



CENTRE FOR AMBITION
(An Institute for Civil Services)

BACKGROUNDER JANUARY 2016

NDC to be scrapped, NITI Aayog council likely to get its powers

The Union government is all set to scrap the National Development Council (NDC). In this regard, the Cabinet will take up its closure and also pass a resolution for transferring its powers to the Governing Council of the NITI Aayog shortly.

- After getting the Cabinet's approval, Prime Minister will take up the resolution with the Chief Ministers at a meeting of the Governing Council of the NITI Aayog.
- However, there has not been any official announcement yet.

About NDC:

- The National Development Council was set up on 6 August, 1952 **by an executive order** of the government.
- It served as "the **highest decision-making authority**" in the country on development matters.
- Initially, it **comprised** the Prime Minister, the Chief Ministers of all States and the members of the Planning Commission.
- However, the organ was **reconstituted on recommendations of the Administrative Reforms Commission**. Its functions redefined in October, 1967.
- The **reconstituted NDC comprised** of the Prime Minister, all the Union Cabinet Ministers, the Chief Ministers of all States and Union Territories and the Members of the Planning Commission. The Delhi Administration is represented in the Council by the Lt. Governor and the Chief Executive Councillor, and the remaining Union Territories by their respective Administrators.
- In the reconstituted Council, the Secretary of the Planning Commission acted as Secretary to the NDC.
- So far, 56 meetings of the NDC have been held, the last being on 22nd October 22, 2011 to consider the approach to the 12th Plan.
- One of the most significant of its decisions was the creation (as part of the Gadgil-Mukherjee exercise) of "**special category**" of States, and the criteria for determining whether a State could receive the status and related financial support from the Centre.

Location too matters for growth

New official data from the 2011 Census have revealed the following information:

Community-wise sex ratio:

- Some communities do better than others in sex ratio.
- On average nationwide, Christians, followed by Muslims, continue to have the most gender-equal child sex ratios of 958 girls for every 1,000 boys and 943 respectively.
- Buddhists follow, with Hindus, Jains and Sikhs, recording the lowest child sex ratios; the numbers for Jains and Sikhs have, however, improved since 2001, while those of all other communities have worsened.

State-wise sex ratios:

The State-wise data shows that communities are not monoliths. **In the States with better sex ratios**, including the States with high tribal populations and the southern States, the **sex ratios of all communities tend to be higher than they are in other States**.

- In Kerala Hindus, Muslims and Christians have nearly the same sex ratio among the 0-6 year child population, around 965 girls for every 1,000 boys, which is higher than the national average for each of those communities as well.
- In Haryana, the State with the worst sex ratio, on the other hand, the sex ratios of the child populations of Sikhs, Hindus, Christians and Muslims are all lower than the national average.
- Muslim sex ratios are particularly unaffected by location; while Christian child sex ratios dip below 900 girls for every 1,000 boys in Haryana, Rajasthan and Punjab, for instance, the **Muslim child sex ratio only falls below 910 in one State**: the Muslim-majority Jammu & Kashmir.
- The State which had a far more gender-equal sex ratio of 941 in 2001 has seen one of the sharpest ever declines. Consequently, the sex ratio of the child population of all communities in the State is now below 900, except among Buddhists.

State-wise literacy:

- For the country as a whole, **Muslims have the lowest literacy rates for both men and women**, while **Jains have the highest for both**.
- In Kerala the literacy rate among Muslim women (79%) is higher than it is for men of all communities in Bihar.

The **child sex ratio** is the number of girls aged 0-6 years for every 1,000 boys in the same age group. The child sex ratio for the whole country now stands at 918, dipping further from 927 in 2001, and reaching the lowest level since 1961. These data show that the declining trend of child sex ratio is continuing. It has declined from 927 in 2001 and 976 in 1961. This is also **lower than the overall sex ratio of 943**. This reflects the persisting gender discrimination despite advancements in various spheres.

Soil health card scheme: Centre pulls up U.P.

The Centre has asked the Uttar Pradesh government to speed up efforts to ensure that the benefits of the Soil Health Card scheme reach the farmers in all districts.

- The centre has also asked the State government to monitor the soil health cards scheme at the 'highest level' so that its best results could be realised in the interest of the farmers.

Background:

- Recently, a performance review of the scheme for various State governments had revealed that U.P. has not been performing to its potential.
- The progress of the Uttar Pradesh government, in issuing soil health cards to farmers, has been sluggish.

About the Soil Health Card Scheme:

It is a scheme to provide every farmer a Soil Health Card in a **Mission mode**. It is a scheme under which the **Central Government provides assistance to State Governments for setting up Soil Testing Laboratories** for issuing Soil Health Cards to farmers.

- The scheme will be **implemented in all states** to promote soil testing services, issue of soil health cards and development of nutrient management practices.
- Under the scheme, State Governments should adopt innovative practices like involvement of agricultural students, NGOs and private sector in soil testing, determining average soil health of villages, etc., to issue Soil Health Cards.

- Under the scheme, the state governments are also required to prepare yearly action plan on the issue and the cost will be shared in the ratio of **75:25 between the Centre and states**.

- The scheme assumes importance as the imbalanced application of fertilisers have caused deficiency of primary nutrients (nitrogen, phosphorus, and potassium), secondary nutrients (such as sulphur), and micro-nutrients (boron, zinc, copper etc.) in most parts of country.

- Though a few states like Gujarat, Tamil Nadu, Haryana, Karnataka and Uttar Pradesh have made progress in soil testing but no uniform norms are followed in the country for soil analysis and distribution of soil health cards. The central scheme aims to address this issue.

Soil Health Cards:

- A Soil Health Card is used to assess the current status of soil health and, when used over time, to determine changes in soil health that are affected by land management.

- A Soil Health Card displays soil health indicators and associated descriptive terms. The indicators are typically based on farmers' practical experience and knowledge of local natural resources.

- The card lists soil health indicators that can be assessed without the aid of technical or laboratory equipment.

- The card, which will carry crop-wise recommendation of fertilisers required for farm lands, will help farmers identify health of soil and judiciously use soil nutrients.

\$50-mn loan to fund education of minorities

The Government of India and the World Bank have signed a US \$50 million credit for the **Nai Manzil** scheme.

- Credit will be facilitated by **the World Bank's concessional lending arm, International Development Association (IDA)**.

- The loan carries a maturity of 25 years, including a 5-year grace period.

- Interventions under this project will support the Nai Manzil Scheme in improving the employability and performance of minority youth in the labour market.

About Nai Manzil:

The Nai Manzil Scheme is designed as an integrated education and training programme that provides youth from minority communities skills needed for different tasks in a rapidly changing world.

The scheme aims at providing educational intervention by giving the bridge courses to the trainees and getting them Certificates for Class XII and X from distance medium educational system and at the same time also provide them trade basis skill training in 4 courses :

1. Manufacturing
2. Engineering
3. Services
4. Soft skills

The scheme is intended to cover people in between **17 to 35 age group** from all minority communities as well as Madrasa students. This scheme will also provide avenues for continuing higher education and also open up employment opportunities in the organised sector.

DAVA project wins 2015 EASIA Award

The **Department of Commerce's DAVA (Drug Authentication and Verification Application)** project has won the **2015 eASIA Award under Trade Facilitation category** as announced by Asia Pacific Council for Trade Facilitation and Electronic Business (AFACT) in Tehran, Iran.

- The **award administered by AFACT** aims to promote trade facilitation and electronic business activities in the Asia-Pacific region.

About DAVA project:

The DAVA project is an initiative of Government of India which **aims to cover all the drugs manufactured in India**. The project has created an **integrated platform for implementation of the Track and Trace system** both for exports and domestic markets of Drugs and Pharmaceuticals.

- The project will provide simpler means to the consumer and regulatory agencies for establishing drug authentication and protect the India's Brand image in international trade.
- DAVA application, developed under the project, has value-added features like availability of stocks for a drug in an area/wholesalers/retailers at a point of time; whenever required, drugs can easily be identified and recalled due to traceability of stocks, prevention of black marketing which especially arises during epidemics.
- Presently, it is in the **pilot stage** and will be subsequently made mandatory for all pharmaceutical exports from India. When fully implemented, the export of fake or

spurious drug from the country, will not be possible and in case it happens it would be easily traceable.

Panel warns against 'Swiss Challenge' route

AN expert committee has warned the government against using '**Swiss Challenge**' approach for infrastructure investments in the country.

Why?

According to the panel, Swiss Challenge approaches bring **information asymmetries** in the procurement process and result in **lack of transparency** and in the fair and equal treatment of potential bidders in the procurement process.

Implications:

- Following this, India's ambitious plan to build new expressways across the country by adopting the 'Swiss Challenge' method for awarding these projects has become uncertain.

Background:

India plans to build 18,637 km expressways in a phased manner by 2022 under an official Master Plan for the National Expressway Network. An **express highway** is a controlled-access highway, generally six-lane or more, where entrance and exit are controlled by the use of slip roads.

- Since it is a difficult task to find builders to develop greenfield expressways, the government was keen on taking the 'Swiss Challenge' route to find bidders for building around 19,000 km expressways as per the master plan.
- The Union government has identified building 16 greenfield expressways at present.

In December 2015, the Kelkar Panel on PPP revival had also asked the government to actively 'discourage' the 'Swiss Challenge' for auctioning infrastructure projects.

What is 'Swiss challenge' approach?

Swiss challenge method is a process of giving contracts. Any person with credentials can submit a development proposal to the government. That proposal will be made online and a second person can give suggestions to improve and beat that proposal.

- It is a method where third parties make offers (challenges) for a project within a designated period to avoid exaggerated project costs.

Don't lift ban on Jallikattu, Attorney General advises Centre

The government's top law officer has advised the environment ministry against lifting the ban on Jallikattu, the bull-taming sport of Tamil Nadu.

- The Centre had earlier indicated it may allow the sport in Tamil Nadu for a limited period in mid-January despite opposition from animal rights activists.
- Attorney general Mukul Rohatgi, whose opinion the government had sought, has said that allowing such sports would be a violation of the Supreme Court's May 2014 judgement that said "**bulls cannot be allowed as performing animals, either for Jallikattu events or bullock cart races in the state of Tamil Nadu, Maharashtra or elsewhere in the country.**"
- The Animal Welfare Board of India (AWBI) has also asked the government to not overturn the SC judgement. The court had held that Jallikattu violates the provisions of the Prevention of Cruelty to Animals Act.

Jallikattu:

Jallikattu is a bull taming sport played in Tamil Nadu as a part of Pongal celebrations on Mattu Pongal day. It is a Tamil tradition called 'Yeru thazhuvuthal' in Sangam literature (meaning, to embrace bulls), popular amongst warriors during the Tamil classical period.

- 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.

Panel to study wage, service conditions of rural postal workers

A **one man Committee to examine the wage structure, service conditions, etc. of the Gramin Dak Sevaks** in the Department of Posts has been constituted by the Government of India.

- Shri Kamlesh Chandra, Retired Member of Postal Services Board, will constitute the Committee.
- The Committee will go into the service conditions of Gramin Dak Sevaks and suggest changes as considered necessary.

The terms of reference of the Committee will, inter-alia, include the following:-

- To examine the system of Branch Post Offices, engagement conditions and the existing structure of wage

and enrolments paid to the Gramin Dak Sevaks and recommend necessary changes;

- To review the existing Services Discharge Benefits Scheme/other social security benefits for the Gramin Dak Sevaks and suggest necessary changes;
- To review the existing facilities/welfare measures provided to the Gramin Dak Sevaks and suggest necessary changes;
- To examine and suggest any changes in the method of engagement, minimum qualification for engagement as Gramin Dak Sevaks and their conduct and disciplinary rules, particularly keeping in view the proposed induction of technology in the Rural Post Offices.

Who are Gramin Dak Sevaks?

- They are extra-departmental agents recruited by the Department of Posts (DoP) to serve in rural areas.

Presently, the Department of Post has 2.6 lakh Gramin Dak Sevaks. All these GDSs will come under the purview of GDS Committee.

2015 Sangita Kalanidhi award

South Indian classical vocalists Sanjay Subrahmanyam has been conferred with the **2015 Sangita Kalanidhi award**.

- He will be amongst the youngest list of musicians who had received the prestigious award before turning 50.

Sangita Kalanidhi award:

- It is a prestigious award bestowed annually upon an expert of Carnatic Music by the Madras Music Academy.
- This honour is considered one of the highest awards in Carnatic music.

State Plan execution system in new mode

The Kerala State Government is all set to experiment a **new Plan Execution system**.

Why?

- To plug the loopholes, avoid lapses and ensure **optimum utilisation of Plan funds**.

This new system will become operational from 2016-17.

How the new system operates?

- As per the system, schemes costing up to Rs.5 crore and those above Rs.5 crore would be classified into two categories and recorded separately in two documents — **Green Book** and **Amber Book**
- Schemes under the National Bank for Agriculture and Rural Development (NABARD)-assisted Rural Infrastructure Development Fund (RIDF), National Cooperative Development Corporation (NCDC) schemes, and externally assisted schemes will not be included in the Green Book.

Green Book:

- Schemes costing up to 5 Cr will be considered under this category.
- Schemes under this category will be considered by a Plan Preparation Group (PPG) headed by the Secretary of the Administrative Department.
- The total outlay of the schemes to be listed in the Green Book in the initial year has been limited to 25% of the annual State Plan outlay of each department in the previous year.

Amber Book:

- Schemes costing above Rs.5 crore will be considered.
- They will be considered by a Special Plan Preparation Group (SPPG) with the Additional Chief Secretary, Finance, as chairman.
- The total outlay of the schemes to be listed in this Book in the initial year has been limited to 75% of the annual State Plan outlay of each department in the previous year.

Composition of PPG and SPPG:

- The **PPG comprises representatives** of the Finance Department, Planning and Economic Affairs Department, Division Chief of State Planning Board, and the head of the department, agency or public sector undertaking whose proposal will be placed for clearance.
- **SPPG:** Almost all members of the PPG are members of the SPPG too, but the only difference is that the Additional Secretary of the Finance Department will officiate as the convener of the group.

Approval:

- The PPG vets the projects, examines their feasibility and makes them ready to implement so that their execution would not be delayed by bureaucratic or administrative wrangles.
- The State Planning Board would communicate the tentative allocation for different schemes and components prioritised to be listed in the Green Book after considering the resource availability and other allied factors.

The concept in this system is to give advance clearance for 25% of the projects.

Bengal gearing up for Ganga Sagar Mela

The **Ganga Sagar Mela**, one of the biggest religious events of the country that witnesses the gathering of lakhs of pilgrims, is set for a revamp this year.

- In a bid to ensure the pilgrims' smooth access to facilities such as sanitation, help from the police and the administration as well as information about transportation, the West Bengal government has taken up several measures.
- Pilgrims attending the annual fair at the Sagar Island, one among the cluster of islands at South 24 Parganas district, will be provided with various facilities such as toilets by the district administration.
- The state government is also planning to declare Ganga Sagar Mela as **Green Mela** this year. The six-day fair will shortly begin.

About Ganga Sagar Mela:

- It is held every year in the month of January-February, on the Ganga Sagar Island, at the mouth of the river Hooghly in Bengal.
- It is attended by thousands of pilgrims every year. A dip in the water at this place, during Ganga Sagar Mela, is considered to be extremely sacred.
- On the day of Makar Sankranti (January 14), when the sun makes a transition to Capricorn from Sagittarius, it is said that the bath becomes a holy source of salvation.

Government electrifies 20% more villages

A recently released data by Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) has revealed that the government has electrified 20% of the villages that were without power at the start of this financial year under this scheme.

Details:

- So far, the DDUGJY has electrified 3,656 or 20% of the 18,452 villages without power at the start of this financial year.
- In July last year, the DDUGJY said it aimed to provide round-the-clock power to rural households and adequate electricity to agricultural consumers.
- Of the remaining 14,796 villages that still had to get electricity, work has been started in only 1,843 (12%) of them.

About DeenDayal Upadhyaya Gram Jyoti Yojana (DDUGJY):

It was launched by the Ministry of Power. The earlier scheme for rural electrification viz. Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) has been subsumed in this new scheme as its **rural electrification component**.

Aim: to augment power supply to the rural areas and to strengthen sub-transmission and distribution systems.

The Yojana also includes the components:

- To separate agriculture and non agriculture feeders facilitating judicious rostering of supply to agricultural and non-agricultural consumers in rural areas and
- Strengthening and augmentation of sub transmission and distribution infrastructure in rural areas, including metering of distribution transformers/feeders/consumers.

The scheme would help in:

- Improvement in hours of power supply in rural areas.
- Reduction in peak load.
- Improvement in billed energy based on metered consumption.
- Providing access to electricity to rural households.

The scheme has an outlay of Rs 76,000 crore out of which the Centre committed to provide a grant of Rs.63,000 crore.

Mumbai, Delhi in world's top-30 'super cities'

Two Indian cities — Delhi and Mumbai — have made it to a **top-30 list of the world's most powerful, productive and connected cities**.

- According to the study conducted by international real estate consultancy JLL, India's financial capital **Mumbai**

has been ranked 22nd while the national capital **Delhi is placed at 24th**.

- The list is **topped by Tokyo**, which along with New York, London and Paris, make the top four 'super cities'. These four were the destination of over 50% of all foreign capital invested in the Global Top 30 cities.
- Mumbai is also on the **top-10 "improvers" list**. Top-10 improvers are cities whose scores in the **index of commercial attraction** have improved the most over the past year. The index of commercial attraction is JLL's primary benchmark of the size and strength of a city's economy and real estate market.

These Top-30 global cities account for 64% of the total cross-border investment into the 'Global300' — an expanded index of the cities in terms of their "commercial attraction" or economic and real estate power and status.

RK Mathur takes oath as new CIC

Former defence secretary R.K. Mathur was recently sworn in as the **8th Chief Information Commissioner (CIC)** by President Pranab Mukherjee.

- As the CIC, Mr. Mathur will have tenure of about three years, till he attains the age of 65 years.

CIC is appointed by the President on the recommendation of a committee consisting of—

1. The Prime Minister, who shall be the Chairperson of the committee;
2. The Leader of Opposition in the Lok Sabha; and
3. 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.

Rail regulator to set fares, ensure fair competition

The Union government has come out with a concept paper proposing to set up a rail regulator for fixing fares and ensuring level-playing field for private investments in railway infrastructure.

- To ensure that the proposed regulator, Rail Development Authority of India, doesn't meet Parliamentary hurdles, the Railways Ministry initially plans to set it up through an executive order and later on widen its powers.

- The proposal to set up a rail authority was announced by Rail Minister Suresh Prabhu while tabling the Rail Budget for 2015-16 last year.

About the authority:

- The proposed Rail Development Authority would be an independent body, housed outside the Ministry of Railways

Funding:

- The authority will be funded through the annual railway budget sanctioned by the Parliament. The approved Budget would be placed at the disposal of the regulatory authority.
- It would also be permitted to arrange funds through adjudication fees, penalties levied and any other source as specified in the proposed Act.

Functions to be performed by the authority:

- The proposed Rail Development Authority will be mandated to set passenger and freight tariff, ensure fair play and level-playing field for private investments in Railways, maintain efficiency and performance standards, disseminate information such as statistics and forecasts related to the sector.
- The authority will set tariff based on cost recovery principle and “what the traffic can bear.”
- All the direct and indirect costs such as pension liabilities, debt servicing, replacements and renewals along with productivity parameters, market-driven demand and supply forces and future investments will be considered by the regulator before setting tariffs.

The authority will be authorised to penalise cartelisation, abuse of dominance and other unfair market mechanisms.

Who sets the Rail Tariff at present?

At present, the tariff is set by the Union government. Earlier, the revised tariff was usually announced by the Union Rail Minister in Parliament but this practice was discontinued after protests by the Members of Parliament over any proposal to hike tariff.

Significance:

- The proposal for setting up a regulator comes at a time when the estimated losses in passenger segment has ballooned from Rs 6159 crore in 2004-05 to provisional estimate of over Rs 30,000 crore in 2015-16, primarily

due to sharp increases in input costs and no proportionate increase in fares over the same period.

- Keeping fares within affordable limits has led to cross-subsidisation of passenger services leading to erosion of railway’s market share in freight. The total share of railways in the total transportation of freight traffic has declined from 89% in 1950-51 to 36% in 2007-08.
- The full potential of the railway sector has not been tapped as “investors have generally been shy of investing in an industry where far too much is still being done or controlled by government and the risk or return trade-off is not always favourable.”

Lodha Panel Report

The Supreme Court-appointed Lodha Committee has recommended sweeping reforms for the controversy-ridden BCCI.

- The three-member panel was headed by Justice (Retd) RM Lodha.

Important recommendations:

- **One state, one cricket body:** One association of each state will be a full member and have right to vote. One unit should represent one state.
- **CEO-run organisation:** Committee also suggested the restructuring of the BCCI’s administrative set-up, proposing the position of a CEO accountable to a nine-member apex council. An apex council for the BCCI comprising 9 members, of which 5 should be elected, 2 should be representatives of players association, and one woman. CEO to be assisted by 6 professional managers and the team of CEO and managers will be accountable to the apex council.
- **Under RTI:** To ensure transparency in its functioning, the panel has said that it is important to bring the body under the purview of the Right to Information Act.
- **Ethics officer:** The committee recommended the institution of the office of an Ethics Officer, who would be responsible for resolving issues related to the conflict of interest. Ethics officer would be a former High Court judge.
- **Electoral officer:** The committee has also suggested the appointment of an Electoral Officer to conduct the Board elections. The electoral officer would oversee the entire election process relating to the office-bearers namely, preparation of voters list, publication, dispute about eligibility of the office-bearers

- **Ombudsman:** The panel has also proposed an Ombudsman for dealing with internal conflicts. Ombudsman can take cognisance of complaints suo moto, or received complaint or referred complaint by the apex council.
- Among the most sensational recommendation by Lodha panel was the suggestion to **legalize betting**. The panel felt that the move would help curb corruption in the game and recommended that except for players and officials, people should be allowed to place bets on registered sites.
- The Panel also suggested that the grants given to state associations be properly monitored.
- It has also suggested that a person cannot be a BCCI office-bearer and a state association office-bearer at the same time.

After A Gap of 27 Years, Bus Service Resumes Between India And Nepal

After a gap of 27 years, a bus service between India and Nepal via Champawat in Uttarakhand has resumed.

- The bus which runs between Kanchanpur in Nepal close to Banbasa border in Champawat district of Uttarakhand and Anand Vihar, Delhi has been regularised after being run on a trial basis for a week.
- The service had been suspended 27 years back in the wake of the Indo-Nepal Trade and Transit Treaty.
- The income from the area's Tanakpur depot is also considered one of the major sources of income for Uttarakhand Parivahan Nigam.
- No special documents are required to travel in these buses.

Enhancement of representation of women in CAPFs

With a view to enhance representation of women, the Union Government has reserved of 33% of posts at Constable Level in Central Armed Police Forces (CAPFs) for women. This reservation would be horizontal and will be implemented with immediate effect.

Key facts:

- The 33% reservation of Constable level posts will be in CRPF & CISF.
- 14-15% posts at Constable level will be reserved in border guarding forces i.e. BSF, SSB & ITBP.

The Committee on Empowerment of Women in its Sixth Report of the (2010-11) had recommended urgent need to provide due representation to women in paramilitary forces. The

CRPF, considered to be world's largest paramilitary force mostly deployed in law and order duties and the anti-Naxal operations, has just around 6,300 women in its rank.

First Company of Ganga Task Force deployed

As a major initiative towards fast track implementation of Namami Gange Programme the first company of Ganga Task force Battalion was deployed at Garhmukteshwar recently.

- Three such companies will be deployed soon at Kanpur, Varanasi and Allahabad.
- The Jawans of the Ganga Task force will be deployed on the banks of the river Ganga to ensure that industry and civilians do not pollute the river.

Namami Gange Programme:

The Union government approved "Namami Gange" Program in May 2015. It integrates the efforts to clean and protect the Ganga river in a comprehensive manner. Among other things, the programme will focus on pollution abatement interventions namely Interception, diversion & treatment of wastewater flowing through the open drains through bio-remediation / appropriate in-situ treatment / use of innovative technologies.

- The program has a budget outlay of Rs. 20,000 crore for the next 5 years.
- Under this programme, the focus of the Government is to involve people living on the banks of the river to attain sustainable results.
- The programme also focuses on involving the States and grassroots level institutions such as Urban Local Bodies and Panchayati Raj Institutions in implementation.
- The program would be implemented by the National Mission for Clean Ganga (NMCG), and its state counterpart organizations i.e., State Program Management Groups (SPMGs).
- In order to improve implementation, a three-tier mechanism has been proposed for project monitoring comprising of a) High level task force chaired by Cabinet Secretary assisted by NMCG at national level, b) State level committee chaired by Chief Secretary assisted by SPMG at state level and c) District level committee chaired by the District Magistrate.
- The program emphasizes on improved coordination mechanisms between various Ministries/Agencies of Central and State governments.

Ganga Gram Yojana launched

The union government recently launched **Ganga Gram Yojana** at a village in Hapur district of U.P.

- 1600 villages situated along the banks of river Ganga will be developed under this scheme.

Details:

- In the first phase of the programme 200 villages have been selected. In these villages open drains falling into river Ganga will be diverted and alternative arrangements for sewage treatment will be made.
- The villages will have toilets in every house hold. It is proposed to incur and expenditure of Rs. One crore on every village.
- These villages will be developed under the **Sichewal model**. It may be noted that Sichewal is situated in Punjab, where cooperation of the villagers has been solicited for the water management and waste disposal in a meticulous way.

