councils at the Centre as well as in each State and District, with a view to promoting consumer awareness.

• The Central Council is headed by Minster, In-charge of the Department of Consumer Affairs in the Central Government and the State Councils by the Minister In-charge of the Consumer Affairs in the State Governments. It also provides for a 3-tier structure of the National and State Commissions and District Forums for speedy resolution of consumer disputes.

District forums:

• To provide inexpensive, speedy and summary redressal of consumer disputes, quasi-judicial bodies have been set up in each District and State and at the National level, called the District Forums, the State Consumer Disputes Redressal Commissions and the National Consumer Disputes Redressal Commission respectively.

• Each District Forum is headed by a person who is or has been or is eligible to be appointed as a District Judge and each State Commission is headed by a person who is or has been a Judge of High Court.

• At present, there are 629 District Forums and 35 State Commissions with the National Consumer Disputes Redressal Commission (NCDRC) at the apex.

Ambit:

• The provisions of this Act cover ‘goods’ as well as ‘services’. The goods are those which are manufactured or produced and sold to consumers through wholesalers and retailers. The services are in the nature of transport, telephone, electricity, housing, banking, insurance, medical treatment, etc.

Grievance redressal:

• A written complaint, can be filed before the District Consumer Forum for pecuniary value of upto Rupees twenty lakh, State Commission for value upto Rupees one crore and the National Commission for value above Rupees one crore, in respect of defects in goods and or deficiency in service. However, no complaint can be filed for alleged deficiency in any service that is rendered free of charge or under a contract of personal service.

• The remedy under the Consumer Protection Act is an alternative in addition to that already available to the aggrieved persons/consumers by way of civil suit. In the complaint/appeal/petition submitted under the Act, a consumer is not required to pay any court fees but only a nominal fee.

• If a consumer is not satisfied by the decision of a District Forum, he can appeal to the State Commission. Against the order of the State Commission a consumer can come to the National Commission.
In order to help achieve the objects of the Consumer Protection Act, the National Commission has also been conferred with the powers of administrative control over all the State Commissions by calling for periodical returns regarding the institution, disposal and pendency of cases.

**TS Wakf Board likely in a month**

With the assurance coming from the Dy. CM, Telangana Wakf Board is expected become reality in a month.

**Wakf Boards:**

- The State Wakf Boards are statutory bodies established by the State Governments in view of the provisions of the Wakf Act, 1995.
- The Board is made up of nominated and elected members from various categories and the Chairman is elected by the members.
- These work towards management, regulation and protect the Wakf properties by constituting District Wakf Committees, Mandal Wakf Committees and Committees for the individual Wakf Institutions.
- The wakf Boards shall be body corporate having perpetual succession and common seal with power to acquire and hold property.
- In case more than fifteen percent of total number of wakf property is shia wakf or income thereof is more than fifteen percent the Act envisages about separate Shia Wakf Board.
- Presently there are thirty Wakf Boards across the country in twenty-nine states/Union territories. The State like Goa, Arunachal pradesh, Mizoram, Nagaland and Sikkim and the UT Daman & Dieu have no wakf Board at present. The Waqf Act 1995 is not applicable to J&K.
- A waqf is an inalienable religious endowment in Islamic law, typically donating a building or plot of land or even cash for Muslim religious or charitable purposes. The donated assets are held by a charitable trust.

**Governor’s rule in J&K**

- Jammu and Kashmir has come under Governor’s rule with no political party coming forward and staking claim to form the government.
- As none of the parties has so far staked claim to form the government, the governance of the State cannot be carried out in accordance with the provisions of the Constitution of the State. Consequently, with the approval of the President of India, Governor’s rule has been imposed in the State under Section 92(1) of the Constitution of Jammu and Kashmir with effect from January 8, 2015.
Governor’s rule:

- In the event of failure of constitutional machinery in Jammu and Kashmir, Governor’s Rule is imposed by invoking Section 92 of Jammu & Kashmir State constitution.

- Governor’s rule proclamation is **issued by Jammu & Kashmir State Governor** after obtaining consent of the President of India.

- Under section 92 of the Jammu and Kashmir constitution, the governor is empowered to recommend **six months** of Governor’s rule to the Indian president.

- If it is not possible to revoke Governor’s rule before within six months of imposition, President’s Rule under Article **356** of the Constitution of India is imposed.

- Jammu and Kashmir is the only state that has a constitution of its own which is applicable concomitantly with the Indian constitution.

- Once the governor issues the proclamation, the assembly would be kept in suspended animation to give more time to the political parties to work out a coalition to rule the country’s only Muslim-majority state.

**DRI notice to Vodafone**

- The Directorate of Revenue Intelligence (DRI) has issued a show-cause cum demand notice to telecom major Vodafone and its two subsidiaries.

Why?

- For allegedly evading anti-dumping duty of Rs.330 crore.

- The **anti-dumping duty** is levied on distrustfully low-priced imports, so as to protect the domestic manufacturers.

DRI:

- The Directorate of Revenue Intelligence was constituted on 4th December 1957, for dealing exclusively with the work relating to the collection and study of information on smuggling activities and the deployment of all anti-smuggling resources at the all India level, besides arranging training for the intelligence and Investigation officers of the Custom Houses and Central Excise Collectorates deployed on similar work.

- DRI is the major intelligence agency which eradicates smuggling of drugs, gold, diamonds, electronics, foreign currency, counterfeit Indian currency, etc.

- The Directorate of Revenue Intelligence **functions under the Central Board of Excise and Customs in the Ministry of Finance, Department of Revenue**.
The Directorate is run by officers from Central Excise and Customs. Though its early days were committed to combating smuggling in of gold, it has now tuned itself to the changing nature of crimes in the field of narcotics and economic crimes.

The essential features of the organization are:

- It is designed to collect and collate information and to strike swiftly;
- It is officer-intensive and the ministerial staff has been kept at a minimum;
- Although small, it is a high-powered organization so that it can issue instructions to Collectors and can command the confidence and respect of the other State and Central organizations with which it has necessarily to deal in order to become effective;
- It consists of selected officers, that is, those who by temperament and experience, are equipped to do this specialized kind of work;
- It will have no routine job of its own in the sense that it is required to collect a certain amount of revenue. It will have complete liberty to act on 'hunches' and only the ends will justify the means it adopts.

**SC has no option but to set rapist free**

- The Supreme Court set free a man sentenced to life imprisonment for the rape and murder of a seven-year-old girl after medical examination found he was a juvenile at the time of the crime.

**Background:**

- The accused in the case, who is deaf and dumb, was found guilty in the case. He was sentenced to life imprisonment by the trial court in January 2004.
- The Rajasthan High Court had confirmed the sentence.
- In his appeal before the Supreme Court, the accused, in a fresh plea, said he was a juvenile in 1998. Medical examination proved that the accused was just over 17 years of age when he allegedly committed the crime.

**Section 7:**

- **Section 7 A of the Juvenile Justice Act, 2000** provides that an accused can claim he was a juvenile at the time of the alleged crime during any stage of the case and before any court. If medical examination proved his claim right, the court had to treat him as a juvenile, no matter what his present age was.

**Effects:**
• Being treated a juvenile would mean that punishment, even for heinous offences like rape and murder, would be reduced to a round of advice, community service or a period of two years in a special home.

• This is the second case in which the apex court has expressed its helplessness over the provisions of the juvenile law.

**Ancient murals ‘ravaged’ at Kuttralam temple**

• Several hundreds of ancient murals at Kuttralanatha Swamy temple, at Kuttralam, Tamil Nadu, have been ravaged using gaudy colours by local artists engaged by the Indian National Trust for Art and Cultural Heritage (INTACH), New Delhi, allege art historians.

• Art historians allege that most of these murals have now been repainted between 2010 and 2013, using modern garish colours, violating conservation norms.

**About the Murals:**

• These are 400-year old murals, belonging to the Nayaka period.

• They were originally painted using plant pigments and natural dyes.

• The murals at Chithra Sabhai dealt with episodes from the lives of 63 Saivite saints, Nayanmars, based on the Tamil work called “Periya Puranam” sung by Sekkizhar. There were also big panels of Nataraja, Ganesha, Siva and Parvati seated on Rishabha, the wedding of Siva and Parvati, Ananthasayana Vishnu etc.

• The murals were repainted with enamel in the 1960s. The enamel was removed in 1978 and the original murals exposed. But the murals started deteriorating in the 1990s and 2000s.

• *A mural* is any piece of artwork painted or applied directly on a wall, ceiling or other large permanent surface.

**Protest against ‘jallikattu’ ban**

• Hundreds of bull owners, ‘jallikattu’ organisers, bull tamers and supporters from 10 villages staged a demonstration in Dindigul, TN, demanding permission for conducting the bull taming sport at their villages as part Pongal celebrations.

• **Jallikattu:**

• Jallikattu is a bull taming sport played in Tamil Nadu as a part of Pongal celebrations on Mattu Pongal day.

• Jallikattu is a Tamil tradition called ‘Yeru thazhuvuthal’ in Sangam literature(meaning, to embrace bulls), popular amongst warriors during the Tamil classical period.
• According to legend, in olden days the game was used by women to choose their husbands. Successful “matadors” were chosen as grooms.

• Jallikattu is based on the concept of “flight or fight”. All castes participate in the event. The majority of jallikattu bulls belong to the pulikulam breed of cattle.

• In May of 2014, the Supreme Court banned jallikattu and bullock cart racing in Tamil Nadu, citing animal welfare issues.

• Controversy:

• Injuries and even deaths occur in jallikattu.

• Two hundred have died over the past two decades. Unlike in Spanish bullfighting, the bull is not killed. There are rarely any casualties suffered by the bulls.

• Jallikattu is loaded against the matadors, unlike in Spain bullfighting. For instance, the bull’s horns are sharpened and the matador cannot use any weapons.

• The Animal Welfare Board of India took the case to the Supreme Court. The SC banned the game in May 2014 because of the cruelty to animals and the threat to public safety involved. Villagers throw themselves on top of the terrified animals in an effort to “tame” them and claim the prize. This is opposed by animal advocates.

• SC’s observation: Forcing a bull and keeping it in the waiting area for hours and subjecting it to the scorching sun is not for the animal’s well-being. Forcing and pulling the bull by a nose rope into the narrow, closed enclosure or ‘vadi vassal’ (entry point), subjecting it to all forms of torture, fear, pain and suffering by forcing it to go the arena and also over-powering it in the arena by bull tamers, are not for the well-being of the animal.

Pact for mega solar project

• SunEdison Inc, the U.S.-headquartered solar energy services firm, and India’s Adani Group have come together to invest $4 billion or Rs. 25,000 crore in setting up one of the world's largest solar photovoltaic (PV) manufacturing facility in Gujarat.

• Impacts:

• The project is expected to create not only thousands of jobs, but also provide a much-needed impetus to the country’s electrification programmes through solar energy.

• Project will boost country’s electrification programmes through solar energy.

• India has an ambitious vision of building 100 GW of solar power by 2020 and that vision is exactly the same China has for its solar industry by 2020. So, a strong local solar manufacturing base is of strategic importance to the growth of this sector.

• Indian scenario:
• Indian domestic PV manufacturing industry essentially comprises of two segments of players — manufacturers of cells & complete modules and producers who import cells and only make modules. The total capacity of these two put together is less than 2,000 MW.

• Also, the domestic solar manufacturing industry does not have the scale nor have the access to a fully developed domestic supply chain.

• Domestic PV manufacturing industry was essentially set up to cater to highly subsidised solar tariff markets in the EU. In this context, establishment of an integrated manufacturing unit by a world’s leading firm like SunEdison will be a significant chapter in the Indian solar map.

**Eruthattam banned in Salem district**

• The district authorities of Salem have banned eruthattam (bull chase) for the second consecutive year.

• The people were informed about the Supreme Court’s guidelines for holding such events involving animals.

• Eruthattam:

  • **Eruthattam** is a traditional festival of chasing the bulls. The villagers hold the rope tied to the nose of the bulls, on both sides. Later, they chase the bulls in the area surrounding the temple.

  • The festival was organised as a thanksgiving to God and was practised for the past two centuries, according to the local people.

  • Eruthattam is held in the temple as part of the Pongal celebrations.

**Difference between Jallikattu and Eruthattam:**

• While jallikattu dealt with taming the animal, eruthattam is a game of chasing the bulls.

**Decoding the oil price fall**

• Cheaper oil is good for the global economy; for an energy-intensive economy such as India’s, which also depends on imported oil for meeting four-fifths of its needs, a fall in oil price is desired.

• Yet, the biggest fall in the stock market in five-and-a-half years last week was triggered by crude oil piercing the $50 a barrel mark on its unrelenting downward journey. The fall was also due to fears such as Greece exiting the euro zone and slowdown in China.
A recent IMF study says that every $10 fall in oil price adds 0.2 percentage points to global GDP growth. And that should mean a boost of over 1.2 percentage points to global GDP growth given that oil has dropped from around $115 a barrel six months ago to less than $50 a barrel now.

**Reasons for fall in oil prices:**

- Lower global demand is the main reason.
- The inability, or unwillingness rather, of the Organisation of Petroleum Exporting Countries (OPEC), which accounts for about 40 per cent of global oil output, to cut production to match the demand is a major factor.
- Saudi Arabia, which dominates the cartel with the highest share, appears determined to stay in a race to the bottom along with U.S. shale oil producers.
- The oil market was funded in a major way in the last few years by cheap dollars flowing out of the Federal Reserve’s quantitative easing programme. With interest rates at near zero, surplus funds flowed into the commodity markets, notably crude oil, driving their prices upwards.
- Cheaper fuel prices will put more money in the hands of consumers which will, in turn, be either invested or spent elsewhere. And this would drive economic growth.

**Idukki in Kerala Becomes the First District of India with Complete Rural Broadband Coverage**

- The first high speed rural broadband of India was commissioned at the Idukki district in Kerala.

**Details:**

- With the commissioning of the NOFN network, Idukki district of Kerala has become the **first in India** to be connected with high speed rural broadband.
- The establishment of NOFN would open up new avenues for Access service providers such as Telecom Service Providers, Internet Service Providers, and Cable TV operators, Content Providers etc. to launch next generation services and spur creation of local employment opportunities in a big way.

**National Optical Fibre Network (NOFN).**

- The National Optical Fibre Network (NOFN) is a project to provide broadband connectivity to over two lakh (200,000) Gram panchayats of India at a cost of Rs.20,000 crore.
- The project provides internet access using existing optical fiber and extending it to the Gram panchayats. Connectivity gap between Gram Panchayats and Blocks will be filled.
The project was intended to enable the government of India to provide e-services and e-applications nationally.

A special purpose vehicle Bharat Broadband Network Limited (BBNL) was created as a Public Sector Undertaking (PSU) under the Companies Act of 1956 for the execution of the project.

The project will be funded by the Universal Service Obligation Fund (USOF) and was estimated to be completed in 2 years.

The project envisaged signing a tripartite MoU for free Right of Way (RoW) among the Union Government, State Government and Bharat Broadband Network Limited (BBNL).

All the Service Providers like Telecom Service Providers (TSPs), ISPs, Cable TV operators etc. will be given non-discriminatory access to the National Optic Fibre Network and can launch various services in rural areas. Various categories of applications like e-health, e-education and e-governance etc. can also be provided by these operators.

NRIs can vote from abroad: govt. tells SC

The government has informed the Supreme Court of its decision to accept the Election Commission’s recommendation to allow Non-Resident Indians to vote from overseas through e-postal ballots or proxy voting.

A three-judge Bench led by Chief Justice of India gave the government eight weeks’ time to inform it about further steps to implement the modalities of the EC recommendations.

Impacts:

The government’s decision to allow NRIs to vote could set the stage for expatriates to emerge as a decisive force in the country’s electoral politics.

This decision also, historically, removes an “unreasonable restriction” posed by Section 20(A) of the Representation of the People (Amendment) Act of 2010, requiring overseas electors to be physically present in their constituencies to cast their votes.

There are 10 million Indian citizens staying abroad, and with 543 Lok Sabha constituencies, this means an astonishing average of 18,000 votes per constituency may get polled from abroad. These additional votes, if polled, will obviously play a crucial role in state and general elections.

In November last year, the Supreme Court had asked the Centre to make its stand clear on the EC’s proposal for allowing NRIs to cast their votes through proxy voting and e-ballots in polls in India.

Current situation:

According to the provisions of the Representation of People Act, a person who is a citizen of India and who has not acquired the citizenship of any other country and is otherwise
eligible to be registered as a voter and who is absent from his place of ordinary residence in India owing to employment, education or otherwise, is eligible to be registered as a voter in the constituency in which his place of residence in India, as mentioned in his passport, is located.

- However the person will be able to exercise the franchise only if he or she is physically present in their constituency on the polling day at the polling station along with the original passport. This had created a problem.

- Postal ballot:

- Section 20(8) (d) of the Representation of the People Act 1950 read with Section 60(b) of the Representation of the People Act 1951 allows government servants and certain other class of persons to vote via postal ballot following the Election Commission’s consent.

**RTE: private schools want to opt out of online process**

- With less than a week to go for the online application process for admissions under the Right of Children to Free and Compulsory Education (RTE) Act quota for the next academic year, private school managements have threatened to not co-operate with the process.

- Why?

- The Department of Public Instruction has to pay the private schools Rs. 165 crore for reimbursing private schools who have admitted 2.11 lakh children from economically weak and socially disadvantaged backgrounds. While the first instalment was due in September, the second instalment is due in January.

- Private school managements have also demanded an increase in the reimbursement ceiling which is fixed at Rs. 11,848 a year for a child admitted to Class 1 and Rs. 5,924 a year for a child in LKG.

- Right to Education (RTE) Act

- The Constitution (Eighty-sixth Amendment) Act, 2002 inserted Article 21-A in the Constitution of India to provide free and compulsory education of all children in the age group of six to fourteen years as a Fundamental Right in such a manner as the State may, by law, determine. The Right of Children to Free and Compulsory Education (RTE) Act, 2009, which represents the consequential legislation envisaged under Article 21-A, means that every child has a right to full time elementary education of satisfactory and equitable quality in a formal school which satisfies certain essential norms and standards. Article 21-A and the RTE Act came into effect on 1 April 2010.

- With this, India has moved forward to a rights based framework that casts a legal obligation on the Central and State Governments to implement this fundamental child right as enshrined in the Article 21A of the Constitution, in accordance with the provisions of the RTE Act.
• It is seen as the most historic development in universalisation of elementary education in the country. It implies that every child in the age group of 6 to 14 years has Right to elementary education. They are entitled for free and compulsory education.

• The RTE Act provides for the:

• Right of children to free and compulsory education till completion of elementary education in a neighbourhood school.

• It clarifies that ‘compulsory education’ means obligation of the appropriate government to provide free elementary education and ensure compulsory admission, attendance and completion of elementary education to every child in the six to fourteen age group. ‘Free’ means that no child shall be liable to pay any kind of fee or charges or expenses which may prevent him or her from pursuing and completing elementary education.

