

# DO YOU KNOW?

## What is carbon trading?

Carbon Trading refers to the buying and selling of the right to release carbon dioxide or greenhouse gases into the environment by various countries. The carbon trade across the world began in 1997 with the signing of Kyoto protocol in Japan by 180 countries. The Kyoto protocol called for 38 industrialised countries to reduce their greenhouse gas emission.

Growing environmental pollution across the world has been a cause of concern to everyone. Rapid development and industrialisation have only added to the problem. Carbon is an element stored in fossil fuels such as coal and oil when these fuels are burnt, carbon dioxide is released.

Carbon trading is like any other market trading. Carbon has been given economic value allowing people, companies or nations to trade it. If a company purchases carbon, it gets the right to burn it. Similarly, the country selling it, gives up the right to burn it. The carbon's value is based on the ability of the carbon owning

country to store it and prevent it from release into the atmosphere

## What is Participatory Note?

Participatory Note (PN) is an instrument issued by registered Foreign Institutional Investor (FII) to investors abroad, who want to invest in Indian stock Markets without registering themselves with the market regulator, the Securities and Exchange Board of India (SEBI). Trading through PN is easy because these are like contract notes which are transferred through endorsement and delivery.

PN are said to constitute 15-20 percent of cumulative investments by FIIs. In 2007 SEBI had proposed curbs on PNs. This led to immediate reaction and the markets came cradling down. In view of this sharp reaction, the proposal was shelved.

PNs are mostly used by overseas High Net worth Individuals (HNIs), hedge funds and other foreign institutions. These instruments allow them to invest in Indian markets through registered. Foreign Institutional Investors. (FIIs). These save time and costs associated with direct registrations According to a news

agency report, SEBI data shows foreign investment into Indian markets through PNs rose to 1.64 lakh crore rupees (USD 30 billion) in February 2013. In January 2013 PN investment in Indian market was 1.62 lakh crore rupees. Investment into Indian shares through PN was Rs 1.77 lakh crore rupees in November 2012 and 1.75 lakh crore rupees in October 2012 on policy reform measures taken by the government and its initiative to address tax related issues.

The quantum of FII investment through PNs increased to six month high at 12.33 percent in February 2013 from 11.83 percent in previous month. This was the highest figure since August 2012.

Until recently PNs used to account for more than 50 percent of total FII investments but their share has fallen after SEBI tightened its disclosure and other regulations for such investment. Since 2009 PNs constitute 15-20 percent of FII holdings in India, while it used to be 25 to 40 percent in 2008. During 2007 PNs share was as high as 50 percent. □

*(Compiled by Hasan Zia, Editor, Yojana, Urdu)*

## Young biologist wins Green Oscar for saving Arunachal hornbills

A young wildlife biologist who converted bird hunters into their saviours in remote forests of Arunachal Pradesh was awarded the 2013 Whitley Award, also known as Green Oscar, in London on Thursday. Aparajit Datta was among the eight conservationists from across the world to win the prestigious award and shared 2,95,000 pounds as the prize money. "Datta leads a programme to conserve hornbills in the Indian Eastern Himalaya at the Nature Conservation Foundation (NCF), an NGO established in 1996 to promote science-based wildlife conservation in India," said a statement by the Whitley Fund for Nature.

Hornbills are prominent birds of Asian tropical forests and Arunachal is home to five hornbill species. But their killing by locals for meat and habitat loss because of shifting cultivation had threatened their existence deep inside forests. Many tribals were not aware that due to their predominantly frugivorous diet, the brightly coloured birds with loud calls have always been considered important agents of seed dispersal in the tropical forest. A small and poor tribal group in Namdapha National Park, called Lisu, were hunting the birds and logging for their fuel needs.