Memories of a glorious past to come alive at historic Chandragiri fort

The historic Chandragiri Fort near Tirupati is all set to host the **545th birth anniversary of famous Vijayanagara emperor Sri Krishnadevaraya** from February 14 to 16.

- The Chittoor district administration in Andhra Pradesh is planning to hold the event on a “grand scale”. Various cultural programmes will be held. Hundreds of artists from Rayalaseema and Karnataka will take part in the three-day festival.
- The fort is under the control of the Archaeological Survey of India (ASI).

About Vijayanagar ruler Krishnadevaraya:

- He was an emperor of the Vijayanagara Empire who reigned from 1509–1529.
- He is the third ruler of the Tuluva Dynasty.
- Krishna Deva Raya earned the titles Kannada Rajya Rama Ramana, Andhra Bhoja and Mooru Rayara Ganda.
- He became the dominant ruler of the peninsula of India by defeating the Sultans of Bijapur, Golconda, the Bahmani Sultanate and the Raja of Odisha.
- The great south Indian mathematician Nilakantha Somayaji also lived in the Empire of Krishnadevaraya.

- Portuguese travellers Domingo Paes and Fernao Nuniz also visited the Vijayanagara Empire during his reign.

Snowflake coral, a serious threat to biodiversity

Scientists have recently discovered the presence of several colonies of an invasive species of **snowflake coral** off the coast of Thiruvananthapuram and Kanyakumari.

- These fast growing alien species have been discovered at a depth of 10 metres off Kovalam, a beach town by the Arabian Sea in Thiruvananthapuram.
- Scientists have warned that these invasive species of snowflake coral could pose a serious threat to the marine ecology of the region.

About Snowflake Coral:

The snowflake coral or branched pipe coral is a species of soft coral in the family **Clavulariidae**. The snowflake coral is a colonial soft coral with a tangled, bushy growth form. Its hollow branches go up to 30 centimetres in length, forming a creeping stolon.

- Native to the tropical western Atlantic Ocean, it has spread to other areas of the world such as Hawaii. In 1972, it was first reported as an invasive species in Hawaii. Since then, it has spread to countries like Australia, Thailand, Indonesia and the Philippines.
- Being a shade-loving species, snowflake coral grows on hard surfaces, away from direct sunlight. These include caves, overhangs, ledges and under piers.
- Because of its capacity to dominate space and crowd out other marine organisms, snowflake coral is considered as an **invasive species**.
- In India, it was reportedly seen from Andaman and Nicobar Islands, Gulf of Mannar (Tamil Nadu), Gulf of Kutch (Gujarat) and Goa.

Cabinet approves Stand Up India Scheme

The Union Cabinet recently gave its approval to the “**Stand Up India Scheme**”.

- The scheme aims to promote **entrepreneurship among SC/ST and Women entrepreneurs**.
- The Scheme seeks to facilitate at least two such projects per bank branch, on an average one for each category of entrepreneur.
- It is expected to benefit atleast 2.5 lakh borrowers. The expected date of reaching the target of at least 2.5 lakh approvals is 36 months from the launch of the Scheme.

Important features of the scheme:

- The scheme focuses on handholding support for both SC/ST and Women borrowers.
- The overall intent of the approval is to leverage the institutional credit structure to reach out to these under-served sectors of the population by facilitating bank loans repayable up to 7 years and between Rs. 10 lakh to Rs. 100 lakh for greenfield enterprises in the non farm sector set up by such SC, ST and Women borrowers.
- Margin money of the composite loan would be up to 25%. Convergence with state schemes is expected to reduce the actual requirement of margin money for a number of borrowers.
- The loan under the scheme would be appropriately secured and backed by a credit guarantee through a credit guarantee scheme for which Department of Financial Services would be the settler and National Credit Guarantee Trustee Company Ltd. (NCGTC) would be the operating agency.

The Scheme provides for:

- Refinance window through Small Industries Development Bank of India (SIDBI) with an initial amount of Rs. 10,000 crore.
- Creation of a credit guarantee mechanism through the National Credit Guarantee Trustee Company (NCGTC).
- Handholding support for borrowers both at the pre loan stage and during operations. This would include increasing their familiarity with factoring services, registration with online platforms and e-market places as well as sessions on best practices and problem solving.

Background:

The "Start up India Stand up India" initiative was announced by the Prime Minister in his address to the nation on 15th August, 2015. The Stand up India component is anchored by Department of Financial Services (DFS) to encourage greenfield enterprises by SC/ST and Women entrepreneurs.

Cabinet approves creation of a Credit Guarantee Fund for MUDRA loans

The Union Cabinet has given its approval for the creation of a **Credit Guarantee Fund for Micro Units Development Refinance Agency (MUDRA) loans**.

- The Fund is expected to guarantee more than Rs 1,00,000 crore worth of loans to micro and small units in the first instance.

The salient features of the Fund:

- The Fund will guarantee loans sanctioned under Pradhan Mantri Mudra Yojana with the objective to reduce the credit risk to Banks and other financial intermediaries, who are Member Lending Institutions (MLIs).
- The National Credit Guarantee Trustee Company Ltd. (NCGTC Ltd.), a wholly-owned company of Government of India, constituted under the Companies Act, 1956 (2013) to manage and operate various credit guarantee funds, shall be the Trustee of the Fund.
- The guarantee under the scheme would be provided on portfolio basis to a maximum extent of 50% of Amount in Default in the portfolio.

Background:

MUDRA Bank and a Credit Guarantee Fund was proposed to be set up with a refinance corpus of Rs. 20,000 crore and a corpus of Rs.3,000 crore respectively as per the Budget Speech for 2015-16.

Signing of MoU between India and Singapore in the field of Civil Aviation

The Union Cabinet has given its ex-post facto approval for signing a Memorandum of Understanding (MoU) between India and Singapore in the field of Civil Aviation.

- The MoU was signed in November, 2015 between Airports Authority of India (On behalf of Government of India) and Singapore Cooperation Enterprise (On behalf of Government of Singapore) in Civil Aviation during Prime Minister's visit to Singapore.

Objective: The objective of this MoU is to establish mutual cooperation in the field of civil aviation, which will cover, to begin with, the airports of Jaipur and Ahmedabad. This cooperation will be extended to other airports with mutual consent.

The MoU includes, among others, collaboration in Civil Aviation Sector in the areas of:

- Master-planning and design
- Traffic development
- Commercial development
- Service quality improvement
- Training and development
- Cargo handling and Management

Border Haats

The Union Cabinet has given its ex-post-facto approval for the Memorandum of Understanding (MoU) between India and Bangladesh for Mode of Operation of Border Haats on India-Bangladesh Border. The MoU was signed in October 2010.

What are 'Border Haats'?

These are **common marketplaces** which aim at promoting the well-being of the people dwelling in remote areas across the borders of two countries, by establishing traditional system of marketing the local produce through local markets in local currency and/or barter basis.

- Though not significant as a percentage of bilateral trade, these measures help to improve economic well-being of marginalised sections of society.

Background

- During the visit of Bangladesh Prime Minister to India in 2010, it was agreed that Border Haats shall be established on a pilot basis at selected areas, including on the Meghalaya border, to allow trade in specified products and in accordance with the regulations agreed and notified by both Governments.
- Presently there are four Border Haats which are operational. In addition, both the Governments have agreed to further establish two Border Haats in Tripura and four Border Haats in Meghalaya on the Bangladesh border.

'Anubhav' – showcasing outstanding work done during service

The Department of Pension & Pensioner's Welfare has launched an online software, '**Anubhav**' for showcasing outstanding work by retiring employee and sharing experience of working with the Government.

- The software has been launched on the directions of the Prime Minister Shri Narendra Modi.
- It is envisaged that over a period of time, this will create a wealth of institutional memory with replicable ideas and suggestions.
- This tool in addition, gives opportunity to the retiring employee to invest his experience, skill and time for growth of social capital of the country.

First River Information System of India

Country's **first River Information System (RIS) System** was recently inaugurated by Union Minister of Shipping, Road Transport and Highways Shri Nitin Gadkari.

- The first of its kind in India, the new system will facilitate safe and accurate navigation on National Waterway – 1 on the Ganges River.
- RIS is being implemented under the overall **responsibility of Inland Waterway Authority of India**, a statutory body administered by the Ministry of Shipping.

About RIS:

River Information Services (RIS) are combination of modern tracking equipment related hardware and software designed to optimize traffic and transport processes in inland navigation.

- The system enhances swift electronic data transfer between mobile vessels and shore (Base stations) through advance and real-time exchange of information.

This would facilitate:-

- Enhancement of inland navigation safety in ports and rivers.
- Better use of the inland waterways
- Environmental protection

RIS enables achievement of safe and efficient inland water transport by avoiding the following risks:-

- Ship- to – Ship collisions
- Ship – Bridge collisions
- Groundings

The RIS system is subsequently being extended upto Varanasi in two more phases.

India To Implement Stricter Emission Norms, Leapfrog To BS-VI From 2020

In a bid to curb vehicular pollution, the government has decided to implement stricter emission norms of Bharat Stage (BS) VI from April 1, 2020 by **skipping BS-V altogether**.

- This decision was taken recently at an inter-ministerial meeting chaired by Road Transport and Highways Minister Nitin Gadkari.
- At present, BS-IV auto fuels are being supplied in whole of northern India covering J&K, Punjab, Haryana, Himachal Pradesh, Uttarakhand, Delhi, parts of Rajasthan and western UP. The rest of the country has BS-III grade fuel.

What are BS norms?

Bharat Stage emission standards, introduced in 2000, are emission standards that have been set up the Central government to regulate the output of air pollutants from internal combustion engine equipment, including motor vehicles.

- The different norms are brought into force in accordance with the timeline and standards set up by the Central Pollution Control Board which comes under the Ministry of Environment and Forests and Climate Change.
- The Bharat Stage norms are **based on European regulations**. In 13 major cities, Bharat Stage IV emission standards were put in place in April 2010. BS-IV norms were supposed to come into effect nationwide from April 2017.

Ministry of Overseas Indian Affairs merged with MEA

The Union Government has merged the Ministry of Overseas Indian Affairs (MOIA) with the Ministry of External Affairs.

Why?

- To avoid duplication of work as most of the work of MOIA was done by Indian missions abroad and also to improve efficiency.
- Even the information for answering the questions related to MOIA in Parliament is provided by the Indian missions.

However, according to some reports, the merger has been done as the MEA has been short of staff and wanted greater number of officials with diplomatic experience in key positions in MOIA to deal with emergencies involving Indians in various crisis-prone countries in West Asia. The merger is expected to increase efficiency in MEA's emergency work abroad.

About the Ministry of Overseas Indian Affairs (MOIA):

The MOIA, dedicated to the multitude of Indian nationals settled abroad, was established in May 2004 as the ministry of non-resident Indians' affairs. Later, it was renamed the Ministry of Overseas Indian Affairs in September 2004.

- The primary task of the MOIA was to connect the Indian diaspora with its motherland.
- The ministry initiated various programmes focusing on developing networks with and amongst the overseas Indians with the intent of building partnerships with the diaspora.

Punjab bans Guthka

Punjab government has ordered ban on manufacturing of food products containing tobacco or nicotine like 'Guthka' and 'Pan Masala' in the state with immediate effect.

- The government has asked the state Health Department to take immediate steps to ensure complete ban on manufacturing of 'Guthka', 'Pan Masala', processed/ flavored/ scented chewing tobacco and any other food products containing tobacco or nicotine in the state.
- The state government had already issued a notification on January 1 banning the storage, sale or distribution of tobacco items by whatever name these are called as final products in the market and has been prohibited for one year in Punjab.

The ban has 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 prohibits any trade or commerce in cigarettes or any other tobacco product unless every pack of cigarettes or any other tobacco product sold, supplied or distributed carries specified warning including pictorial warning.

Background:

After the Food Safety and Standards Authority of India in 2011 framed rules making it clear that tobacco and nicotine will not be used as ingredients in food products, a number of states had put ban on manufacture, storage and sale of tobacco products.

INS Kadmatt Commissioned

INS Kadmatt, **second ship of Project 28 (P28) class Anti-Submarine Warfare (ASW) Corvettes**, was recently commissioned into the Indian Navy by the Chief of Naval Staff at a ceremony held at Naval Dockyard in Visakhapatnam.

About INS Kadmatt:

- INS Kadmatt is named after one of the large islands amongst the Lakshadweep group of Islands off the west coast of India.
- It is one of the most potent warships to have been constructed in India. It has been constructed using high grade steel (DMR 249A) produced in India.
- The vessel is indigenously designed by the Indian Navy's in-house organisation, Directorate of Naval Design and constructed by Garden Reach Shipbuilders and Engineers Limited, Kolkata.

- It is propelled by four diesel engines to achieve speeds in excess of 25 knots with an endurance of 3450 Nm. Some of the advanced stealth features have been incorporated in this ship.
- INS Kadmatt has a multitude of networks such as Total Atmospheric Control System (TACS), Integrated Platform Management System (IPMS), Integrated Bridge System (IBS), Battle Damage Control System (BDCS) and Personnel Locator System (PLS) to provide a contemporary and process oriented System of Systems for optimal functioning of the warship.
- The unique feature of this ship is the high level of indigenisation incorporated in the production, accentuating our national objective of 'Make in India'. About 90% of the ship is indigenous and the ship is equipped to fight in Nuclear, Biological and Chemical (NBC) warfare conditions.
- AMRUT will be implemented in 500 locations with a population of one lakh and above. It would cover some cities situated on stems of main rivers, a few state capitals and important cities located in hilly areas, islands and tourist areas.
- Under this mission, states get the flexibility of designing schemes based on the needs of identified cities and in their execution and monitoring.
- States will only submit state annual action Plans to the centre for broad concurrence based on which funds will be released. But, in a significant departure from JNNURM, the central government will not appraise individual projects.
- Central assistance will be to the extent of 50% of project cost for cities and towns with a population of up to 10 lakhs and one-third of the project cost for those with a population of above 10 lakhs.

With the changing power dynamics in the Indian Ocean Region, INS Kadmatt is expected to augment the mobility, reach and flexibility of Indian Navy.

Atal Mission Plans for Punjab and Uttarakhand for 2015-16 approved

The union government has approved Atal Mission Plans for Punjab and Uttarakhand.

- Punjab Government will invest Rs.720 cr in improving basic urban infrastructure in 16 cities while Uttarakhand will spend Rs.267 cr in 6 cities under action plans for Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 2015-16.
- Punjab will get central assistance of Rs.319 cr while Uttarakhand gets Rs.134 cr under the State Annual Action Plans (SAAP).

State Annual Action Plans (SAAP) of each state is formulated by integrating Service Level Improvement Plans (SLIP) of each AMRUT city in respective state.

AMRUT:

- AMRUT is the **new avatar of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM)**.
- AMRUT adopts a project approach to ensure basic infrastructure services relating to water supply, sewerage, storm-water drains, transportation and development of green spaces and parks with special provision for meeting the needs of children.
- Under this mission, 10% of the budget allocation will be given to states and union territories as incentive based on the achievement of reforms during the previous year.

- Under the mission, states will transfer funds to urban local bodies within 7 days of transfer by central government and no diversion of funds to be made failing which penal interest would be charged besides taking other adverse action by the centre.

Tribal ministry relents over Forest Rights Act

Setting a precedent for the entire country, the Union tribal affairs ministry has revised its views to re-interpret the Forest Rights Act (FRA) and allow the Maharashtra forest department to get control back over forest management and a grip on the lucrative trade worth crores in forest produce such as tendu leaves and bamboo.

Background:

- In 2014, the Maharashtra state government had passed regulations that ensured its forest department retained control over forest management, which includes the large-scale trade and sale of forest produce.
- The tribal affairs ministry found this in violation of FRA, which empowers tribals and other forest-dwellers to hold sole rights to manage the forests, including sale of forest produce in areas where they have traditional claims. The tribal affairs ministry repeatedly told Maharashtra that its rules were prima facie in violation of and irreconcilable with the law.
- But after a meeting in November 2015 between the environment and the tribal affairs ministries, the latter has made a turnaround and re-interpreted the legal provisions of FRA to give the state government control back over the forests with some conditions.

Implications:

This could now open the Pandora's box with some states such as Madhya Pradesh having already followed suit to put similar regulations in place and states such as Jharkhand, Chhattisgarh and Odisha working towards such rules as well.

About Forest Rights Act (FRA):

- 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: 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.

Gujarat's former IAS officer D K Sikri appointed CCI chief

Devender Kumar Sikri, a former Gujarat cadre IAS officer, has been appointed chairman of the fair-trade regulator Competition Commission of India (CCI).

- Sikri succeeds Ashok Chawla, whose over four-year tenure as CCI chairman ended recently. Sikri will have a tenure of about two-and-a-half years till he attains the age of 65 years.

About CCI:

Competition Commission of India is a body responsible for enforcing The Competition Act, 2002 throughout India and to prevent activities that have an adverse effect on competition in India. It was established on 14 October 2003. It became fully functional in May 2009.

- CCI consists of a Chairperson and 6 Members appointed by the Central Government.
- The duty of the Commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect the interests of consumers and ensure freedom of trade in the markets of India.
- The Commission is also required to give opinion on competition issues on a reference received from a statutory authority established under any law and to undertake competition advocacy, create public awareness and impart training on competition issues.

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant position by enterprises and regulates combinations (acquisition, acquiring of control and Merger and acquisition), which causes or likely to cause an appreciable adverse effect on competition within India.

sources: pib.

Jallikattu in T.N., bullock cart race in Maharashtra cleared

The Centre has issued a notification to permit jallikattu, Tamil Nadu's traditional bull-taming sport, ahead of the Pongal festival. The order permits jallikattu — and bullock cart races in Maharashtra, etc.

Details:

- The notification overturns a 2011 notification that prohibited the exhibition or training of bulls, and some other animals, as performing animals, and also goes against Supreme Court's 2014 ruling.

- While retaining the general prohibition on using some animals — bulls, bears, monkeys, tigers, panthers and lions — as performing animals, the notification makes an exception for such traditional sports involving bulls, subject to the permission of the local administration and some conditions.
- The new notification says that “bulls may be continued to be exhibited or trained as a performing animal — at events such as Jallikattu in Tamil Nadu and bullock cart races in Maharashtra, Karnataka, Punjab, Haryana, Kerala and Gujarat — in the manner by the customs of any community or practiced traditionally under the customs or as a part of culture, in any part of the country”. The notification mentions that this exemption is subject to the condition that bulls are treated properly and not subjected to cruelty.
- The new notification adds a few guidelines to regulate these sports: these events shall take place in these areas at such places as the district magistrate or collector explicitly permits, and that the bull once out of the enclosure shall be tamed within a radial distance of 15 metres.

Implications:

- With this notification, the Centre has circumvented the Supreme Court’s judgment in which the Court had banned jallikattu as plain act of cruelty shown to a dumb animal. It had held that this “sport” was grossly against the Tamil culture and tradition to “embrace bulls and not overpowering the bull, to show human bravery”.
- The notification also violates the very essence of the PCA Act as interpreted in the May 2014 verdict of the Supreme Court. Under Section 3, no right is conferred to inflict necessary or unnecessary pain or suffering on the animals.

Background:

Ahead of Pongal festival, people from Tamil Nadu had sought a government initiative to permit this event.

Premji most generous Indian, Mukesh ranks sixth

According to the Hurun India Philanthropy List, which is a ranking of the most generous individuals from the country, **Azim Hashim Premji was named as the most generous Indian** as he donated Rs 27,514 crore for education, followed by Nandan Nilekani and Narayana Murthy in the second and third places, respectively. Mukesh Ambani of Reliance Industries was ranked sixth in the List.

RBI Dy Governor Patel gets second term

Urjit Patel, Deputy Governor of Reserve Bank of India (RBI) in-charge of the monetary policy department, has been re-appointed for a term of three years.

- Patel, who will complete his three-year term on January 10, could become the longest serving deputy governor in recent times if he serves the full three-year term. Most of recent deputy governors served a maximum of five years.
- This appointment was cleared by the government appointed search panel.

RBI has four Deputy Governors, two are from outside, a commercial banker and an economist while two others are promoted from within its ranks.

President Signs Ordinance to Amend Enemy Property Act

An ordinance to amend the 47-year-old Enemy Property Act has been approved by President Pranab Mukherjee to allow custodians to continue to hold sway over such properties.

- These amendments plug the loopholes of the Enemy Property Act, 1968.

The amendments include:

- Once an enemy property is vested in the Custodian, it shall continue to be vested in him as enemy property irrespective of whether the enemy, enemy subject or enemy firm has ceased to be an enemy due to reasons such as death and others.
- The law of succession does not apply to enemy property. There cannot be transfer of any property vested in the Custodian by an enemy or enemy subject or enemy firm and that the Custodian shall preserve the enemy property till it is disposed of in accordance with the provisions of the Act.
- A new section has been inserted in the ordinance to say that “the Custodian, may, after making such inquiry as he deems necessary, by order, declare that the property of the enemy or the enemy subject or the enemy firm described in the order, vests in him under this Act and issue a certificate to this effect and such certificate shall be the evidence of the facts stated therein”.

Background:

- The Enemy Property Act was enacted in the year 1968. It provided for the continuous vesting of enemy property in the custodian. The Union Government through the Custodian of Enemy Property for India is in possession

of enemy properties spread across many states in the country.

- To ensure that the enemy property continues to vest in the Custodian, appropriate amendments were brought in by way of an Ordinance in the Enemy Property Act, 1968 by the then Government in 2010.
- However, the ordinance lapsed on 6 September 2010. Later on 22 July 2010, it was introduced in Lok Sabha in form of a Bill but was withdrawn and another bill with modified provisions was introduced in the Lok Sabha on 15 November, 2010. This bill was thereafter referred to the Standing Committee. However, the said bill could not be passed during the 15th term of the Lok Sabha and it lapsed.

Enemy properties:

In the wake of the Indo-Pak war of 1965 and 1971, there was migration of people from India to Pakistan. Under the Defence of India Rules framed under the Defence of India Act, the Government of India took over the properties and companies of such persons who had taken Pakistani nationality. These enemy properties were vested by the Union Government in the Custodian of Enemy Property for India.

After the 1965 war, India and Pakistan signed the Tashkent Declaration on 10 January 1966. The Tashkent Declaration inter alia included a clause, which said that the two countries would discuss the return of the property and assets taken over by either side in connection with the conflict. However, the Government of Pakistan disposed of all such properties in their country in the year 1971 itself.

Raghuram Rajan Conferred Central Banker of the Year Award

RBI Governor Raghuram Rajan has been felicitated with the **Central Banker of the Year Award (Global and Asia Pacific) for 2016** by the Financial Times Group's monthly publication 'The Banker'.

- The Central Banker of the Year 2016 awards celebrate the officials that have best managed to stimulate growth and stabilise their country's economy.

CRZ amendment raises hackles

The amendment to the Coastal Regulation Zone (CRZ) notification 2011 permitting the use of reclaimed land for construction of roads in notified areas has triggered a wave of concern among coastal communities, amid fears that it would trigger further dilution of CRZ norms.

- Along with the coastal communities, even the scientists have raised their voices against these amendments.

Why?

- Scientists feel that the amendment would spark a spree of construction activities along the coast, endangering the marine and coastal ecosystems.
- They also allege that the government move is dictated by powerful lobbies with an eye on ecologically sensitive coastal areas.
- Environmentalists are also worried as the amendment would permit roads to come up in the CRZ1 region comprising ecologically sensitive areas and classified as a 'no development zone'.

Background:

- The Ministry of Environment, Forests and Climate Change (MoEFCC) through an extraordinary gazette notification on December 30, 2015 issued amendments the Coastal Regulation Zone (CRZ) notification 2011.
- These amendments permits the use of reclaimed land for roads, mass rapid or multimodal transit systems, and the construction and installation of associated public utilities and infrastructure to operate such systems within the CRZ area. It says such roads should not be taken as authorised for permitting development on the landward side till the existing High Tide Line.
- The notification adds that construction of roads would be permitted only on the recommendation of the Coastal Zone Management Authority concerned and the clearance of MoEFCC. It also mandates compensatory afforestation to replace the mangroves cut or destroyed for road construction.

What next?

Local communities have demanded revocation of the amendment immediately. They have also asked the government to hold National level consultation in all the coastal States before making any amendment in CRZ 2011, as done earlier.

CRZ notification, 2011:

The existing policy on coastal management as laid down in the CRZ notification and Island Protection Zone (IPZ) notification 2011 issued under the Environment (Protection) Act 1986 envisages ensuring livelihood security to the coastal communities, to conserve and protect coastal stretches and marine areas and promote sustainable development on scientific principles taking into account the dangers of natural hazards in the coastal areas and sea level rise.

Tax on seed funding to be scrapped

The government has decided to scrap a **tax on seed funding** provided to start-ups by Indian angel investors in the upcoming Union Budget, to help domestic financiers bankroll new entrepreneurial ventures under its Start Up India campaign.

Why is it necessary to scrap this tax?

- This tax treats infusion of funds by domestic angel investors as income in the hands of the start-up. This also makes India the **only country in the world to penalise local angel investors** in such a manner. This tax roughly takes away 30% of the investment from the start-up's cash flow.
- Tax on seed funding is one of the key reasons that 90% of Indian start-ups are financed by foreign venture capital and angel funds.
- Since this tax applies only to domestic investors, it acted as a disincentive to local funding for start-ups.