• It makes provisions for a non-admitted child to be admitted to an age appropriate class.

• It specifies the duties and responsibilities of appropriate Governments, local authority and parents in providing free and compulsory education, and sharing of financial and other responsibilities between the Central and State Governments.

• It lays down the norms and standards relating inter alia to Pupil Teacher Ratios (PTRs), buildings and infrastructure, school-working days, teacher-working hours.

• It provides for rational deployment of teachers by ensuring that the specified pupil teacher ratio is maintained for each school, rather than just as an average for the State or District or Block, thus ensuring that there is no urban-rural imbalance in teacher postings. It also provides for prohibition of deployment of teachers for non-educational work, other than decennial census, elections to local authority, state legislatures and parliament, and disaster relief.

• It provides for appointment of appropriately trained teachers, i.e. teachers with the requisite entry and academic qualifications.

• The Sarva Shiksha Abhiyan (SSA) is the main vehicle for implementation of the RTE Act. It is one of the largest programmes of its kind in the world. It is primarily funded from central budget and it covers the whole country.

• Under SSA, special attention has been given to urban deprived children, children affected by periodic migration and children living in remote and scattered habitations. Attempts have also been made to reach out to children suffering from autism. It involves their identification, preparation of individualized Education Plan, teacher training on Autism and therapeutic support.

• The programme has been implemented in order to narrow down gender and social gaps in elementary education. Special efforts have been made to reach out to girls and children belonging to SC/ST and Muslim minority communities.
World Bank signs pact for Smart Cities

- The Government of Gujarat, the Government of India and the World Bank have entered into a **tripartite agreement** in support of Gujarat’s ‘swachhta abhiyaan’ and smart city initiatives.

SEBI proposes easier norms for domestic MF managers

- To make it easier for domestic mutual funds to manage offshore pooled assets, the Securities and Exchange Board of India has proposed to drop ‘20-25 rule’.

**20-25 Rule:** It requires a minimum of 20 investors and a cap of 25 per cent investment by an individual investor in a particular scheme, for certain foreign entities.

**New norms:**
- SEBI has dropped 20-25 rule.
- It has suggested doing away with the rule that requires appointment of separate fund manager for managing an offshore fund.
- At present, for managing an offshore fund it is allowed to appoint the same fund manager, who is managing the domestic scheme, only if, the investment objective and asset allocation of such scheme and offshore fund are same and the portfolio is replicated (at least 70 per cent) in both the funds managed by that fund manager, otherwise, a separate fund manager is required.
- These suggestions have been made keeping in view the challenges faced by the local fund managers in managing offshore pooled assets and the introduction of FPI regulations, which has rationalised the investment routes and monitoring of foreign portfolio investments and also streamlined categories of overseas investors.
- A mutual fund is a type of professionally managed Investment fund that pools money from many investors to purchase securities.

Mines and Minerals (Development and Regulation) (Amendment) Ordinance, 2015

- An ordinance has been promulgated to amend certain provisions of MMDR Act, 1957.

**Why?**
- The promulgation of Ordinance became necessary to address the emergent problems in the mining industry.
- In the last few years, the number of new Mining Leases granted in the country has fallen substantially.
- In addition, second and subsequent renewals have also been affected by Court judgements.

- As a result, the output in the mining sector has come down drastically, leading to import of minerals by users of those minerals.

**The salient provisions of the Ordinance are as follows:**

- All mineral concessions will be granted only through auction.

- Direct auction for mining leases for bulk minerals; auction of prospecting licences-cum-mining leases for deep-seated minerals.

- Uniform lease period of 50 years; no renewals; auction at the end of lease period; will solve issues arising out of all SC judgments on second and subsequent renewals.

- Transition period of minimum 15 years for captive mines and 5 years for other mines; no sudden stoppage as a result of amendment.

- Central Government empowered to prescribe deadlines for various processes and to issue binding directions to States.

- Central Government to frame separate rules for atomic minerals.

- The previous approval of the Central Government will not be required for grant of mineral concession except for Grant of Atomic Minerals, Coal and Lignite.

- Enabling powers for reservation for the public sector to continue.

- Higher penalties and jail terms for offences; special courts may be constituted, if necessary.

- District Mineral Foundation to take care of people and areas affected by mining.

- National Mineral Exploration Trust to be set up for impetus to exploration.

- Easy transferability of concessions obtained through auctions so as to attract private investment and FDI.

- Powers to Central Government to intervene even where State Governments do not pass orders within prescribed time lines; this will eliminate delay.

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**Learning outcomes poor, says ASER**

- The Annual Status of Education Report (ASER), 2014, says only an average 48.1 per cent of Class V children across India can read a Class II-level text. While this is an improvement from the 47 per cent in 2013, the percentage shot up to 46.9 from 31.9 in Tamil Nadu.
Details of the Survey:

- Even as the reading levels of schoolchildren have stagnated throughout the country, Tamil Nadu has seen sharp improvements.

- Though the reading levels in Himachal Pradesh (75.2 per cent) and Haryana (68.1 per cent) are higher, they do not differ much from 2013.

- In Assam, Jharkhand and Madhya Pradesh, less than 35 per cent of the Class V children surveyed can read a Class II-level text.

- The survey covered 5.7 lakh children aged three to 16 from over 34,000 households between September and December across 16,497 villages in 577 districts.

- The survey says that Tamil Nadu has made highest gains.

- Across the country, the ability of Class V children to divide a three-digit number by a single digit fell from 36.2 per cent in 2010 to 26.1 per cent in 2014. Learning outcomes stagnated in reading and arithmetic since 2013. In Class II, only one out four children can read a Class II text and even in Class VIII, one-fourth still cannot read.

What should be done?

- The need of the hour is to fix learning goals and have remedial classes for children to catch up. Several States have programmes to teach children, irrespective of the class they are in, basics that they have not yet understood. Sticking to the syllabus will not help those who are left behind.

Tamil Nadu’s success:

- The survey says that Tamil Nadu has made highest gains.

- In Maths, the achievements made by Tamil Nadu schoolchildren are even greater than those in reading.

- The national average of Class V children who can do division increased from 25.6 per cent to 26.1 per cent between 2013 and 2014. In Tamil Nadu, it leapt from 14 per cent to 25.8 per cent during the period.

- Experts say that Targeted teaching with adequate recruitments had resulted in the improvements in the State. In the past two years, 40,000 teachers have been recruited and teachers focus on weaker students. This, along with the incentives and teaching tools, has made a difference.

- Tamil Nadu focussed a lot on improving the basics in Tamil and Maths in Classes I and II. It may also be the case that the activity-based learning in government schools is giving results now.
**Search ads on sex determination under lens**

- The Union government has requested the Supreme Court to direct the search engines Google and Yahoo and Microsoft, which run the Bing search platform, to reveal the monetary gains they made from allowing online advertisements of pre-natal sex determination technologies in violation of the Indian law.

- The Centre also wants details of the measures adopted by them to block and/or filter keywords and sponsored links that violates the Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act.

- In an additional affidavit, the Cyber Law Division of the Union Communications and Information Technology Ministry did a U-turn from its previous position taken in 2010 affidavit. **It has said that the search engines came under the definition of “intermediaries” and had “statutory obligations,”.**

- Under the 2000 Act, an “intermediary” (search engine) is protected from being held liable for any third party information, data or communication link. But this protection depends on the “due diligence” on the part of the search engine to remove or disable “expeditiously” access to a material used to commit an unlawful act.

**PCPNDT Act:**

- The Pre-conception & Pre-natal Diagnostics Techniques (PC & PNDT) Act, 1994 was enacted in response to the decline in Sex ratio in India, which deteriorated from 972 in 1901 to 927 in 1991.

- The main purpose of enacting the act is to ban the use of sex selection techniques before or after conception and prevent the misuse of prenatal diagnostic technique for sex selective abortion.

- Female infanticide had been prohibited through legislation in pre-independence period and certain provisions were included in the Indian Penal code, 1860 for punishing causing miscarriages and other such offences.

- But with the advent of diagnostic technology to detect the sex of the foetus very early on in pregnancy, a need was felt for a specific law to prevent the misuse of technology which could lead to female foeticide.

- Offences under this act include conducting or helping in the conduct of prenatal diagnostic technique in the unregistered units, sex selection on a man or woman, conducting PND test for any purpose other than the one mentioned in the act, sale, distribution, supply, renting etc. of any ultra sound machine or any other equipment capable of detecting sex of the foetus.

**Main provisions in the act are:**

- The Act provides for the prohibition of sex selection, before or after conception.

- It regulates the use of pre-natal diagnostic techniques, like ultrasound and amniocentesis by allowing them their use only to detect:
- genetic abnormalities
- metabolic disorders
- chromosomal abnormalities
- certain congenital malformations
- haemoglobinopathies
- Sex linked disorders.

- No laboratory or centre or clinic will conduct any test including ultrasonography for the purpose of determining the sex of the foetus.

- No person, including the one who is conducting the procedure as per the law, will communicate the sex of the foetus to the pregnant woman or her relatives by words, signs or any other method.

- Any person who puts an advertisement for pre-natal and pre-conception sex determination facilities in the form of a notice, circular, label, wrapper or any document, or advertises through interior or other media in electronic or print form or engages in any visible representation made by means of hoarding, wall painting, signal, light, sound, smoke or gas, can be imprisoned for up to three years and fined Rs. 10,000.

- The Act mandates compulsory registration of all diagnostic laboratories, all genetic counselling centres, genetic laboratories, genetic clinics and ultrasound clinics.

- Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 (PNDT), was amended in 2003 to The Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition Of Sex Selection) Act (PCPNDT Act) to improve the regulation of the technology used in sex selection.

- The Act was amended to bring the technique of pre conception sex selection and ultrasound technique within the ambit of the act. The amendment also empowered the central supervisory board and state level supervisory board was constituted.

- In 1988, the State of Maharashtra became the first in the country to ban pre-natal sex determination through enacting the Maharashtra Regulation of Pre-natal Diagnostic Techniques Act.

**Burning of cow dung cakes near Taj Mahal banned**

- Amid concerns over Taj Mahal turning yellow due to increasing pollution, the district administration has banned burning of cow dung cakes in Lucknow.

- Why was it banned?
• Black carbon soot generated by use of cow dung, coal and vehicular pollution is said to be the main cause behind major pollution in Agra that has started showing its impact on the “monument of love” – Taj Mahal – that is visited by lakhs of domestic and foreign tourists round the year.

• A recent study published in an American journal says that due to brown and black carbon particles, the white marble of the Taj Mahal is turning yellow. Taking note of this, the district administration has banned burning of cow dung cakes, used for cooking purposes in the city.

• Carbon particles that get deposited on Taj Mahal do not easily get washed away in rain. It is difficult to erect scaffolds around the Taj Mahal to treat the monument chemically. Therefore, such important initiatives have to be taken.

• Other concerns:
  • While cow dung cakes are being used as fuel by poor people, coal is being used in large quantity mainly by manufacturers of bangles and “petha” sweet.
  • Use of over 4,000 diesel-run trucks and tempos that have been told to switch to CNG by mid-2015 is also a major concern.
  • The Agra Nagar Nigam has been asked to severely penalise those who flout the ban aimed at protecting the UNESCO World Heritage site. The government is also planning a special drive to distribute LPG connections to the poor who will be affected by the ban.

‘Decent’ humour, dissent, not prohibited

• The government has held out the promise that Section 66A of the Information Technology Act would not be used to stifle political dissent, humour that wasn’t vulgar and contrarian views, before a Supreme Court bench that’s re-hearing a batch of petitions challenging the legality of the law which confers wide powers of arrest on the police.

• Controversy over Section 66A:
  • The law came in for criticism after several arrests by police over Facebook and other social media postings.
  • Two young women were arrested in Mumbai over a posting which the Shiv Sena found offensive.
  • A lecturer was arrested in Kolkata for forwarding cartoons of chief minister Mamata Banerjee.
  • A writer was arrested in UP for criticising the suspension of IAS officer DS Nagpal.
• In the wake of these incidents, many petitions were filed in SC challenging the law as being too vague, broad and arbitrary. SC in an interim order passed at the outset, restrained police from arresting anyone without clearing such action first with their superiors in such cases.

• **Arguments against the Law:**

  • The SC has received petitions demanding that the law either be aligned with Article 19(2) of the Constitution or be struck down.

  • The opponents argue the I-T Act cannot prescribe restrictions on a citizen’s right to freedom of speech and expression that were wider than warranted under Article 19(2), which allows the state to curtail them only on the grounds of public order, security of state etc. Any other restriction on free speech on social media would be an unreasonable restriction under the Constitution.

  • **Section 66A** defines the punishment for sending “offensive” messages through a computer or any other communication device like a mobile phone or a tablet. A conviction can fetch a maximum of three years in jail and a fine.

**Jan Dhan Yojana a game changer, says RBI**

• The Reserve Bank of India (RBI) Deputy Governor has said that ‘Jan Dhan Yojana’ scheme implemented by public sector banks, whereby 100 million bank accounts have been opened for those who were un-banked, is unequivocally a “game-changer.”

**PRADHAN MANTRI JAN DHAN YOJANA:**

• The PMJDY was conceived as a national mission on financial inclusion with the objective of covering all households in the country with banking facilities and having a bank account for each household.

• The Prime Minister had categorically declared that a bank account for each household was a “national priority”.

• It is a scheme for comprehensive financial inclusion. Accounts can be opened with zero balance.

• The mission mode objective of the PMJDY consists of 6 pillars.

• During the 1st year of implementation under Phase I (15th August, 2014-14th August, 2015), three Pillars namely

• Universal access to banking facilities

• Financial Literacy Programme and
• Providing Basic Banking Accounts with overdraft facility of Rs.5000 after six months and RuPay Debit card with inbuilt accident insurance cover of Rs 1 lakh and RuPay Kisan card, will be implemented.

• Phase II, beginning from 15th August 2015 upto 15th August, 2018 will address,

• Creation of Credit Guarantee Fund for coverage of defaults in overdraft accounts

• Micro Insurance and

• Unorganized sector Pension schemes like Swavlamban.

• In addition, in this phase coverage of households in hilly, tribal and difficult areas would be carried out. Moreover, this phase would focus on coverage of remaining adults in the households and students.

• The implementation strategy of the plan is to utilize the existing banking infrastructure as well as expand the same to cover all households.

• The major shift this time in this Financial Inclusion effort of the Government is that households are being targeted instead of villages as targeted earlier. Moreover both rural and urban areas are being covered this time as against only rural areas targeted earlier. The present plan pursues digital financial inclusion with special emphasis on monitoring by a Mission headed by the Finance Minister.

• *Financial inclusion or inclusive financing is the delivery of financial services at affordable costs to sections of disadvantaged and low-income segments of society, in contrast to financial exclusion where those services are not available or affordable.*

**Forest owlet sighted in M.P.**

• The forest owlet (Athene blewitti) has been sighted in Madhya Pradesh’s Betul district. It was most recently seen for the first time in the Western Ghats in October last year.

**Forest owlet:**

• The forest owlet is a very small member of the owl family, measuring only 23 centimetres in length.

• It has been classified as ‘*critically endangered*’ species.

• This owlet is extremely rare, and the populations are isolated and fragmented from one another.

• The owlet, endemic to central Indian forests was said to be extinct in the wild but was rediscovered in 1997.

• The species faces a number of threats which in combination are suspected to be causing a decline at a rate of 10-19% over ten years.
Threats:

- Habitat destruction and deforestation are the main threats to the existence of the forest owlet.
- Illegal wood cutting and expansion of agriculture has greatly reduced, and continues to reduce, the forest this owlet requires.
- Superstitious beliefs among the local human populations also take a toll of the owlet. The eggs of the owlet are thought to boost one’s chances of winning when gambling, and killing a baby owlet is supposed to make the person more fertile.
- The forest owlet is also simply killed because it is thought to harm the soul.

Conservation efforts:

- Efforts are under way to educate the villagers about the owlets so that they will stop killing them needlessly. The Melghat Tiger Reserve has also received more protection since the discovery of the forest owlet, which has helped to stabilize the numbers of these small birds. The forest owlet is now not only protected by CITES, but the Indian government has awarded it full protection from trapping, egg collection, or hunting.
- Since its rediscovery in 1997, fieldwork has been conducted to study its status, ecology and threats. Interventions have been made to seek the prevention of further forest losses at the site of rediscovery.

**Global economy to expand by 3 per cent this year**

- The World Bank, in a report, has projected that the global economy would expand by 3% this year.

Important observations and suggestions made by the World Bank:

- The World Bank has said that the global economy is still struggling to gain momentum while many developing economies are less dynamic than they were in the past.
- The global economy grew by an estimated 2.6 per cent in 2014, and is projected to expand by 3.3 per cent in 2016 and 3.2 per cent in 2017.
- Developing countries grew by 4.4 per cent in 2014 and are expected to edge up to 4.8 per cent in 2015, strengthening to 5.3 and 5.4 per cent in 2016 and 2017.
- Underneath the fragile global recovery lie increasingly divergent trends with significant implications for global growth.
- Activity in the United States and the United Kingdom is gathering momentum as labour markets heal and monetary policy remains extremely accommodative. But recovery has been sputtering in the Euro area and Japan as legacies of the financial crisis linger.
As population growth has slowed in many countries, the pool of younger workers is smaller, putting strains on productivity.

The lower oil price, which is expected to persist through 2015, is lowering inflation worldwide and is likely to delay interest rate hikes in rich countries. This creates a window of opportunity for oil-importing countries, such as China and India. What is critical is for nations to use this window to usher in fiscal and structural reforms, which can boost long-run growth and inclusive development.

In this uncertain economic environment, developing countries need to judiciously deploy their resources to support social programmes with a laser-like focus on the poor, and undertake structural reforms that invest in people.

**India will catch up with China’s growth in 2016–17: World Bank**

- The World Bank has said that India will catch up with China’s growth at 7 per cent in 2016–17. It also said that the country’s economy has recovered in the wake of the economic reform measures taken by the new government, falling oil prices and lower interest rates.

Other details:

- This would be for the first time in recent past that India’s growth rate would catch up with that of China.

- The growth in South Asia rose to an estimated 5.5 per cent in 2014 from a 10-year low of 4.9 per cent in 2013. The upturn was driven by India, the region’s largest economy, which emerged from two years of modest growth.

- The bank estimated a growth rate of 5.6 per cent in 2014 for India and forecast a growth rate of 6.4 per cent in 2015, while that of world’s second largest economy China, 7.4 per cent (estimated) in 2014 and 7.1 per cent (forecast) in 2015.

- Regional growth is projected to rise to 6.8 per cent by 2017, as reforms ease supply constraints in India, political tensions subside in Pakistan, remittances remain robust in Bangladesh and Nepal, and demand for the region’s exports firms.

- Past adjustments have reduced vulnerability to financial market volatility. Risks are mainly domestic and of a political nature. Sustaining the pace of reform and maintaining political stability are key to maintaining the recent growth momentum.

- The bank expects implementation of reforms and deregulation in India to lift FDI.

**Brahma to be new CEC**

- H.S. Brahma, the seniormost Election Commissioner, will succeed V.S. Sampath as the next Chief Election Commissioner of India.
About CEC:

- The Chief Election Commissioner heads the Election Commission of India, a body constitutionally empowered to conduct free and fair elections to the national and state legislatures.

- The President of India appoints the Chief Election Commissioner. Conventionally, senior-most Election Commissioner is appointed as CEC.

- He has tenure of six years, or up to the age of 65 years, whichever is earlier.

- He enjoys the same official status, salary and perks as available to Judges of the Supreme Court of India and High court.

- The Chief Election Commissioner can be removed only through impeachment by the Parliament.

**Draft Bill moots heavy fine for smoking in restricted areas**

- The Centre has cracked the whip on consumption of cigarettes and tobacco products by proposing a slew of amendments to the (COTPA) Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) (Amendment) Bill 2015.

Details of the Draft Bill:

- It proposes to do away with on-site advertising of tobacco products. Which means kiosks and shops selling cigarettes and other tobacco products will no longer be able to display the brand names.

- To prevent exposure of non-smokers to harmful emissions, the Health Ministry has proposed scrapping designated smoking areas from hotels, restaurants and airports; making an exception only for international airports.

- The penalty for smoking in restricted areas has been upped from Rs. 200 to Rs. 1000.

- Anyone found producing tobacco products without the specified warning will be liable for imprisonment for up to two years for the first offence or fine up to Rs. 50,000 or both. For the second and subsequent offences the imprisonment can be up to five years with a fine of up to Rs. 1 lakh.

- Selling products without warning will incur a fine of up to Rs. 10,000 or a jail term of up to one year or both; subsequent offence will draw a fine of up to Rs. 25,000 and a jail term of two years.

- Tobacco products and cigarettes in approved packaging (which have pictorial warnings across the designated area of the pack) will now be sold only to those above 21 years of age. The proposed age limit will be revised to 23 and 25 in two phases after evaluating the impact of raising the minimum age.
About COTPA Act:

- It is an Act of Parliament of India enacted in 2003 to prohibit advertisement and regulation of tobacco business in India. The Act put restriction on tobacco products including cigarettes, gutka, panmasala (containing tobacco), cigar, cheerot, Beedi, Snuff, chewing tobacco, hookah, tooth powder containing tobacco.

- It was enacted mainly to discourage the consumption of Cigarettes and other Tobacco products through imposing progressive restrictions and to protect non-smokers from second hand smoke.

The Key provisions under the Act include:

- Prohibition of smoking in public places
- Prohibition on all forms of direct / indirect advertisement, promotion and sponsorship of tobacco products
- Prohibition and sale of tobacco products to minors (any person who is under eighteen years of age)
- Prohibition and sale of tobacco products in an area within a radius of one hundred yards of any educational institution
- Mandatory depiction of specified health warnings on all tobacco products

U.P. scholar wins Sahitya Akademi award for Sanskrit

- Sanskrit scholar Prabhu Nath Dwivedi from Uttar Pradesh has won the Sahitya Akademi Award for 2014 for his collection of 16 short stories, Kanakalochanaha.

Sahitya Akademi Award:

- Every year since its inception in 1954, the Sahitya Akademi Award is awarded to the most outstanding books of literary merit published in any of the major Indian languages recognised by the Akademy. The first Awards were given in 1955.

- Criteria of Eligibility for the Award:

  - In order to be eligible for the award, the book must be an outstanding contribution to the language and literature to which it belongs. The book may be a creative or a critical work, but must not be
    - A work of translation; or
    - An anthology; or
    - An abridgement, or a compilation, or an annotation; or
    - A treatise or research work prepared for a university degree or any examination;
The work of an author who has earlier won an award from the Akademi (other than the Translation Prize);

The work of an author who is a member of the Executive Board of the Akademi.

- A fresh collection of writings published earlier in book form, or revised editions of books published earlier, are not eligible for Award. However, if at least 75% of the work included in a collection has been published for the first time in book form, it can be considered for Award.

- An incomplete work may be considered for the award only if the part that comprises the book is complete in itself.

- A posthumous publication is eligible for Award only if the author has died within the three year period stipulated for the award or later.

- A book shall be disqualified for the award if it is established to the satisfaction of the Executive Board that canvassing has been done by the author.


**Meningitis: Indian vaccine will protect infants also**

- A meningitis A vaccine (MenAfriVac) manufactured by Serum Institute of India, Pune was approved by WHO a few days ago for use in infants in sub-Saharan African populations. The vaccine will be introduced as part of the routine immunisation programme.

- In the four years since its introduction in Africa, MenAfriVac has had an immediate and dramatic impact in breaking the cycle of meningitis A epidemics.

- The vaccine has already been used in those aged 1-29 years. But with the WHO’s approval, the vaccine can be given to infants thereby protecting million more children at risk of the deadly disease.

- About 200,000 people suffer from meningitis every year in the region. The disease kills 20,000 to 25,000 people in the region every year.

- Not many meningitis cases are seen in children below one year because a mother, who has had meningitis, transmits the meningitis antibodies to newborns and these antibodies protect them for one year.

- **Meningitis:**

- Meningitis is a bacterial infection of the membranes covering the brain and spinal cord (meninges).
• **Causes:** The most common causes of meningitis are viral infections that usually get better without treatment. However, bacterial meningitis infections are extremely serious, and may result in death or brain damage, even if treated.

• Meningitis may also be caused by:
  - Chemical irritation
  - Drug allergies
  - Fungi
  - Parasites
  - Tumors

• Most viral meningitis is due to enteroviruses, which are viruses that also can cause intestinal illness. Many other types of viruses can cause meningitis. Viruses that cause mumps and HIV can also cause aseptic meningitis.

**Common Symptoms:**

• Fever and chills
• Mental status changes
• Nausea and vomiting
• Sensitivity to light (photophobia)
• Severe headache
• Stiff neck (meningismus)
• Bulging fontanelles in babies
• Decreased alertness
• Poor feeding or irritability in children

• Meningitis is an important cause of fever in children and newborns.

**Treatment:** Antibiotics are used to treat bacterial meningitis. The specific type depends on which bacteria is causing the infection. Antibiotics do not treat viral meningitis. Antiviral medicine may be given to those with herpes meningitis.
**Manipur Councillors call on MoS (DoNER)**

- A deputation of Manipur Autonomous District Councils called on Union Minister of State of the Ministry of Development of North Eastern Region (DoNER) recently and demanded that provisions of the Sixth Schedule of the Indian Constitution be extended to Manipur which, according to them, would give them more powers and pave the way for a viable lasting solution to the long standing problems of the region.

- The six District Councils in the State of Manipur were established four decades ago following the passage of Manipur Hill Areas District Autonomous Councils Act 1971.

**What is the issue?**

- The district councils are still controlled by the State Government, and have been denied adequate empowerment because of the non-implementation of the Sixth Schedule of the Indian Constitution.

- It is also alleged that the State Government is deliberately trying to keep them deprived of the Sixth Schedule even though its provisions had already been extended to the neighbouring States of Meghalaya, Mizoram, Assam and Tripura.

**6th schedule:**

- The Sixth Schedule of the Indian Constitution provides for greater financial power and direct funding of District Councils from the Centre.

- It also enables appropriate judicial and legislative powers conducive to the tradition of the region and the tribals.

- Sources: PIB.

**Households’ inflation expectations ease: RBI survey**

- The Reserve Bank of India (RBI)’s quarterly survey on inflation showed households expect a much lower rate of consumer inflation, validating the central bank’s unexpected decision to cut interest rates.

**Survey details:**

- The fall in households’ inflation expectations likely was a possible adaptive response to the decline in headline inflation in recent months.

- The survey showed households expected consumer inflation of 8.9 per cent in the October-December quarter in the year ahead period, down sharply from 16 per cent in the previous quarter.

- The survey also showed 79.8 per cent of respondents expect prices to increase over a one-year period, lower than the 90 per cent respondents in the previous quarter.
For the three-month ahead period, 72.4 per cent of respondents expected prices to rise compared with 86.4 per cent of respondents in the September quarter.

**Moody’s says India rating upgrade to depend on fiscal consolidation**

Moody’s has said that India needed to improve its fiscal position to earn a ratings upgrade and warned that even if policy action was taken now it would likely take a while for the impact to be reflected on government finances.

**Other observations made:**

- India’s fiscal consolidation would also need an improvement on similarly-rated countries. For a rating upgrade, the fiscal position has to improve materially or there should be evidence that it’s going to improve materially not only with respect to itself, but comparable to similarly-rated countries.

- The government’s moves to improve the financial position would have a bigger impact on India’s credit than any policy action by the central bank.

- Moody’s currently rates India at “Baa3”, the lowest investment-grade rating, with a “stable” outlook.

- Sources: BS.

**Opec downgrades demand for oil**

The Organization of the Petroleum Exporting Countries has issued a report that downgraded demand for its crude oil for 2015, while also predicting slower oil-production growth in the United States.

**Details of the report:**

- The demand for Opec crude oil would be 28.8 million barrels a day this year, 100,000 barrels a day less than it forecast in its previous monthly market report, in December.

- The report said that demand for Opec’s crude oil would average less than 28 million barrels a day in the first half of this year.

**What has the Opec said?**

- Opec has said that the slump in prices since June was beginning to have an impact on production in the United States, where the shale oil industry has been the main source of the new supplies, which have put pressure on prices.

- The group has said that it expected lower prices, reduced drilling and other factors to trim oil production growth in the United States by almost half compared with 2014, to
about 950,000 barrels a day compared with an increase of about 1.6 million barrels a day in 2014.

- OPEC leaders have said that production cuts should come from higher-cost producers like shale oil companies in the United States rather than from OPEC members, whose production costs are often low.

- OPEC, a group of 12 oil-producing nations with Saudi Arabia as the linchpin, showed no sign of cutting production from the average of about 30 million barrels a day in 2014. Its forecasts imply an oversupply of more than 2 million barrels a day in the first half of this year.

- Sources: BS.

**Sebi notifies stringent insider trading norms**

- Market regulator Sebi has notified a stricter set of insider trading norms.

- The new norms will revamp nearly two-decade old regulations on insider trading and come into effect after four months, and would also ensure that genuine trades are not impacted.

**Why it was necessary:**

- The current regulations have many loopholes.

- The current framework is considered heavily skewed in favour of minority shareholders and, therefore, promoters say taking a company private is extremely difficult.

- New norms will check illicit transactions in shares of listed firms by management personnel and ‘connected persons’.

**According to the New norms:**

- The definition of ‘insider’ has been made wider by including persons connected on the basis of being in any contractual, fiduciary or employment relationship that allows such person access to unpublished price sensitive information (UPSI). Directors, employees and all other persons in the deeming category covered under 1992 regulations would continue to be covered.

- Insider will also include a person who is in possession or has access to UPSI. Now, “immediate relatives will be presumed to be connected persons, with a right to rebut the presumption.” In 1992 regulations, definition of connected person was largely position based.

- In the case of connected persons the onus of establishing, that they were not in possession of UPSI, shall be on such connected persons.
A provision of ‘Trading Plans’ on the lines of the U.S. has been introduced for insiders with necessary safeguards. Such a plan has to be for bonafide transactions and has to be disclosed on stock exchange platform in advance.

The definition of UPSI has been strengthened by “providing a test to identify price sensitive information, aligning it with listing agreement and providing platform of disclosure”.

Earlier, the definition of price sensitive information had reference to company only, now it has reference to both a company and securities.

Companies by law would be entitled to require third-party connected persons to disclose their trading and holdings in securities of the company.

The regulator has decided to remove the requirement for repeated disclosures and ease compliance burden. To protect the interest of investors, companies would be now mandatorily be required to disclose UPSI at least two days prior to trading in case of permitted communication of such information. Besides, communication of such information is prohibited except in instances of legitimate purposes or discharge of legal obligations.

In line with the new Companies Act, prohibition on derivative trading by directors and key managerial personnel on securities of the company has been provided.

Disclosure of UPSI in public domain has been made mandatory before trading, so as to rule out asymmetry of information in the market.

To provide clarity, generally available information has been defined as information that is accessible to public on a non-discriminatory platform such as stock exchange.

Among others, principle-based Code of Fair Disclosure and Code of Conduct has been prescribed.

Insider trading refers to dealing in securities after having access to unpublished price sensitive information and such practices provide unfair advantage to the entity who has privy to such details.

The latest norms have been prepared after taking into consideration recommendations of Sodhi panel and suggestions from various other quarters.

**RBI cuts repo rate by 25 basis points, adjusts reverse repo rate to 6.75%**

The Reserve Bank of India (RBI) has decided to cut the benchmark interest rate by 0.25 per cent to 7.75 per cent with a view to boost growth, encouraged by softening inflation.

The RBI has been keeping the benchmark interest rate at elevated level at 8 per cent since January 2014.
The RBI, however, has decided to keep the cash reserve ratio (CRR), the portion of deposits which the banks are required to have in cash with the central bank, unchanged at 4.0 per cent.

Following reduction in the repo rate, the reverse repo rate has been adjusted to 6.75 per cent and the marginal standing facility (MSF) rate and Bank Rate to 8.75 per cent.

Key terms:

- **Cash reserve Ratio (CRR)** is the amount of funds that the banks have to keep with the RBI. If the central bank decides to increase the CRR, the available amount with the banks comes down. The RBI uses the CRR to drain out excessive money from the system.

- **Reverse Repo rate** is the rate at which the RBI borrows money from commercial banks. An increase in reverse repo rate can prompt banks to park more funds with the RBI to earn higher returns on idle cash. It is also a tool which can be used by the RBI to drain excess money out of the banking system.

- **Repo Rate** is the rate at which the RBI lends money to commercial banks. It is an instrument of monetary policy. Whenever banks have any shortage of funds they can borrow from the RBI. A reduction in the repo rate helps banks get money at a cheaper rate and vice versa. The repo rate in India is similar to the discount rate in the US.

**JBIC Survey Ranks India as No. 1 Destination for Future Investments**

- India has been ranked as the No.1 destination for future investments followed by Indonesia (ranked No.2) and China (ranked No.3) by a survey conducted by Japan Bank for International Cooperation (JBIC).Japan Bank for International Cooperation (JBIC) had conducted a survey of 1000 companies for Japanese manufacturing sector.

Quick facts:

- In October 2014, the number of Japanese companies in India had reached 1209, which is 13% higher over the same period last year with a CAGR of 13.67% (for the last five years (2010 to 2014)).

- Some Japanese companies are seriously contemplating their future investment plans in India amounting to about Rs 75,000 crores (approx. US$12 billion) in next 2-3 years.

- During the period June 2014 to September 2014, FDI inflow from Japan amounted to US$ 618 million against US$ 273 million for the corresponding period in 2013. FDI inflow of US$103.14 million took place in October 2014.

Recent initiatives by GOI:

- The Government has set up Japan Plus, a special management team, to facilitate Japanese investors. The team is actively interacting with Japanese companies and handholding them through various approval processes, as and when required.
• Also, the issues related to the State Government of Rajasthan concerning Sojitz, working for Dedicated Freight Corridor (DFC), has been resolved.

• One of the mandates of Japan Plus is to help develop Japanese Integrated Industrial Parks. For this, discussions are going on with Japanese companies and the State Governments concerned.

**Japan Plus:**

• It is a special management team set up by DIPP to facilitate and fast track investment proposals from Japan.

**Composition of the Team:**

• The team will comprise representatives from Government of India and METI (Ministry of Economy, Trade and Industry), Government of Japan.

**Functions:**

• The mandate of the “Japan Plus” team runs through the entire spectrum of investment promotion – research, outreach, promotion, facilitation and aftercare.

• The team will support the Government of India in initiating, attracting, facilitating, fast tracking and handholding Japanese investments across sectors.

• The team will also be responsible for providing updated information on investment opportunities across sectors, in specific projects and in industrial corridors in particular.

• In addition, the “Japan Plus” team will identify prospective Japanese companies, including, Small and Medium Enterprises (SMEs) and facilitate their investments in India.

• The “Japan Plus” team will also provide assistance to DIPP in undertaking regular benchmarking studies, identifying bottlenecks and areas of concern in sectors of interest to Japanese companies, and analyzing their impact on industrial development production in India.

**India and Japan:**

• Japan is the 4th largest FDI contributor to India, with major interests in pharmaceuticals, automobiles and services sectors and accounts for 7.46% of total FDI equity inflows into India. Over the last decade, the number of Japanese establishments in India have increased by 11 times, reflecting the positive sentiments of Japanese investors for Indian market.

**Govt. cuts petrol, diesel price; hikes excise duty**

• The fuel retailers have announced a Rs. 2.42 per litre cut in the price of petrol and Rs. 2.25 a litre in that of diesel.
• It is the ninth straight reduction in petrol prices since August, and fifth in diesel since October.

• The cuts were announced after global Brent slumped to nearly $45 a barrel.

• A $1bn reduction in global crude reduces India’s trade deficit by $900 million annually.

GOI’s move and its effects:

• The Centre notified a Rs. 2 per litre hike in the excise duty on both, reducing the benefit for consumers.

• Retail prices of diesel and petrol have not kept pace with the 50-per cent fall in global crude since June 2014.

• The Centre, Finance Ministry estimates, will raise Rs. 20,000 crore additional revenue this fiscal year on account of the hikes, helping it keep its fiscal deficit within the Budget target of 4.1 per cent of GDP at a time tax revenues are falling short.

• The government has deregulated petrol and diesel (partially) prices in India

**Excise Duty is an indirect tax levied and collected on the goods manufactured in India. Generally, manufacturer of goods is responsible to pay duty to the Government.**

**Kasturirangan report: subcommittee to give priority to people’s concerns**

• The Karnataka State government had formed a cabinet subcommittee to look into the Kasturirangan report. People living on the borders of the Western Ghats were apprehensive that all development and agricultural activities might come to a standstill due to the Kasturirangan report.

• The state government has assured that report on the panel’s recommendations will take the concerns of the people into consideration and will give a pro-people report.

• The State government will submit its response to the Kasturirangan Committee Report on ecologically sensitive area (ESA) zones of the Western Ghats. It is for the Union government either to accept or reject the response.

**Kasturirangan Report:**

• The Kasturirangan panel was set up to study the Gadgil committee report on the Western Ghats. The Gadgil panel report had faced unanimous opposition from state governments for recommending that almost three-fourth of the hills, including plantations, cultivated lands and large habitations, be turned into a restricted development zone with an overarching authority to regulate the region superseding the elected authorities’ role.

**Recommendations made by the Kasturirangan panel:**
Around 60,000 sq km of Western Ghats, spread across six states, should be turned into a no-go area for commercial activities like mining, thermal power plants, polluting industries and large housing plans.

It has suggested that 90% of the natural forests left in the Western Ghats complex – adding upto 60,000 sq km and constituting 37% of the entire hilly belt — be conserved under the Ecologically Sensitive Area (ESA) provisions of the green law. The forest area falling within the ESA would also cover 4,156 villages across the six states. The villages falling under ESA will be involved in decision making on the future projects. All projects will require prior-informed consent and no-objection from the gram sabha (village council) of the village.