The tax treatment and difficulties of doing business in India as start-ups attain scale, make it attractive for such ventures to relocate out of India to countries like Singapore; 65% of successful start-ups that began in India have moved out of the country. According to estimates by the team of officials working on the Start Up India programme, start-ups in the country received around 9 billion dollars of funding in 2015.

Background:

Finance Act 2013 introduced a tax on seed capital provided to start-ups by local angel investors.

Angel investor:

Angel investor is an investor who provides financial backing for small startups or entrepreneurs. Angel investors are usually found among an entrepreneur's family and friends. The capital they provide can be a one-time injection of seed money or ongoing support to carry the company through difficult times.

Hisar institute becomes second centre to clone buffalo

Scientists at the Central Institute for Research on Buffaloes (CIRB) in Hisar, Haryana claimed to have successfully produced a cloned buffalo offspring '**Cirb Gaurav**'.

- This cloned buffalo calf is distinct from the earlier clones produced in India. As this is produced from cells of ventral side of tail of superior bull buffalo, this part is least exposed to sunlight and may have less mutation

rate, and can be a good choice for isolation of donor cells to produce healthy clones.

- With this achievement, CIRB becomes the **world's third and India's second institute to produce cloned buffalo. National Dairy Research Institute in Karnal was the first** to produce a cloned calf in India.
- This achievement has been made under the project entitled- Cloning for conservation and multiplication of superior buffalo germplasm.

What is cloning?

Cloning is the process of creating genetically identical copies of biological matter. This may include genes, cells, tissues or entire organisms.

Telangana becomes first State to make gender education compulsory

Telangana has become the **first State to introduce compulsory gender education at the graduate level**; without repeating gender stereotypes in its bilingual textbook titled, '**Towards a World of Equals**'.

Details:

- The book introduced on a pilot basis in engineering colleges affiliated to the Jawaharlal Nehru Technological University (JNTU-Hyderabad) discusses gender in its composite form without limiting itself to crime against women.
- From information on unacknowledged women writers of Telangana to problems of sex selection and women's work in politics and economics, the book attempts to cover it all.
- It also touches upon complex subjects like female-centric history and male-female relationships.
- Structured in simple language and form to suit undergraduates, the book discusses different strands of women's movements across the world, introducing students to political movements of Afro-American, Caribbean, African, Dalit and minority women.
- The book is also coupled with the collection of visual teaching tools which include documentary films.
- The book discusses construction of gender stereotypes through pictures on male and female hairstyles, clothing and discussions on popular songs like 'Kolaveri', advertisements and films.

Governor's Rule in J&K

Governor's Rule has been imposed in the State of Jammu and Kashmir. It is for the sixth time that the governor's rule is being imposed in the state.

- Based on the recommendation from the Governor of Jammu and Kashmir and 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**.

Governor's rule in J&K:

- 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.

Fillip to 'Make in India' in defence purchases

The government has approved major changes to the **Defence Procurement Procedure (DPP)**. Approval in this regard was recently given by the **Defence Acquisition Council (DAC) chaired by Defence Minister Manohar Parrikar**.

- This is an attempt to streamline defence acquisitions and give a big impetus to indigenisation through the 'Make in India' initiative.

Highlights:

- The DPP 2016 will have a new category, **Indigenously Designed, Developed and Manufactured (IDDM) platforms**, which will be the priority route for procurements. Within this two **sub-categories** have been created, one with mandatory 40% domestic content for a domestic design and the other mandating 60% local content if the design is not Indian. The domestic companies eligible under this will have majority Indian control and operated by Indian nationals.

- In addition to building a technology base in the country, the government through the Department of Defence Production will fund private R&D for which various norms have been stipulated.

- In another significant change, the contentious issue of offsets has been amended from the current Rs. 300 crore to Rs. 2000 crore giving flexibility for foreign companies. Offset clause mandates that a foreign company should invest 30% of the contract value back into the country with a view to bring in technology. Offsets push up cost of contracts by 14-18%.

- According to the new changes, the definition to be counted as an **'Indian company'** is a **company that is controlled and operated by Indian nationals**.

- The DPP also sets up an **empowered committee** to solve disputes or unforeseen issues. Till now disputes went to DAC.

- Each of the three Services will have a Major General-rank officer for project management to be run on road map in line with the long-term perspective plan.

- Given the limited choices in defence equipment technology production, the DPP says bids can be accepted even if there is only one supplier.

About DAC:

The DAC, set up in 2001 as part of the post-Kargil reforms in defence sector, approves the long-term integrated perspective plan for the forces, accords acceptance of necessity (AON) to begin acquisition proposals, and has to grant its approval to all major deals through all their important phases. It also has the power to approve any deviations in an acquisition, and recommends all big purchases for approval of the Cabinet committee on security.

No more 'droughts' in India, says IMD

The India Meteorological Department has changed the languages used in weather forecasting so that the civil administration gets a more realistic sense of the upcoming weather events.

Background:

- The communication gap was particularly visible during the Uttarakhand flood in 2013 when the state administration failed to anticipate the severity of the disaster from the IMD warning, which used the outdated language.

- Subsequently, a committee was set up to review the terminology and to determine how each of these terms can be defined based on supporting observational data.

- At the end of the exercise, IMD now has better expressions to describe extreme weather events, which would also alert the administration on the need to take precautionary measures.

Important recommendations made by the committee:

The committee has suggested a host of changes that included stopping use of the term drought and making changes to terms used to describe rainfall categories based on its intensity. The India Meteorological Department (IMD) will now stop use of the term '**drought**' to describe poor rainfall recorded across parts of the country and replace it with the terms '**deficient year**' and '**large deficient year**'.

The committee has also suggested new terminology for rainfall, snowfall, heat wave, cold wave and city as well as tourist spot specific weather forecast for short, medium and long term.

Following are the key terms that have now been standardized by the IMD:

- **Heat wave:** Temperatures greater than 4.5 degree Celsius above what's usual for the region.
- **Cold wave:** Temperatures less than 4.5 degree Celsius above what's usual for the region.
- **Severe heat wave:** greater than or equal to 47 degree Celsius.
- **Severe cold wave:** Minimum temperature is 2 degree Celsius or lower.

The new criteria classify all-India rainfall into five categories: **normal** (plus or minus 10% of the long period average) **below normal** (rainfall lower than 10% below average), **above normal** (rainfall greater than 10% above average), **deficient year** (rainfall deficit between 10 and 20% up to 40% of India's spatial area) and **large deficient year** (rainfall deficit of over 10% across more than 40% of India's area).

The rules also change criteria to classify seasonal rainfall. Instead of the old four rainfall categories (excess, normal, deficient, and scanty), the **IMD has introduced six categories** – **large excess:** 60% and above; **excess:** between 20% and 59%; **normal:** minus 19% to plus 19%; **deficient:** minus 20% to minus 59%; **large deficient:** below 60%; and no rain: (0).

PMO sets up panel to fast-track bullet trains

The Prime Minister's Office has constituted a **committee under Arvind Panagariya**, vice-chairman of the NITI Aayog, to hasten the Mumbai-Ahmedabad High-Speed Rail Corridor, meant for bullet trains between the two cities.

- The panel will interact with the Japanese counterpart for taking the next step in implementation. The Railway Board chairman, secretary in the department of expenditure, foreign secretary and secretary (industrial policy) will be part of the panel.

Background:

- The Cabinet had recently given its nod to set up India's first 500-km-long bullet train project, with the help of Japanese funds and technology. Connecting Mumbai to Ahmedabad, the cost of the project will be Rs 98,000 crore. Japan will invest Rs 78,000 crore. This is the largest foreign investment in India's railway sector.
- The Cabinet's approval for the high-speed line was based on the recommendations of a committee headed by Panagariya. The Panagariya panel had favoured Japan over China due to the low-cost funding up to 80% of the cost proposed by Japan International Cooperation Agency, at a 0.1% interest rate (50-year repayment), apart from a commitment for technology transfer and local manufacturing for a specified period.
- It had suggested Indian Railways run the corridor for an initial five years, after which private operators could be allowed.

India-Australia Social Security Agreement Comes Into Operation

A new social security agreement signed between India and Australia has come into operation enabling people of both nations to avail retirement benefits in each other's country. This pact is likely to boost bilateral business linkages.

- The Agreement was signed in November 2014.

Details:

- This agreement will give people more freedom to move between Australia and India. Australian residents living in India will be able to claim the Australian Age Pension without having to return to Australia, while Indian residents living in Australia will have access to Indian retirement pensions.
- As a result of this agreement, temporarily seconded workers, and their employers, will only have to make compulsory contributions into their home country's superannuation or pension system rather than both countries' systems.
- This is expected to save Australian businesses operating in India about Rs. 66 crore (USD 10 million) per year, and put Australian businesses on an equal footing with

their competitors from other countries that already have similar agreements with India.

Australia now has 30 international social security agreements around the world to support people living and working in more than one country, including with countries like Austria, Belgium, Canada, Japan, Korea, Spain, Switzerland and the US.

Start Up India schemes to finally take off

The government is all set to form an overarching supervisory body with about ten members to oversee the allocation of funds under the Self-Employment and Talent Utilisation (SETU) scheme and the Atal Innovation Mission (AIM).

- The panel would include secretaries from the departments of science and technology, biotechnology, industrial policy and promotion as well as the ministry of micro, small and medium enterprises.
- The government has already allocated Rs 1,000 crore to the SETU scheme and Rs 150 crore for AIM.
- With this formation, the government can finally start deploying funds from the Self-Employment and Talent Utilisation (SETU) scheme and the Atal Innovation Mission (AIM) announced in the Union Budget for 2015-16 to promote startups and scientific research, after over ten months of spadework.

Self-Employment & Talent Utilisation (SETU):

It will be a Techno-Financial, Incubation and Facilitation Programme to support all aspects of start up businesses, and other self-employment activities, particularly in technology-driven areas. An amount of Rs.1000 crore is being set up initially in NITI Aayog for SETU.

- The SETU scheme's resources would be devoted to strengthening incubators and setting up 'tinkering labs' where ideas can be shaped into prototypes before they are ripe for funding.
- Half of the funds under SETU would be earmarked for strengthening existing incubators in the country, backed by different departments, so that the support mechanism for budding entrepreneurs is more robust.
- The rest, Rs 500 crore, would be used for setting up tinkering labs, where students can literally potter about and create prototypes and models of their ideas with the ability to demonstrate basic functions.

Atal Innovation Mission (AIM):

It will be an Innovation Promotion Platform involving academics, entrepreneurs and researchers and draw upon national and international experiences to foster a culture of innovation, R&D and scientific research in India.

- The platform will also promote a network of world-class innovation hubs and Grand Challenges for India. Initially a sum of Rs.150 crore will be earmarked for this purpose.
- The AIM would focus on inviting aspiring entrepreneurs to solve India's contemporary socio-economic problems via '**grand challenges**' that offer substantial awards to incubate and scale up winning ideas.
- The idea of posing social problems as a 'grand challenge' for aspiring startups under the AIM, is to engage young graduates eyeing the startup space into thinking beyond the internet, e-commerce and mobile applications space.

MUDRA to achieve loan target: CEO

According to the Chief Executive Officer of Micro Units Development & Refinance Agency Ltd (MUDRA), Jiji Mammen, the loans given under the PMMY Scheme (Pradhan Mantri Mudra Yojana) are set to achieve the target of Rs.1.2 lakh crore by March 2016.

- Around Rs.75,000 crore have been given till December 2016. The loans were disbursed by banks and MFIs.
- Nearly half of the 1.7 crore beneficiaries are people who are setting up new units while the rest have used the micro finance facility for expanding their units.

About the Pradhan Mantri MUDRA Yojana (PMMY) scheme:

The PMMY Scheme was launched by Prime Minister Narendra Modi in April, 2015. The scheme's objective is to **refinance collateral-free loans given by the lenders to small borrowers.**

- The scheme, which has a corpus of Rs 20,000 crore, can lend between Rs 50,000 and Rs 10 lakh to small entrepreneurs.
- Banks and MFIs can draw refinance under the MUDRA Scheme after becoming member-lending institutions of MUDRA.

Significance of this scheme:

- It will greatly increase the confidence of young, educated or skilled workers who would now be able to aspire to become first generation entrepreneurs.

- Existing small businesses, too, will be able to expand their activities.
- By floating MUDRA bank, the Centre has ensured credit flow to SMEs sector and has also identified NBFCs as a good fit to reach out to them.
- People will now be able to get refinance at subsidised rate and it would be passed on to the SMEs. Moreover, it would enable SMEs to expand their activities.

New skill initiatives launched for youths on National Youth Day

The Union Ministry of Tourism has launched the following new skill initiatives on the occasion of “National Youth Day” in order to **improve the sectoral service standards**, which is one of the pre-requisites for attracting tourists in larger numbers:

A sensitization programme for the existing service providers at Varnasi:

- The primary objectives of the programme will be to eventually achieve an improved tourist specific service ambience and to further the Swachh Bharat Abhiyaan.
- It will target Boatmen, Rickshaw pullers, Pandas, Porters, Shopkeepers & Street Vendors.
- The Programme will be implemented by the Indian Institute of Tourism & Travel Management.

A programme to groom young persons interested in home delivery service as an occupation:

- It will target persons who are at least matriculates and in the age group of 18-28 years.
- The Programme will be implemented by the Indian Institute of Tourism & Travel Management, Institutes of Hotel Management & Food Craft Institutes.
- The programme will prepare the trainees to deliver food at home with skill, style and civility.

A programme for training to bring up “Paryatak Mitra”:

- The programme will attempt to inculcate appropriate tourism traits and knowledge among the trainees to enable them to act / work as Tourist Facilitators (Paryatak Mitra).
- It will target college-going students including those enrolled with the NCC & NSS, in the age group of 18-28 years.

- The programme will be implemented by the Indian Institute of Tourism & Travel Management, first at destinations identified under the PRASAD scheme of the Ministry of Tourism.

A training programme to bring up tourist facilitators in the North East:

- The primary objective of the programme limited to the North East, will be to achieve better tourist satisfaction in terms of availability of skilled tourist facilitators. It will target 10+2 pass-outs in the age group of 18-28 years.
- The programme will be implemented by the Indian Institute of Tourism & Travel Management.

Corporate Skill Excellence Centres

As part of the Skill India Development Mission, the union Ministry of Skill Development & Entrepreneurship has embarked upon a special industry initiative to attract leading corporate to set up co-branded **Corporate Skill Excellence Centres in PPP mode**. This was announced by the government at the recently held National Industry Conclave on Skill in Mumbai.

- In this regard, the Government will provide various tax and non-tax incentives for corporates that set up Corporate Skill Excellence Centres as part of their core business or CSR activities.
- The CSR funds can be routed through National Skill Development Fund with specific outcomes.

About the National Skill Development Mission:

The National Skill Development Mission aims to provide a strong institutional framework at the Centre and States for implementation of skilling activities in the country. It was launched by the Prime Minister in July 2015.

- The Mission will have a three-tiered, high powered decision making structure. At its apex, the Mission’s Governing Council, chaired by the Prime Minister, will provide overall guidance and policy direction.
- The Steering Committee, chaired by Minister in Charge of Skill Development, will review the Mission’s activities in line with the direction set by the Governing Council. The Mission Directorate, with Secretary, Skill Development as Mission Director, will ensure implementation, coordination and convergence of skilling activities across Central Ministries/Departments and State Governments.
- The Mission will also run select sub-missions in high priority areas.

- The National Skill Development Agency (NSDA), the National Skill Development Corporation (NSDC) and the Directorate of Training will function under the overall guidance of the Mission.
- The Ministry of Skill Development and Entrepreneurship (MSDE) provides a natural home for the Mission, organically linking all three decisions making levels and facilitating linkages to all Central Ministries/Departments and State Governments.

Trivia:

The **National Youth Day** was celebrated across the country on 12th January. It also marks the birth anniversary of Swami Vivekananda. In 1984 the Government of India declared the day as the National Youth Day and since 1985 the event is celebrated in India every year.

Sugar cess ceiling hiked to Rs 200/qtl after President nod to Bill

President Pranab Mukherjee has given his assent to the **Sugar Cess (Amendment) Bill, 2015**, raising the ceiling of the impost.

Background:

- The bill was passed by Lok Sabha on December 15 but opposition members had joined ranks in the Rajya Sabha to oppose its consideration on December 23, the last day of the winter session.
- The Bill was later declared a money bill. It has now become a law after the President's nod as it was not returned by the Upper House to the Lok Sabha within 14 days of its consideration there, as required under the rules.

Highlights:

- The new Bill amends the Sugar Cess Act, 1982 which provides for the imposition of a cess as an excise duty on the production of sugar.
- The principal Act specifies the ceiling on the cess at 25 rupees per quintal under the Act. The Bill proposes to increase this ceiling to 200 rupees per quintal of sugar.
- The cess was proposed to be increased in order to meet the government's expenditure on interventions to ensure payment of dues to sugarcane farmers.

The rate of **sugar cess is notified by the central government** from time to time.

EPFO bags National Award on e-Governance

The Employees' Provident Fund Organisation has won the **National Award on e-Governance 2015-16** for launching the Universal Account Number (UAN).

- The EPFO won the gold award in the '**innovative use of technology in e-governance**' category and it will get a cash prize of Rs 2 lakh.

About UAN:

- The EPFO had launched UAN in July 2014. The UAN facility **enables workers to transfer their provident fund deposits while switching jobs anywhere in India easily.**
- Through UAN, active employees are provided a universal number which can be linked to various provident fund account numbers provided to them while working in different organisations.
- **A single account number can be used through all of workers' employments** with various organisations. When a worker changes his job, he is required to inform his UAN to new employer and after the previous and present employments are linked to the number, the transfer process happens on its own.
- Earlier, the worker had to apply for transfer of funds on change of job from one organisation to another. The portal also allows a worker view his provident fund balance on a real-time basis without going through the employer.
- So far, 5.65 crore workers in 4.57 lakh organisations have been allocated UAN.

The **Employees' Provident Fund Organisation**, a **statutory body**, is one of the largest social security organizations in India in terms of volume of financial transactions undertaken and number of covered beneficiaries. It **works under the overall aegis of the Ministry of Labour and Employment.**

Kerala becomes the first to achieve 100% literacy

Kerala has become the **first Indian state to achieve 100% primary education.** The Vice-President, Mohammad Hamid Ansari has officially declared the 100% primary education status achieved by Kerala.

- This has been achieved through the primary education equivalency drive of the state literacy mission - **Athulyam.**

About Athulyam:

- The programme was aimed at providing primary education people aged between 15 and 50 years. It was implemented in two stages.
- The beneficiaries were identified through family registries prepared by anganwadis under the social justice department.
- In the second phase of this Athulyam programme, the students who have not received primary education or who failed to get primary education due to several reasons were recognised and these students were provided classes to achieve the education.

The significance of education in Kerala is indicated by the state's ranking as **the most literate in the country**. Schools and colleges are mostly administered by the government, private trusts, or individuals. Each school is associated with either the Indian Certificate of Secondary Education (ICSE), the Central Board for Secondary Education (CBSE), Kerala State Education Board or the (NIOS).

Centre clears new crop insurance scheme

The Union government has given its approval to the **Pradhan Mantri Fasal Bima Yojana**.

- The scheme aims to reduce the premium rates to be paid by the farmers so as to enable more farmers avail insurance cover against crop loss on account of natural calamities.
- The scheme will come into effect from the upcoming kharif season.

Details:

- Under the new scheme, farmers will have to pay a uniform premium of 2% for all kharif crops and 1.5% for all rabi crops. For annual commercial and horticultural crops, farmers will have to pay a premium of 5 %. The remaining share of the premium, as in previous schemes, will continue to be borne equally by the Centre and the respective state governments.
- Under PMFBY, **there will no upper limit on government subsidy** and even if balance premium is 90%, it will be borne by the government. Earlier, there was a provision of capping the premium rate which resulted in low claims being paid to farmers. This capping was done to limit government outgo on the premium subsidy. This capping has now been removed and farmers will get claim against full sum insured without any reduction.

- Under the scheme, the use of technology will be encouraged to a great extent. Smart phones will be used to capture and upload data of crop cutting to reduce the delays in claim payment to farmers. Remote sensing will be used to reduce the number of crop cutting experiments.
- The new Crop Insurance Scheme will also seek to address a long standing demand of farmers and provide farm level assessment for localised calamities including hailstorms, unseasonal rains, landslides and inundation.

This scheme will act like a "safety shield" for the farmers and will protect them against the vagaries of nature.

Significance of this move:

With farmers having been required to pay a premium share of as high as 15% in several areas in the country, there has been a long-standing discussion on the need to bring down these rates. The Centre's move to bring down and cap these interest rates is being viewed as a major government policy outreach towards the farmers.

Increased financial burden:

With the new scheme, the Centre's financial liability is estimated to go up to Rs 5,700 crore. As the Centre's financial liability goes up, the bill of the states where the scheme gets implemented will also go up correspondingly.

Digital dividends not spreading rapidly, says World Bank

The World Bank recently published its annual **World Development Report (WDR) 2016**. The 2016 WDR issue titled "**Digital Dividends**," noted that almost 1.063 billion Indians were offline even though India ranked among the top five nations in terms of the total number of Internet users, along with China, the U.S., Japan and Brazil.

Other important observations made by the report:

- With 60% of the world's population still offline, institutional and regulatory barriers to efficiency are exacerbating the problem of low and unevenly distributed "digital dividends" from growing Internet penetration across countries.
- With the advent of big data, which includes the likes of India's Aadhaar unique identity project, secret snooping by governments can be for legitimate law enforcement reasons, but sometimes violates laws and rights.
- 57% of Indians believe private information on the Internet is very secure, but only 18% of French and 16% of German respondents do.

- With nearly 20% of the world's population unable to read and write, the spread of digital technologies alone is unlikely to spell the end of the global knowledge divide. Yet, there were numerous examples worldwide of success stories where the power of the Internet had been leveraged to improve, for example, the delivery of public services.
- The Bank's report has also outlined several cases of NGOs partnering with the Indian government and such digital citizen engagement led to success with projects such as "I Change My City," "I Paid A Bribe," and the "Karnataka BVS."
- The report also notes that India, along with Ethiopia and Zimbabwe, has the greatest restrictions on service trade.
- The report also asks India to have an appropriate business environment, which shapes how firms adopt and use technology.

Satellite technology to help NHAI monitor highway projects

NHAI has signed Memorandum of Understanding with National Remote Sensing Centre (NRSC) under Indian Space Research Organization (ISRO) and North East Centre for Technology Application and Research (NECTAR) for use of spatial technology for monitoring and managing National Highways.

Background:

NHAI: NHAI has been entrusted with National Highways Development Project (NHDP), along with other projects for development, maintenance and management of National Highways across the country. To accomplish this mandate, it is required to use advanced and multiple technologies to expedite project preparation, monitor construction progress, operation and maintenance and optimal management of its assets.

NRSC: National Remote Sensing Centre (NRSC), a part of ISRO, is the focal point for distribution of remote sensing satellite data products in India. The NRSC supplies satellite data products acquired by Indian Satellites (ISRO) and also by the foreign satellite product companies. ISRO is the nodal agency appointed by Govt. of India for Space Technology.

NECTAR:

North East Centre for Technology Application and Research (NECTAR), Department of Science and Technology uses Unmanned Aerial Vehicles (UAVs) for acquiring aerial images for infrastructure planning.

Significance of this MoU:

- The use of satellite data and geospatial technology will be useful in providing inputs in highway and infrastructure projects for preparation of DPR, prefeasibility status in new alignment, upgrade/road widening, monitoring of road segments under construction and Road Asset Management System.
- The use and benefits of unmanned aerial vehicle technology will be useful in monitoring, construction progress, Road Asset Management, feasibility report and DPR preparation, immediate assessment and remedy of problematic spots etc.

India to join the International Energy Agency – Ocean Energy Systems

The Union Cabinet has given its approval for India to become a member country of the **International Energy Agency – Ocean Energy Systems (IEA-OES)** by signing the Implementing Agreement (IA).

- The **nodal agency** for the membership would be **Earth System Science Organisation – National Institute of Ocean Technology (ESSO-NIOT)** under the Ministry of Earth Sciences.

Benefits:

- By becoming a member of the IEA-OES, India will have access to advanced R&D teams and technologies across the world.
- India will partner in developing test protocols along with other countries.
- This will help in testing Indian prototypes as per international requirements and norms.
- Joint cooperative programs with institutes of member countries could be taken up.
- India's own research projects with specific targets can also be taken up in conjunction with other countries.

About the IEA:

The IEA is an inter-governmental organization with a broad role of promoting alternate energy sources (including renewable energy), rational energy policies and multinational energy technology co-operation.

- It was established in 1974 as per framework of the Organization for Economic Co-operation and Development.

- It has 29 member countries and acts as energy policy advisor to all the member countries.
- The Agency's mandate has broadened to focus on the "3Es" of effectual energy policy: energy security, economic development, and environmental protection.

Ocean Energy Systems: The OES, launched in 2001, is an intergovernmental collaboration between countries, which operates **under framework established by the International Energy Agency**. This initiative is to advance research, development and demonstration of technologies to harness energy from all forms of ocean renewable resources, as well as for other uses, such as desalination etc. through international cooperation and information exchange.

SBI starts advisory services for startups

State Bank of India (SBI) has unveiled a dedicated advisory services branch for startups. The branch, named **branch InCube**, was recently inaugurated in Bengaluru.

Details:

- InCube's relationship managers will provide personalised advice to startup founders on investments, taxation and forex transactions, and solutions to optimise the cash conversion cycle.
- It will be a one-stop advisory services facility for entrepreneurs. However, it will not offer loans to startups for now.
- SBI is planning to expand this initiative to other parts of the country soon.

SBI Exclusif

State Bank of India has also become the first public sector lender to launch wealth management service for high networth individuals (HNIs) in India.

- The wealth management service, Exclusif, will offer many firsts in wealth banking like the first 'e-Wealth Center' that can deliver quality relationship management services remotely for extended hours.
- Its customers will be able to transact and invest on digital channels such as internet and mobile.
- The customers will have access to a dedicated relationship manager to take care of all their banking and investment needs.

WHO declares end to Ebola epidemic

A two-year Ebola epidemic that killed 11,000 and triggered a global health alert has been declared over by the WHO, with Liberia the last country given the all-clear.

- The World Health Organisation has declared an end to the deadliest Ebola outbreak ever after no new cases emerged in Liberia.
- However, health officials have warned that it will be several more months before the world is considered free of the disease.
- Liberia, which along with Sierra Leone and Guinea was an epicentre of the latest outbreak, was first declared free of the disease last May, but new cases emerged two times forcing officials there to restart the clock. WHO declared Sierra Leone Ebola-free in November 2015.

EBOLA:

- Ebola virus disease (EVD), formerly known as Ebola haemorrhagic fever, is a severe, often fatal illness in humans. It is a disease of humans and other primates caused by an ebolavirus.
- Symptoms start two days to three weeks after contracting the virus, with a fever, sore throat, muscle pain and headaches.
- The virus may be acquired upon contact with blood or bodily fluids of an infected animal.
- Fruit bats are believed to be a carrier and may spread the virus without being affected. Once human infection occurs, the disease may spread between people, as well.
- In order to reduce the spread, the World Health Organization recommends raising community awareness of the risk factors for Ebola infection and the protective measures individuals can take. These include avoiding contact with infected people and regular hand washing using soap and water. Traditional burial rituals, especially those requiring washing or embalming of bodies, should be discouraged or modified.

U.S. pumps in \$8 million to map drug-resistant infections in India

The U.S. government's **Global Health Security Agenda (GHSa)**, launched two years ago to contain the spread of new and emergent infections following the Ebola outbreak, has pumped in a whopping \$ 8 million to map the rising anti-microbial resistance in India and build capacities to tackle it better.

Details:

- The new project is titled '**Capacity Building and strengthening of hospital infection control to detect and prevent anti-microbial resistance in India**'.
- This project aims to create a national network where hospitals will pool in their data on infection rates, which would then be in the public domain for patients to make an informed choice when they have to select a hospital to undergo treatment. Indian hospitals often shy away from reporting drug-resistant infection cases fearing loss of business.
- This project's larger goal is containing the spread of infections given the huge volume of traffic between India and the U.S.
- The project will be jointly executed by the Indian Council of Medical Research (ICMR), the All India Institute of Medical Sciences (AIIMS) and the India office of Centers for Disease Control and Prevention (CDC).
- The project will start with surveillance, followed by data analysis. Systems will then be put in place to first check infections and eventually bring down resistance rates.
- The project will map surveillance of bloodstream infections, ventilator acquired pneumonia and other hospital-acquired infections. This project will build upon this network, before it is expanded to around 15 more hospitals in the country.
 - Initially, work related this project will start with six major hospitals — PGI in Chandigarh, JIPMER in Pondicherry, AIIMS in Delhi, CMC in Vellore, Hinduja in Mumbai and Assam Medical College in Dibrugarh — handpicked for their robust infection control mechanisms.

Benefits for India:

- Enhanced infection prevention.
- Strengthened surveillance.
- Uninterrupted access to essential antibiotics.
- Regulation and promotion of rational use of antibiotics.
- Support to existing initiatives to foster innovation in Science and Technology.

The rising anti-microbial resistance is a serious health concern in India, and also figured in Prime Minister Narendra Modi's meeting with U.S. President Barack Obama in September last year.

Loan agreement for Neeranchal National Watershed Project

The Government of India and the World Bank have signed a US\$ 178.50 million credit for the Neeranchal National Watershed Project to improve watershed management in rural rain fed areas.

- The project builds on a longstanding partnership between the World Bank and Government of India around watershed management.
- The credit will support the watershed activities of the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) in selected sites in the states of Andhra Pradesh, Telangana, Chhattisgarh, Gujarat, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Rajasthan.
- It will cover about 400 sub-watersheds of about 5,000 ha each and reach approximately 482,000 farmer households and two million people.
- The credit is from **the International Development Association (IDA)** – the World Bank's concessionary lending arm with a maturity of 25 years, including a 5 year grace period.

About Neerachal Project:

- The Neeranchal Project will support PMKSY to improve watershed management practices and demonstrate measurable results in selected sub-watersheds.
- It will introduce new hydrological approaches and innovative tools for community participation with a more integrated watershed planning process, pilot new field practices that will improve conservation outcomes, water availability, agricultural yields and climate resilience, and scale up a more effective monitoring and evaluation system to track performance.
- The project will be implemented by the Ministry of Rural Development over a six-year period (2016-21).
- The project was approved by the cabinet in October last year with a total budget outlay of Rs.2142 crore with the Government share of Rs.1071 crore and the rest 50% by the World Bank.

Neeranchal is primarily designed to address the following concerns:

- Bring about institutional changes in watershed and rainfed agricultural management practices in India,
- Build systems that ensure watershed programmes and rainfed irrigation management practices are better

focussed, and more coordinated, and have quantifiable results,

- Devise strategies for the sustainability of improved watershed management practices in programme areas, even after the withdrawal of project support,
- Through the watershed plus approach, support improved equity, livelihoods, and incomes through forward linkages, on a platform of inclusiveness and local participation.

Environment Ministry Holds First National Stakeholder Consultation on the Biodiversity Finance Initiative

The Environment Ministry recently held a two-day National Stakeholder Consultation Meeting on Biodiversity Finance Initiative to conserve India's biodiversity. This National Stakeholder meeting was organized to understand the **BIOFIN project** and to seek professional inputs from experts of various fields in strengthening the biodiversity conservation efforts in the country.

- The meeting also assessed the expenditure being made by different organizations for activities related to biodiversity conservation.
- A global high level panel set up by the Convention on Biological Diversity has estimated that USD 150-440 billion need to be invested annually in biodiversity for effective implementation of Aichi global biodiversity targets.
- The Ministry has partnered with the United Nations Development Programme (UNDP) in a global project on Biodiversity Finance Initiative (BIOFIN).

About BIOFIN project:

- The Biodiversity Finance Initiative (BIOFIN) is a global partnership that helps government's cost, plan and pay for action on biodiversity conservation and its sustainable use. It was launched in 2012.
- The BIOFIN methodology is being used by 19 countries to analyze, calculate and develop strategies to generate the funds they need to meet national biodiversity targets.
- The initiative is run by the United Nations Development Programme (UNDP) with support from the Governments of Germany, Switzerland and the European Union.

The Juvenile Justice (Care and Protection of Children) Act, 2015 comes into force

The Juvenile Justice (Care and Protection of Children) Act, 2015 has come into force from 15th January, 2016. The new Act repeals the Juvenile Justice (Care and Protection of Children) Act, 2000.

- The Juvenile Justice (Care and Protection of Children) Bill, 2015 was passed by Lok Sabha in May, 2015 and by Rajya Sabha in December, 2015 and received Presidential assent on 31st December, 2015.

The JJ Act, 2015 provides for strengthened provisions for both children in need of care and protection and children in conflict with law.

Some of the key provisions include:

- The Act clearly defines and classifies offences as petty, serious and heinous, and defines differentiated processes for each category. Keeping in view the increasing number of serious offences being committed by persons in the age group of 16-18 years and recognizing the rights of the victims as being equally important as the rights of juveniles, special provisions are incorporated in the Act to tackle heinous offences committed by individuals in this age group.
- It establishes a statutory status for the Child Adoption Resources Authority (CARA).
- It also proposes several rehabilitation and social integration measures for institutional and non-institutional children. It provides for sponsorship and foster care as completely new measures.
- Mandatory registration of all institutions engaged in providing child care is required according to the Act.
- New offences including illegal adoption, corporal punishment in child care institutions, the use of children by militant groups, and offences against disabled children are also incorporated in the legislation.
- The new law gives the Juvenile Justice Board the power to assess whether the perpetrator of a heinous crime aged between 16 and 18, had acted as a 'child' or as an 'adult.' The board will be assisted in this process by psychologists and social experts.
- It strikes a fine balance between the demands of the stakeholders asking for continued protection of rights of juveniles and the popular demand of citizens in the light of increasing incidence of heinous crimes by young boys.

Dept of Biotech and BIRAC to Participate in the Bharat Innovation Fund

The Department of Biotechnology (DBT), along with the Biotechnology Industry Research Assistance Council (BIRAC), has announced its participation in the Bharat Innovation Fund.

- The DBT will engage with the Bharat Fund, as part of DBT's efforts under the Startup India initiative, to help commercialize technologies from its labs and facilities.
- The DBT has announced to invest Rs. 50 crore over the next 3 years to support startups through this Fund.

Productive innovations from the department of biotechnology can make a huge impact in people's lives, as has been seen in the advances of medicine in recent years.

About Bharat Innovation Fund:

- The Bharat Fund is a public-private-academia partnership set up by Indian Institute of Management (IIM) Ahmedabad's Centre for Innovation Incubation and Entrepreneurship (CIIE).
- The Fund was launched by the Prime Minister Shri Narendra Modi in September 2015 during the Startup Konnect event in California.
- The Fund will be managed and coordinated by CIIE at the IIM, Ahmedabad.
- It will support innovation and innovative startups in areas of healthcare and life-sciences, sustainability, and digital technologies.
- The Fund will use important tools such as labs, mentorship, funding, and networking to support entrepreneurs who take on hard challenges of an ever-broadening Indian market.
- Since its launch in the Startup Konnect event, the Bharat Fund has received pledges from several government and corporate entities, such as the Department of Industrial Promotion and Policy (DIPP), Ministry of New and Renewable Energy (MNRE), Tata Trusts, and others.

IMD launches a system to monitor aerosols and black carbon in atmosphere

The Indian Meteorological Department (IMD) has launched a **System of Aerosol Monitoring and Research (SAMAR)**. It will help the country in studying concentration of black carbon in atmosphere due to air pollution and its impact on climate.

- The system was launched by the Union science and technology minister Harsh Vardhan on the IMD's 141st foundation day.

Aerosols are a subset of air pollution that contains gases, fumes and dust in harmful proportion. Aerosols particles **can be both solid and liquid** which also affects environmental visibility.

About SAMAR:

The SAMAR, equipped with many sophisticated equipments including 12 sky radiometers, will study aerosols' different properties and determine how it impact the climate over a longer period of time. At present, country has to depend on other countries' research for this purpose.

Center notifies revised standards for CETPs to minimise water pollution

The Center has notified revised standards for Common Effluent Treatment Plants (CETPs), operating at various industrial clusters in the country, to minimise water pollution.

- The revised standards, notified by the Union environment ministry, will help in significantly in improving the performance of CETPs through implementation of design inlet quality and addressing the problems of the coastal pollution due to industrial discharges.
- The new standards also help keep a close watch on the impact of discharge of industrial effluent on soil and ground water quality.

New standards announced include:

- A provision of soil and groundwater quality monitoring twice a year (pre and post-monsoon) to study the impact of disposal of treated effluent on land. This monitoring will be carried out by the respective CETP management.
- The mode of 'discharge into sea' (marine outfalls), providing very high dilution, will qualify for a relaxed maximum permissible concentration of Chemical Oxygen Demand (COD).
- The maximum permissible concentration of Fixed Dissolved Solids (FDS) by constituent units to CETP has been specified in terms of maximum allowable contribution value.
- Under the new standards, the State Pollution Control Boards are empowered to prescribe standards for inlet quality of effluent in respect of Bio-chemical Oxygen Demand (BOD), Chemical Oxygen Demand

(COD). This provision will help in enforcing the norms for treated effluent quality for the CETP constituent industrial units.

These standards were finalised after extensive consultations with industries and other stakeholders and detailed deliberations with the Central Pollution Control Board (CPCB).

Sania, Martina create world record, win 29th straight match

India's Sania Mirza and her Swiss partner Martina Hingis have broken a 22-year-old world record by winning their 29th women's doubles match in a row.

'Balamrutam' programme caught in bifurcation tangle

Bifurcation of Andhra Pradesh has resulted in 'Balamrutam', a child nourishment programme, being put on the backburner.

- The worst sufferers are children in the six months – six years age group in Telangana and Andhra Pradesh.
- As many as 26.61 lakh children are affected by this.

About Balamrutam scheme:

In 2013, then government of united Andhra Pradesh had launched this project. Under this scheme, children enrolled with Anganwadis were given **Balamrutam — a mixture of rice, wheat, red gram, millets and milk powder.**

- The project was aimed at supplying quality diet to infants enrolled in Anganwadi centres.
- The scheme was meant for children aged between six months and six years and the government used to supply 100 grams of 'Balamrutam' for each child per day.

What has happened now?

- AP Foods located in the present Telangana State was supplying 'Balamrutam' to the infants across the State.
- In June 2014, Andhra Pradesh was divided and AP Foods was renamed Telangana Foods and supply of 'Balamrutam' has been stopped to AP since then. A similar organisation has not been created by AP so far.

Significance of this project:

- Poor quality of diet was one among the reasons for the increasing Infant Mortality Rate (IMR) in the country. IMR among infants below six months due to malnourishment was 129 in India, and 39 in Andhra Pradesh for every one lakh children, according to the records.

Many mothers in the state cannot afford to buy nutritious food for their infants from private shops. Hence, experts have requested the government to start AP Foods in Andhra Pradesh and revive the project immediately.

Boost to infrastructure

China-led Asian Infrastructure Investment Bank (AIIB) was formally opened by the Chinese President Xi Jinping in Beijing recently. The bank was formally established in December 2015.

Key facts:

- The AIIB was established as a new multilateral financial institution aimed at providing "financial support for infrastructure development and regional connectivity in Asia."
- It was founded in October, 2014, and will have its headquarters in Beijing.
- Its goals are also to boost economic development in the region, create wealth, prove infrastructure, and promote regional cooperation and partnership.
- The value of AIIB's authorized capital amounts to \$100 billion, with almost \$30 billion invested by China.
- It has 57 member states.
- The bank expects to lend \$10 billion to \$15 billion a year for the first five years of its operations, beginning in the second quarter of 2016.
- Despite opposition from Washington, U.S. allies including Australia, Britain, German, Italy, the Philippines and South Korea have agreed to join the Asian Infrastructure Investment Bank (AIIB) in recognition of China's growing economic clout.

Anuradha Roy wins DSC Prize

Author Anuradha Roy has won the **DSC Prize for South Asian Literature, 2016**, for her novel **Sleeping on Jupiter**. The novel deals with violence against women.

About the Award:

- The DSC Prize for South Asian Literature is a literary prize awarded annually to writers of any ethnicity or nationality.
- It is for an original full-length novel written in English, or translated into English.
- The award carries a cash prize of \$50,000 and a trophy.

India elected to Board of Directors of China-backed AIIB

India's **Dinesh Sharma** has been elected to the board of directors of the China-sponsored Asian Infrastructure Investment Bank (AIIB). He has been elected to the 12-member board for which a secret ballot was recently held.

- With this, India will be the first board of directors for the new bank in which 57 members joined founding members.

U.S. lifts sanctions on Iran

The U.S. has removed a wide range of sanctions against Iran after the International Atomic Energy Agency (IAEA) confirmed that Iran had met its commitments to roll back its nuclear programme, under an agreement with China, France, Russia, the U.K., the U.S. and Germany on July 14 last year.

- With this, Iran joins US, UK, France, Germany, China, Russia and EU among peaceful users of nuclear energy.
- It should be noted here that the U.S. has only removed secondary sanctions that restrict the dealings of other countries with Iran. Primary sanctions that bar U.S. citizens and companies from business with Iran will remain.

Significance of this decision:

- The removal of restrictions on its oil, petrochemicals, banking, natural gas and port sectors will hugely benefit Iran and allow it to re-enter the global market.
- Iran will be able to access the huge amount of cash it has accumulated overseas from restricted oil sales during the sanctions. Most of this money is sitting in China, India, Japan, South Korea and Turkey.
- This has also put out 400 Iranians and entities out of US Blocked Persons List.

Various actions undertaken by Iran include:

- All the excess stockpile and nuclear parts are kept at an IAEA-monitored location.
- Iran has reduced its enriched uranium stockpile.
- It has reduced the number of installed centrifuges by two-thirds.

Benefits for India:

- The lifting of the sanctions on Iran will benefit India with lower oil prices and more opportunities for trade. India reportedly owes Iran \$6.5 billion for crude oil

purchases, the payment of which has so far been held up due to the sanctions.

- The lifting of sanctions also removes an important hurdle — U.S. pressure to hold off on the deal — in the proposed India-Iran gas pipeline.
- One of the major construction projects in Iran that India has taken an interest in is the development of the Chabahar Port. Now Indian companies will be able to get contracts for this project.

PM unveils liberal start-up ecosystem

PM Modi has unveiled the “**Start-up India, Stand-up India**” action plan to boost start-up ventures in the country. With this, the government seeks to infuse more energy into India's start-up ecosystem.

What is Startup India, Standup India?

Organised by Department of Industrial Policy and Promotion (DIPP), along with other key Indian startup ecosystem players, the Startup India, Standup India initiative aims to celebrate the country's entrepreneurial spirit, and create a strong ecosystem for fostering innovation and startups in India.

Highlights of the Action plan:

- **A Rs. 10,000 crore fund for startups:** The government will set up a fund with an initial corpus of Rs. 2,500 crore and a total corpus of Rs. 10,000 crore over a period of four years, which will be managed by a board with private professionals drawn from industry bodies, academia, and successful startups. The fund will participate in the capital of SEBI registered venture funds, and invest in sectors such as manufacturing, agriculture, health, and education.
- **A single point of registration for startups:** The government will launch a mobile app and a portal on April 1, which will enable startups to register their company in a day. The portal will also serve as a single point of contact for clearances, approvals and registrations, and for companies to apply for schemes under the Startup India Action Plan.
- **A simplified regulatory regime based on self-certification:** To reduce the regulatory burden for startups, the government will allow startups to self-certify compliance on nine labour and environment laws through the startup mobile app. No inspections will be conducted in case of the labour laws for a period of three years.
- **A fast-track mechanism filing patent applications:** Launched on a pilot basis for a year, the Central

Government shall bear the cost of patents, trademarks and designs for a startup, with an 80% rebate to encourage the creation and protection of its intellectual property.

- **A credit guarantee fund for startups:** A credit guarantee mechanism will help startups raise debt funding through the formal banking system through National Credit Guarantee Trust Company (NCGTC)/ SIDBI, which has an annual corpus of Rs. 500 crore for the next four years.
- **Tax exemption for three years, and capital gains:** Aimed at facilitating growth and help retain capital, startups will be exempted from income-tax for a period of three years. However, the exemption shall be available subject to non-distribution of dividend by the startup.
- **A Startup India Hub for collaboration:** The Startup India Hub will serve as a single point of contact for startup ecosystem players, and will function in a hub and spoke model with central and state governments, Indian and foreign VCs, angel networks, banks, incubators, legal partners, consultants, universities and R&D institutions. The hub will assist startups in obtaining financing, and organise mentorship programs to encourage knowledge exchange.
- **Relaxed norms of public-procurement:** The Central Government, State Government and PSUs will exempt startups in the manufacturing sector from the criteria of “prior experience/ turnover” as long as they have their own manufacturing facility in India, and have the requisite capabilities and are able to fulfil the project requirements.
- **Faster exits for startups:** Startups may be wound up within a period of 90 days from making of an application for winding up on a fast track basis, as per the recently tabled Insolvency and Bankruptcy Bill 2015, which has provisions for voluntary closure of businesses. This process will respect the concept of limited liability.
- **Atal Innovation Mission to encourage entrepreneurship and innovation:** The Atal Innovation Mission will establish sector specific incubators and 500 ‘Tinkering Labs’ to promote entrepreneurship, provide pre-incubation training and a seed fund for high-growth startups. Three innovation awards will be given per state and union territory, along with three national awards, as well as a Grand Innovation Challenge Award for finding ultra-low cost solutions for India.
- **Innovation focused programs for students:** An innovation core program targeted at school kids aims to source 10 lakh innovations from five lakh schools, out

of which the the best 100 would be shortlisted and showcased at an Annual Festival of Innovations, to be held in Rashtrapati Bhavan. A Grand Challenge program called NIDHI (National Initiative for Developing and Harnessing Innovations) shall be instituted through Innovation and Entrepreneurship Development Centres (IEDCs) to support and award INR 10 lakhs to 20 student innovations.

- **An annual incubator grand challenge:** The government will identify and select ten incubators, evaluated on pre-defined Key Performance Indicators (KPIs) as having the the potential to become world class, and give them Rs.10 crore each as financial assistance to ramp up their infrastructure.

Easwar panel suggests friendlier direct tax laws

A committee set up by the government to change direct tax laws has suggested several taxpayer-friendly measures to improve the ease of doing business, reduce litigation and accelerate the resolution of tax disputes.

- The committee was headed by retired high court judge R.V. Easwar. It recently submitted its report to the centre.

Major recommendations:

- It has recommended simplifying provisions related to tax deducted at source (TDS), claims of expenditure for deduction from taxable income and for tax refunds.
- It proposed deferring the contentious Income Computation and Disclosure Standards (ICDS) provisions and making the process of refunds faster.
- The committee has asked the income-tax department to desist from the practice of adjusting tax demand of a taxpayer whose tax return is under assessment against legitimate refunds due.
- It has also proposed deletion of a clause that allows the tax department to delay the refund due to a taxpayer beyond six months and suggested a higher interest levy for all delays in refunds.
- The panel also proposed that stock trading gains of up to Rs.5 lakh will be treated as capital gains and not business income, a move that could encourage more retail investments in the stock market.
- It also sought to provide an exemption to non-residents not having a Permanent Account Number (PAN), but who furnish their Tax Identification Number (TIN), from the applicability of TDS at a higher rate.

- The committee also recommended that most of the processes of the income-tax department should be conducted electronically to minimize human interface. To this effect, it suggested that processes such as filing of tax returns, rectification of mistakes, appeal, refunds and any communication regarding scrutiny including notices, questions and documents sought should be done electronically.
- To make it easy for small businesses, the committee recommended that the eligibility criteria under the presumptive scheme be increased to Rs.2 crore from Rs.1 crore. It also recommended launching a similar scheme for professionals. The presumptive tax is levied on an estimated income and makes life (and work) easier for small businesses. Under the presumptive income scheme, such professionals or businesses will not need to maintain a book of accounts but just pay tax based on presumptive income calculations.
- Government has even fixed the package rates for the hospitals for a large number of interventions.
- Pre-existing conditions are covered from day one and there is no age limit.
- Coverage extends to five members of the family, which includes the head of household, spouse and up to three dependents.
- Beneficiaries need to pay only Rs. 30/- as registration fee while Central and State Government pays the premium to the insurer selected by the State Government on the basis of a competitive bidding.

How RSBY is different from other schemes?

Some of these recommendations that require amendments to the income-tax act are likely to be a part of the Union budget to be presented shortly while some other changes in administrative procedure can be implemented through official notifications by the income tax department.

Govt to use technology to drive universal insurance schemes

The government is planning to use the expanded template of the revised crop insurance scheme to make its other insurance offer, the Rashtriya Swasthya Bima Yojana (RSBY), tech-driven.

- The universal health cover programme is under review to reduce its premium requirement and wider coverage.
- Because of its high loss ratio, public sector insurance companies have been unable to procure reinsurance coverage.
- The performance of the Pradhan Mantri Fasal Bima Yojana, which the government has described as 'a path-breaking scheme for farmers' welfare', is expected to provide guidance on how high-tech content can make a difference.

Rashtriya Swasthya Bima Yojana (RSBY):

RSBY was launched to provide health insurance coverage for Below Poverty Line (BPL) families.

Key facts:

- Beneficiaries under RSBY are entitled to hospitalization coverage up to Rs. 30,000/- for most of the diseases that require hospitalization.
- Empowering the beneficiary – RSBY provides the participating BPL household with freedom of choice between public and private hospitals and makes him a potential client worth attracting on account of the significant revenues that hospitals stand to earn through the scheme.
- Business Model for all Stakeholders – The scheme has been designed as a business model for a social sector scheme with incentives built for each stakeholder.
- Hospitals – A hospital has the incentive to provide treatment to large number of beneficiaries as it is paid per beneficiary treated.
- Intermediaries – The inclusion of intermediaries such as NGOs and MFIs which have a greater stake in assisting BPL households.
- Safe and foolproof – The use of biometric enabled smart card and a key management system makes this scheme safe and foolproof. The key management system of RSBY ensures that the card reaches the correct beneficiary and there remains accountability in terms of issuance of the smart card and its usage. The biometric enabled smart card ensures that only the real beneficiary can use the smart card.
- Portability – The key feature of RSBY is that a beneficiary who has been enrolled in a particular district will be able to use his/ her smart card in any RSBY empanelled hospital across India. This makes the scheme truly unique and beneficial to the poor families that migrate from one place to the other. Cards can also be split for migrant workers to carry a share of the coverage with them separately.
- Cash less and Paperless transactions – A beneficiary of RSBY gets cashless benefit in any of the empanelled

hospitals. He/ she only needs to carry his/ her smart card and provide.