The panel has recommended that there should be a complete ban on mining activity in this zone and current mining activities should be phased out within five years, or at the time of expiry of the mining lease.

It has banned development of any township or construction over the size of 20,000 sq m in the ESA zone. It has not recommended a ban on hydroelectric projects in the zone, but put a regime of stricter clearances for dams and other projects.

The report suggests doing away with the complete moratorium on industrial and mining activity in the two Maharashtra districts of Sindhudurg and Ratnagiri. It has suggested persisting with the ban only on the area of the two districts falling within the ESA and a strict regulation in the rest.

The report has steered clear from demanding a strict ecological control over the Western Ghat complex requiring changes and regulations on agricultural practices the way Gadgil committee report had suggested.

**EZC meet focuses on internal security, developmental issues**

The 21st Eastern Zonal Council Meeting was held recently in Patna.

Union Home Minister has assured all possible assistance to four eastern states – Bihar, Jharkhand, Odisha, West Bengal – for enhancing internal security, and emphasised the need for better coordination between state and central agencies to combat Maoists.

Apart from naxalism, the meet also took up issues related to the modernisation of police, border disputes, road connectivity, railway projects, water management, flood control measures, food problems, rural housing, and central allocation of resources for developmental activities.

The Council also took up issues related to release of water by West Bengal for Upper Mahananda irrigation project in Bihar.

The EZC met after a gap of around two years and reviewed the progress of the implementation of the recommendations made at its last meeting at Kolkata in 2013.

Zonal councils:
• Zonal councils have been established by the Parliament to promote interstate cooperation and coordination. Zonal councils are statutory bodies established under the States Reorganisation Act 1956 and not constitutional bodies.

• The idea of creation of Zonal Councils was mooted by the first Prime Minister of India, Pandit Jawahar Lal Nehru in 1956 when during the course of debate on the report of the States Re-organisation Commission, he suggested that the States proposed to be reorganised may be grouped into four or five zones having an Advisory Council ‘to develop the habit of cooperative working’ among these States.

• They are only deliberative and advisory bodies.

COMPOSITION OF ZONAL COUNCILS:

• There are 5 five Zonal councils namely:

  • The Northern Zonal Council, comprising the States of Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, National Capital Territory of Delhi and Union Territory of Chandigarh;

  • The Central Zonal Council, comprising the States of Chhattisgarh, Uttarakhand, Uttar Pradesh and Madhya Pradesh;

  • The Eastern Zonal Council, comprising the States of Bihar, Jharkhand, Orissa, and West Bengal;

  • The Western Zonal Council, comprising the States of Goa, Gujarat, Maharashtra and the Union Territories of Daman & Diu and Dadra & Nagar Haveli; and

  • The Southern Zonal Council, comprising the States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and the Union Territory of Puducherry.

• The North Eastern States i.e. (i) Assam (ii) Arunachal Pradesh (iii) Manipur (iv) Tripura (v) Mizoram (vi) Meghalaya (vii) Sikkim and (viii) Nagaland are not included in the Zonal Councils and their special problems are looked after by the North Eastern Council, set up under the North Eastern Council Act, 1972.

ORGANISATIONAL STRUCTURE OF ZONAL COUNCILS:

• Chairman – The Union Home Minister is the Chairman of each of these Councils.

• Vice Chairman – The Chief Ministers of the States included in each zone act as Vice-Chairman of the Zonal Council for that zone by rotation, each holding office for a period of one year at a time.

• Members- Chief Minister and two other Ministers as nominated by the Governor from each of the States and two members from Union Territories included in the zone.

• Advisers- One person nominated by the Planning Commission for each of the Zonal Councils, Chief Secretaries and another officer/Development Commissioner nominated by each of the States included in the Zone.
• Union Ministers are also invited to participate in the meetings of Zonal Councils depending upon necessity.

The main objectives of setting up of Zonal Councils are:

• Bringing out national integration;

• Arresting the growth of acute State consciousness, regionalism, linguism and particularistic tendencies;

• Enabling the Centre and the States to co-operate and exchange ideas and experiences; and

• Establishing a climate of co-operation amongst the States for successful and speedy execution of development projects.

• A Zonal Council may discuss, and make recommendations with regard to:

  • any matter of common interest in the field of economic and social planning;
  
  • any matter concerning border disputes, linguistic minorities or inter-State transport; and
  
  • any matter connected with, or arising out of, the re-organisation of the States under the States Reorganisation Act.

Fiscal autonomy of Local Self-Governments is at stake

• Kerala State Finance Commission has said that the present system of devolving funds to local governments would be abolished on April 1 and substituted with a bill system under which funds would be released only against fully vouched contingent bills furnished by the drawing officers in the treasury. No further allocation would be made to LSGIs after the funds they hold at present get exhausted.

Why this move?

• It is a measure to tackle the mounting revenue deficit. The state government has said that the fund devolution mode in vogue is not a welcome trend in the present Ways and Means situation of the government and should be urgently modified to address the financial crisis.

Impact:

• Local self-government institutions (LSGIs) are likely to lose their fiscal and administrative autonomy and be reduced to the status of government departments.

• The proposed reform is likely to reduce local governments to an appendage of the government. This would render the State Finance Commission and its recommendations in apportioning funds too redundant.
• Local bodies would also be deprived of the leeway to carry over unspent funds to the next financial year.

• This would deplete the financial and administrative powers of local governments and would run contrary to the concept of devolving powers to the grassroots level.

• Local governments would have to work out only annual projects and need not have to plan beyond a year. If the government imposed curbs on treasury payments, it would definitely have a bearing on the bill clearing process and civic bodies would have to endlessly wait for payments.

What the Constitution says (73rd constitutional amendment act)?

• The Act has ensured constitution of a State Finance Commission in every State/UT, for every five years, to suggest measures to strengthen finances of panchayati raj institutions.

• The Constitution visualises panchayats as institutions of self-governance. However, giving due consideration to the federal structure of our polity, most of the financial powers and authorities to be endowed on panchayats have been left at the discretion of concerned state legislatures.

Supreme Court ruling limits life of ordinances

• The government would be courting legal trouble if it attempts to re-promulgate the ordinances. The government had recently promulgated some ordinances.

SC’s views:

• In 1986, the Supreme Court judgment in D.C. Wadhwa versus State of Bihar declared that it was the “constitutional duty” of the public to approach the court against re-promulgation of ordinances in a massive scale as a routine measure.

• The apex court held “the power to promulgate an ordinance is essentially a power to be used to meet an extraordinary situation and cannot be allowed to be ‘perverted to serve political ends’.”

• The judgment held that the apex court can adjudicate if the re-promulagation subverted “the democratic process which lies at the core of our constitutional scheme and subjected people to be governed not by the laws made by the legislature as provided in the Constitution but by laws made by the Executive”.

Impact:

• This may undermine the government’s surge for an investment-friendly atmosphere. Few investors would like to gamble on such shaky grounds, banking their hopes on the continued survival of the government’s ordinances.

Ordinance:
• Ordinances are temporary laws which can be issued by the President when Parliament is not in session.

• Ordinances are issued by the President based on the advice of the Union Cabinet.

• The President has been empowered to promulgate Ordinances based on the advice of the central government under Article 123 of the Constitution.

• This legislative power is available to the President only when either of the two Houses of Parliament is not in session to enact laws.

• Additionally, the President cannot promulgate an Ordinance unless he ‘is satisfied’ that there are circumstances that require taking ‘immediate action’.

• The purpose of Ordinances is to allow governments to take immediate legislative action if circumstances make it necessary to do so at a time when Parliament is not in session.

Approval by the Parliament:

• Ordinances must be approved by Parliament within six weeks of reassembling or they shall cease to operate. They also cease to operate in case resolutions disapproving the Ordinance are passed by both Houses.

Why are they issued?

• Often, ordinances are used by governments to pass legislation which is currently pending in Parliament.

• Governments also take the Ordinance route to address matters of public concern as was the case with the Criminal Law (Amendment) Ordinance, 2013, which was issued in response to the protests surrounding the Delhi gang rape incident.

History of Ordinances:

• Ordinances were incorporated into the Constitution from Section 42 and 43 of the Government of India Act, 1935, which authorised the then Governor General to promulgate Ordinances ‘if circumstances exist which render it necessary for him to take immediate action’.

• Most democracies including Britain, the United States of America, Australia and Canada do not have provisions similar to that of Ordinances in the Indian Constitution. The reason for an absence of such a provision is because legislatures in these countries meet year long.

• Some Members of the Constituent Assembly emphasised that the Ordinance making power of the President was extraordinary and issuing of Ordinances could be interpreted as against constitutional morality.

• Sources: The Hindu, PIB, prsindia.org.
RS chaos may stymie joint session on ordinances

- The government has said that it would resort to all procedures, including a joint sitting of Parliament, to change a spate of ordinances into Acts of legislature. But it may run into some problems if the Rajya Sabha is stalled in the next session.

Article 108 of the Indian Constitution:

- Article 108 of the Constitution cites the three grounds for the President notifying a joint sitting. They are:
  1. If one House passes the Bill but the other rejects it.
  2. If one House passes the Bill, but six months elapse without the other House passing it after reception.
  3. When one House passes the Bill, but the other House passes it with certain amendments which the first House disagrees with and there is a deadlock.

What is the problem now?

- A precondition for a joint sitting is that a Bill, along with a statement of reasons for promulgating the ordinance, should have been first defeated in one of the Houses.
  1. If the motion does not come up and is not defeated, there is no chance of a joint session of Parliament.
  2. If no business is undertaken, there is no chance of a joint session being called and the ordinances will lapse.
  3. The Winter Session saw a paralysed Rajya Sabha unable to pass key Bills on insurance and coal mines cleared by the Lok Sabha.
  4. If so, the government has to repromulgate the ordinances. On the other hand, the government would be courting legal trouble if it attempts to re-promulgate the ordinances.

U.S. worried at ‘Make in India’ rule

- A cooperation agreement between India and the U.S. on “clean” or renewable energy has run into U.S. concerns over the government’s “Make in India” plan.
  1. The US officials brought up the worries over the government’s push for use of indigenous technology, calling it the new “make in India law”.

What is the issue:
• The U.S. administration is irked over the government’s announcement of a series of 1,000-MW grid-connected solar photovoltaic (PV) power projects that has a mandatory condition that all PV cells and modules used in solar plants set up under this scheme will be made in India.

• There is already an ongoing dispute at the World Trade Organisation, where the U.S. has complained against India over the Jawaharlal Nehru National Solar Mission’s domestic content requirement (DCR) for solar cells and solar modules in projects that it awards.

What has India said?

• India maintains that U.S. subsidies on solar products threaten Indian manufacturers, and the domestic solar industry has accused the U.S. of dumping cheap outdated technology on India.

• In 2014, India’s installed solar power capacity was at about 2,600 MW, and the increase to 100,000 MW (or 100 GW) will require an estimated $100 billion a year for the next five years for production and $50 billion a year for transmission and distribution costs, much of which is expected from the United States.

Pulse Polio Immunization Programme

• Pulse Polio Immunization Programme was launched on January 17th.

• The National Immunization Day was celebrated on 18th January, 2015.

• Around 174 million children under five years across the country will be administered polio drops as part of the polio eradication campaign as a part of Immunization Day.

• Children of less than 5 years age will be given polio drops as part of the Government of India’s drive to sustain polio eradication from the region.

Indian scenario:

• India has been implementing the Pulse Polio Programme since 1995.

• In India, the last case of wild polio was reported on January 13, 2011.

• The South-East Asia region of WHO has been certified on March 27, 2014 as ‘polio free’, meaning that transmission of wild poliovirus has been interrupted in this block of 11 countries including India, Bangladesh, Bhutan, Democratic People’s Republic of Korea, Indonesia, Maldives, Myanmar, Nepal, Sri Lanka, Thailand and Timor-Leste for the last three years.

• India is mindful of the risks that persist, both on account of indigenous transmission and importation. The risk of importation of wild polio virus from these countries with persistent ongoing transmission still persists and therefore high level of immunity in the population needs to be maintained.
The Government of India, therefore, continues to vaccinate children with polio vaccine on the occasion of National Immunization Day (NID) and Sub-NID.

**Pulse polio programme:**

- With the global initiative of eradication of polio in 1988 following World Health Assembly resolution in 1988, Pulse Polio Immunization programme was launched in India in 1995.
- Children in the age group of 0-5 years will be administered polio drops during National and Sub-national immunization rounds (in high risk areas) every year.
- The Pulse Polio Initiative was started with an objective of achieving hundred per cent coverage under Oral Polio Vaccine.
- It aimed to immunize children through improved social mobilization, plan mop-up operations in areas where poliovirus has almost disappeared and maintain high level of morale among the public.
- India’s battle with this crippling disease began in 1978, when Oral Polio Vaccine (OPV) was included in immunization schedule. To reach all eligible children in India, the vaccine was included in the nationwide Universal Immunization Program (UIP). By the year 1990, all districts in India were covered under UIP and that year >90% eligible children received OPV. The increased coverage led to a decline in number of polio cases.
- World Health Organisation (WHO) had removed India from the list of polio-endemic countries. On 27 March 2014, World Health Organization (WHO) declared India a polio free country with no case of disease being reported in last three years.

**Drug patent: Gilead prepares to appeal**

- The multinational pharmaceutical major, Gilead Sciences, has decided to appeal against the decision of the Indian Patent Office (IPO). IPO had rejected a patent application for its drug sofosbuvir. And this is likely to witness a long-drawn legal battle.

**Background:**

- The IPO had rejected Gilead’s patent application covering the metabolites of sofosbuvir, although the main patent application covering sofosbuvir is still pending.
- IPO had held the drug is a tweaked version of a known compound. **Section 3(d)** of the Indian Patents Act does not give patent protection to those compounds that are seen as tweaked versions of a known compound unless it shows greater therapeutic efficacy.

**What’s next?**

- Gilead will approach the Intellectual Property Appellate Board (IPAB) or file a writ petition in the Delhi High Court.
Hepatitis C and Sofosbuvir:

- **Sofosbuvir** is used to treat Hepatitis C, a viral infection affecting the liver. Left untreated, the infection can lead to liver cirrhosis or liver cancer and has a high mortality rate. The World Health Organisation estimates 150 million people globally are chronic Hepatitis C with the highest patient count being in China (29.7 million), India (18.2 million) and Egypt (11.8 million). Sofosbuvir with a 90 per cent cure rate, was introduced in the U.S. market in Nov. 2013. There was major opposition to this and Gilead last year entered into license agreements with seven large Indian generic companies to make the drug to sell it in 91 countries with a royalty payment.

Indian patent office:

- The Indian Patent Office is administered by the Office of the Controller General of Patents, Designs & Trade Marks (CGPDTM). The Office of the Patents, Designs and Trade Marks (CGPDTM) is a subordinate office **under the Department of Industrial Policy and Promotion**. The Controller General administers the working of the Patents Act, 1970, the Trade Marks Act, 1999, the Geographical Indications of Goods (Registration and Protection) Act, 1999 and the Designs Act, 2000 and also renders advise to the Government on matters relating to Intellectual Property Rights.

Indian patents Act:

- The Patents Act, 1970 came into force in the year 1972, amending and incorporating the existing laws relating to Patents and Designs act 1911 in India. Amendments (in 1999, 2002, 2005, 2006) were necessitated by India’s obligations under TRIPS, allowing product patents in drugs and chemicals.

Section 3(d):

- Section 3(d), as introduced in April 2005 into the Indian patent law, represents a unique requirement to be fulfilled for patentability of certain types of pharmaceutical inventions. According to Section 3(d), in order for a new form of a known substance to be patentable, it must show an enhanced efficacy with respect to the known efficacy of the substance concerned.

Criticism:

- The provision is disputed as being violative of TRIPS agreement not only on the ground that the provision does not provide any specific guidelines for incremental innovation but also lack the standard protection to all categories of inventions as provided by TRIPS.
- The term efficacy mentioned in the provision is not clearly defined. The Supreme Court defines the scope of the term efficacy as therapeutic efficacy. However the scope of the term is unclear as to what count as therapeutic efficacy. The court fails to give the rationale as to why subject matter lacks enhanced efficacy.
New censor board chief

- The government has put in place an entirely new censor board with producer Pahlaj Nihalani as its chairperson.

Censor Board:

- Central Board of Film Certification (CBFC)/Censor Board is a Statutory body under Ministry of Information and Broadcasting, regulating the public exhibition of films under the provisions of the Cinematograph Act 1952.

- Films can be publicly exhibited in India only after they have been certified by the Central Board of Film Certification.

Members: The Board, consists of non-official members and a Chairman (all of whom are appointed by Central Government) and functions with headquarters at Mumbai. It has nine Regional offices. The Regional Offices are assisted in the examination of films by Advisory Panels. The members of the panels are nominated by Central Government by drawing people from different walks of life for a period of two years.

At present films are certified under 4 categories:

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<td>Unrestricted Public Exhibition – but with a word of caution that Parental discretion required for children below 12</td>
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Over a billion live on less than $1.25 a day: Oxfam

- According to a report by Oxfam released on the eve of the Global Economic Forum opening, if wealth concentration grows at the present rate, in another two years the top one per cent of the global population will earn more than the remaining 99 per cent.

Important observations made by the report:

- Global wealth inequality has reached staggering proportions with 1 in 9 people not getting enough to eat and over a billion on less than $1.25 a day.

- Since 2010, the richest 1% of adults in the world have been increasing their share of total global wealth. In 2010, the richest 80 people in the world had a net wealth of $1.3tn. By 2014, the 80 people who top the Forbes rich list had a collective wealth of $1.9tn; an increase of $600bn in just 4 years, or 50 per cent in nominal terms.

- The poorest half of the world has seen an absolute decline in their share of the world’s wealth since 2010.
• It has said that 85 billionaires have the same wealth as the bottom half of the world’s population.

**Make in Northeast**

• The central government has announced “Make in Northeast” initiative beginning with a comprehensive tourism plan for the region.

• **Objective:** It will not only generate revenue for Northeast but also create job opportunities to prevent the exodus of youth which is presently taking place from the region to the rest of the country.

**Make in Northeast:**

• It is inspired by ‘Make in India’ concept.

• It will in the long run seek to promote exclusive Northeast expertise in areas like tea processing, organic farming, food processing, exploitation of wind power through wind mills, Ayush, wellness therapies like spas, etc.

• It will attract investments in the North East region.

• In order to develop Northeast as a destination for investors, holiday seekers and tourists mega circuit and mega destination projects of Tourism Ministry in the area will also be pursued.

**Other initiatives:**

• Recently the government had planned a 2015 Calendar for the Ministry of DoNER based on theme of Northeast festivals with each month displaying the traditional local festival of each region in that particular season. When circulated across the country, this annual calendar would serve as a document to introduce the tradition, culture and tourism of the region through one single document.

**Giant leap for big cat**

• Preliminary estimates in “Status of Tigers in India, 2014” show that there are 2,226 tigers in India, up 30 per cent from 1,706 in 2010. India now has 70% of the tiger population in the world.

**Details:**

• The **largest increase is recorded in the Western Ghats** Landscape complex — Kerala, Karnataka, Goa and Tamil Nadu — with 776 tigers (up from 402 in 2006).

• The Mudumalai-Bandipur-Nagarahole-Wayanad complex holds the world’s single largest tiger population currently estimated at over 570 tigers (in 11,000 sq.km of habitat).
Goa now has a persistent tiger presence with three to five animals.

However, the Sunderbans did not report an increase in the numbers because of a low prey base and other factors. Odisha reported a fall in number.

The population had increased at the rate of six per cent per annum in India from 2006 while the world lost 97 per cent tigers in the last 50 years in 13 countries. The main reasons for this increase were effective tackling of poaching, and the positive attitude of the wildlife services.

The latest round of assessment used state-of-the art technology of double sampling, using camera traps to estimate the assessment and distribution of tigers over 3,78,118 sq.km of forests in 47 reserves in 18 States. The only portions which were not scanned were some parts of the north-east and Jharkhand.

Periyar tiger reserve wins NTCA award

The Periyar Tiger Reserve in Kerala has bagged the National Tiger Conservation Authority biennial award for encouraging the local public participation in managing the reserve.

Developments in Periyar Tiger Reserve:

- It is spread over 925 Sq.km in Kerala.
- The reserve set up the Periyar Foundation in 2006 which was a model for other reserves in biodiversity conservation and community participation in managing natural resources. After this, the Wildlife Protection Act was amended so that each reserve would set up a Foundation.
- The community-based eco-tourism activities helped visitors and there were night scouting programmes with the help of expert trackers as well.
- Tourism was supplemented by pepper growing and marketing which was a value addition.
- Self-help groups were involved in honey processing and other income-generating activities.
- Of the 75 eco development committees, 15 were tribal and each had about 150 to 200 members. There were 19 different eco-tourism programmes apart from village eco-development programmes like bee-keeping.
- The committees also played a major role during the Sabarimala pilgrimage which involved a 23-km trek in the dense forests. Small shops were set up along the way and people helped in regulating the pilgrims and in waste management, removing 40 to 50 tonnes each season.
Odds of escaping poverty in India, U.S. same: WB

- The World Bank report, “Addressing inequality in South Asia,” has found that the probability of a poor person moving out of poverty in India in 2014 was as good as that in the U.S.

- Important observations made:

- The report has found that sons from Scheduled Caste and Scheduled Tribe households are no longer stuck in the jobs done by their fathers.

- Across generations, mobility of occupational profiles among Muslims has been similar to that of higher caste Hindus, whereas mobility among Scheduled Castes and Scheduled Tribes and Other Backward Classes has become higher than that of upper caste Hindus over time.

- The report shows that one of the main drivers of upward mobility is the increase in number of non-farm jobs in rural India.

- Between 2004-05 and 2009-10, 15 per cent of India’s population, or 40 per cent of the poor, moved above the poverty line. In the same period, a sizeable portion of the poor and the vulnerable — over 9 per cent of the total population or about 11 per cent of the poor and vulnerable — moved into the middle class.

H1N1: States told to be ready

- The Union Health Ministry has asked the States to ensure facilities for the diagnosis and treatment of H1N1 infection (swine flu). The Centre had urged the States to create awareness of flu symptoms, preventive measures, diagnostic facilities and treatment.

- The health departments have been asked to ensure sanitation and hygiene in public places. High-risk groups, which include those with low immunity, non-communicable diseases such as diabetes or serious ailments, have been advised to take precautions and report to the nearest hospital or diagnostic centre in case of symptoms.

Swine Flu:

- Swine Influenza (swine flu) is a respiratory disease of pigs caused by type A influenza viruses that causes regular outbreaks in pigs. H1N1 is a flu virus. When it was first detected in 2009, it was called “swine flu” because the virus was similar to those found in pigs.

- Transmission from Pigs to Humans: The H1N1 virus is currently a seasonal flu virus found in humans. Although it also circulates in pigs, one cannot get it by eating properly handled and cooked pork or pork products.

- In 2009, H1N1 was spreading fast around the world, so the World Health Organization called it a pandemic.
**Spread:**

- Swine flu is contagious, and it spreads in the same way as the seasonal flu.

- When people who have it cough or sneeze, they spray tiny drops of the virus into the air. If a person comes in contact with these drops or touch a surface that an infected person has recently touched, the person can catch H1N1 swine flu.

- Pregnant women who contract the H1N1 infection are at a greater risk of developing complications because of hormonal changes, physical changes and changes to their immune system to accommodate the growing foetus.

**India is world’s second most trusting nation: survey**

- Moving up the ranks, India has emerged as the second most trusted country in the world in terms of faith reposed on its institutions even as globally trust levels have fallen, says a survey.

- The study was conducted by public relations firm Edelman.

**Important findings:**

- Trust in institutions in India has improved sharply in 2015 with the country moving up three notches to the second place among 27 nations.

- While the number of “trustee” countries are at an all-time low of six in 2015 including UAE, India, China and Netherlands, the number of “distruster” countries has grown significantly to 13 including Japan, Russia, Hong Kong, South Africa and Italy.

- Brazil, Malaysia, France and the US are among the 8 “neutral” nations as per the trust index.

- According to the report, an “alarming evaporation of trust” has happened across all institutions, reaching the lows of the Great Recession in 2009.

- Trust in government, business, media and NGOs in the general population is below 50 per cent in two-thirds of countries, including the U.S., U.K. and Germany.

- From fifth most trusted in 2014, India has now become the second-most trusted in 2015 with a score of 79 per cent in the barometer.

- The list is topped by UAE with 84 per cent trust.

- Indonesia (78 per cent), China (75 per cent), Singapore (65 per cent) and Netherlands (64 per cent) are the others that have recorded highest levels of trust.
**EU lifts ban on Indian mangoes**

- The seven-month ban on Indian mangoes, imposed last year by the European Union, has been lifted well in advance of the deadline set for the ban, which was originally till December 2015.

- This has come after an audit by the EU which showed significant improvements in the phytosanitary export certification system.

**Why were they banned?**

- Shipments of mangoes from India had been stopped last year after inspections found some consignments infested with fruit flies.

**Other details:**

- The ban has been lifted only on mangoes. Ban on taro, bitter gourd, snake gourd and eggplant remains in force.

- The EU accounts for more than 50 per cent of total exports of fruits and vegetables from India. The U.K. is the main destination, followed by the Netherlands, Germany and Belgium.

- Small traders and importers of the fruit in the United Kingdom were hit last year due to the ban.

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**Will implement 13th Amendment within a unitary state: Ranil**

- The Sri Lankan PM has said that the Sri Lankan government will implement the 13th Amendment to its Constitution within a unitary state.

- Implementation of the 13th Amendment — born out of the Indo-Lanka Accord of 1987 — has remained a long-pending demand of the Tamil National Alliance (TNA), the main party representing the island’s Northern Tamils.

- The Amendment envisages substantive devolution of political powers to the provinces.

- **13th Amendment:**

  - The Thirteenth Amendment (13A) to the Constitution of Sri Lanka creates Provincial Councils in Sri Lanka. This also makes Sinhala and Tamil as the official language of the country and English as link language.

  - It is based on the Indo-Sri Lanka Peace Accord. It was an accord signed in Colombo on 29 July, 1987, between Indian Prime Minister Rajiv Gandhi and Sri Lankan President J. R. Jayewardene.

  - The accord was expected to resolve the ongoing Sri Lankan civil war. Under the terms of the agreement, Colombo agreed to devolution of power to the provinces, the Sri Lankan
troops were to be withdrawn to their barracks in the north and the Tamil rebels were to surrender their arms.

Housing for All

- Prime Minister recently chaired a review meeting on the goal of “Housing for All” by 2022. The meeting was to finalise the contours of the Housing for All Mission, which is one of the priority commitments of the Government.

Background:

- The programme was mentioned in the President’s Address to Parliament in June 2014 where he said “By the time the nation completes 75 years of its Independence, every family will have a pucca house with water connection, toilet facilities, 24×7 electricity supply and access.”

- The same commitment was made in the Budget for 2014-15 where the Finance Minister had announced Housing for All programme. The Finance Minister had said “Our government is committed to endeavour to have housing for all by 2022.

Program details:

- The programme proposes to build 2 crore houses across the nation by 2022. This would cover both slum housing and affordable housing for weaker sections. It will cover urban poor living in slums, urban homeless and new migrants to urban areas in search of shelter. It would cover metros, small towns and all urban areas.

- The programme would begin with a baseline survey to assess the demand for such housing and identify resource requirements. The houses that need to be built are over 6 lakhs in Delhi, 16 lakhs in Mumbai, 4 lakhs in Chennai and 4 lakhs in Kolkata. These figures may go up after the demand assessment is completed.

- The Programme involves an urban reform component to generate the resources and capacities for urban housing, a set of guidelines, an element of government support and a significant contribution from beneficiaries, in addition to bank financing. A large portion of the programme is to be financed in a PPP mode by leveraging land and other resources in urban areas. A large number of process improvements and policy changes are also inherent in the programme.

- First priority under the new scheme is being given to towns and cities along the banks of the River Ganga and its tributaries.

NDRF Celebrates 10th Raising Day

- The National Disaster Response Force (NDRF) celebrated its 10th Raising Day recently. NDRF personnel have done commendable jobs in different disasters by rescuing
people in distress like J&K Floods, floods in Assam and Meghalaya, landslide in Malin gaon and at other places.

NDRF:

- The Disaster Management Act has made the **statutory provisions** for constitution of National Disaster Response Force (NDRF) for the purpose of specialized response to natural and man-made disasters.

- Two national calamities in quick succession in the form of Orissa Super Cyclone (1999) and Gujarat Earthquake (2001) brought about the realization of the need of having a specialist response mechanism at National Level to effectively respond to disasters. This realization led to the enactment of the DM Act on 26 Dec 2005.

- NDRF has been proving its importance by highly skilled rescue and relief operations, regular and intensive training and re-training, capacity building & familiarization exercises within the area of responsibility, carrying out mock drills and joint exercises with the various stakeholders.

- Vision of NDRF is to emerge as the most visible and vibrant multi-disciplinary, multi-skilled, high-tech force capable to deal with all types of natural as well as manmade disasters and to mitigate the effects of disasters.

**ROLE AND MANDATE OF NDRF:**

- Specialized response during disasters
- Proactive deployment during impending disaster situations
- Acquire and continually upgrade its own training and skills
- Liaison, Reconnaissance, Rehearsals and Mock Drills
- Impart basic and operational level training to State Response Forces (Police, Civil Defence and Home Guards)
- Community Capacity Building Programme
- Public Awareness Campaign
- Exhibitions : Posters, Pamphlets, literatures
- Why it is said to be UNIQUE?
- It is the only dedicated disaster response force of the world.
- The only agency with comprehensive response capabilities having multi-disciplinary and multi-skilled, high-tech, stand alone nature.
- Experienced paramilitary personnel specially trained and equipped for disaster response.
• Capabilities for undertaking disaster response, prevention, mitigation and capacity building.

• Sources: PIB, ndrfandcd.gov.in.

Heritage City Development Scheme (HRIDAY) launched

• The National Heritage Development and Augmentation Yojana (HRIDAY) was recently launched.

• Aim: It seeks to preserve and rejuvenate the rich cultural heritage of the country.

Details:

• It is a Rs. 500-crore project for reviving the heritage of 12 cities including Varanasi, Mathura, Gaya, Dwarka and Puri.

• HRIDAY seeks to promote an integrated, inclusive and sustainable development of heritage sites, focusing not just on maintenance of monuments but on advancement of the entire ecosystem including its citizens, tourists and local businesses.

• With 32 UNESCO recognized natural and cultural heritage sites, ranking second in Asia and fifth in the world, the tourism potential of the country is still to be fully harnessed and the new scheme will help in this regard.

• Central government will meet the entire expenditure under the scheme. But, the states and local urban bodies are requested to supplement their resources for rapid development of heritage cities.

• The project will work through a partnership of Government, Academic Institutions and local community combining affordable technologies.

• The 12 cities selected for the scheme are Ajmer, Amritsar, Amravati, Badami, Dwarka, Gaya, Warangal, Puri, Kanchipuram, Mathura, Varanasi and Velankanni.

Petrol costs more than ATF in India

• Recent findings show that petrol in India costs more than the superior jet fuel, Aviation Turbine Fuel (ATF) used in aeroplanes, as the government has levied a record excise duty on the fuel used in two-wheelers and cars.

• Traditionally, petrol being of lesser quality than ATF, would cost less. But four consecutive excise duty hikes in three months have reversed this.

Present scenario:
Petrol in Delhi costs Rs 58.91 per litre. On the other hand, Aviation Turbine Fuel (ATF), which has a higher octane than petrol and is a heavier fraction in the distillation process, is priced at Rs 52.42 a litre.

After four duty hikes totalling Rs 7.75 per litre, petrol now attracts highest ever excise rate of Rs 16.95 per litre.

In nine cuts, petrol price has been reduced by a cumulative Rs 14.69 per litre. This reduction would have been higher but for the excise duty hikes – first by Rs 1.50 on November 12, then by Rs 2.25 on December 2 and Rs 2 each on January 2 and January 16.

Background:

According to data available from Petroleum Ministry, excise duty on petrol was Rs 10.53 per litre in April 2002 when the fuel was first deregulated or freed. This rose to Rs 14.59 by May 2005 by when government control was back in place.

The fuel was again deregulated in June 2010 and since then retail rates have more or less moved in tandem with international trends. Since August, the retail rates have been on the decline as global oil prices slumped to multi-year lows.

Why the government has raised Excise duty?

Government raised excise duty to meet its budgetary deficit.

It had collected Rs 94,164 crore, or 52 per cent of the total excise collections, from duty on petroleum products. The excise duty hike will give the government at least Rs 18,000 crore more this fiscal year.

About Diesel:

On diesel, excise duty was Rs 2.85 a litre in April 2002 which rose to Rs 4.74 in March 2008 before dipping to Rs 2.06.

It now stands at Rs 9.96 per litre, the highest ever.

The fuel was deregulated in October and has seen five retail price cuts totalling Rs 10.71 a litre.

Diesel currently costs Rs 48.26, the lowest since April 2013.

Petrol in April 2002 was priced at Rs 26.54 a litre while diesel cost was Rs 16.59 per litre.

The excise duty is made up of basic duty of Rs 8.95, special excise duty of Rs 6 and additional excise duty of Rs 2 per litre. ATF attracts an excise duty of 8 per cent.
Haemorrhagic fever alert sounded

- The Health Ministry has sounded an alert in Gujarat and Rajasthan of a possible Crimean-Congo Haemorrhagic Fever (CCHF) outbreak. This comes in the wake of medical officials in Jodhpur reporting high grade fever in five functionaries working in a private hospital.

Crimean-Congo haemorrhagic fever:

- Crimean-Congo hemorrhagic fever (CCHF) is caused by infection with a tick-borne virus (Nairovirus) in the family Bunyaviridae. The disease was first characterized in the Crimea in 1944 and given the name Crimean hemorrhagic fever. It was then later recognized in 1969 as the cause of illness in the Congo, thus resulting in the current name of the disease.

- The hosts of the CCHF virus include a wide range of wild and domestic animals such as cattle, sheep and goats. Many birds are resistant to infection, but ostriches are susceptible and may show a high prevalence of infection in endemic areas, where they have been at the origin of human cases.

Transmission:

- The CCHF virus is transmitted to people either by tick bites or through contact with infected animal blood or tissues during and immediately after slaughter.

- The majority of cases have occurred in people involved in the livestock industry, such as agricultural workers, slaughterhouse workers and veterinarians.

- Human-to-human transmission can occur resulting from close contact with the blood, secretions, organs or other bodily fluids of infected persons.

- Hospital-acquired infections can also occur due to improper sterilization of medical equipment, reuse of needles and contamination of medical supplies.

Signs and symptoms:

- Onset of symptoms is sudden, with fever, myalgia, (muscle ache), dizziness, neck pain and stiffness, backache, headache, sore eyes and photophobia (sensitivity to light).

- There may be nausea, vomiting, diarrhoea, abdominal pain and sore throat early on, followed by sharp mood swings and confusion. After two to four days, the agitation may be replaced by sleepiness, depression and lassitude, and the abdominal pain may localize to the upper right quadrant, with detectable hepatomegaly (liver enlargement).

Treatment:

- The antiviral drug ribavirin has been used to treat CCHF infection with apparent benefit. Both oral and intravenous formulations seem to be effective.
**National Bravery Awards 2014**

- 24 children between the age 8 and 17 have been selected from all across the country for the prestigious National Bravery Award 2014. Four of these awards will be conferred posthumously.

**About the Award:**

- The National Bravery Award Scheme was **initiated by the Indian Council for Children Welfare** to give due recognition to the children who distinguish themselves by performing outstanding deeds of bravery and meritorious service and to inspire other children to emulate their examples. These are the awards given annually for “meritorious acts of bravery against all odds”. The award was instituted in 1957.

- The National Bravery Award consists of 5 categories and they are:
  - The Bharat Award
  - The Sanjay Chopra Award
  - The Geeta Chopra Award
  - The Bapu Gaidhani Award
  - General National Bravery Awards

- The Bharat Award winner gets a gold medal, while the rest get a silver medal.

**Benefits:**

- The awardees will be granted financial assistance until they complete their schooling.
- Some State Governments also provide financial assistance to them.
- ICCW provides financial assistance under its Indira Gandhi Scholarship Scheme to those undertaking professional courses such as engineering and medicine. For others, this assistance is provided till they complete their graduation.
- The Government of India has reserved some seats for the awardees in medical and engineering colleges and polytechnics.

**Appointment Of Jammu & Kashmir Chief Justice**

- The President has appointed Shri Justice Narayanan Nadar Paul Vasanthakumar, Judge of the Madras High Court as the new Chief Justice of J&K High Court.

**Chief Justice of J&K:**
The president of India appoints Chief Justice of J&K High Court in exercise of the powers conferred by section 95 of the constitution of Jammu and Kashmir.

How J&K High Court is different from other High Courts?

- The **constitution of J&K** establishes a High Court consisting of a Chief Justice and 2 or more other judges.
- The High Court of J&K can issue writs **only for the enforcement of Fundamental Rights and not for any other purpose**.
- Sources: PIB, Laxmikanth.

**Sukanya Samruddhi account scheme**

- The Prime Minister recently launched a **small deposit scheme for girl child**, as part of the ‘Beti Bachao Beti Padhao’ campaign. The scheme primarily ensures equitable share to a girl child in resources and savings of a family in which she is generally discriminated as against a male child.