Sikkim becomes the first fully organic state of India

Sikkim is now officially the first fully organic state of India. With a population of around six lakhs, the state also known as the Land of Flower, will now be known for its Organic initiative too.

- This announcement was made by Prime Minister Modi during his recent visit to the state.

Details:

- Over the years around 75000 hectares of land in the state has been converted into certified organic farms following the guidelines as prescribed by National Programme for Organic Production.
- Within 1.24 million tonnes of organic production in the country around 80000 million is supplied by Sikkim alone.
- With this, Sikkim now joins hands with the organic states of the foreign countries like California, Wisconsin among others.

Organic Farming:

Organic cultivation doesn't involve the use of chemical pesticides and fertilizers and thus helps to maintain a harmonious balance among the various complex ecosystems. Also it has improved the quality of the soil which further improves the standards of the crops produced there. In the long term, organic farming leads in subsistence of agriculture, bio-diversity conservation and environmental protection. It will also help in building the soil health resulting in sustainable increased crop production.

Increase in renewable energy use to boost global GDP by \$1.3 trillion

According to a recently released report, a 36% share of renewable energy in the global energy mix by 2030 would increase global gross domestic product by nearly \$1.3 trillion, generating millions of jobs and helping countries like India dependent on importing oil and gas.

- The report is titled- 'Renewable Energy Benefits: Measuring the Economics'. The report was released during the International Renewable Energy Agency's (IRENA) sixth assembly session held recently at Abu Dhabi.
- This report provides the first global estimate of the macroeconomic impacts of renewable energy deployment.

Highlights of the report:

- Specifically, the report highlights the benefits that would be achieved under the scenario of doubling the global share of renewable energy by 2030 from 2010 levels.
- Beyond finding that global GDP in 2030 would increase by up to \$1.3 trillion — more than the combined economies of Chile, South Africa and Switzerland as of today — the report also analyses country-specific impact.
- According to the report, Japan would see the largest positive GDP impact (2.3%) but Australia, Brazil, Germany, Mexico, South Africa and South Korea would also see growth of more than 1%.
- According to the report, improvements in human welfare would go well beyond gains in GDP thanks to a range of social and environmental benefits. The impact of renewable energy deployment on welfare is estimated to be three to four times larger than its impact on GDP, with global welfare increasing as much as 3.7%.
- The report also notes that employment in the renewable energy sector would also increase from 9.2 million global jobs today, to more than 24 million by 2030.

Power sector at 'inflection point': WEF report

A WEF report has indicated that India's power sector is at an **inflection point** and most of its electricity demand in the next two decades will be met by burning fossil fuels despite huge investments in renewables.

- The report is titled 'The **Future of Electricity in Fast-Growing Economies Attracting Investment to Provide Affordable, Accessible and Sustainable Power**'.
- It has been prepared by WEF in collaboration with consultancy Bain & Company.

Important observations made in the report:

- The report notes that India's power sector is at an inflection point (a turning point), given the government's conviction that electricity is a critical enabler for economic growth.
- Noting that the government recognises the need for private investment in the power sector and is planning to adopt progressive policies on renewables, the report says alignment between federal and state government objectives is critical, as India devolves significant power to the states.
- However, the report warns that even with the huge investments in renewables, most of the electricity

consumed in India over the next two decades will be generated by burning fossil fuel. And hence it is time for India to improve the efficiency of the existing power infrastructure.

- It asks the government to fix the viability of its distribution system and address fuel supply challenges.
- WEF also noted that India's plan to add 175 GW of capacity from renewables by 2022 can succeed only if the relevant stakeholders act in ways that encourage investment in this part of the sector.
- It has asked the government to enforce the mechanisms underlying renewable purchase obligations (RPOs) and renewable generation obligations (RGOs), while also promoting open access for wind power. Critically, they should ensure long-term tariff consistency with no retroactive changes or flip-flops.
- According to the report, non-OECD countries would have to double their annual investments in electricity from about USD 240 billion to USD 495 billion between 2015 and 2040. This would amount to USD 13 trillion required to satisfy growing demand and meet energy policy objectives.
- Calling for developing an integrated outlook for the country's energy sector, the World Economic Forum (WEF) report said tariffs and rates for fuel pricing, costs that are passed through to customers, and peak power policies and pricing should all be transparent and consistent across states.

India aims to have 100 GW of solar power by 2022 alongside its 260 GW of thermal and nuclear generation, and 62 GW of hydro generation capacity.

Stressed loans worth Rs 80k cr to be restructured under 5/25 scheme in FY16: CRISIL

According to estimates by Assocham-CRISIL report, the 5/25 scheme set up by the Reserve Bank of India may see restructuring of stressed loans of about Rs 80,000 crore in this financial year.

- The report notes that in the first half of the financial year, around Rs 50,000 crore of assets have been restructured via the scheme. However, CRISIL believes that going ahead, some of the assets restructured under this scheme may slip into the Non-Performing Assets (NPA) category.
- The report also states that with the pressure of mounting bad loans on Public Sector Banks (PSBs), private sector banks will continue to take the edge in terms of growth.

- CRISIL expects advances of private banks to grow at 24% compounded annual growth rate between fiscals year 2016-2019, materially ahead of 12% for PSBs over the same period. Thus, it is time for Public sector banks to focus on re-orienting their business model.

About the scheme:

The **5/25 scheme** allows banks to extend the re-payment schedule of loans to 25 years, with an option to re-finance them at the end of five years.

- It had been set up mainly with an aim to provide relief to the power and infrastructure sectors, the ones with a long gestation period.
- The rationale behind the scheme is that it will help companies re-pay their loans as the economy picks up and the projects start making money instead of slipping into the bad loans category in a shorter-term period.
- Experts also believe that the 5/25 scheme will enable banks to mitigate ALM (asset liability management) risks in funding long gestation projects.

Irdai proposes fitness discounts in health insurance

Insurance Regulatory and Development Authority of India (Irdai) recently came out with its draft on **Health Insurance Regulations 2016**.

Details:

- In its draft, the IRDAI has said that insurers can provide discounts on renewal premiums based on fitness and wellness criteria.
- It has asked the insurers to try and promote wellness amongst policyholders of health insurance by offering health-specific services offered by network providers, such as outpatient consultations or treatments, pharmaceuticals or health check-ups or discounts thereon at specified network providers.
- The regulator adds that the costs towards above services would have to be factored in the pricing of the underlying health insurance product.
- Also, with respect to senior citizens, IRDAI says the premium charged for health insurance products offered to them should be fair, justified, transparent and duly disclosed upfront. And the insured has to be informed in writing of any underwriting loading charged as filed and cleared over and above the premium. Specific consent of the policyholder for such loadings will have to be obtained before issuance of a policy.

- The regulator has also called for establishing a separate channel to address the health-insurance-related claims and grievances of senior citizens.
- It has also detailed its norms for 'combi products', which would be a combination of a life insurance policy and a health insurance policy.
- The regulator has said that clear disclosures should be made on the two partners offering the products. There would be a 'lead' insurer in these products.

About IRDAI:

- Insurance Regulatory and Development Authority of India (IRDAI) is an autonomous body which regulates and develops the insurance industry in India.
- It was constituted by an act of parliament called Insurance Regulatory and Development Authority Act, 1999.
- The IRDA Act allows private players to enter the insurance sector in India.

Sex ratio down, literacy rate of women up: Family health survey

According to the first phase of the latest national family health survey, known as **NFHS-4**, the sex ratio in many states in India has significantly decreased.

- The 11 states surveyed in the first phase were also surveyed in the last NFHS of 2005-06. These are Goa, Meghalaya, Uttarakhand, Tripura, Tamil Nadu, Sikkim, Madhya Pradesh, Karnataka, Haryana, Bihar, and West Bengal.

Highlights of the report:

- In the past 10 years, the sex ratio has significantly decreased in nine out of 11 states of India, whereas women's literacy has gone up in each of those states.
- In these 11 states, on an average, there are 985 females per 1,000 males in 2015-16 compared to 1,000 females per 1,000 males in 2005-06. Women's literacy has increased 12.15% in these 11 states.
- Institutional deliveries – children delivered in a medical institution under supervision – increased by 32.8% in the past 10 years. Madhya Pradesh, Karnataka and Bihar saw a huge rise of 54.6%, 44.8% and 43.9%, respectively in institutional deliveries.
- Tamil Nadu and Karnataka, which had 1,078 and 1,028 females per 1,000 males in 2005-06, now have only 1,033 and 979 females per 1,000 males, respectively. Women's

literacy increased 10% and 12%, respectively, in these two states.

- The only state where the sex ratio rose was Uttarakhand – from 996 to 1,015 females per 1,000 males. Meghalaya saw its sex ratio stabilise at 1,005 females per 1,000 males. All other states saw a disturbing fall in sex ratio.
- Child marriages also saw a reduction in the same time period – 13.17% for females and 6.7% for males – in these 11 states.

The ministry of health and family welfare had designated the International Institute for Population Sciences, Mumbai as the nodal agency to conduct NFHS-4.

The Lancet turns spotlight on ending preventable stillbirths

Concerned over the slow rate at which stillbirths have reduced across the world, missing a specific Millennium Development Goal target, the journal, The Lancet, has launched a series of five papers about ending preventable stillbirths and kick-started a campaign along with the London School of Hygiene and Tropical Medicine.

- An estimated 2.6 million third trimester stillbirths occurred in 2015 across the world. Most stillbirths (98%) occur in low and middle income countries.
- India **continues to be at the top of the table** in the rank for number of stillbirths in 2015, recording 5,92,100, followed by Nigeria, Pakistan, China and Ethiopia. Cultural taboos and superstitions often take the blame in the case of stillbirth.
- In a recent study, 36% of respondents blamed the mother for her lifestyle or diet, 29% said the baby was never supposed to live and 25% blamed it on witchcraft or evil spirits.

Stillbirth: The birth of an infant that has died in the womb (strictly, after having survived through at least the first 28 weeks of pregnancy).

Cause of stillbirths:

- It is reported that, in 18 countries with reliable data, congenital abnormalities account only for a median of 7.4% of stillbirths. Many disorders associated with stillbirths are potentially modifiable and often coexist – maternal infections, non-communicable diseases, nutrition, lifestyle factors and maternal age older than 35 years.
- Prolonged pregnancies, when the baby is not born after 42 weeks of gestation, contribute to 14% of stillbirths.

- Causal pathways for stillbirth frequently involve impaired placental function, either with growth restriction, or preterm labour or both.

It should also be noted that less than 5% of neonatal deaths and even fewer still births are registered. Hence, The Lancet calls for maintaining meticulous records of all births and deaths (maternal and foetal) in order to increase the availability of data, rationalising that while data alone will not help save lives, it would certainly indicate a way to target interventions to reach more than 7,000 women every day worldwide who experience the reality of stillbirth.

Ministry of Shipping initiates Project Green Port

The Ministry of Shipping has started 'Project Green Ports' which will help in making the Major Ports across India cleaner and greener.

Details:

- 'Project Green Ports' will have two verticals – one is 'Green Ports Initiatives' related to environmental issues and second is 'Swachh Bharat Abhiyaan'.
- The **Green Port Initiatives** include twelve initiatives which will be implemented under strict time bound fashion in order to achieve the targets. Some of these initiatives are preparation and monitoring plan, acquiring equipments required for monitoring environmental pollution, acquiring dust suppression system, setting up of sewage/waste water treatment plants etc.
- Under **Swachh Bharat Abhiyaan**, the Ministry has identified 20 activities with certain time-line to promote cleanliness at the port premises. Some of the activities include cleaning the wharf, cleaning and repairing of sheds, cleaning and repairing of port roads, painting road signs, zebra crossing, pavement edges etc.

In order to achieve these objectives, regular training will be provided to the staff in order to generate awareness and inculcate a positive attitude towards keeping the environment clean and green. All the Major Ports have already initiated action on the above mentioned activities and are making good progress.

Bihar extends 35% reservation for women in all govt jobs

Bihar government has announced 35% reservation to women in government jobs in the state at all levels.

- The decision was taken at a meeting of the state cabinet presided over by chief minister Nitish Kumar.
 - Earlier, the state government had provided 35% reservation to women in only police job.

India slips to 89th rank on global talent competitiveness

India is ranked at the **89th position** in the Global Talent Competitiveness Index (GTCI) for the year 2015-16.

- The list has been **compiled by the INSEAD business school, in partnership with Adecco and Human Capital Leadership Institute of Singapore (HCLI)**.
- It is released every year on the first day of the World Economic Forum (WEF) Annual Meeting.

What do we understand by this index?

The Global Talent Competitiveness index measures a nation's competitiveness based on the quality of talent it can produce, attract and retain.

Performance of other countries:

- Among the 109 countries, **Switzerland ranked at the first position** in the list. The List is dominated by the European countries.
- The other countries that ranked at the top positions are Singapore at second, Luxembourg at third, the United States of America at fourth and Denmark at fifth.
- The countries featuring at the bottom of the index are Mali (105), Tanzania (106), Ethiopia (107), Burkina Faso (108) and Madagascar (109).

What does India's rank indicate?

- Last year, India was placed at the 78th. This year, it has slipped 11 places. According to the list, a lower position indicates a sharp shortage of skilled workforce
- It reflects an acute shortage of skilled labour force and difficult business conditions.
- India's ranking is worst among the five BRICS countries, with China leading the pack with a global rank of 48.
- India's position also reflects skill shortage in vocational talent.
- Another challenge for India is to attract talent from abroad, particularly in the context of large emigration rates of high-skilled people in the past.
- In terms of Attract, India shows one of the worst scores (103rd) – particularly affected by the lack of international students.

The report noted that the improvement of India would have the greatest impact in terms of the pool of talent not only in the region but also globally.

End note:

According to the report, it is mobility which has become a key ingredient of talent development. It says that creative talent cannot be fully developed if international mobility and 'brain circulation' are not encouraged.

ISRO successfully launches India's fifth navigation satellite IRNSS-1E

In its first launch this year, Indian Space Research Organisation (Isro) has successfully put the IRNSS-1E in orbit using Polar Satellite Launch Vehicle PSLV-31.

- The 1,425 kg satellite was the fifth to be launched as part of the Indian Regional Navigation Satellite System (IRNSS) which will consist of a constellation of seven satellites.
- IRNSS-1E carried navigation and ranging payloads, including a rubidium atomic clock, C-band transponder and corner cube retro reflectors for laser ranging.

When other satellites were launched?

The other four satellites IRNSS-1A, 1B, 1C and 1D, the first four satellites of the constellation, were successfully launched by PSLV on 2 July 2013, 4 April 2014, 16 October 2014 and 28 March 2015, respectively.

- According to the National Space Agency, all the four satellites are functioning satisfactorily from their designated orbital positions.

About IRNSS:**What is it?**

IRNSS is an independent **regional navigation satellite system** designed to provide position information in the Indian region and **1500 km around the Indian mainland**.

What all services are provided?

IRNSS would **provide two types of services**, namely **Standard Positioning Services** available to all users and **Restricted Services** provided to authorised users.

How many more satellites to be launched?

As of now, 5 satellites are launched out of total 7. The last two satellites are scheduled to be launched this year, which will make the IRNSS functional.

Significance of IRNSS:

Once fully operational, the National Space Agency is aiming to reduce the country's dependence on foreign navigational systems such as the US Global Positioning System (GPS) and the Russian GLONASS.

Applications of IRNSS:

- Terrestrial, Aerial and Marine Navigation.
- Disaster Management.
- Vehicle tracking and fleet management.
- Integration with mobile phones.
- Precise Timing.
- Mapping and Geodetic data capture.
- Terrestrial navigation aid for hikers and travelers.
- Visual and voice navigation for drivers.

Other Global Navigational Systems:

- As of April 2013, only the United States NAVSTAR Global Positioning System (GPS) and the Russian GLONASS are global operational GNSSs.
- China is in the process of expanding its regional Beidou navigation system into the global Compass navigation system by 2020.
- The European Union's Galileo positioning system is a GNSS in initial deployment phase, scheduled to be fully operational by 2020 at the earliest.
- France (DORIS), India, and Japan are in the process of developing regional navigation systems.

Rupee slumps to touch pre-Rajan era level as bears grip stocks

India's benchmark equity indices have fallen to their lowest levels in 20 months. The rupee has breached the 68-a-dollar mark for the first time since August 2013.

- It closed at a record low of 68.85 a dollar on August 28, 2013, just days before Raghuram Rajan took charge as RBI Governor.

Why?

Concerns about a global economic slowdown amid slumping commodity prices and a weakening rupee have spurred investors to sell shares. This has led to the fall.

Road ahead?

- Sensing the urgency, the RBI intervened in both the currency futures as well as in the spot market. The intention of the central bank is not to allow the rupee to depreciate at a fast pace.
- The central bank always maintains that it intervenes to curb volatility and does not target any level for the rupee.

Performance of Rupee:

- The rupee has weakened 2.74% so far this year after declining more than 5% in 2015.
- Still, the Indian currency has performed better than its emerging market peers from Russia, Brazil and South Africa. However, going forward, there could be more pressure on the rupee.

China's slowdown spooks CEOs at Davos

A survey of over 1,400 CEOs released recently, on the eve of the annual World Economic Forum in Davos, paints a gloomy picture, as corporate leaders contemplate a rising tide of threats. According to the survey, confidence about near-term sales growth among chief executives around the world has fallen to its lowest level in six years.

Why?

It is mainly because of China's economic engine slowdown and a slump in oil prices.

Other concerns raised by the CEOs:

- Despite the trillions of dollars of stimulus and ultra-easy money that central banks have pumped into the system since the 2008 financial crash, just 27% of CEOs expect global economic growth to improve over the next 12 months, compared with 37% at the same time last year.
- China, whose demand helped bring the world back from the brink last time around, is at the centre of concerns. It is because, china, being the second largest economy in the world, until now has seen very, very good growth rates when many others were really struggling. But, now it is seeing a real slowdown.
- The latest official data showed China's growth in 2015 was 6.9%, the lowest in a quarter of a century, adding to

problems facing the government as it tries to transition from a centrally planned to a more market-oriented economy.

- There are also big concerns with regard to currency and the stock market.
- Only 35% of CEOs in the survey said they were "very confident" of growing their company's revenue in the next 12 months, down from 39% in 2015 and the lowest reading since 2010.

However, India was a rare bright spot among major economies in bucking the downbeat mood, with confidence in short-term sales growth rising to 64% from 62%.

Child stunting declines, but still high, data show

NFHS-4 data, the first official data in over a decade, released recently shows that Indian states have seen some improvements in child nutrition over the last decade, but over one in three children is still stunted, and over one in five underweight.

Key facts from the report

- As of 2005-6, India had 62 million stunted children, accounting for a third of the world's burden of stunting.
- The new NFHS-4 data for 15 states shows that 37% of children under the age of five in these states are stunted. This indicates a fall of just 5% points in a decade. Bihar and Madhya Pradesh are the worst off, with 48 and 42% respectively of children stunted.
- The proportion of underweight children has reduced equally slowly, from 39% to 34%, with Bihar and Madhya Pradesh the worst off again.
- India has also failed to make progress on reducing anaemia. The proportion of anaemic children aged 6 to 59 months fell just five percentage points to 61% in 2014, and over half of women aged 15-49 are still anaemic.
- Of all men aged 15-49, a quarter are suffering from anaemia, as was in 2004. Haryana has the highest proportion of anaemic children (72%) and women (63%) while in Bihar and Meghalaya, one in three men are anaemic, the highest in the country.
- The one success has been in the area of child wasting (low weight for height). The states for which data is available have more than halved their proportion of wasted children in the last decade, from 48% to 22%. The proportions of adult men and women with below normal Body Mass Index have also declined.

What can we conclude?

It should be noted here that the data released so far covers only half the country and does not include high-performing states in the north-east, Kerala and Maharashtra. Hence, it's hard to paint a complete story yet.

Women having babies through surrogacy to get childcare leave

The Maharashtra government has sanctioned a special childcare leave provision for its women employees who have had a child through a surrogate.

Current situation:

Currently, women employees who have a biological child get 180 days of maternity leave. Adoptive mothers get 90 days of childcare leave.

- In the past, women employees who went for surrogacy had to take legal recourse to get their due maternity leaves.
- In August 2015, granting respite to a 48-year-old teacher, the Nagpur bench of the Bombay High Court had ruled that even a mother getting a child through surrogacy is entitled to maternity leave. The Delhi High Court had also given a similar ruling on July 18, 2015.

Details:

- This is first time women opting for a child through surrogacy have been granted 'special leave'. This leave will be of 180 days.
- According to the government notification, those women seeking leave will have to submit an application with an agreement of surrogacy, and certification from a doctor confirming that Indian Council for Medical Research (ICMR) documents on surrogacy and guidelines have been adequately met.
- The employees should demand for the leave in advance and submit proper documents of the surrogacy process like agreement and doctor's certificate. The leave is applicable from the birth of the child and can be availed only once.

What has the DoPT said?

The Union Department of Personnel and Training (DoPT), which frames employment rules for government employees, had, in January 2015, framed a memorandum saying women employees using surrogate mothers to carry their babies would not be allowed maternity leave or pay, while they could

still avail childcare leave to look after their newborn. Maharashtra government's order is in contradiction to this memorandum.

Surrogate pregnancy: In surrogate pregnancy, the fertilised eggs of biological mothers are implanted in the womb of another woman, who then undergoes the pregnancy.

Widespread lack of HIV awareness among Indian adults

The latest National Family Health Survey (NFHS) data findings, released by the Health Ministry, reveal widespread ignorance about HIV/AIDS among adults in India.

Key figures:

- According to the latest data, nearly 82% women and nearly 70% men — in the 13 States surveyed under phase 1 of NFHS4 — lacked comprehensive knowledge of HIV/AIDS and safe sex practices.
- The pattern is, worryingly, seen even in high burden States with the most drastic fall coming from Andhra Pradesh. As per the data, only 56% men and 29% women know about HIV — a staggering fall from a 2005 data when 93% in men and 74% in women in the State had comprehensive knowledge.
- With a prevalence of 0.59%, Andhra Pradesh shoulders the third highest HIV burden in India — way above the national average of 0.35%.

Reasons for lack of awareness:

According to experts, this is a direct result of budget cuts, with IEC (information, education and communication) measures and targeted intervention activities coming to a screeching halt. Due to budget cuts in the past couple of years, IEC activities have suffered.

New class of frogs found in the north-east

A new class of frogs has been discovered in the North-East. The discovery has been made by an international team of researchers led by a Delhi University-based scientist.

Details:

- The new frog has been christened **Frankixalus Jerdonii** and was once considered a species lost to science.
- These newly found frogs grow in tree holes and, as tadpoles feed on eggs laid by their mother.
- This genus remained unnoticed by researchers probably because of its secretive life in tree holes.

- These new frogs are relatively large (between 37–50 mm long) with big, bulging eyes and blunt snouts and are found on forest canopies and inside bamboos slits.
- Due to insufficient food resources in tree holes, the mother exhibits “remarkable parental care” by laying unfertilised eggs to feed her tadpoles.
- Tree frogs occur across sub-Saharan Africa, China, much of tropical Asia, Japan, the Philippines and Sulawesi.

In the last two decades, India has reported a rapid rise in the discovery of frog species from the Western Ghats and, more recently, the north-eastern States.

Photonics to drive terabit chips

Scientists from the Centre for Nano Science and Engineering (CeNSE) at the Indian Institute of Science (IISc) in Bengaluru are working on two projects in the area of **photonic integrated circuits**.

- Researchers and scientists at CeNSE are building a next-generation processor, in which each unit is still electrical. The processor has millions of transistors connected with copper lines.

What changes are they planning to introduce?

Researchers are planning to replace the copper lines with photonic components. This is being tried under a project supported by the Defence of Research and Development Organisation (DRDO). Under this project, scientists are trying to develop indigenous technology for high-speed optical interconnect technology. CeNSE has received a Rs. 5-crore grant from the DRDO for the three-year project.

What is photonics?

According to Wiki, Photonics is the science of light (photon) generation, detection, and manipulation through emission, transmission, modulation, signal processing, switching, amplification, and detection/sensing.

How would it help?

The copper wires/interconnect create a bottleneck for data transfer, but the new project, will exploit high-speed Silicon photonics to improve data transfer between the core and the memory exponentially. It would exponentially improve the power of microprocessors.

How photonic applications operate?

Photonic applications use the photon in the same way that electronic applications use the electron.

Advantages:

- Devices that run on light have a number of advantages over those that use electricity. Light travels at about 10 times the speed that electricity does, which means (among other things) that data transmitted photonically can travel long distances in a fraction of the time.
- Furthermore, visible-light and infrared (IR) beams, unlike electric currents, pass through each other without interacting, so they don't cause interference.
- A single optical fibre has the capacity to carry three million telephone calls simultaneously.

Among the large number of current or possible photonic applications are: photonic switching, silicon photonics, photonic networks, and the photonic computer.

Cabinet nod for power tariff policy

The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi has approved the proposal of the Ministry of Power for amendments in the Tariff Policy.

- For the first time a holistic view of the power sector has been taken and comprehensive amendments have been made in the Tariff policy 2006.

The amendments are also aimed at achieving the objectives of Ujwal DISCOM Assurance Yojana (UDAY) with the focus on 4 Es: **Electricity** for all, **Efficiency** to ensure affordable tariffs, **Environment** for a sustainable future, **Ease of doing business** to attract investments and ensure financial viability.

Highlights of Amendments are:

- In a major shift, power companies are allowed to pass costs on to consumers arising out of any changes in taxes, cesses and levies levied on them.
- The policy also seeks to “create a win-win between the generator, utilities and consumers” by allowing power generators to sell their surplus power on the power exchange and sharing the proceeds with the state government.
- The amended tariff policy also imposes a renewable energy obligation on new coal or lignite-based thermal plants, requiring them to establish or purchase renewable capacity alongside their own generation units. This provision is very important as it will be a big boost for

renewable energy. But the other side is that it could add to generating companies' stress.

- The new policy also mandates that no inter-state transmission charges will be levied until a time to be specified by the government. The signal from such a move towards compulsory generation and procurement of renewable power by coal-based plants is a clear directional shift to renewables.
- To encourage efficiency, the policy allows power producers to expand up to double their capacity through the automatic route, at their existing unit locations. This automatic approval was earlier limited to 50% capacity expansions.
- Further, the tariffs for multi-state power projects will be determined by the Central Electricity Regulatory Commission, thereby removing a major point of uncertainty to do with such projects.
- The amended policy also said that the power regulator has to come up with a clear action plan to ensure 24x7 power supply to all consumers by 2021-22 or earlier.
- Towards the power for all initiative, the policy enables the creation of micro-grids in remote villages as yet unconnected to the grid, and also says that these micro-grids can sell their surplus power to the grid when it reaches those areas.

How would these amendments benefit consumers?

- These amendments will benefit power consumers in multiple ways. While reducing the cost of power through efficiency, they will spur renewable power for a cleaner environment and protect India's energy security.
- They would also aid the objectives of Swachh Bharat Mission as well as Namami Gange Mission through conversion of waste to energy, usage of sewage water for generation and in turn ensure that clean water is available for drinking and irrigation.
- These amendments will ensure availability of electricity to consumers at reasonable and competitive rates, improve ease of doing business to ensure financial viability of the sector and attract investments, promote transparency, consistency and predictability in regulatory approaches across jurisdictions.
- It will further facilitate competition, efficiency in operations and improvement in quality of supply of electricity.

- These holistic amendments to Power Tariff Policy which complement schemes like UDAY will ensure the realization 24x7 affordable power for all.

Cabinet approves policy on Promotion of City Compost

The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi has given its approval for a Policy on Promotion of City Compost.

- The policy primarily seeks to promote the use of city compost by bringing better coordination among various government departments and agencies.

Features of the new policy:

- Under the policy, a provision has been made for market development assistance of 1500 rupees per tonne of city compost for scaling up production and consumption of the product. Market development assistance would lower MRP of city compost for farmers.
- Fertilizer companies and marketing entities will also co-market city compost with chemical fertilizers through their dealers' network.
- The companies will also adopt villages for promoting the use of compost. Government Departments and Public Sector undertakings will also use city compost for their horticulture and related uses.
- Concerned Ministry/Department will carry out IEC campaigns to educate farmers on the benefits of city compost and will take steps to increase setting up of compost plants across all States.
- Eco-Mark standard will be specified for city compost that would ensure that environment friendly quality product reaches the farmers.
- Agriculture Universities and KVKs will also take up field demonstration activities using City compost for which Department of Agriculture (DoA), Cooperation and Farmers Welfare will assign targets to them.
- A joint mechanism will be set up by Department of Fertilizers, Ministry of Urban Development and DoA to monitor and facilitate availability of adequate quantity of city compost at terms mutually agreeable between compost manufacturers and fertilizer marketing companies.

Benefits of the new policy:

- Compost from city garbage would not only provide carbon and primary/secondary nutrients to soil but also help in keeping the city clean.
- Composting can reduce the volume of waste to landfill/dumpsite by converting the waste into useful by-products.
- This also prevents production of harmful greenhouse gases (especially methane) and toxic material that pollutes groundwater apart from polluting the environment.
- City Waste composting would also generate employment in urban areas.

Memorandum of Understanding between India and United Kingdom in the field of Public Administration and Governance Reforms

The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi has given its ex-post facto approval for the Memorandum of Understanding (MoU) signed in November, 2015 between India, and United Kingdom for Cooperation in Public Administration and Governance Reforms.

Details:

- The form of co-operation under the MoU will be in areas like sharing good governance practices in public administration, User led service design, Reducing bureaucracy in service delivery, Government Process Re-engineering, Building and developing staff capability, Public Grievance Redress Mechanism, Local Government Reforms etc.
- The MoU will help in understanding the system of customer oriented public service delivery in UK with reference to rapidly changing environments in the area of public service management and enable in replicating, adapting and innovating some of the best practices and processes in the Indian Public Service Delivery System, leading to improved public service delivery in India.
- A Joint Working Group on Public Administration and Governance will be responsible for implementation of the MoU.

The First Joint Working Group (JWG) meeting under the Memorandum of Understanding (MoU) is scheduled to be held later this month in London.

Background:

As part of its efforts in seeking international collaboration for initiatives in Good Governance and Administrative reforms, Department of Administrative Reforms and Public Grievances (DARPG) has so far entered into bilateral MoU with China, Malaysia, Singapore and with Brazil and South Africa (trilateral). The recent MoU with United Kingdom is a step in that direction as UK also ranks high in the UN E-Government Survey.

Rich must open their wallets more to remove inequalities: Piketty

Thomas Piketty, author of the best-selling book '**Capital in the Twenty-First Century**,' that transformed the understanding of the history of wealth and its distribution, recently visited India.

- He was in Delhi to deliver a lecture on Inequality and Capitalism.

He made the following suggestions to reduce inequalities in India:

- For India to meet its huge challenges of inequalities, the elite in the country would have to start paying more taxes.
- The current tax-to-GDP ratio in India is in between 10% and 11%. This is insufficient for meeting India's huge challenges of inequalities. The aim should be to evolve the ratio toward the 30% to 50% levels now seen in the U.S. and some of the West European countries. For this to happen, the Indian elite will have to behave more responsibly than the western elite did in the 20th

Compared with China:

Mr. Thomas observed that Communist China has fared better than India at collecting taxes from the elite. This is evident from the stark difference in the public spending between the two countries. The public health system in India has a budget of less than 1% of GDP as compared with almost 3% in China. The Chinese Communist Party has been much more successful than the democratic and parliamentary Indian elites in mobilising resources to finance social investment and public services.

His findings:

Mr. Piketty's documentation of the evolution of income and wealth over the past 300 years in the rich countries shows that from about 1914 to the 1970s there was an historical outlier in which both income inequality and the stock of wealth (relative to GDP) fell dramatically.

- This was on account of the political shocks and because of an increase in tax rates in the rich countries in response to the world wars.
- But, after 1970s both wealth and income gaps started rising toward their pre-20th-century norms. Between 1980 and 2007, 70% of the addition to gross domestic product, especially in the rich countries, went to the top 10% of the “elite” population. In contrast, the per capita incomes rose just about 1.5% a year.

Indian scenario:

Income and wealth concentration in India today is probably very high by international and historical standards. It is probably close to Brazil and South Africa (top 10% income share = 50-60% of total income) than to U.S. (top income share = 45-50% of total income) or Europe (top 10% income share = 30-35 %).

Why so?

One of the factors that explain this concentration of wealth is that inherited wealth and invested capital — in the stock market, in real estate — will grow faster than income.

Way ahead:

Inequality needs not just economic but also social and political strategies. In India, the preferential admission policies of caste-based quota and reservation systems in education in the long-run should be gradually transformed into rules founded on universal social criteria such as parental income or place of residence.

He also cites the absence of data. Since there is no sufficient data, it is not possible to show the evolution of wealth in India. The data is needed to limit the concentration of wealth, fight corruption and assess the efficacy of India’s tax policy choices.

Ninety seven per cent of retail transactions still cash-based, says USAID report

As per a new report by the United States Agency for International Development, an overwhelming 97% of retail transactions in India are still cash-based and only 29% of bank accounts have been used in the last three months.

Significance of these findings:

The report’s findings assume significance in the backdrop of the government’s stated commitment to promote a cashless economy and switch all government transactions to electronic payments by the end of 2016.

What else the report says?

- Only 29% of bank accounts in India have been used in the last three months. The use of electronic payment methods, such as debit cards and mobile wallets, is even lower.
- The government has proposed several incentives for electronic payments such as tax-breaks for the payee and the payer, but hasn’t moved ahead with implementing them so far.
- The report recommends several steps the government can take to incentivise electronic payments both on the consumer side as well as from the merchant’s point of view.
- The report notes that, currently, the greatest barrier to a digital economy is the everyday behaviour of consumers and merchants. They are very much used to a cash-based economy.
- Another recommendation involves the government implementing digital payments for mass transport, in much the same way as private taxi services like Ola and Uber accept payments from digital wallets.
- The report also recommends that the government implement tax incentives for consumers who transact electronically and also for banks to develop flexible and convenient micro-savings products for low-income consumers, since it found that those who save digitally are more likely to spend digitally.
- On the up-front cost issue, the report encourages banks and payment players to consider removing upfront fees and device installation charges and move towards pay-per-use models.

The report notes that the cashless economy would also curb the flow of black money in the country.

400 railway stations to get airport-like facilities

The Ministry of Railways is planning to provide airport-like facilities such as separate entry and exit points, connectivity with local transportation, pick up or drop off points and access to Internet at 400 stations across the country.

- In this regard, the Ministry has identified 15 key parameters on which the 400 railway stations will be redeveloped with world-class facilities. For this purpose, the government has planned to invite bids from private developers by March-end.

How different these stations will be?

- The stations will have separate arrival and departure terminals, easy connectivity with local transportation such as bus or metro and will be accessible from both sides of the city.
- Parcel movement across the platforms will be restricted and facilities such as food courts, retail outlets and medical facilities will be provided at the railway stations.
- Helipads near railway stations may also be built.
- Traffic circulation around these stations will also be taken care of.

Swiss model:

The government plans to adopt the 'Swiss Challenge' mode to invite bids for redeveloping the stations.

How Swiss model operates?

- First, the government will invite developers to submit their master plans.
- After evaluating the proposals, the selected design will be uploaded over the Ministry of Railways website.
- Financial bids will be invited and the developer quoting the highest upfront premium to be paid to the government will win the bid.
- However, the project developer, who had originally submitted the plan, will be given an opportunity to match the bid amount.

The government will also ensure that the developer has prior experience in the field of passenger transportation such as railway stations, airports or ports or construction experience in the core sector.

Who is responsible for the redevelopment of these stations?

The railway stations will be built on 'design, build, finance, operate and transfer' model and the developer will meet the entire cost of redevelopment by commercial development of land and air space in and around station which will be leased for a period of 45 years. Also, the onus of securing approvals such as environment clearance, heritage clearance, archaeological clearance and others will be on the developers.

Way ahead:

- It will take around six-eight months to complete the entire bidding process. The proposals will first be examined by standing committees formed by the Ministry of Railways followed by a committee of experts.

- Many big private developers such as the GMR Group, Tata Realty, Larsen & Tourbo and realty developers body Confederation of Real Estate Developers' Association of India (CREDAI) have shown interest in developing the railway stations.

New CBDT chairman

Senior Indian Revenue Service official **Atulesh Jindal** has been appointed the Chairman of the Central Board of Direct Taxes (CBDT), India's apex tax body.

- The appointment was cleared by the Appointments Committee of the Cabinet (ACC).

About CBDT:

The Central Board of Direct Taxes is a **statutory authority** functioning under the Central Board of Revenue Act, 1963. The officials of the Board in their ex-officio capacity also function as a Division of the Ministry of Finance dealing with matters relating to levy and collection of direct taxes.

What it does?

- It provides essential inputs for policy and planning of direct taxes in India and is also responsible for administration of the direct tax laws through Income Tax Department.
- It is India's official **Financial Action Task Force unit**.

Composition:

The CBDT Chairman and Members of CBDT are selected from Indian Revenue Service (IRS), a premier civil service of India, whose members constitute the top management of Income Tax Department.

Background:

- The Central Board of Revenue as the Department apex body charged with the administration of taxes came into existence as a result of the Central Board of Revenue Act, 1924.
- Initially the Board was in charge of both direct and indirect taxes. However, when the administration of taxes became too unwieldy for one Board to handle, the Board was split up into two, namely the Central Board of Direct Taxes and Central Board of Excise and Customs in 1964.

International Solar Alliance set to be operational in 6 months

The centre has clarified that the International Solar Alliance (ISA) will be operational by the middle of 2016.

- Modi and French President François Hollande would lay the foundation stone of the alliance at the National Institute of Solar Energy in Gurgaon, Haryana on January 25.

About ISA:

The initiative was announced by Prime Minister, Narendra Modi, at the Conference of Parties in (COP 21) in Paris last November. The headquarters of this alliance will be located in India.

- This will be the first time that India will have the headquarters of an international agency.
- The government of India will host the ISA's Secretariat for five years, following which it is expected to generate its own resources and become truly independent.

Main objectives:

- One of the objectives of the alliance is to get \$1 trillion investments in the solar sector worldwide by 2030.
- Another objective is to get solar sector-specific human resources development in all member countries and ensure that any research and development in a country becomes available to all.

Members:

It comprises of countries with land between the Tropic of Capricorn and the Tropic of Cancer which typically have 300 or more days of sunshine a year. It is expected to have 121 members.

What about other countries?

Countries, other than tropic countries, can join as partners.

Finance:

India has already offered Rs. 100 crore for an ISA corpus, which is expected to grow to \$1 billion when all the member countries contribute.

Way ahead:

Following the signing of the statute, each member country will have to send the document to their Cabinets or Parliaments for ratification within three months. The

International Solar Alliance will become a legal entity after a minimum of 25 countries ratify it.

'Giriputrika Kalyana Pathakam' launched

At a time when infant mortality and child marriages are rampant among tribal people, the Andhra Pradesh State government has come out with a novel scheme to support the tribal women in their quest for livelihood. The scheme is named- Giriputrika Kalyana Pathakam.

About the scheme:

'Giriputrika Kalyana Pathakam' is a scheme designed to provide a onetime financial assistance of Rs.50,000 to each tribal woman who gets married.

- The amount would be disbursed through District Tribal Welfare Office directly to the bank accounts of the beneficiary.
- Each beneficiary would have to fulfil some mandatory conditions like submission of marriage certificate, income certificate etc to avail benefits of the scheme.
- The scheme is envisaged to provide nutritional food to infants till the age of seven years.

Pakistan's nuke warheads aimed at deterring India: U.S. report

A latest US Congressional (CSR) report has warned that Pakistan's nuclear warheads which are estimated to be between 110-130 are aimed at deterring India from taking military action against it.

- CRS is the independent research wing of the U.S. Congress, which prepares periodic reports by eminent experts on a wide range of issues so as to help lawmakers take informed decisions. Reports of CRS are not considered as an official view of the U.S. Congress.

Highlights of the report:

- The report also expressed concern that Islamabad's "full spectrum deterrence" doctrine has increased risk of nuclear conflict between India and Pak- the two South Asian neighbours.
- The report notes that Pakistan's nuclear arsenal probably consists of approximately 110-130 nuclear warheads, although it could have more. Pak is also producing fissile material, adding to related production facilities, deploying additional nuclear weapons, and new types of delivery vehicles.

- According to the report, Pakistan's nuclear arsenal is widely regarded as designed to dissuade India from taking military action against it, but the expansion of its nuclear arsenal, development of new types of nuclear weapons and adoption of a doctrine called "**full spectrum deterrence**" have led some observers to express concern about an increased risk of nuclear conflict between Pakistan and India, which also continues to expand its nuclear arsenal.

However, Pakistani officials argue that since the 2004 revelations about a procurement network run by former Pakistani nuclear official A.Q. Khan Islamabad has taken a number of steps to improve its nuclear security and to prevent further proliferation of nuclear-related technologies and materials.

What is Full Spectrum Deterrence?

Pakistan's Full Spectrum Deterrence gives it a flexibility to deal with conventional threats through tactical nuclear weapons like Nasr. It is a 'qualitative' response to new war fighting concepts of 'Cold Start' and Pro Active Operations (PAO). Full spectrum offers a range of options to the decision-makers.

What this policy does?

Full Spectrum Doctrine effectively changes Pakistan's Nuclear Policy; it no longer waits for nuclear attack to counter with nuclear weapons; it will deter conventional force by employing nuclear deterrence. The greater the conventional threat, lower would be the threshold to employ nuclear deterrence.

New thrush species found in eastern Himalayas

An International team of scientists have found a new species of the thrush in northeastern India and adjacent parts of China. The bird is named **Himalayan Forest Thrush**.

About the species:

The bird's scientific name will be *Zoothera salimalii*. The bird has been named after Dr. Salim Ali in recognition of his huge contribution to the development of modern Indian ornithology and wildlife conservation. This is the **first Indian bird** to be named after late Dr. Salim Ali.

- This bird species is common in the eastern Himalaya range but was overlooked till now because of its similarity in appearance to the plain-backed thrush, now renamed as Alpine thrush.
- The Himalayan Forest Thrush is only the **fourth new bird species described from India** by modern ornithologists since Independence.

- It has short wings and legs, but longer bills. The species is distinguished by its **musical song**.

Collegium moves to fill vacancies in High Courts

The Supreme Court Collegium has made the first move to fill vacancies in various High Courts across the country by recommending transfer and elevation of judges.

Significance of this move:

- After enactment of the National Judicial Appointments Commission law in early 2015, filling of the vacancies was stalled. There are over 400 vacancies in various high courts across the country.
- The recommendation is the first major step taken by Chief Justice of India T.S. Thakur to fill judicial posts in the High Courts during 2016, a year he said was dedicated to clearing pending cases.

The President is expected to make the appointments in a few days.

Background:

For fresh appointments, a Constitution Bench, led by Justice J.S. Khehar, has asked the Centre to come out with a fresh Memorandum of Procedure in consultation with the CJI. Law Minister Sadananda Gowda has written to the Chief Ministers and the Chief Justices of the High Courts to send suggestions to improve the Collegium system.

Collegium system:

Under the 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.

Rural India too battles hypertension

Higher stress levels in rural India and faulty diet in cities have thrown up two most disturbing health concerns in the National Family Health Survey (NFHS), the data for which was released recently.

Highlights:

- According to the data, while obesity levels have shot up in the country since the last NFHS survey in 2005-06, the number of people suffering from hypertension in rural India is, in many cases, higher than in urban parts.

- The data is for 15 States and each State, with the exception of Puducherry, showed a sharp rise in obesity levels among both men and women.
- The data show that among women, obesity levels shot up from 13.92% in 2005-06 to 19.56% in 2015-16. For men, the rise from the last decade has been from 10.35 per cent to 18.04 per cent.

Data on various states:

- In Andhra Pradesh, where over 10,000 households were surveyed, 45.6% of the total women surveyed in urban areas were found to be overweight — the highest in the country. Obesity among rural women in AP was found to be 27.6%, which may not appear alarming, but is still high compared to other rural parts.
- Rural Bihar recorded the fewest number of women suffering from obesity among the 15 States, but more women in rural parts here were found to have hypertension compared to urban parts of Bihar — a trend seen in other parts of the country as well.
- In Andaman and Nicobar, more men and women in rural parts were found to be suffering from hypertension than in urban centres. This trend was found in Meghalaya too.
- As for blood sugar levels, most States have maintained the traditional difference between urban and rural areas, with urban centres recording more cases of high blood sugar. The few exceptions have been recorded in Goa where the number of women in rural areas with high blood sugar was more than in urban Goa. The same trend was mapped in Puducherry.
- In Tripura and also in Haryana, more men in rural areas had high blood sugar than men in urban parts.

What these figures indicate?

Health experts said the overall obesity in urban India and rising hypertension in rural India was indicative of the faulty diet of people and also of the stress levels of women in rural India.

Why high stress level?

High stress levels in rural areas are rooted in income, agriculture and high cost of healthcare.

India may cease to be 'pharmacy of the world'

With patients grappling with increasing drug prices, the government has expressed concern that India will no more be the “**pharmacy of the world**” if generic companies “gave up” the fight for access to affordable drugs.

What is the main concern now?

The concern now is regarding the Voluntary Licence (VL) agreements signed between 11 Indian generic drug makers and Gilead Science to bring the blockbuster Hepatitis C drug Sovaldi (salt name sofosbuvir) to Indian markets.

Why this is a cause for concern?

It is because under the VL agreement on Sovaldi, Indian made generic versions of the drug could not be exported to 50 middle-income, high burden countries, or any high income nations including much of Western Europe, and the U.S.

- According to an analysis, over 49 million Hepatitis C patients live in middle income countries excluded under the VL's anti-diversion programme.
- But it is part of a company's business strategy, and the government cannot have a policy dictating what a company's business strategy should be.
- As part of the VL, the Indian companies pay a royalty to the innovator company (Gilead, in this case) and are allowed make copy-cat versions of blockbuster drug.

Way ahead:

India is increasingly now reliant on imported expensive medicines. Today generic manufacturers face major constraints to produce and supply generic versions of new patented medicines and hence it is time for the Indian government to once again step up and respond to the crisis in the industry.

Benefits of voluntary licensing:

Voluntary licensing to a local partner under mutually agreed terms will not only help drug makers expand the market but also avoid compulsory licensing action.

- While government intervention will lead to a drastic reduction in price as it's typically without the consent of the patent owner, voluntary licensing will still ensure the companies make a profit, albeit at a lower price.
- By granting a voluntary licence to local partners in different markets, the patent owners make sure that the drugs are sold at a price that is at least one-third of the original price.

Google's fast wi-fi speed thrills browsers at Mumbai Central

Mumbai Central railway station has become the **first of the country's 100 railway stations** to be equipped with a high-speed wi-fi service, under a project between RailTel, the Indian Railways' telecom arm, and the US-headquartered software firm Google.

Benefits:

With Railwire Wi-Fi service, the travelers will be able to easily stream high definition video while they are waiting and also access other useful websites. Google says users of its public Wi-Fi service can save videos offline on its YouTube app for viewing during the journey.

Background:

- Google had announced its plans to bring high-speed Wi-Fi to 400 Indian railway stations during PM Narendra Modi's visit to Google HQ in Mountain View, California.
- Google CEO Sundar Pichai, during his visit to India in December, had given a January deadline for the facility at the first station and, extending support to the Digital India initiative, had said that 100 railway stations will be covered by the end of 2016.

Way ahead:

Google plans to extend the service quickly to cover 100 of the busiest stations by the end of this year. The project will eventually cover 400 railway stations across India.

'India, France can gain by sharing strategies against terrorism'

In its third edition in the series of bilateral exercises under the 'Shakti' banner the Indian and French troops are jointly participating in a counter-terrorism exercise.

- The main focus of this year's exercise is on "**counter-terror and counter-insurgency operations.**"

Aim of this exercise:

The joint training is intended to focus on high degrees of physical fitness, tactical drills, techniques and procedure.

Why we need such exercises?

- Such exercises are important for the armies to train together and gain from each other's rich operational experience.

- There are differences between the French and Indian experience of handling terror, but both sides will benefit by exchanging ideas and strategies for a larger goal.
- This exercise will culminate in a tactical exercise encompassing clearing of pockets of terrorists in rural and urban environment.
- Collaboration with France on counter-terror will also help to bring in anti-terror resolutions at the United Nations and on other multilateral platforms in near future. India needs such international collaboration so that financial channels and political supporters of state-sponsored terrorism can be also dealt with.
- Greater French support for India's decades-old anti-terror struggle would help India attain both regional as well as global targets in the fight against terrorism.

The joint exercise will undergo a training schedule aimed at combating conditioning, infantry tactical operations in a counter-terrorism environment and planning of joint operations under the United Nations mandate.

Sri Lanka tops South Asia in human development

The Global Human Development Report (HDR) 2015 has placed Sri Lanka at the 73rd position with an HDI value of 0.757.

Sri Lanka's performance:

In the previous year's report, it occupied the 74th place. However, Sri Lanka has maintained its high ranking in human development.

- But it's performance in terms of average annual human development index (HDI) growth rate during 1990-2014 is lower than many other South Asian countries.
- Since the end of the civil war in 2009, the country's rank went up by five.

Performance of other South Asian countries:

- According to the document, the region of South Asia includes Iran, India, Pakistan, Afghanistan, Bhutan, Nepal, Bangladesh and Maldives.
- While Iran is ahead of Sri Lanka, standing at 69th rank, the Maldives is ranked 104th.
- India (130th rank) and Bhutan fall under the category of medium human development countries Nepal, Pakistan and Afghanistan come under the group of low human development countries.

- Pakistan is placed at 147th

Growth rate:

- As for the growth rate during 1990-2014, South Asia's figure was 1.38, the highest among all regions.
- Within the region of South Asia, Afghanistan tops the list with the value of 1.89 for 1990-2014 followed by Bangladesh (1.64), Nepal (1.49) and India (1.48). Sri Lanka's score was 0.83.

Key facts:

Who releases the report?

The Global Human Development Report (HDR) is released by the **UN Development Programme (UNDP)**.

How HDI value is determined?

The Human Development Index is based on assessing progress on three dimensions of human development.

1. First, a long and healthy life measured through life expectancy of the population.
2. Second, access to knowledge measured by mean years of education among the adult population, and access to learning and knowledge measured by expected years of schooling for children of school-entry age.
3. And last, standard of living measured by the country's per-capita gross national income (GNI).