Details of the Scheme:

- ‘Sukanya Samridhi Account’ can be opened at any time from the birth of a girl child till she attains the age of 10 years, with a minimum deposit of Rs 1000. A maximum of Rs 1.5 lakh can be deposited during the financial year.
- The account can be opened in any post office or authorised branches of commercial banks.
- The deposit will fetch an interest rate of 9.1 per cent and provide income tax rebate.
- The account will remain operative for 21 years from the date of opening of the account or marriage of the girl child after attaining 18 years of age. The provision of not allowing withdrawal from the account till the age of 18 has been kept to prevent early marriage of girls.
- To meet the requirement of higher education expenses, partial withdrawal of 50 per cent of the balance would be allowed after the girl child has attended 18 years of age.

About Beti Bachao, Beti Padhao Campaign:

- Beti Bachao, Beti Padhao Andolanscheme is for survival, protection & education of the girl child. It will help in generating awareness and improving the efficiency of delivery of welfare services meant for women.
- It is set up with an initial corpus of Rs 100 crore.
• **Aim:** It aims to address the issue of declining Child Sex Ratio (CSR) through a mass campaign across the country targeted at changing societal mindsets & creating awareness about the criticality of the issue.

**Implementation:**

• A 100 critical low CSR districts in all States and UTs have been identified for focused and convergent action by the Ministries.

• It is a joint initiative of Ministry of Women and Child Development, Ministry of Health and Family Welfare and Ministry of Human Resource Development.

• All forms of media and social media platforms would be used for this.

• The key to the success of the initiatives would lie with the communities, States, Panchayats and the local self-Government.

**Panel for fewer TPDS beneficiaries**

• High Level Committee (HCL) on restructuring of Food Corporation of India (FCI) has submitted its report to the Government.

• The committee was set up by the Government on 20th August, 2014 under the chairmanship of Shanta Kumar.

• The major issue before the Committee was how to make the entire food grain management system more efficient by reorienting the role of FCI in MSP operations, procurement, storage and distribution of grains under Targeted Public Distribution System (TPDS).

**Major recommendations made by the Committee:**

• The committee has suggested cuts in the number of TPDS beneficiaries, outsourcing of foodgrain storage, an open-ended procurement system and entry of private players into bulk handling of food grains.

• It has recommended that the government “re-visit” the UPA’s National Food Security Act as well as the regime for minimum support price to farmers for the foodgrain procured from them for the Targeted Public Distribution System.

• It has suggested that TPDS beneficiaries be reduced to 40 per cent from the current 67 per cent and the rationed grains be priced at 50 per cent of the minimum support price paid to farmers.

• Each beneficiary should be given 7 kg of grain instead of 5 kg under the Act, and cash transfers be introduced in a phased manner. It is estimated that this will reduce the foodgrain requirement under TPDS from 61.4 million tonnes to about 40 million tonnes.
• The panel wants the FCI to hand over the procurement of wheat, paddy and rice to growing States such as Punjab, Haryana, Andhra Pradesh, Chhattisgarh, Madhya Pradesh and Odisha with the rider that they will not give bonuses to farmers over and above the MSP determined by the Centre.

• The surplus States must procure for deficit States. The States must also contain the taxes and statutory levies at three per cent of the MSP from the current two to 14.2 per cent in Punjab. This would mean a cut in the revenues of the procuring States as well as in the income of middlemen.

• FCI was set up in 1965 (under the Food Corporation Act, 1964) against the backdrop of major shortage of grains, especially wheat, in the country. Imports of wheat under PL-480 were as high as 6-7 MMT, when country ´s wheat production hovered around 10-12 MMT, and country did not have enough foreign exchange to buy that much quantity of wheat from global markets. Self-sufficiency in grains was the most pressing objective, and keeping that in mind high yielding seeds of wheat were imported from Mexico. Agricultural Prices Commission was created in 1965 to recommend remunerative prices to farmers, and FCI was mandated with three basic objectives: (1) to provide effective price support to farmers; (2) to procure and supply grains to PDS for distributing subsidized staples to economically vulnerable sections of society; and (3) keep a strategic reserve to stabilize markets for basic foodgrains.

Joint Declaration

• India and United States have signed a Joint Declaration of Intent for cooperation in the field of Information & Communications Technology and Electronics (ICTE).

Details:

• This Joint Declaration of intent made for a period of next five years would help in strengthening industrial, technological, research & innovation and economic cooperation between India and U.S. in the ICTE sector.

• It would also lead to US companies exploring opportunities for collaboration in India’s ambitious Digital India programme, Electronics manufacturing,cyber security and Human Resource Development, through cooperation among private and public entities in a focused manner under the umbrella of the ongoing India-US ICT Dialogue.

Undertaking a must to contest BCCI elections

• The Supreme Court has recently ruled that BCCI members with commercial interest in BCCI-organised events — including the IPL — are not eligible to contest the BCCI elections. And the candidates will have to give an undertaking to that effect to the BCCI.

• Elections are to be held for the post of principal office-bearers (president, secretary, jt. secretary and treasurer) and five vice-presidents.
Eligibility rules:

- The BCCI by-laws specify eligibility rules for members wanting to contest elections.

- Past or present office-bearers or vice-presidents, except the president or a member who has represented his association at two Annual General Meetings (AGMs), can contest for the post of office-bearer (secretary, jt. Secretary and vice-president).

- The president must be a past or present office-bearer or vice-president of the Board nominated by at least two full members from the zone, whose turn it is as per the principle of rotation.

- He must have attended two AGMs representing a full member.

- The BCCI’s rules also say that such candidate or candidates (for the post of president) need not be from the same zone that is exercising its right of nomination by rotation.

- According to the by-laws of the BCCI, the office-bearers and vice-presidents who get elected at the next AGM will have tenure of three years.

**THE NUCLEAR DEAL**

- The second summit, between the PM of India and President of the US, was marked by a renewed 10-year defence partnership and the much-anticipated nuclear breakthrough.

Defence cooperation:

- India and the U.S. have agreed to extend the Defence Cooperation Agreement and identified four projects under the Defence Technology Trade Initiative (DTTI) for joint production and development and exploring cooperation for jet engines and aircraft carrier systems.

- The projects identified under the DTTI include next-generation Raven mini-unmanned aerial vehicles (UAVs), roll-on, roll-off intelligence kits for C-130 transport aircraft and mobile electric hybrid power source.

- The agreement would help upgrade the country’s domestic defence industry and expand the manufacturing sector in India. The agreement would guide the bilateral defence cooperation for the next 10 years.

- **DTTI is an initiative which is within the defence framework. The significant project under DTTI is the plans for joint development and production of next generation Raven Mini UAVs, a device which the Indian Army was eyeing. If the joint manufacturing of the UAV happens, then India would be able to get a slice of the multi-billion order book for the world’s most advanced hand-launched drone.**

Nuclear cooperation:
• The breakthrough on the nuclear deal – 10 years after the agreement was negotiated and six years after it was signed – paves the way for American companies to set up civil nuclear reactors, which India hopes will contribute to its energy security.

• Both the leaders claimed to have broken the logjam over the Indo-US nuclear deal – after overcoming key hurdles related to the liability of suppliers of nuclear reactors in the event of an accident and tracking of fuel supplied by the US.

• A nuclear risk management fund, worth Rs 1,500 crore, will be created to cover operators and suppliers. This will be led by five Indian public-sector insurance firms, which will together contribute Rs 750 crore to the pool (the rest will be provided by the government).

• It is almost ten years since the civil nuclear agreement between India and the US was discussed and over seven years since the final agreement was signed. The civil liability for nuclear damage act passed in 2010 had been the major reason why the deal was not moved forward.

PM Relief Fund

• A reply to RTI application shows that Collections for the Prime Minister's National Relief Fund (PMNRF) in this financial year might be the highest since 2004-05.

• From April 1 to December 31, 2014, the fund got Rs 316 crore, making it a monthly average of Rs 35 crore.

PMNRF:

• In pursuance of an appeal by the then Prime Minister, Pt. Jawaharlal Nehru in January, 1948, the Prime Minister’s National Relief Fund (PMNRF) was established with public contributions to assist displaced persons from Pakistan.

• The resources of the PMNRF are now utilized primarily to render immediate relief to families of those killed in natural calamities like floods, cyclones and earthquakes, etc. and to the victims of the major accidents and riots.

• Assistance from PMNRF is also rendered, to partially defray the expenses for medical treatment like heart surgeries, kidney transplantation, cancer treatment, etc.

Some facts:

• The fund consists entirely of public contributions and does not get any budgetary support.

• The corpus of the fund is invested with banks in fixed deposits.

• Disbursements are made with the approval of the Prime Minister.

• PMNRF has not been constituted by the Parliament.
The fund is recognized as a Trust under the Income Tax Act and the same is managed by Prime Minister or multiple delegates for national causes.

PMNRF is **exempt under Income Tax Act**.

**Prime Minister is the Chairman** of PMNRF and is assisted by Officers/Staff on honorary basis.

These contributions also **qualify as CSR** (corporate social responsibility) spend for companies, making it more attractive in terms of tax exemptions.

**Type of contributions accepted in PMNRF:**

- PMNRF **accepts only voluntary donations** by individuals and institutions.
- **Contributions flowing out of budgetary sources of Government** or from the balance sheets of the public sector undertakings are **not accepted**.
- At the time of natural calamity of devastating scale, Prime Minister, makes an appeal for donation to the fund.

**Revival:**

- In its effort to popularise the PMNRF, the PMO had in September 2014 asked the government departments to publicise the scheme of 100 per cent tax exemption for contributions to the PMNRF, to encourage donations.

**India-US Delhi Declaration of Friendship**

- An ‘India-US Delhi Declaration of Friendship’ was issued after the Modi-Obama meeting. The declaration attempts to define the contours of the India-US strategic partnership.
- The declaration said: “Chalein Saath Saath – forward together we go,”.

**Details of the Joint statement:**

- It laid stress on the importance of strengthening bilateral defence ties, creation of transparent and rules-based markets and cooperation on climate change.
- It included a commitment to strengthening maritime cooperation, by ensuring security and freedom of navigation in the contentious South China Sea.
- The joint statement also called for closer India-Japan-US trilateral dialogue at the level of their respective foreign ministers.
- The US has also promised to help India become a member of the Asia Pacific Economic Cooperation (Apec).
• The US also promised to help increase India’s voice and vote at international financial institutions like the World Bank and the International Monetary Fund.

• The joint statement identified Lashkar-e-Toiba, the Haqqani Network, D Company and Jaish-e-Mohammad among the terror outfits whose networks the two nations will take joint concerted efforts to disrupt. It also asked Pakistan to bring the perpetrators of the 26/11 Mumbai terrorist attack to justice.

• The two sides signed agreements for developing Ajmer, Allahabad and Visakhapatnam as smart cities. They also agreed for the need to scale up their cooperation in helping the former accurately forecast monsoon rainfall, vital for the country’s agriculture and economic growth.

Companies can collaborate with each other for CSR

• In a move that could benefit the corporate sector at large, the government has allowed companies to enter into collaboration with each other to engage in corporate social responsibility (CSR).

• A notification is issued by the Government to amend the CSR provision in the new Companies Act, allowing two companies to collaborate with each other on their own, or through their holding, subsidiary or associate companies. These two companies can form a trust, society or another third company for CSR work.

• The rules have permitted collaborative CSR efforts between unrelated entities, and this amendment would help operationalise that using a separate legal entity structure.

CSR:

• According to the Companies Act, 2013, any company with a net worth of Rs 500 crore or a turnover of Rs 1,000 crore or net profit of Rs 5 crore needs to spend at least 2% of its average net profit in the preceding three financial years on CSR activities.

• The company’s report of the Board of Directors attached to the financial statements is required to include an annual report on the CSR activities of the company. This would cover a brief outline of the CSR policy, the composition of the CSR Committee, the average net profit for the past three financial years and the prescribed CSR expenditure.

• If the company concerned fails to spend the specified amount on CSR, it has to specify the reasons for not spending in this report.

• CSR activities include spending on eradicating hunger, poverty and malnutrition, promoting preventive health care, education and gender equality, setting up homes for women, orphans and senior citizens, measures for reducing inequalities faced by socially and economically backward groups.

• It also includes spending on ensuring environmental sustainability and ecological balance, animal welfare, protection of national heritage and art and culture, measures for the benefit of armed forces veterans, war widows and their dependents, training to
promote rural, nationally recognised Paralympic or Olympic sports, contribution to the prime minister’s national relief fund or any other fund set up by the central government for socio economic development and relief and welfare of Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women.

- **Contribution to political parties is not a part of CSR** and only activities in India would be considered for computing such an expenditure.

**IT sector to raise totalisation pact**

- India’s information technology industry has planned raise non-conclusion of the totalization agreement, during the US president’s visit. A totalization agreement between the US and India has been a long-standing demand by the IT industry.

- **What is Totalization agreement?**

- Totalization agreements are a means of protecting the benefit rights of workers who divide their working career between two or more countries. They also help to eliminate situations in which workers or employers are required to pay Social Security taxes to two countries on the same earnings. In addition, totalization agreements **remove legal obstacles** that prevent a person who has earned benefits in one country from receiving those benefits while residing in the other country.

- It will allow Indian workers stationed in the US to bring back contributions they make to the US social security system on their return to India. Indian IT workers who are in the US for temporary work pay as much as $1 billion towards social security a year but don’t stay long enough to get the benefits.

- The US has totalisation agreements with 25 countries, including the UK, Australia, Japan and South Korea.


**Permanent commission for women hanging on fire**

- An appeal filed by the government against giving permanent commission to women in the Army is still pending and half-forgotten in the Supreme Court.

- **A permanent commission means a career in the Army till one retires. A permanent commission also entitles 20 years of service and a pension. Women are inducted into the Army as officers under Short Service Commission for a maximum period of 14 years, whereas their male counterparts are eligible to receive permanent commission after five years.**

**Background:**
The issue of grant of Permanent Commission to women officers has been under the active consideration of the Government.

Responding to a petition by over 50 women officers of the Indian Army and the Indian Air Force the Delhi high court, in 2010, had asked the government to treat women and men officers in the Army and the Air Force at par.

The court had also ordered the reinstatement of all-women Short Service Commission officers who had to retire after being refused permanent commission. The Delhi High Court had directed the IAF and the Army to give permanent commission to all serving women officers.

All the three services gave permanent commission to the new recruits after this order, but not to those already serving. This had made the retired women officers move Supreme Court.

While, the IAF gave the permanent commission, Army however refused to give permanent commission to its serving women officers. It instead went to the Supreme Court and appealed against the High Court order. The appeal by the Army sought a stay of the High Court decision, which observed that women officers “deserve better from the government.” The High Court had rejected the government’s contention that permanent commission could only be allowed prospectively.

Army’s stand on the issue:

- The Army has been defending its stand by saying that women officers might not live up to the role models that jawans, mostly from rustic backgrounds, want their officers to be in combat situations.

- The Army has stressed that women cannot be granted permanent commission in the force because the bulk of the army’s Junior Commissioned Officers (JCOs) and other ranks hail from rural India who are not yet ready to accept a woman as their leader in combat situations.

- The army has also said that there is an ever growing demand for spouse/choice postings, which is adversely impacting the management of officers to the detriment of male officers.

- The affidavit filed by the Army says the response of woman officers when detailed on various courses which are crucial for career progression “is far from encouraging”. It also says that in most cases, woman officers have declined to go on courses of instructions due to various reasons ranging from family commitment to personal problems.

- The army said the prolonged absence of woman officers from a unit due to inherent family-related issues was also highly detrimental “to the overall efficiency of the unit” as a cohesive fighting force.

Inter service study:
An inter-services study completed in April 2007, titled ‘Women in the Armed Forces,’ was reported to have concluded that women officers do not quite fit into the military ethos and that time was not ripe to induct them as permanently commissioned officers.

The study said that owing to the chances of physical contact with the enemy being high, it is not advisable to include women officers in combat roles.

Based on a survey among women officers, their peers and superiors, the report stated that as many as 60 per cent women routinely bypassed the military chain of command to access top commanders for undue favours, including seeking preferential treatment like soft postings and frequent leave.

The report, which also mentioned that women are a professional liability after marriage, deemed them unfit for a permanent commission, suggesting a further probation of 10 years before any reconsideration.

Special Leave Petition regarding this issue is pending before the Supreme Court for almost five years now.

**Padma awards**

A total of 104 persons have been selected for Padma awards by the Government of India.

**About Padma Awards:**

Padma Awards – one of the highest civilian Awards of the country, are conferred in three categories, namely, Padma Vibhushan, Padma Bhushan and Padma Shri. They were instituted in the year 1954.

The Awards are given in various disciplines/ fields of activities, viz.- art, social work, public affairs, science and engineering, trade and industry, medicine, literature and education, sports, civil service, etc.

Padma Vibhushan is awarded for exceptional and distinguished service; (it is a second degree honour)

Padma Bhushan is awarded for distinguished service of high order. (it is a third degree honour)

Padma Shri is awarded for distinguished service in any field. (it is a fourth degree honour)

The awards are announced on the occasion of Republic Day every year. The award is normally not conferred posthumously. However, in highly deserving cases, the Government could consider giving an award posthumously if the demise of the person proposed to be honoured has been recent, say within a period of one year preceding the Republic Day on which it is proposed to announce the award.
Big blizzard likely in U.S. northeast

- The National Weather Service, the United States, has issued blizzard warnings from New Jersey to the Canadian border, including New York and Boston. Coastal flood warnings are also in effect. This is expected to be one of the biggest blizzards in history.

What is Blizzard?

- A blizzard is a severe snowstorm characterized by strong sustained winds of at least 56 km/h (35 mph) and lasting for a prolonged period of time – typically three hours or more. It is characterized by strong winds causing blowing snow that result in low visibilities.

- The difference between a blizzard and a snowstorm is the strength of the wind, not the amount of snow.

Wage code to replace all related laws

- The government is planning to introduce a “wage code.”

- It will replace Central laws pertaining to wage related matters and cover both the organised and the unorganised sectors.

- The new “wage code” once finalised will subsume key laws, including the Minimum Wages Act 1948 and the proposed Minimum Wages (Amendment) Bill, 2013.

Aim of the wage code: To reduce the number of laws employers have to comply with.

- The wage code will set basic provisions related to payment of wages and bonuses. Once this is finalised, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976, will no longer be in place.

Previous attempts and present situation:

- The United Progressive Alliance (UPA) in 2012 as well as the NDA government last year had proposed a statutory National Floor Level Minimum Wage (NFLMW) which will make it binding for all State governments to pay the minimum wages specified for various economic activities. The NFLMW was based on the 1991 recommendations of the National Commission on Rural Labour. NFLMW is a non-statutory measure.

- The National Minimum Wages Act, 1948, lays down minimum wages for 45 listed economic activities. But since labour is a subject in the concurrent list, States can decide minimum wages for more than 1,600 economic activities. Wages paid to workers is frequently less than the specified rates. The Equal Remuneration Act, 1976 provides for equal wages for women and men workers for the same work.