FIPB clears 13 FDI proposals worth Rs 6,500 cr

The FIPB has cleared 13 FDI proposals worth Rs 6,500 cr. Telecom tower firm Viom Networks's FDI proposal was among the 13 projects, that the foreign investment promotion board (FIPB) cleared.

About FIPB:

The Foreign Investment Promotion Board (FIPB), housed in the Department of Economic Affairs, Ministry of Finance, is an inter-ministerial body, responsible for processing of FDI proposals and making recommendations for Government approval.

Main tasks:

- It considers and recommends foreign direct investment (FDI) which does not come under the automatic route.
- It provides a single window clearance for proposals on FDI in India.

FIPB comprises of the following Secretaries to the Government of India:

- Secretary to Government, Department of Economic Affairs, Ministry of Finance – Chairperson
- Secretary to Government, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry
- Secretary to Government, Department of Commerce, Ministry of Commerce & Industry
- Secretary to Government, Economic Relations, Ministry of External Affairs
- Secretary to Government, Ministry of Overseas Indian Affairs.

On what basis decisions on FDI are taken by the FIPB?

The extant FDI Policy, Press Notes and other related notified guidelines formulated by Department of Industrial Policy and Promotion (DIPP) in the Ministry of Commerce and Industry are the bases of the FIPB decisions.

Raju questions 5/20 rule

Union Civil Aviation Minister Ashok Gajapathi Raju has backed the demand for scrapping of 5/20 rule. During the recently concluded civil aviation conference, he told that the current rules for allowing airlines to fly abroad on the basis of five years of experience and 20 aircrafts in their fleet had no scientific meaning. And hence, the rule should be scrapped.

What is 5/20 rule?

According to the '5/20 rule,' all airlines in India need five years of domestic flying experience and at least 20 aircrafts in its fleet in order to fly abroad. The rule has been a subject of heated debate between domestic airline operators. This was proposed in the new draft civil aviation policy.

Present status:

- While the private airlines which are allowed to fly abroad — IndiGo, Jet Airways, SpiceJet — have all opposed the proposal to abolish the rule, new airlines Vistara and AirAsia India are in strong favour of relaxing the norm.
- However, the Civil Aviation Ministry is still undecided on whether to keep the 5/20 rule, abolish it or replace it with some other regulation in the civil aviation policy which is yet to go to the Union Cabinet.

Banks to get commission for unlocking household gold

The centre has decided to pay banks a 2.5% commission to unlock the country's massive stash of gold under a new gold monetisation scheme.

Why such move?

It is due to a poor response from banks and customers to the ambitious Gold Monetization Scheme.

- Prime Minister Narendra Modi launched the Gold Monetisation Scheme in November 2015 to lure an estimated 20,000 tonnes of gold hoarded in households and temples into the banking system and trim the import bill of the world's second biggest gold consumer after China.
- But only a few kilograms trickled in over the last two months as banks showed little interest in popularising the scheme because of negligible returns for them.

What next?

Now the government has decided to pay the participating banks a total commission of 2.5%, including 1.5% handling charges, for the first year.

Why banks are not showing interest?

- Banks say they cannot offer attractive interest rates unless the government compensated them for the loss from higher rates.
- Support from banks is crucial to the success of the scheme. Similar programmes in the past have failed as they were not profitable for the banks.

Important features of the Gold monetisation scheme:

- The scheme will replace the prevailing gold deposit scheme that started in 1999.
- Deposit limit: Under this scheme the minimum deposit at any one time shall be raw gold (bars, coins, jewellery excluding stones and other metals) equivalent to 30 grams of gold of 995 fineness. There is no maximum limit for deposit under the scheme.
- Time period: The designated banks will accept gold deposits under the short term (1-3 years) Bank Deposit (STBD) as well as medium (5-7 years) and long (12-15 years) term government deposit schemes.
- All scheduled commercial banks are allowed to implement this scheme and are also free to fix interest rates.

- Depositors can also make premature withdrawal of their deposits. It will be subject to a minimum lock-in period and penalty to be determined by individual banks.
- The existing deposits under the gold deposit scheme, 1999, will be allowed to run until maturity.
- Under the current scheme, Indians are encouraged to deposit jewellery, bars or coins with banks so it can be refined to meet fresh demand and cut the need for imports.

Kiran Global Chems unveils 'green' cement

Kiran Global Chems Ltd. has introduced its indigenously-developed eco-friendly Geocement.

What is it made up of?

Geocement is made out of industrial wastes. It comes in two-part packing – 35 kg Geocement powder and 15 kg Geobinder liquid. Both can be mixed at construction sites like normal cement. It comprises a range of products including geo-binder, geo-powder and geo-concrete (geocrete), is aimed at cutting down carbon emissions by over 80%.

Benefits of using this cement:

- According to the company, this cement will play a role in cutting carbon emission levels while being stronger than Portland cement.
- For every tonne of cement production, there will be about 800 kg of CO₂ emission. But Geocement will help cut emissions.
- The anti-bacterial properties of the cement can be used for construction of underground sewage pipes and toilets as well.

Though some countries have been engaged in development and piloting of green cement, this company is the first one to come out with green cement for commercial use. However, price of Geocement will be slightly higher than normal cement.

Various terminologies:

Geocrete: It is a Geocement concrete made with its powder and binder for various industrial applications. Geocrete would be suitable for high temperature applications and would be fire resistant upto 700°C.

Geopowder: It is a mineral compound – blended with by-product materials like fly ash, rice husk ash, slag, activated clay, alumina in the geopolymer formation.

Geobinder: It is a specially formulated alkaline activator that acts as binder to the powder.

India to buy more crude oil from Nigeria

India is planning to import more crude oil from Nigeria. Why?

India is keen to diversify its oil import basket as Saudi Arabia's national oil and gas company recently announced that it would be selling oil to its Asian customers, including India, at a premium of \$0.6 a barrel above the prevailing market price in February.

Key facts:

- Nigeria has now agreed to increase the term contract from 1.7 million tonnes per annum to three million tonnes in 2016. The benefit of a term contract is that not only does it assure a certain quantity to be supplied but also ensures a stable price unlike oil bought from spot markets whose price can fluctuate drastically.
- Nigeria is the third-largest contributor to India's oil imports, accounting for 11.59 million tonnes (MT) in the first half of this financial year, behind Saudi Arabia (19.56 MT) and Iraq (17.01 MT).
- Apart from Nigeria, Sudan also wants to increase its engagement with India.

SC agrees to take up Justice Lodha panel reforms on BCCI soon

The Supreme Court has said that it will soon consider the report of the Justice R.M. Lodha committee.

- The bench has agreed to hear the plea made by Cricket Association of Bihar for urgent hearing on the recommendations of the Justice Lodha panel submitted to the apex court in a report on January 4, 2016.

Background:

The committee was set up by the Supreme Court to recommend reforms in the Board of Control for Cricket in India (BCCI). The three-member panel was headed by Justice (Retd) RM Lodha.

Important recommendations made by the committee:

Constitute one cricket body for each state: One association of each state will be a full member and have right to vote. One unit should represent one state.

CEO-run organisation: Committee suggested the restructuring of the BCCI's administrative set-up, proposing the position of a CEO accountable to a nine-member apex council. An apex council for the BCCI comprising 9 members, of which 5 should be elected, 2 should be representatives of players association, and one woman. CEO to be assisted by 6 professional managers and the team of CEO and managers will be accountable to the apex council.

Under RTI: To ensure transparency in its functioning, the panel had said that it is important to bring the body under the purview of the Right to Information Act.

Ethics officer: The committee recommended the institution of the office of an Ethics Officer, who would be responsible for resolving issues related to the conflict of interest. Ethics officer would be a former High Court judge.

Electoral officer: The committee had also suggested the appointment of an Electoral Officer to conduct the Board elections. The electoral officer would oversee the entire election process relating to the office-bearers namely, preparation of voters list, publication, dispute about eligibility of the office-bearers

Ombudsman: It had also proposed an Ombudsman for dealing with internal conflicts. Ombudsman can take cognisance of complaints suo moto, or received complaint or referred complaint by the apex council.

It also suggested that a person cannot be a BCCI office-bearer and a state association office-bearer at the same time.

India Signs Financing Agreement with World Bank for US\$ 250 Million for Jhelum and Tawi Flood Recovery Project

The Financing Agreement for World Bank (IDA) assistance of US\$ 250 million for Jhelum and Tawi Flood Recovery Project was recently signed between Government of India and the World Bank.

- Along with this, a Subsidiary Agreement was also entered into between Government of India and Project Implementing Entity i.e. Government of Jammu & Kashmir.
- The loan is for an implementation period of 5 years. Government of Jammu & Kashmir is the implementing agency.

About the Project:

The project will focus on restoring critical infrastructure using international best practice on resilient infrastructure.

Objective: The objective of the project is to support the recovery and increase disaster resilience in Project Areas and increase the capacity of the Project Implementing Entity to respond promptly and effectively to an eligible crisis or emergency.

Benefits of this project:

- By strengthening disaster risk management systems and institutions, the project will benefit the entire affected region.
- The primary beneficiaries would be the communities in the districts of Jammu & Kashmir that were affected by loss of public service infrastructure that will be restored and improved under the project.

The project has seven components:

- Reconstruction and strengthening of critical infrastructure.
- Reconstruction of roads and bridges.
- Restoration of urban flood management infrastructure.
- Restoration and strengthening of livelihoods.
- Strengthening disaster risk management capacity.
- Contingency Emergency Response.
- Implementation Support.

'Nai Manzil' Scheme Launched in Jammu and Kashmir

The centre has launched the 'Nai Manzil' scheme for the first time in Jammu and Kashmir. The scheme has been launched for girls in Srinagar in three institutions.

- Under the scheme girls from minority communities will be imparted three month skill development training in seven identified sectors relevant to the region. These include training in saffron processing, food processing, embroidery, computers IT (both software and hardware), Tourism/hospitality, electronics and plumbing. Trainees will also be given stipend of Rs.4500/-for the course.

About Nai Manzil Scheme:

The Nai Manzil Scheme is designed as an integrated education and training programme that provides youth from minority communities skills needed for different tasks in a rapidly changing world. This scheme will also provide avenues for continuing higher education and also open up employment opportunities in the organised sector.

The scheme aims at providing educational intervention by giving the bridge courses to the trainees and getting them Certificates for Class XII and X from distance medium educational system and at the same time also provide them trade basis skill training in 4 courses :

- Manufacturing
- Engineering
- Services
- Soft skills

Targeted groups: The scheme is intended to cover people in between 17 to 35 age group from all minority communities as well as Madrasa students.

Sundarbans buzzes with discovery of solitary bee

A "**solitary bee**" species was recently discovered in the **Sundarbans Biosphere Reserve**.

Key facts:

- The bee is named **Braunsapis chandrai**.
- It is 6.2-mm-long and is black in colour and has punctured legs.
- What makes it distinct from other species of solitary bees is the different patterns of the marks on its face and frontal region.
- Solitary in nature, they nest in stems and twigs independently.
- The new species play a significant role in pollination, though it **does not produce honey**.
- Of the 20,000 species of bees found in the world, India accounts for only 633.

As bees play an important role in the ecosystem as critical pollinators, scientists believe that without them, the world would face extinction as food options would become highly limited.

National Industrial Corridor Authority

The Union Cabinet is expected to grant its approval for a proposal to establish a **National Industrial Corridor**

Authority (NICA) for fulfilling a promise made by Finance Minister Arun Jaitley.

- With a corpus of around Rs 18,500 crore, the authority will supervise the implementation and coordination among the five industrial corridors in the works.

Background:

In his Budget speech, 2014-15, Mr. Jaitley had said the proposed NICA will be headquartered in Pune and coordinate the development of the industrial corridors. However, the proposal was not taken up by the cabinet.

Why we need NICA?

Bringing all the corridors under the ambit of an Authority (NICA) — on the lines of the National Highways Authority of India — is aimed at providing certainty to investors as well as to multilateral agencies like Japan International Cooperation Agency (JICA) and JBIC (which are supporting DMIC and CBIC) and the Asian Development Bank (which has completed a conceptual development plan for VCIC).

Significance of NICA:

The authority will effectively monitor the development of these industrial corridors. The corridors, with smart cities linked to transport connectivity, will be the cornerstone of the strategy to drive India's growth in manufacturing and urbanization.

Way ahead:

The government was earlier considering a proposal to bring into force a **NICA Act** on the lines of the NHAI Act. Since that move would need Parliament approval and therefore, is more time-consuming than giving a Cabinet approval to the NICA, NICA Bill has also been deferred for the time being.

Please note that **DIPP is the nodal agency at the Centre for Industrial Corridors.**

Google to pay \$185 m back taxes to U.K., critics want more

Google has agreed to pay 130 million pounds (\$185 million) in back taxes to Britain, prompting criticism from opposition lawmakers and campaigners who said the "derisory" figure smacked of a "sweetheart deal".

- Google, now part of Alphabet Inc, has been under pressure in recent years over its practice of channelling most profits from European clients through Ireland to Bermuda, where it pays no tax on them.

Background:

- In 2013, the company faced a UK parliamentary inquiry after an investigation showed the company employed hundreds of sales people in Britain despite saying it did not conduct sales in the country, a key plank in its tax arrangements.
- Between 2005 and 2013, Google had UK turnover of GBP 17 billion and its main UK unit reported a tax charge of GBP 52 million. In 2014, it had UK revenues of around 4 billion pounds, according to its annual report, but has not yet published its UK tax charge.

Significance of this case:

The deal comes as governments around the world seek to clamp down on multinational companies shifting profits overseas to reduce their tax bills.

Engineering exporters told to improve standards

The **Engineering Export Promotion Council India (EEPC India)** has asked the exporters to improve standards and compliance with technical regulations to maintain market share.

- The directive comes in the backdrop of a sharp fall in engineering exports.

What's the issue?

India's major destinations for engineering exports like the U.S. and major European countries, recently revealed that technical regulations and standards for the products imported into the country were partially blocking the growth of exports.

What needs to be done?

- In the current scenario, engineering manufacturer-exporters have to upgrade their standards not only to maintain their market share but also to make new forays.
- India needs better preparedness to face the challenges of new standards and stricter regulations.
- With focus shifting on 'Make in India' and various initiatives taken by the government, the quality of products and services also need to improve.
- Major Indian products like iron and steel, electrical machinery, industrial machinery, suffer from lack of standards harmonization. Hence, the need of the hour is creation of more labs and certification bodies.

About the Engineering Export Promotion Council India (EEPC India):

EEPC India is the premier trade and investment promotion organization in India. It is sponsored by the **Ministry of Commerce & Industry**, Government of India and caters to the Indian engineering sector. As an **advisory body** it actively contributes to the policies of Government of India and acts as an interface between the engineering industry and the Government. It was set up in 1955.

Birth defects spark panic in Latin America

The United States has expanded a travel warning for pregnant women.

Why?

In the last few days, the country has seen over thousands of birth defects. The defects are blamed on the spread of **mosquito-borne Zika virus**.

Details:

Babies across the region, and at least one in the United States, have been born with abnormally smaller heads — a condition doctors call microcephaly, which can cause brain damage. The scare has struck hardest in Brazil, which hosts the summer Olympic Games in August.

About the Virus:

- The virus was first identified outside of Africa on Easter Island in 2014. It attacks the nervous system and can lead to potentially fatal paralysis.
- The virus is carried by the *Aedes aegypti* mosquito.
- There is no vaccine, and scientists have warned that developing one could take at least five years.

How it affects?

- With the sting of a mosquito bite and a fever, many pregnant women may not know that they caught the Zika virus — until it strikes their unborn child.

Some women in Latin America are avoiding getting pregnant for fear of the virus.

Way ahead:

The U.S. Centers for Disease Control and Prevention has extended the list of territories on its no-go list for pregnant women. Health authorities around the world are on alert over the Zika virus.

Cabinet clears Central rule in Arunachal

The Union Cabinet has recommended imposition of President's rule on the Congress-ruled Arunachal Pradesh after it felt the State was heading for a "**constitutional breakdown**." Now, the President will issue a proclamation in this regard under **Article 356(1)** of the Constitution.

Why President's Rule?

- The Centre based its decision on **Article 174** of the Constitution, according to which six months shall not intervene between the last sitting of the Assembly in one session and the date appointed for its first sitting in the next session. According to one interpretation, the next session should therefore have taken place at the latest by January 21, 2016.
- The Centre has also considered the fact that the Speaker, using the State machinery, prevented the session, though it was called by the Governor. The Union government also felt that there was flouting of **Article 167(b)** of the Constitution as the government was not responding to the Governor's letters on issues of public importance.

Existing confusion:

- A session was indeed held on December 16, 2014 albeit outside the Assembly building (where a majority of the members had voted) as access to the building was denied. But, the session which took place on December 16, 2015 has been disputed by Chief Minister Nabam Tuki and his supporters. Now, it is up to the Supreme Court to decide the validity of this session.
- Even if the Supreme Court rules in favour of the interpretation that this session was not valid, there will be a constitutional breakdown because the requirement of Article 174(1) would have been breached. On the other hand, if the court holds that the December 16 session was valid, it is clear the government is in a minority and is not allowing a vote of confidence. Therefore, in either case, the State is heading for a constitutional crisis.

It is also being alleged that the Governor recommended President's rule without consulting the State Cabinet at a time when several cases on the matter were in the Supreme Court.

About President's rule:

What's in the constitution?

The **article 356** of the constitution which focuses on the failure of the Constitutional machinery of the State is often termed as the President's rule. There are various reasons for which President's rule can be imposed on a State. The failure of the State government to function as per the constitution is the first step towards this.

- Other factors include the loss of majority, break down of law and order, indecisive outcome of elections, no alternate claimant to form the government, insurgency, defections and break-up of coalition.
- It can be imposed initially for a period of six months.

What happens to the legislative assembly?

When President's rule is imposed, the assembly is either dissolved or kept in suspended animation.

Shift in role:

The state comes under the direct control of the Central government. The authority shifts from the Chief Minister and the council of ministers to the Governor. The Governor gets the power to appoint civil servants and some administrators to assist him who will take on the role and responsibilities of the Council of Ministers.

Landmark judgement:

There was widespread belief that imposition of President's rule was more to do with the priorities of the Central government than the constitutional crisis. The judgement of the Supreme Court in 1994 gave a clear definition as to when the President's rule can be imposed on a state thereby paving the way for the state governments to challenge the Centre if it feels that it has been unduly removed.

- The Supreme Court held that a state government could be dismissed only under justifying circumstances and laid down guidelines for the same.
- This judgement is called the Bommai judgement after the former Karnataka Chief Minister S R Bommai whose government was dismissed by the Centre and the President's rule was imposed.
- The verdict was in response to his challenging the dismissal. Thereafter further pronouncements by the Supreme Court helped limit the number of cases where the President's rule is imposed drastically.

Dinosaur Fossils Found In Kutch Region Of Gujarat

A team of Indo-German geologists and palaeontologists have found fossils of a 135-million-year old herbivorous dinosaur in Kutch, Gujarat, possibly the oldest such fossil found this century. The fossil belonged to the time when India and Madagascar were one landmass and the Himalayas yet to form.

- Gujarat is considered to be home to one of the largest collection of dinosaur remains in India. A large number

of dinosaurs eggs have been discovered at Balasinor, 100 km from Ahmedabad, and fossils have been found near the Narmada banks too. The Kutch Basin, it is believed, was inundated by seawater during the Jurassic period and these repeated over millennia to throw up an extremely varied bio-geography.

- The most recent dinosaur fossils from India in this millennium is the "**Rajasaurus Narmadensis**", a 30-feet-long, carnivorous and stocky animal, which was discovered from the Narmada Valley Basin in Kheda, Gujarat.

What is Jurassic era?

The so-called Jurassic era spanned 250-145 million years during which herbivorous dinosaurs flourished and laid the ground for beasts, such as the Tyrannosaurus Rex. These flourished during the Cretaceous period — 145 to 65 million years ago — after which the double blows of a meteor strike and overflowing volcanoes are said to have destroyed these animals.

Rise in space junk orbiting the Earth could 'provoke armed conflict', Russian scientists warn

Scientists have warned that the rise of space junk orbiting the Earth could 'provoke armed conflict' as damage to military satellites could be misconstrued as an attack. It is difficult to determine whether an operational satellite had been hit by the fragments or was intentionally attacked by another country.

Main concerns:

The junk poses the greatest danger to satellites in low Earth orbit, where debris can slam into spacecraft at a combined speed of more than 48,280 kmph. This realm of space, which stretches from 160 to 1930 km above the surface, is where most military satellites are deployed.

- Impacts from space junk, especially on military satellites, poses special political danger and may provoke political or even armed conflict between space-faring nations.

Incidents so far:

In 2013, Russian satellite, Blits, was damaged after colliding with debris created when China shot down an old weather satellite in 2007.

Way ahead:

Space agencies in the U.S. and Russia track more than 23,000 pieces of debris larger than 10 cm long, but estimates say there could be half a billion fragments ranging from one to 10

cm long, and trillions of smaller particles. Hence, if no immediate action is taken to clean up the space, it would initiate a cascade process in which chunks of debris crash into one another and produce ever more smaller fragments.

Centre sanctions funds for Wagah-like ceremony in Tripura

The Centre has sanctioned funds to create infrastructure for 'Beating Retreat' ceremony at Agartala-Akhaura border with Bangladesh, similar to that at Wagah in Punjab. The money was sanctioned by the Union Tourism Ministry under the 'Swadesh Darshan scheme' for building a mini stadium and roads among others. The Agartala-Akhaura check post is an integrated one, which is also the second largest trading centre with Bangladesh after Benapole and Petrapole in West Bengal.

Kerala Tourism wins best pavilion award in Madrid

Kerala Tourism has emerged as one among the four winners in the destination category at the 36th edition of **FITUR – the second largest travel and tourism fair in Spain**.

- The eye-catching pavilion, themed on Kerala's fabled snake-boat race, has fetched the State the award along with Mexico, Japan, and Nepal.
- A large number of visitors flocked to the Kerala pavilion, adorned by two replicas of snake-boats, making it one of the most-photographed pavilions at FITUR.
- The pavilion, created with stunning images of boat races, won the Best Stand award for design, communication, and professionalism.

The award-winning pavilion was conceived and designed by Stark Communications, the marketing agency of Kerala Tourism, and executed by Art Director Sabu Sivan and team.

Largest and tallest tricolour hoisted at Ranchi

Defence Minister Manohar Parrikar recently hoisted the largest tricolour in the country atop the tallest pole at Pahari Mandir in Ranchi. The flag measures 66 feet in height and 99 feet in width. It was hoisted on a 293-foot-tall pole. Until now, Faridabad had the tallest national flag raised at a height of 246 feet.

Rafale pact concluded, but no deal yet on price

India and France have signed 14 agreements, including an intergovernmental agreement for the purchase of Rafale fighter jets, nuclear reactors, French railway locomotives and a major commitment to counterterror cooperation. However, the financial component of the Rafale deal is yet to be finalised.

- French President Francois Hollande is on his visit to India.

Significance of the Rafale Deal:

- For India, it's another step in a quest to modernize its air force that first began in 2007. About one third of the country's air fleet is more than 40 years old and set to retire in the next decade, putting pressure on the incumbent government to quickly acquire new warplanes to keep pace with neighbors China and Pakistan.
- India originally picked Dassault in 2012 to build 126 warplanes at an estimated cost of about \$11 billion. As talks stalled over price and quality guarantees, Modi flew to France last April and sought to directly buy 36 fighter jets from the French government in a bid to speed things up. The cost of the 36 jets is expected to exceed 600 billion rupees (\$9 billion).

Other important agreements signed:

Space: India and France signed three agreements on expanding space collaboration. The Indian Space Research Organisation and its French counterpart CNES (National Centre for Space Studies) have agreed to work together in the next Mars mission, as well as a satellite launch and a thermal infrared observation mission.

Rail: Under the 'Make in India' banner, India and France signed a deal that will allow French industrial major Alstom to make 800 high horse power locomotives in India. The locomotives are expected to be made in the electric locomotives factory in Madhepura, Bihar.

Road: Both sides also signed an agreement on upgrading the Delhi-Chandigarh line to 200 kmph, in keeping with France's special focus on Chandigarh 'Smart City' project.

Terrorism: The two countries have said that they would embark on new ways of cooperation on fighting terrorism, including intelligence-sharing and joint exercises along with the annual strategic dialogues and a joint working group on counterterrorism meetings.

Cultural exchange programme: There was an agreement on cultural exchange programme for the period 2016-2018 too.

Both the countries have also signed an agreement on the declaration of intent for conducting next round of Namaste France (Indian festival) in 2016 and Bonjour India (French festival) in 2017.

France has also committed itself to supporting India's bid for a permanent seat on the U.N. Security Council and India's accession to the multilateral (nuclear) export control regimes in 2016 itself.

Padma Awards 2016

On the eve of Republic Day, government has announced the list for the Padma Awards 2016. The Padma awards are conferred by the President at a function in Rashtrapati Bhawan in March/April every year. The awardees include Bollywood actors, media personalities, former politicians, public officials and sportspersons who have made the country proud.

- The list comprises 10 Padma Vibhushan, 19 Padma Bhushan and 83 Padma Shri awardees.
- 19 winners are women and the list also includes 10 from the category of foreigners, NRIs, PIOs who have earned accolades on a global scale.

About Padma awards:

The awards will be given across three categories: the Padma Vibhushan, Padma Bhushan and Padma Shri. These awards are given on Republic Day, for the over six decades now, to people who the government recognises have excelled in their fields.