- As per the existing provisions of Minimum Wages Act, minimum wages are revised quinquennially in the Central Sphere. In order to protect the minimum wages against inflation, the Central Government introduced the idea of Variable Dearness Allowance.
(VDA) since 1989. The appropriate Governments are required to increase the minimum rates of wages from time to time by adding VDA, twice a year or annually, taking into account the rise in the Consumer Price Indices for the Industrial Workers.

**EC warns Kejriwal of ‘stern action’**

- A notice has been issued to Aam Aadmi Party (AAP) leader Arvind Kejriwal by the Election Commission of India (ECI) for violating the Model Code of Conduct (MCC).

**What is MCC?**

- These are the guidelines issued by the Election Commission of India for conduct of political parties and candidates during elections mainly with respect to speeches, polling day, polling booths, election manifests, processions and general conduct.

- **Aim:** To ensure free and fair elections.

**When it comes into force?**

- The Model Code of Conduct comes into force immediately on announcement of the election schedule by the commission. The Code remains in force till the end of the electoral process.

**Status:**

- The need for such code is in the interest of free and fair elections. However, the code **does not have any specific statutory basis.** It has only a persuasive effect.

- It contains what is known as “rules of electoral morality”. But this lack of statutory backing does not prevent the Commission from enforcing it.

**Evolution:**

- The Commission issued the code for the first time in 1971 (5th Election) and revised it from time to time.

- This set of norms has been evolved with the consensus of political parties who have consented to abide by the principles embodied in the said code and also binds them to respect and observe it in its letter and spirit.

- The salient features of the Model Code of Conduct lay down how political parties, contesting candidates and party(s) in power should conduct themselves during the process of elections i.e. on their general conduct during electioneering, holding meetings and processions, poll day activities and functioning of the party in power etc.
India appeals to DSB over import of U.S. farm products

- India has appealed to the Dispute Settlement Board of the World Trade Organization (WTO) for a panel decision on its issues with the U.S. over agricultural imports.

Background:

- India had in 2012 imposed some prohibitions with regard to importation of various agricultural products from the U.S. because of concerns related to Avian Influenza.
- This import prohibition is maintained through India’s Avian Influenza (AI) measures, mainly, the Indian Livestock Importation Act, 1898.
- The U.S. contended that India’s AI measures amounted to an import prohibition that was not based on the relevant international standard or on a scientific risk assessment.

Panel’s view:

- The dispute settlement panel (DSP) had ruled that India’s AI measures were inconsistent with the Sanitary and Phytosanitary (SPS) agreement because they were not based on the relevant international standards. India claimed that the panel committed several legal errors in its interpretation and application of numerous articles of the SPS agreement.

Sanitary and Phytosanitary Agreement:

- The Agreement on the Application of Sanitary and Phytosanitary Measures, also known as the SPS Agreement, is an international treaty of the World Trade Organization. It was negotiated during the Uruguay Round of the General Agreement on Tariffs and Trade, and entered into force with the establishment of the WTO at the beginning of 1995.
- Under the SPS agreement, the WTO sets constraints on member-states’ policies relating to food safety (bacterial contaminants, pesticides, inspection and labelling) as well as animal and plant health (phytosanitation) with respect to imported pests and diseases.
- The SPS agreement is closely linked to the Agreement on Technical Barriers to Trade, which was signed in the same year and has similar goals.
- The SPS agreement gives the WTO the power to override a country’s use of the precautionary principle – a principle which allows them to act on the side of caution if there is no scientific certainty about potential threats to human health and the environment. Under SPS rules, the burden of proof is on countries to demonstrate scientifically that something is dangerous before it can be regulated.

Fog hangs over nuclear “breakthrough”

- U.S. nuclear suppliers have neither been informed of the details of the “breakthrough understanding” achieved in the India-U.S. civil nuclear agreement nor has a date been set to brief them on how the publicly funded insurance pool will satisfy the vendors on their concerns over Section 46 of the Indian Civil Liability for Nuclear Damage Act.
The breakthrough achieved during the discussions could operate through a memorandum of law within the Indian system.

The breakthrough was a necessary step to give U.S. nuclear suppliers confidence that the insurance pool would help them meet the obligations, implied by Section 17(b) in the event of a nuclear accident.

Ambiguity on this matter stems from the fact that typically it is only the Indian Parliament that enacts statutes and it is either Parliament or courts that are empowered to interpret them. Questions are also being raised on how a memorandum of law could supersede the statute.

Section 17 (b) says the operator (NPCIL) has the right to recourse against suppliers in case of a nuclear accident, clause 46 says suppliers can be sued under other Indian laws as well.

Nuclear Liability Act:

- **Aim:** The Act aims to provide a civil liability for nuclear damage and prompt compensation to the victims of a nuclear incident through a no-fault liability to the operator, appointment of Claims Commissioner, establishment of Nuclear Damage Claims Commission and for matters connected therewith or incidental thereto.

- **After this Act was passed, India became a member of the international convention on liability in the civil nuclear arena.**

- **The Act effectively caps the maximum amount of liability in case of each nuclear accident at 5 billion to be paid by the operator of the nuclear plant, and if the cost of the damages exceeds this amount, special drawing rights up to 300 million will be paid by the Central Government.**

- **The Act made amendments in the Atomic Energy Act 1962 allowing private investment in the Indian nuclear power program.**

MoU between India and Oman

- The Union Cabinet, chaired by the Prime Minister, has given its approval to enter into a Memorandum of Understanding (MoU) for strengthening cooperation in the field of tourism, between the Ministry of Tourism, Government of India and the Ministry of Tourism, Government of the Sultanate of Oman.

Objectives:

- To expand bilateral cooperation in the tourism sector.

- To exchange information and data related to tourism.

- To encourage cooperation between tourism stakeholders including hotels and tour operators.
• To establish exchange programme for cooperation in Human Resource Development.

• To invest in the tourism and hospitality sectors,

• To exchange visits of tour operators / media / opinion makers for promotion of two way tourism.

• To exchange experiences in the areas of promotion, marketing, destination development and management.

• To participate in travel fairs / exhibitions in each other’s country and,

• to promote safe, honourable and sustainable tourism.

India and Oman:

• India and Oman have enjoyed a strong historical and long economic and political relationship. The Sultanate of Oman is a strategic partner for India in the Gulf region and an important interlocutor in the bilateral, Arab Gulf Cooperation Council, the Arab League and the Indian Ocean Rim Association contexts.

• In recent years Oman has emerged as an important tourism source market for India in the West Asian region. During 2013, India received 62,252 visitors from Oman. Similarly India has emerged as one of the important source market for Oman in the field of tourism. Considering the mutual benefits, both India and Oman would like to create an institutional mechanism for enhancing cooperation in this sector.

• The signing of the MoU will further strengthen and further develop the established relationship between the Ministry of Tourism, Government of the Republic of India and the Ministry of Tourism, Government of Oman for strengthening cooperation in the field of tourism on reciprocal basis.

**Beating Retreat Ceremony**

• Beating Retreat ceremony will be held on 29th January.

**What is it?**

• The Beating Retreat ceremony officially denotes the end of Republic Day festivities. It is conducted on the evening of 29 January, the third day after the Republic Day. It is performed by the bands of the three wings of the military, the Indian Army, Indian Navy and Indian Air Force.

• ‘Beating the Retreat’ has emerged as an event of national pride when the Colours and Standards are paraded.

• The ceremony traces its origins to the early 1950s when Major Roberts of the Indian Army indigenously developed the unique ceremony of display by the massed bands.
‘Beating Retreat’ marks a centuries old military tradition, when the troops ceased fighting, sheathed their arms and withdrew from the battlefield and returned to the camps at sunset at the sounding of the Retreat.

Colours and Standards are cased and flags lowered. The ceremony creates nostalgia for the times gone by.

Now, German help for smart cities

After United States Trade and Development Agency (USTDA) took the lead, now the German government has agreed to support the development of three smart cities. USTDA recently signed agreements to provide technical and financial assistance to develop Allahabad, Ajmer and Vishakhapatnam as smart cities.

A six-member joint committee will be set up in three months to identify the cities and draw up a plan. The committee will have two representatives of the Urban Development Ministry, one from the Housing and Urban Poverty Alleviation Ministry and three from the Government of Germany.

What are Smart Cities?

A ‘smart city’ is an urban region that is highly advanced in terms of overall infrastructure, sustainable real estate, communications and market viability. It is a city where information technology is the principal infrastructure and the basis for providing essential services to residents.

There are many technological platforms involved, including but not limited to automated sensor networks and data centres.

In a smart city, economic development and activity is sustainable and rationally incremental by virtue of being based on success-oriented market drivers such as supply and demand. They benefit everybody, including citizens, businesses, the government and the environment.

Origin:

The concept of smart cities originated at the time when the entire world was facing one of the worst economic crises. In 2008, IBM began work on a ‘smarter cities’ concept as part of its Smarter Planet initiative. By the beginning of 2009, the concept had captivated the imagination of various nations across the globe.

Countries like South Korea, UAE and China began to invest heavily into their research and formation.

Are they necessary?

Across the world, the stride of migration from rural to urban areas is increasing. By 2050, about 70 per cent of the population will be living in cities.
• The idea will work as millions of poor are migrating to cities for job opportunities and better standard of living. Existing cities are unable to bear any extra load of migrants.

• Urbanisation in India has for the longest time been viewed as a by-product of failed regional planning. Though it is inevitable, and will only change when the benefits of urbanisation overtake the costs involved, it is an opportunity for achieving faster growth.

• With increasing urbanisation and the load on rural land, the government has now realised the need for cities that can cope with the challenges of urban living and also be magnets for investment.

Challenges:

• The concept is not without challenges, especially in India. Some of the Major challenges are:

• The success of such a city depends on residents, entrepreneurs and visitors becoming actively involved in energy saving and implementation of new technologies.

• There are many ways to make residential, commercial and public spaces sustainable by ways of technology, but a high percentage of the total energy use is still in the hands of end users and their behaviour.

• There is the time factor — such cities can potentially take anything between 20 and 30 years to build.

• Land acquisition will also obviously be the biggest hurdle while setting up smart cities.

Benefits:

• Smart cities can be developed over a minimum area of 500 acres and will require at least Rs 6,000 crore of investment for basic and back-end infrastructure. Experts say it can generate employment for at least 200,000 people per city.

• 10 such new cities can bring in about Rs 9 lakh crore investment (including investments by users) and usher in unprecedented economic growth.

• The smart cities will result in new orders for city planning, engineering, designing, and construction companies.

• The project will also generate huge interest among the global players who might want to partner such projects. One sector where results can be made visible almost instantly is urban development, where both public and private sectors can identify 500-5000 acres at a single location and kickstart the development process.

Govt won’t appeal in Vodafone case

• The government has said that it will not appeal against the Bombay High Court’s ruling. Bombay High Court had said that Vodafone was not liable to pay a tax demand of
Rs. 3,200 crore in a transfer pricing case. The Cabinet also decided not to appeal against similar verdicts in other cases against taxpayers.

Why this move?

- This is aimed at improving the investment climate in the country.
- It sends out the message to global investors whose confidence in India was shaken in the past.
- This will bring greater clarity and predictability for taxpayers as well as tax authorities.
- It facilitates tax compliance and reduces litigation on similar issues.
- The Cabinet move may remove uncertainty for foreign investors who have adopted a wait and watch policy before infusing further equity into Indian operations.

Background:

- I-T department and Vodafone’s Indian subsidiary have been entangled in a tax dispute since 2010 when the Indian tax authorities demanded the telecom major to pay additional income tax alleging that it had undervalued its shares while transferring them to the parent company in the UK.
- The tax authority had issued a show cause notice to Vodafone India on January 17, 2014, and later passed an order asking it to pay additional Rs 3,200 crore tax for allegedly undervaluing the shares of its Pune BPO.
- On January 27, Vodafone moved the High Court challenging the I-T order and contended that its transaction on transfer of shares was not taxable under the Indian tax laws.
- The Bombay High Court in its ruling had said that “the tax can be charged only on income and in the absence of any income arising, the issue of applying the measure of Arm’s Length Pricing to transactional value/consideration itself does not arise.”

- **Transfer pricing** is the practice of setting prices (for goods and services sold) in transactions between group companies based in different countries, on an arm’s length (fair value) basis.

- A transaction is generally described as being on an arm’s length basis when a buyer and a seller act independently and have no relationship with each other. The concept is used to ensure both parties in the deal are acting in their own interest and are not subject to any pressure from the other party.

90% mandatory jute packaging for grain, 20% for sugar

- The Cabinet Committee on Economic Affairs has approved the mandatory packaging of 90% of foodgrains produced in India as well as 20% of sugar in jute bags for the 2014-15 crop season, which started in July 2014.
• This preserves the position as in the past and helps the jute sector.

• Almost all the foodgrains procured by state-run Food Corporation of India is packaged in jute bags.

• West Bengal produces 80 per cent of India’s total annual jute production of 11-12 million bales (one bale is 180 kg) and is home to almost all the country’s jute mills.

More details:

• The Cabinet has also said that if the jute mills were not able to provide bags according to the requirement despite making a full advance indent, then a relaxation of 10 per cent can be granted by the Department of Food in consultation with the textiles ministry. This relaxation can be further extended up to 30 per cent in the event of any disruption in supply from jute mills.

• Sugar meant for export and bulk packaging in excess of 100 kg have also been exempted from this order.

• The CCEA okayed a financial support of Rs 55 crore for the Jute Corporation of India (JCI) in order to offset the losses it suffered on account of undertaking minimum support price (MSP) operations.

• Jute Corporation of India is the price-support agency of the Centre for jute to protect the interest of growers. It procures raw jute under the MSP fixed from time to time; it also stabilises the raw jute market for the benefit of jute farmers and the jute economy as a whole.

**SC cracks down on search engines**

• The Supreme Court has directed search engines like Google India to strictly comply with the laws and block advertisements on sex determination.

• In an interim order, a Supreme Court bench has ordered the three search engines – Google, Yahoo and Microsoft – to “forthwith” withdraw online advertisements, currently being hosted or published, on pre-natal sex determination facilities, clinics or centres in violation of Section 22 of the Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) or PC-PNDT Act, 1994.

• The hearing was based on a PIL filed in 2008 highlighting the use of Internet and popular search engines to promote sex determination technologies in violation of the 1994 Act.

• Some argue that such blocking on search engine would amount to a gag on free speech and expression on the Internet.

**PCPNDT Act:**
The Pre-conception & Pre-natal Diagnostics Techniques (PC & PNDT) Act, 1994 was enacted in response to the decline in Sex ratio in India, which deteriorated from 972 in 1901 to 927 in 1991.

The main purpose of enacting the act is to ban the use of sex selection techniques before or after conception and prevent the misuse of prenatal diagnostic technique for sex selective abortion.

Female infanticide had been prohibited through legislation in pre-independence period and certain provisions were included in the Indian Penal code, 1860 for punishing causing miscarriages and other such offences.

But with the advent of diagnostic technology to detect the sex of the foetus very early on in pregnancy, a need was felt for a specific law to prevent the misuse of technology which could lead to female foeticide.

Offences under this act include conducting or helping in the conduct of prenatal diagnostic technique in the unregistered units, sex selection on a man or woman, conducting PND test for any purpose other than the one mentioned in the act, sale, distribution, supply, renting etc. of any ultra sound machine or any other equipment capable of detecting sex of the foetus.

Main provisions in the act are:

- The Act provides for the prohibition of sex selection, before or after conception.
- It regulates the use of pre-natal diagnostic techniques, like ultrasound and amniocentesis by allowing them their use only to detect:
- genetic abnormalities
- metabolic disorders
- chromosomal abnormalities
- certain congenital malformations
- haemoglobinopathies
- Sex linked disorders.
- No laboratory or centre or clinic will conduct any test including ultrasonography for the purpose of determining the sex of the foetus.
- No person, including the one who is conducting the procedure as per the law, will communicate the sex of the foetus to the pregnant woman or her relatives by words, signs or any other method.
- Any person who puts an advertisement for pre-natal and pre-conception sex determination facilities in the form of a notice, circular, label, wrapper or any document, or advertises through interior or other media in electronic or print form or engages in
any visible representation made by means of hoarding, wall painting, signal, light, sound, smoke or gas, can be imprisoned for up to three years and fined Rs. 10,000.

- The Act mandates compulsory registration of all diagnostic laboratories, all genetic counselling centres, genetic laboratories, genetic clinics and ultrasound clinics.

- Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 (PNDT), was amended in 2003 to The Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition Of Sex Selection) Act (PCPNDT Act) to improve the regulation of the technology used in sex selection. The Act was amended to bring the technique of pre conception sex selection and ultrasound technique within the ambit of the act. The amendment also empowered the central supervisory board and state level supervisory board was constituted.

- In 1988, the State of Maharashtra became the first in the country to ban pre-natal sex determination through enacting the Maharashtra Regulation of Pre-natal Diagnostic Techniques Act.

**New Sangeet Natak Akademi chairman**

- Eminent singer and theatre director Shekhar Sen has been appointed the new chairman of the Sangeet Natak Akademi, the country’s premier institution for performing arts.

- Mr. Sen was awarded the Padma Shri on Republic Day.

- Mr. Sen has been appointed for a five-year term with immediate effect.

**About the academy:**

- The Sangeet Natak Akademi – India’s national academy for music, dance and drama – is the first National Academy of the arts set-up by the Republic of India. It was created by a resolution of Government of India.

- It was set up in 1952.

- The academy functions as the apex body of the performing arts in the country to preserve and promote the vast cultural heritage of India expressed in music, dance and drama.

- It also works with governments and art academies in states and territories of the country.

- The academy Renders advice and assistance to the government of India in the task of formulating and implementing policies and programmes in the field. It carries a part of the responsibilities of the state for fostering cultural contacts between regions in the country, as well as between India and the world.

- The Akademi Awards are the highest national recognition conferred on eminent artistes.
• Each year the Academy awards Sangeet Natak Akademi Fellowships, **Ratna Sadasya**, to distinguished individuals for their contribution to the field of arts, music, dance and theatre.

• **Ustad Bismillah Khan award is given to young artists** for their talent in the fields of music, dance and drama.

**Banks free to decide NPA norms**

• The Supreme Court has upheld a 2004 amendment enabling banks to follow different guidelines for declaring bad loans as non-performing assets.

• The SC also noted that quick recovery of bad loans was essential to keep the financial health of the country intact.

• The amendment to Section 2, defines non-performing assets (NPA) under the Securitisation and Re-constitution of Financial Assets and Enforcement of Security Interests (SARFAESI) Act, 2002. The Act allowed a secured creditor bank to determine a bad debt as NPA and proceed to seize and sell the assets to recover the amount due to it as loan.

• **Background:**

• The court was deciding a batch of petitions filed by borrowers, contending that the amendment discriminated against between two classes of borrowers. Especially, when RBI guidelines gave only 60 days before a bad debt can be declared an NPA, while individual regulators were allowed up to 180 days to lapse before the secured loan is declared an NPA.

• The 2004 amendment classified borrowers into two categories. One, those who got secured loans from institutions which followed RBI guidelines framed on the declaration of NPAs. Two, those who borrowed from institutions governed by guidelines set by their own regulators.

• **SARFAESI Act:**

• This act allows banks and financial institutions to auction properties (residential and commercial) when borrowers fail to repay their loans. It enables banks to reduce their non-performing assets (NPAs) by adopting measures for recovery or reconstruction.

• Upon loan default, banks can seize the securities (except agricultural land) without intervention of the court.

• SARFAESI is effective only for secured loans where bank can enforce the underlying security. In such cases, court intervention is not necessary, unless the security is invalid or fraudulent. However, if the asset in question is an unsecured asset, the bank would have to move the court to file civil case against the defaulters.

http://www.insightsonindia.com
• The SARFAESI Act also provides for the establishment of Asset Reconstruction Companies (ARCs) **regulated by RBI** to acquire assets from banks and financial institutions.

• The Act provides for sale of financial assets by banks and financial institutions to asset reconstruction companies (ARCs). RBI has issued guidelines to banks on the process to be followed for sales of financial assets to ARCs.

• The Act provides three alternative methods for recovery of non-performing assets, namely: –
  
  - Securitisation
  - Asset Reconstruction
  - Enforcement of Security without the intervention of the Court

• The provisions of this Act are applicable only for NPA loans with outstanding above Rs. 1 lac. NPA loan accounts where the amount is less than 20% of the principal and interest are not eligible to be dealt with under this Act.

• **The Act empowers the Bank:**
  
  - To issue demand notice to the defaulting borrower and guarantor, calling upon them to discharge their dues in full within 60 days from the date of the notice.

  - To give notice to any person who has acquired any of the secured assets from the borrower to surrender the same to the Bank.

  - To ask any debtor of the borrower to pay any sum due or becoming due to the borrower.

  - Any Security Interest created over Agricultural Land cannot be proceeded with.

  - If the borrower fails to comply with the notice, the Bank may take recourse to one or more of the following measures:

    - Take possession of the security
    - Sale or lease or assign the right over the security
    - Manage the same or appoint any person to manage the same

**Sharp rise in heat waves in urban areas**

• A team of scientists from India and the U.S, which examined data from 217 urban areas across the globe, found that prolonged periods of high temperature had increased significantly between 1973 and 2012.

• **Important findings:**
• The largest number of heat waves had occurred in the most recent decade.

• Over the last 40 years, the world’s cities and towns have seen a sharp rise in heat waves they experience while cold snaps have become more infrequent.

• Extremely hot days had become significantly more frequent in almost half of the surveyed urban areas. Two-thirds of them had to endure more extremely hot nights.

• Reasons for such change:
  - Urban areas were affected by the warming occurring as a result of climate change as well as the ‘urban heat island’ effect whereby built-up places trapped heat more than surrounding rural areas.
  - High levels of fine particles in the atmosphere (known as aerosols), which reduce the amount of sunlight reaching the ground, may be partly responsible for a slower rate of warming over this country.
  - Over half of the world’s population already lives in urban agglomerations, which are centres of wealth and infrastructure as well. It is therefore important to understand how such places would be affected by a changing climate and climatic extremes.

**Evolution of Kuchipudi**

• Kuchipudi ballet titled ‘Siva Dhrumamu’ which denotes Lord Nataraja’s ankle bell was staged in an event held recently in Kerala.

• **Kuchipudi**:
  - Kuchipudi is one of the classical dance forms of the South India. Kuchipudi derives its name from the Kuchipudi village of Andhra Pradesh.
  - Kuchipudi exhibits scenes from the Hindu Epics, legends and mythological tales through a combination of music, dance and acting.
  - Like other classical dances, Kuchipudi also comprises pure dance, mime and histrionics but it is the use of speech that distinguishes Kuchipudi’s presentation as dance drama.
  - In its early form, the female roles were played by boys and young men of beautiful looks. The director (called Sutradhar) played the most important role. He combined the role of conductor, dancer, singer, musician, comedian, all in one. In modern times the Kuchipudi dance is considerably different than it originally used to be. Most of the performances are solo, done by female dancers.

**Origin**:

• In 17th century Kuchipudi style of Yakshagaana was conceived by Siddhendra Yogi a Vaishnava poet and visionary who had the capacity to give concrete shape to some of his
visions. He was steeped in the literary Yakshagaana tradition being guided by his guru Teerthanaaraayana Yogi who composed the Krishna-Leelatarangini in Sanskrit.

- It was Lakshminarayan Shastry (1886-1956) who introduced many new elements including solo dancing and training of female dancers in this dance style.

**Important features:**

- Kuchipudi has many features that are common to other classical dances of India.
- Kuchipudi carries the sensuousness and fluidity of Odissi with the geometric line of today’s Bharata Natyam.
- As in all other classical dance forms of India, the Kuchipudi dance is both interpretive and lyrical, making use of abstract dance sequences as well.
- Kuchipudi dance retains its devotional character with stress on dramatic outlook.
- It is because of these qualities and features Kuchipudi dance enjoys great popularity and is recognized as one of the leading classical dance styles of India.

**Accompanying music:**

- The music that accompanies the dance is according to the classical school of Carnatic music and is delightfully syncopatic. The accompanying musicians, besides the vocalist are: a *mridangam* player to provide percussion music, a *violin* or *veena* player or both for providing instrumental melodic music, and a *cymbal* player who usually conducts the orchestra.

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**FCI revamp panel’s ideas will boost India’s rating: Moody’s**

- Moody’s Investors Service has said India’s sovereign rating might get a boost if the government implemented a high-powered panel’s recommendations on reforming the Food Corporation of India (FCI) and restructuring the food security law, as that would reduce inflationary pressures and fiscal deficit.

**About the Panel:**

- The high level panel was set up by the Government on 20th August, 2014 under the chairmanship of Shanta Kumar. The major issue before the Committee was how to make the entire food grain management system more efficient by reorienting the role of FCI in MSP operations, procurement, storage and distribution of grains under Targeted Public Distribution System (TPDS).

**Major recommendations made by the Committee:**

- The committee has suggested cuts in the number of TPDS beneficiaries, outsourcing of foodgrain storage, an open-ended procurement system and entry of private players into bulk handling of food grains.
• It has recommended that the government “re-visit” the UPA’s National Food Security Act as well as the regime for minimum support price to farmers for the foodgrain procured from them for the Targeted Public Distribution System.

• It has suggested that TPDS beneficiaries be reduced to 40 per cent from the current 67 per cent and the rationed grains be priced at 50 per cent of the minimum support price paid to farmers.

• Each beneficiary should be given 7 kg of grain instead of 5 kg under the Act, and cash transfers be introduced in a phased manner. It is estimated that this will reduce the foodgrain requirement under TPDS from 61.4 million tonnes to about 40 million tonnes.

• The panel wants the FCI to hand over the procurement of wheat, paddy and rice to growing States such as Punjab, Haryana, Andhra Pradesh, Chhattisgarh, Madhya Pradesh and Odisha with the rider that they will not give bonuses to farmers over and above the MSP determined by the Centre.

• The surplus States must procure for deficit States. The States must also contain the taxes and statutory levies at three per cent of the MSP from the current two to 14.2 per cent in Punjab. This would mean a cut in the revenues of the procuring States as well as in the income of middlemen.

• There is also allegation that this report is moving and catering to a certain unhealthy purpose. It is also being said that privatization is the main intention behind this report.

Gold award for the Income Tax Department

• The Income Tax Department has been awarded GOLD by the Government of India under category “Cat-I-Excellence in Government Process Re-engineering” for National Award on e-governance 2014-15.

• The award has been conferred for “TDS Reconciliation Analysis & Correction Enabling System (TRACES)” project launched by the Department.

Details of the Project:

• The Project marks a major step in ensuring TDS compliance through the processing of TDS returns and comprehensive data processing of TDS statements using technology driven end-to-end processes.

• At present 15 Lakh deductors and 2.5 crore tax payers are using various e-enabled online services through the CPC (TDS).

• This third award on e-governance to the Income Tax Department in the last 5 years speaks volumes about the commitment of the Department to e-governance and to move towards a non-adversarial and tax-payer friendly regime.

National e-governance Awards:
• National Awards on e-Governance are presented every year to recognize and promote excellence in implementation of e-Governance initiatives.

The purpose of the award is to:-

• Recognize achievements in the area of e-Governance
• Disseminate knowledge on effective methods of designing and implementing sustainable e-Governance initiatives
• Encourage incremental innovations in successful e-Governance solutions
• Promote and exchange experiences in solving problems, mitigating risks, resolving issues and planning for success

• There are 12 categories and there would be only one award for each category. These awards recognize achievements in the area of e-Governance; disseminate knowledge on effective methods of designing and implementing sustainable e-Governance initiatives; encourage horizontal transfer of successful e-Governance solutions; promote and exchange experiences in solving problems, mitigating risks, resolving issues and planning for success.

• National e-Governance Plan (NeGP) is a plan of the Government of India to make all government services available to the citizens of India via electronic media. NeGP has been formulated by the Department of Electronics and Information Technology (DeitY) and Department of Administrative Reforms and Public Grievances (DARPG). The Government approved the National e-Governance Plan, comprising 31 Mission Mode Projects (MMPs) and eight components, on May 18, 2006.

Telepresence Service of RailTel

• Four Express trains were flagged off from Bengaluru remotely through Telepresence Service of RailTel, a PSU of Railways by the Union Rail Minister recently.

Benefits of Telepresence service:

• Telepresence offers a more engaging video conference with cutting edge technology, so that the parties involved feel the immersive presence of participants at different locations.
• The service is designed to improve collaboration, save executive time, reduce costs and carbon footprint with no capital investment and obsolescence risk.

RailTel:

• RailTel Corporation a “Mini Ratna (Category-I)” PSU of Ministry of Railways, is the largest neutral telecom services providers in the country owning a Pan-India optic fiber network covering all important towns & cities of the country and several rural areas covering 70% of India’s population.
• RailTel is in the forefront in providing nationwide Broadband Telecom & Multimedia Network in all parts of the country in addition to modernization of Train operations and administration network systems for Indian Railways.

• With its Pan India high capacity network, RailTel is working towards creating a knowledge society at various fronts and has been selected for implementation of various mission-mode Govt. of India projects in the telecom field.

**CIL sale garners Rs. 22k cr., retail investors lukewarm**

• The Centre has raised Rs. 22,557.63 crore from the sale of its 10 per cent shareholding in Coal India Ltd. (CIL). It is the largest ever disinvestment. The issue was however, under-subscribed in the retail investors segment; government-owned insurance companies bought a huge proportion of the shares.

**The major highlights of the issue are as under:**

• The CIL disinvestment has attracted the largest FII participation in a Government Offer for Sale (OFS).

• Out of the total shares offered for sale, 20% were allocated for Retail Investors i.e. those investors who placed bids for shares of total value of not more than Rs. 2.00 lakh. Rs 1852.55 have been received from the retail investors, the largest in any OFS so far.

• Government of India offered 5% discount to Retail investors on price bid to attract more Retail Investors.

• Government fixed Rs. 358/- floor price for the auction of shares which was 4.5% less than the closing price on 29.2.2015.

• With this divestment, the Government of India’s share in CIL would come down to 79.65%.

• The total receipts accruing to the Government from the CIL disinvestment are Rs 22557.63/-

**Disinvestments in India:**

• Disinvestment of minority shares in Central Public Sector Enterprises (CPSEs) has become an important source of raising resource for the Government. The policy of ‘disinvestment’ in CPSEs has evolved over the years. Disinvestment of government equity in CPSEs began in 1991-92 following the Industrial Policy Statement of 1991, which stated that the Government would divest part of its holdings (minority share-holding) in select CPSEs.
Objective: The main objective of disinvestment is to put national resources and assets to optimal use and in particular to unleash the productive potential inherent in our public sector enterprises.

Current Policy on Disinvestment:

The current Government policy on disinvestment envisages people’s ownership of CPSEs while ensuring that the Government equity does not fall below 51% and Government retains management control. Keeping this objective in view of disinvestment policy, the Government has adopted the following approach to disinvestment:

Already listed profitable CPSEs (not meeting mandatory shareholding of 10%) are to be made compliant by ‘Offer for Sale’ (OFS) by Government or by the CPSEs through issue of fresh shares or a combination of both.

Unlisted CPSEs with no accumulated losses and having earned net profit in three preceding consecutive years are to be listed.

Follow-on public offers (FPO) would be considered in respect of profitable CPSEs having 10 percent or higher public ownership, taking into consideration the needs for capital investment of CPSE, on a case by case basis and Government could simultaneously or independently offer a portion of its equity shareholding in conjunction.

Since each CPSE has different equity structure; financial strength; fund requirement; sector of operation etc., factors that do not permit a uniform pattern of disinvestment, disinvestment will be considered on merits and on a case-by-case basis.

CPSEs are permitted to use their surplus cash to buy-back their shares; one CPSE may buy the shares of other CPSEs from the Government.

The Department of Disinvestment was set up on December 10, 1999, with the responsibility to deal with all matters relating to disinvestment of Central Government equity in Central Public Sector Undertakings. This department now works under the Ministry of Finance.

National Investment Fund:

The proceeds from disinvestments of Government’s equity in Central Public Sector Enterprises would be channelised into the National Investment Fund (NIF).

The corpus of NIF will be of a permanent nature.

NIF would be professionally managed to provide sustainable returns to the Government, without depleting the corpus.

Selected Public Sector Mutual Funds are to be entrusted with the management of the corpus of NIF.

75% of the annual income of NIF will be used to finance selected social sector schemes, which promote education, health and employment. The residual 25% of the annual income of NIF will be used to meet the capital investment requirements of profitable and
revivable CPSEs that yield adequate returns, in order to enlarge their capital base to finance expansion/diversification.

A village in Rajasthan yields artefacts of yore

- Artefacts such as perforated jars, shell bangles, terracotta beads, shells and the semi-precious stone lapis lazuli, different types of pottery and two hearths have been found during excavation under way at Pachamta, a village 100 km from Udaipur in Rajasthan.

About the Village & its culture:

- Pachamta belongs to the Ahar-Banas culture in the Mewar region, which was contemporaneous with the early and mature Harappan culture.

- The Ahar culture, datable to 3,000-1,700 BCE, was chalcolithic (the Bronze Age), and its people had trade links with the Harappans.

- Sites in the Ahar-Banas complex are situated in the valleys of the rivers such as Banas, Berach, Gambhiri and Bhari and their tributaries. Its peoples were agriculturalists who grew wheat, barley and pulses and reared buffaloes, sheep, goats and chicken.

- The village is close to Gilund, an important Ahar-Banas culture site. Gilund provided important information about the transformation of life from hunting-gathering to agriculture in the Mewar region around 4,000 BCE.

- The Ahar-Banas people introduced reserved slip ware, which was later adapted by the Harappans, and learnt the standardised brick ratio from the Harappans.

- The peoples of Ahar culture were the first farmers of the region. They were engaged in small-scale craft production and developed a complex trade and exchange network with each other, and the Harappan sites and the sites of the Deccan.

- Rajasthan has several Harappan sites, including Kalibangan, Karanpura, Bijnor and Tarkkhanewaladera.

'Muslims, Dalits better off in developed districts'

- A new research data has shown that being a resident of a big city or a more developed district can offset some of the disadvantages of being from a marginalised community.

Details:

- The data shows that in majority of India’s districts, Muslims, Dalits and Adivasis had worse education, health, economic and material well-being levels. But in India’s better-developed districts, these groups had better development outcomes than upper caste Hindus in the less-developed districts of north and east India.
India’s big cities dominate the top of the list, with Delhi, Bangalore, Chennai and Mumbai in the top 20, along with Mohali, Chandigarh and Aizawl and Goa. The southern States, Delhi, Punjab, Himachal Pradesh and Haryana in the north and the north-eastern States dominate the list of 107 districts which make up the “most-developed” section of the index. The bottom 100 is dominated by Uttar Pradesh, Madhya Pradesh, Bihar, Jharkhand and Odisha.

The research looked at 17 parameters under four heads — economic, education, health and material well-being. Each of the four was equally weighted to construct a composite District Development Index.

Of the four sub-indices, districts do better on material well-being — access to LPG, electricity and assets. In some States, districts do worst on economic sub-indices — monthly per capita income, number of households below the poverty line, households with earning family members — while in others, health is the stumbling block.

The report derived its data from the 2011-12 round of the National Sample Survey Office and 2007-8 Health Ministry data.

**FDI inflows beat global trends, surge 26%**

The United Nations report on global investments, released recently, shows that Foreign direct investment (FDI) inflows to India increased by about 26% to $35 billion in 2014, despite macroeconomic uncertainties and financial risks.

**Important observations made by the Report:**

- China received inflows worth $128 billion and with a modest increase of 3%, went on to become the world’s largest recipient of FDI. Brazil, another BRICS country and an emerging market like India, received $62 billion of FDI inflows.

- The U.S. fell to the third position, with inflows plummeting to almost a third of the 2013 level. Global FDI flows declined 8% to an estimated $1.26 trillion, down from a revised $1.36 trillion in 2013.

- Among the top five FDI recipients in the world, four are developing economies — Hong Kong ($111 billion), Singapore ($81 billion) and Brazil ($62 billion).

- Global FDI inflows fell due to the fragility of the global economy, policy uncertainty and geopolitical risks.

**Base year revision impact: FY14 GDP at 6.9%, FY13 at 5.1%**

The central statistical office (CSO) has come out with a new series of national accounts with 2011-12 as base year for computing economic growth rate. This will increase the size of economy which in turn will help in lowering of fiscal deficit, computed as a proportion of the Gross Domestic Product (GDP).
These changes are done once in five years to keep pace with the changes in the economy. The base year was last revised in January 2010. From now on, CSO will measure growth by gross value-added at basic prices, instead of by GDP at factor cost.

Various estimates according to changed Base Year:

- The change has pushed up the economic growth rate for 2013-14 to 6.9 per cent, while earlier estimate on the basis of old series was 4.7 per cent.

- The economic growth rate for 2012-13 has been revised upwards to 5.1 per cent, compared with 4.5 per cent estimated earlier.

- The rate of Gross Capital Formation at constant (2011-12) prices has decreased from 37.2 per cent in 2012-13 to 33.4 per cent in 2013-14.

- As per the new series, the nominal Net National Income (NNI) for 2011-12 stands at Rs 78.5 lakh crore, while the estimates for 2012-13 and 2013-14 are Rs 88.4 lakh crore and Rs 100.6 lakh crore respectively, showing an increase of 12.7 per cent and 13.7 per cent respectively.

- Per capita income at current prices has been estimated at Rs 64,316, Rs 71,593 and Rs 80,388 for the years 2011-12, 2012-13 and 2013-14 respectively.

- The Gross National Disposable Income (GNDI) at current prices is estimated as Rs 90.6 lakh crore for 2011-12, while the estimates for 2012-13 and 2013-14 stand at 102.2 lakh crore and Rs 116.0 lakh crore.

- A base year is the year used for comparison for the level of a particular economic index.