1. **Padma Vibhushan** is awarded for exceptional and distinguished service (It is a second degree honour).
2. **Padma Bhushan** is awarded for distinguished service of high order (It is a third degree honour).
3. **Padma Shri** is awarded for distinguished service in any field (It is a fourth degree honour).

Operation begins to curb money laundering, terror funding

Government agencies have launched a massive National **Risk Assessment (NRA) exercise**.

Why?

- To identify the sectors that are susceptible to money laundering and terror funding, and plug the loopholes.

Details:

- This exercise is in line with the Financial Action Task Force (FATF) recommendations. While India has met its obligation of mutual evaluation with FATF, it is now required to make a risk assessment and put necessary mechanisms in place.
- As part of the process, the World Bank had earlier this month made a customisable excel-based self assessment software tool available to Indian agencies. It focusses on

all vital aspects of money laundering, including terror financing risks, and helps identify threats and vulnerabilities in different sectors.

The NRA exercise generally takes about a year. It begins with the collection of data on sectors that are prone to money laundering in high, medium and lower categories at the national level. The country then has to prepare an action plan based on the level of risk.

About FATF:

What is it?

The Financial Action Task Force (FATF) is an inter-governmental body established in 1989 on the initiative of the G7. It is a "policy-making body" which works to generate the necessary political will to bring about national legislative and regulatory reforms in various areas.

Objectives:

The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

What it does?

The FATF monitors the progress of its members in implementing necessary measures, reviews money laundering and terrorist financing techniques and counter-measures, and promotes the adoption and implementation of appropriate measures globally. In collaboration with other international stakeholders, the FATF works to identify national-level vulnerabilities with the aim of protecting the international financial system from misuse.

FATF recommendations:

The FATF has developed a series of recommendations that are recognised as the international standard for combating of money laundering and the financing of terrorism and proliferation of weapons of mass destruction.

- They form the basis for a co-ordinated response to these threats to the integrity of the financial system and help ensure a level playing field.
- First issued in 1990, the FATF Recommendations were revised in 1996, 2001, 2003 and most recently in 2012 to ensure that they remain up to date and relevant, and they are intended to be of universal application.

Members:

FATF consists of 34 member jurisdictions and two regional organisations, the EU and the Gulf Co-operation Council. The FATF also works in close co-operation with a number of international and regional bodies involved in combating money laundering and terrorism financing. It also has 8 associate members and 25 observer members.

Government makes it easier to set up companies, do business

The government has unveiled two initiatives to expedite clearances and ensure greater ease of doing business in the country.

The new initiatives are:

1. Central Registration Centre (CRC).
2. Government Process Re-engineering (GPR).

Significance:

- These initiatives ensure faster clearances to incorporate companies and improve the ease of doing business in the country.
- These initiatives are also meant for uniformity in application of rules and removing discretion.
- These services are in line with best international practices.

Details:

- The GPR involves a three-pronged approach of further automating some of the approval processes by utilising advanced software tools, rationalising and modifying certain rules and engaging professionals to expedite the process of manual scrutiny.
- The CRC will process applications for name availability, submitted online across the country and endeavour to process them by the end of the next working day.

Way ahead:

Last month, the ministry had said following several measures taken by it as part of the government's 'ease-of-doing business' initiative, the average number of days taken for incorporation of a company had come down significantly — by nearly 50%— from 9.57 days in December 2014 to 4.51 days in November 2015.

- Now, the government is planning to further reduce the time taken for all approvals regarding a company's incorporation to one-two days in normal cases.

Government mulls Shome panel suggestions on tax administration

The government is considering the recommendations of the Parthasarathi Shome committee aimed at simplifying tax administration.

Background:

The Tax Administration Reform Commission or TARC was a committee appointed by the Government of India for giving recommendations for reviewing the public Tax Administration system of India. Tax Administration Reform Commission (TARC) was constituted to review the application of tax policies and tax laws in India in the context of global best practices, and to recommend measures for reforms required in tax administration. The committee was headed by Parthasarathi Shome.

Important recommendations made by the committee:

- The committee had suggested that Income Tax Return forms should also include wealth tax details.
- The panel had mooted that retrospective amendments to tax laws should be avoided as a principle and that the post of Revenue Secretary be abolished.
- It also proposed the merger of the CBDT with the CBEC.
- It had asked the government to widen the use of Permanent Account Number (PAN).
- It also pitched for a separate budget allocation to ensure time bound tax refund and a passbook scheme for TDS (Tax Deduction at Source).
- It proposed to cover both central excise and service tax under a single registration as both the taxes are administered by the same department and cross utilisation of credit is permitted between central excise and service tax under the CENVAT credit rules.
- It had also recommended that in line with international practice, a minimum of 10% of the tax administration's budget must be spent on taxpayer services. At least 10% of the budget should be allocated and spent for ICT-based taxpayer services.

National Voters' Day

The Election Commission of India celebrated **6th National Voters' Day (NVD)** across the country on 25th January.

- The **theme for the 6th National Voters' Day is 'Inclusive and Qualitative Participation'**.

Significance of NVD:

- The Election Commission's objective through NVD is to increase enrolment of voters, especially of the newly eligible ones.
- The National Voters' Day is also utilised to spread awareness among voters regarding effective participation in the electoral process.

25th January is also the foundation day of the Commission.

DSIR received ISO 9001:2008 Certificate

The Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India, has received **ISO 9001:2008 Certification** for its functions, activities and services being in total compliance with the guidelines issued by the Performance Management Division, Cabinet Secretariat Government of India.

Background:

- DSIR started implementation process of ISO 9001:2008 in compliance with the guidelines issued by the Performance Management Division, Cabinet Secretariat, in 2011.
- After satisfactory audit of functions and services of the Department, the competent Certification Body has now certified DSIR as an ISO 9001:2008 Department.

About DSIR:

The Department of Scientific and Industrial Research (DSIR) is a part of the **Ministry of Science and Technology**.

- It has a mandate to carry out activities related to indigenous technology promotion, development, utilization and transfer.
- Its primary endeavor is to promote R&D by the industries, support a larger cross-section of small and medium industrial units to develop state-of-the art globally competitive technologies of high commercial potential, catalyze faster commercialization of lab-scale R&D.
- DSIR also provides a link between scientific laboratories and industrial establishments for transfer of technologies through its constituent company, the National Research Development Corporation and facilitates investment in R&D through Central Electronics Limited, the public undertaking under the Department.

About ISO 9001:2008:

- ISO 9001:2008 specifies requirements for a quality management system where an organization needs to demonstrate its ability to consistently provide product that meets customer and applicable statutory and regulatory requirements.
- To get certified the organization should aim to enhance customer satisfaction through the effective application of the system, including processes for continual improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements.
- All requirements of ISO 9001:2008 are generic and are intended to be applicable to all organizations, regardless of type, size and product provided.
- Third-party certification bodies provide independent confirmation that organizations meet the requirements of ISO 9001.

Soon, annual and quarterly reports to replace once-in-5-year job surveys

The government is planning to launch an **annual employment survey**.

What is it all about?

It will be a **first of its kind survey** with the ability to generate quarterly reports on job market trends in certain segments like urban India.

How different will this survey be?

Unlike other official data, the employment data generated by the latest employment survey will be released soon after the survey is completed. The survey will be conducted with the help of modern technology.

Significance of this data:

An estimated million people are joining India's workforce every month, thanks to its demographic dividend of a high number of youth in the population. Such data will enable policymakers to react faster to labour market movements and track job creation goals. Such data also helps assess the state of the economy better.

Background:

The National Statistics Commission had first called for a periodic labour force survey in 2009 and a pilot survey was undertaken in 2012-13. The design of the new annual

employment survey has been finalised on the basis of a peer and stakeholder review of the pilot survey's outcomes.

Currently available surveys:

As of now, the only employment data in India is available through quinquennial (once every five years) surveys by the National Sample Survey Organisation (NSSO), a limited ad-hoc survey of employment in a few sectors that was initiated by the Labour Bureau after the global financial crisis in 2008 and the Annual Survey of Industries (which only captures the employees of the registered factories).

Way ahead:

The NSSO has readied the design, modalities and mechanisms for conducting the survey and could start as soon as the nod comes for the formal proposal of the Statistics Ministry.

Genetics throws light on genesis of caste system

Based on a study of numerous communities across the country, researchers from the National Institute of BioMedical Genomics in West Bengal have gained some insights into the genesis of caste system in the country.

What the researchers did?

Researchers analyzed high quality genotype data of 367 individuals drawn from 20 ethnic populations. The samples collected ranged in caste, language and geographic locations. They looked at the genes of various communities to answer questions that have often been suggested in history books: when did caste become the dominant norm for ethnic communities of the region.

What was the conclusion?

By looking at ancient genes within modern genomes, the scientists have been able to figure out when the mixing of genes ended — that is, when the caste system closed its grasp.

- The results point to the Gupta period, nearly 1,500 years ago, when many historians believe prohibition of marriage between castes was enshrined in the Dharmasastra.
- Similarly, other communities can trace their caste consolidation to kingdoms such as Rashtrakutas or the Pala dynasty.

Various developments during the Gupta period:

- For most upper-caste communities, endogamy (that is marrying within one's caste) started nearly 70 generations ago, or around the time of the Hindu Gupta period around 1,500 years ago.

- A lot of social transformation took place during the Gupta period. Notable among these was the enforcement of social strictures against marriage between castes, as enshrined in the Dharmasastra.

In the case of West Bengal Brahmins, marriages with the northeastern communities continued until the arrival of the 8th century Pala dynasty which cut off these regions.

Other findings:

- Researchers also indicate that the mixing of genes continued even after the Gupta period, but was asymmetric in nature. That is, upper caste people continued to give genetic inputs to lower caste and tribal populations- but not vice-versa.
- The study also shows the complex ancestries that now make up the Indian population. It shows the presence of the Ancestral Tibeto-Burman (ATB) genes in communities in the north east and Ancestral Austro-Asiatic (AAA) genes among the tribal populations of east and central India.

Appoint experts for Qutub Shahi Tombs conservation, Waqf tribunal urged

The Wakf Tribunal of Andhra Pradesh has directed the counsels for the Aga Khan Trust for Culture (AKTC) to form a proposal to find suitable persons for the High Powered Supervisory Committee to oversee the ongoing works at the Qutub Shahi Tombs.

- Currently, custody of the Qutb Shahi Tombs is given to the State government.

About the Qutub Shahi Tombs:

The tombs of the seven Qutub Shahi rulers are located close to the famous Golkonda Fort in Hyderabad, India.

- The tombs are domed structures built on a square base surrounded by pointed arches, a distinctive style that blends Persian, Pashtun and Hindu forms. The tombs are structures with intricately carved stonework and are surrounded by landscaped gardens.
- In the centre of each tomb is a sarcophagus which overlies the actual burial vault in a crypt below.
- The domes were originally overlaid with blue and green tiles, of which only a few pieces now remain.

India sets an example in subsidised TB diagnosis

A study, published recently in the journal Lancet Global Health, has indicated that India is the best country in the world to offer subsidised TB diagnosis.

Details of the study:

- Of the 12 high-burden countries where the private sector is a major player in providing health care, the Indian private sector offers the cheapest price for the WHO-approved Xpert MTB/RIF, a molecular test for diagnosing TB.
- India also has the highest number of private labs offering the test, with 113 labs offering it at a subsidised rate.

Cost in India:

While it costs only Rs.2,000 in the 113 labs (with 5,200 collection centres) which are part of a novel initiative — Improving Access to Affordable & Quality TB Tests (IPAQT) — that was launched in India in March 2013, the charges are anywhere between Rs.3,500 and Rs.5,000 in labs that are not part of the IPAQT initiative.

Other countries:

The mean price of the highly accurate TB test in Bangladesh is nearly \$75, while it is \$50 in the case of Afghanistan. It is as high as \$155.5 in Philippines. Xpert is not commercially available in the private sector in six other high-burden countries.

Way ahead:

Access to accurate tests at subsidised price is very important in India as nearly 80% of the population in India first seek the private sector. If one out of every four TB patients in the world is an Indian, one in eight TB patients in the world is a privately treated Indian patient. Hence, to further reduce the costs, the study asks the Indian government to waive off customs duty of 31% levied on Xpert machine and reagents.

Do not disclose details of minors without parents' consent: CIC

In its recent order, the Central Information Commission (CIC) has said schools and Education Department should not disclose information about children under the RTI Act without consulting their parents.

Why?

There are several incidents reported that rivals of the parents or quarrelling spouses take the child from the school. Hence, CIC noted that revealing the details of the child might lead to kidnap or murder etc. During the stay of the child in school, the principal and teachers have a duty of guardian and any negligence on their part might harm the student.

What the law says?

While disclosing any personal information of the student to any person, the Central Public Information Officer (CPIO) has to follow the procedures mentioned under Section 11 of the RTI Act. As per this section, it is mandatory for the CPIO to seek the opinion of parents of the child before disclosing any personal information of the student.

Background:

This issue came up when recently the CIC admonished the principal of RD Public School and the Central Public Information Officer (CPIO) of the Directorate of Education (DoE) of the Delhi government for disclosing information about a student to his relatives who had a dispute with the student's family.

Akbaruddin presents his credentials to UN Secretary General

Senior diplomat Syed Akbaruddin has presented his credentials as India's new permanent representative to the United Nations to UN Secretary General Ban Ki-moon.

- Receiving the credentials, Mr. Ban welcomed his appointment as the top Indian diplomat to the UN and appreciated the significant role India plays at the powerful world body as a long-trusted partner of multilateral system.
- Akbaruddin, India's **21st Permanent Representative at the UN**, succeeds Asoke Mukerji who demitted office on December 31.

Way ahead:

As India's Permanent Representative to the UN, Mr. Akbaruddin's main task would be to push for India's bid to gain permanent membership of the UN Security Council as well as to strongly advocate its position on key issues.

About Permanent Representative to the UN:

The Permanent Representative of India to the United Nations is the India's foremost diplomatic representative to the United Nations. The permanent Representative (UN ambassador) is the head of a diplomatic mission to the United Nations (UN).

Denmark: bill allowing seizure of migrants' valuables passed

Denmark's Parliament has adopted reforms aimed at dissuading migrants from seeking asylum by delaying family reunifications and allowing authorities to seize their valuables, under legislation that has sparked widespread condemnation.

Why such a law?

The government insists the law is needed to cover the cost of each asylum seeker's treatment by the state, and mimics the handling of Danish citizens on welfare.

Details:

- This law allows the seizure of valuables worth more than 10,000 Danish kroner (about \$1,453).
- Under this law, items of "special sentimental value" such as "wedding rings, engagement rings, family portraits, decorations and medals". But "watches, mobile phones and computers" can be confiscated.
- The new measures also mean the period migrants will have to wait before applying for relatives to join them will be extended from one year to three – a move aimed at discouraging new arrivals.
- Temporary residence permits will be shortened and the conditions for obtaining a permanent permit will be restricted.

Denmark is not the first European country to demand the assets of asylum seekers. Earlier this month, Switzerland was criticised by a refugee group for seizing assets from some 100 people in 2015. However, the UN refugee agency UNHCR has claimed that the bill violated several conventions on rights and refugees.

Key facts:

Home to 5.6 million people, Denmark registered 21,000 asylum applications in 2015, making it one of the top EU destinations per capita.

Artificial Intelligence pioneer Marvin Minsky

Marvin Minsky, the artificial intelligence pioneer who helped make machines think, leading to computers that understand spoken commands and beat grandmasters at chess, recently passed away.

- Minsky's greatest contribution to computers and artificial intelligence was the notion that neither human nor

machine intelligence is a single process. Instead, he argued, intelligence arises from the interaction of numerous processes in a "society of mind" – a phrase Minsky used for the title of his 1985 book.

- Minsky's insight led to the development of smart machines packed with individual modules that give them specific capabilities, such as computers that play grandmaster-level chess, robots that build cars, programs that analyze DNA and software that creates lifelike dinosaurs, explosions and extraterrestrial worlds for movies.

Artificial intelligence is also essential to almost every computer function, from web search to video games, and tasks such as filtering spam email, focusing cameras, translating documents and giving voice commands to smartphones.

His accomplishments:

- Minsky's scientific accomplishments spanned a variety of disciplines. Minsky was co-founder in 1959 of the now-legendary Artificial Intelligence Group at MIT. He also built the first computer capable of learning through connections that mimic human neurons.
- He designed and built some of the first visual scanners and mechanical hands with tactile sensors, advances that influenced modern robotics.
- In 1951 he built the first randomly wired neural network learning machine, which he called Snarc. And in 1956, while at Harvard, he invented and built the first confocal scanning microscope, an optical instrument with superior resolution and image quality still in wide use in the biological sciences.

President rule in Arunachal Pradesh (Update)

President Pranab Mukherjee has approved the Union Cabinet's recommendation for the imposition of President's rule on Arunachal Pradesh. The President has issued this proclamation under Article 356(1) of the Constitution.

Background:

The Union Cabinet had recently recommended imposition of President's rule on the Congress-ruled Arunachal Pradesh after it felt the State was heading for a "constitutional breakdown."

SC seeks proof of breakdown in Arunachal Pradesh

The Supreme Court has asked the Centre and Arunachal Pradesh Governor J.P. Rajkhowa to furnish relevant material backing their claim that there has been a failure of constitutional machinery in Arunachal Pradesh.

- The notice to the Centre and the Governor was issued by the court on a petition filed by the Congress party.

What the petition argues?

- It says the proclamation of emergency by President Pranab Mukherjee under Article 356 of the Constitution was a result of a conspiracy by the Centre and the Governor to pull down the ruling Congress party in the State.
- The petition argues that the Article 356 has been misused by the government to topple the democratically elected government.

It may be noted here that based on the recommendation of the union cabinet, President's rule was recently imposed on Arunachal Pradesh.

Denmark the least corrupt country, India at 76th position

Transparency International's Corruption Perceptions Index (CPI) for the year 2015 has been released.

What is Corruption Perceptions Index (CPI)?

It is a composite index that draws from 12 surveys to rank nations around the globe. It has become a benchmark gauge of perceptions of corruption and is used by analysts and investors.

- The index is also based on expert opinions of public sector corruption and takes note of range of factors like whether governmental leaders are held to account or go unpunished for corruption, the perceived prevalence of bribery, and whether public institutions respond to citizens' needs.

Performance of various countries:

- India is placed at 76th position along with Thailand, Brazil, Tunisia, Zambia and Burkina Faso out of 168 countries.
- The U.S. rose one spot this year to 16th place with a score of 76, tying with Austria.
- The U.K. rose three spots to place 10th, with a score of 81 that tied it with Germany and Luxembourg.

- The other top spots, from second to ninth, were occupied by Finland, Sweden, New Zealand, the Netherlands, Norway, Switzerland, Singapore and Canada.
- Brazil and Turkey were among nations that tumbled the most. Brazil slid to 76th place, sharing its position with India, down from 69th last year. Turkey fell two spots to 66th, continuing its descent from 53rd place in 2013.

Performance of India:

India has improved its past year's position of 85 and has a grade index score of 38 out of a possible 100 which indicates the least corrupt.

Concerns:

- The 2015 Corruption Perceptions Index clearly shows that corruption remains blight around the world.
- Overall, two-thirds of the 168 countries studied scored below 50 and the global average was 43. And half of the G20 are among them. 100% of BRICS countries score less than 50. A score less than 50 indicates that the country has a serious corruption problem.
- Not one single country, anywhere in the world, is corruption-free. More than 6 billion people live in countries with serious corruption issues.

CERT-In signs cyber security pacts with 3 nations

The Indian Computer Emergency Response Team (CERT-In) has signed cooperation pacts with its counterparts in Malaysia, Singapore and Japan for cyber security.

Significance of these pacts:

The Memoranda of Understanding (MoUs) will promote closer cooperation for exchange of knowledge and experience in detection, resolution and prevention of security-related incidents between India and the three countries.

About CERT-In:

What is it?

CERT-In (the Indian Computer Emergency Response Team) is a government-mandated information technology (IT) security organization. CERT-In was created by the Indian Department of Information Technology in 2004 and operates under the auspices of that department.

It's purpose:

- The purpose of CERT-In is to respond to computer security incidents, report on vulnerabilities and promote effective IT security practices throughout the country.

- According to the provisions of the Information Technology Amendment Act 2008, CERT-In is responsible for overseeing administration of the Act.

CERT organizations throughout the world are independent entities, although there may be coordinated activities among groups. The first CERT group was formed in the United States at Carnegie Mellon University.

Centre clears new financing model for highway projects

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Narendra Modi, has given its approval for the Hybrid Annuity Model as one of the modes of delivery for implementing the Highway Projects. This has paved the way for construction of 28 projects worth Rs. 36,000 crore this fiscal year.

All about the Hybrid Annuity Model:

Who will invest?

- Under this model, the government will invest 40% of the construction cost for building highways and the balance will come from the private developer.
- The government will invest money in five equal installments based on the targeted completion of the road project.

Recovery:

The private developer will recover his investment from the government by receiving annuity payments over a period of 15 years.

Toll collection:

Under this model, the highway toll tax will be collected by the government unlike the build, operate and transfer (BOT) toll model where the private sector collects it. So, there is no revenue or traffic risk on the part of the developer.

Significance:

- The move will speed up the construction of roads in the country by renewing interest of private developers in highway projects as the risk will be distributed between the government and the private players.
- It is a fairly sensible risk-sharing model because it requires the private sector to focus on areas which bring in efficiency mainly in capital cost, project completion time and quality.
- This model will also bring in long-term infrastructure funds like pension funds into the sector.

- This model is also expected to double the speed of highway construction in the country as the government will no longer will be dependent on its limited financial resources and the expertise of private sector will be utilised to operate and maintain the roads.

Rajasthan Govt. signs MoU to join UDAY

The Rajasthan Government and its power distribution companies have signed a pact with the Centre under the **Ujwal Discom Assurance Yojana (UDAY)** aimed at relieving the debt burden of the most indebted discoms in the country.

- Rajasthan is the third State to sign the MOU under UDAY, the other two States being Jharkhand and Chhattisgarh.

Significance of this MoU:

This signing of the MoUs with Rajasthan is very significant because the state's discoms have the largest debt. Rajasthan's discoms have a total debt of Rs.80,500 crore which is 18.7% of the country's total discom debt of Rs.4.3 lakh crore.

ABOUT UDAY SCHEME:

UDAY is an effort to make these DISCOMs financially and operationally healthy, to be able to supply adequate power at affordable rates, and enable the Governments to make efforts towards 100% Village electrification and 24x7 Power For All.

- It envisages to reduce interest burden, cost of power and AT&C losses. Consequently, DISCOM would become sustainable to supply adequate and reliable power enabling 24x7 power supply.
- The scheme provides that States would take over 75% debt of Discoms, as on 30th September, 2015 in two years.
- UDAY has inbuilt incentives encouraging State Governments to voluntarily restructure their debts. These incentives include taking over of DISCOM debt by the States outside the fiscal deficit limits; reduction in the cost of power through various measures such as coal linkage rationalization, liberal coal swaps and priority/additional funding through schemes of MoP & MNRE.
- UDAY is different from earlier restructuring schemes in several ways including flexibility of keeping debt taken over outside fiscal deficit limit, reduction in cost of power and a series of time bound interventions for improving operational efficiency.
- UDAY also provides for measures that will reduce the cost of power generation, which would ultimately benefit consumers.

PM's interaction through PRAGATI

The Prime Minister, Shri Narendra Modi, recently chaired his ninth interaction through PRAGATI – the ICT-based, multi-modal platform for Pro-Active Governance and Timely Implementation.

- Taking strong exception at complaints and grievances from people, related to the customs and excise sector, the Prime Minister has asked for strict action against responsible officials.
- He has also urged all Secretaries whose departments have extensive public dealing, to set up a system for top-level monitoring of grievances immediately.
- In course of his review, the Prime Minister also reviewed the progress of vital infrastructure projects in the road, railway, coal, power and renewable energy sectors, spread over several states.

PRAGATI:

PRAGATI is a unique integrating and interactive platform. The platform is aimed at addressing common man's grievances, and simultaneously monitoring and reviewing important programmes and projects of the Government of India as well as projects flagged by State Governments.

Unique features:

- The PRAGATI platform uniquely bundles three latest technologies: Digital data management, video-conferencing and geo-spatial technology.
- It also offers a unique combination in the direction of cooperative federalism since it brings on one stage the Secretaries of Government of India and the Chief Secretaries of the States.
- With this, the Prime Minister is able to discuss the issues with the concerned Central and State officials with full information and latest visuals of the ground level situation. It is also an innovative project in e-governance and good governance.
- It is a three-tier system (PMO, Union Government Secretaries, and Chief Secretaries of the States).
- Issues to be flagged before the PM are picked up from the available database regarding Public Grievances, on-going Programmes and pending Projects.
- The system will ride on, strengthen and re-engineer the data bases of the CPGRAMS for grievances, Project Monitoring Group (PMG) and the Ministry of Statistics

and Programme Implementation. PRAGATI provides an interface and platform for all these three aspects.

- It will also take into consideration various correspondences to PM's office by the common people or from high dignitaries of States and/or developers of public projects.
- It is also a robust system for bringing e-transparency and e-accountability with real-time presence and exchange among the key stakeholders.
- The system has been designed in-house by the PMO team with the help of National Informatics Center (NIC).

Increasing the Authorized Share Capital of the National Scheduled Castes Finance and Development Corporation

The Union Cabinet has given its approval for enhancement of Authorized Share Capital of the National Scheduled Castes Finance and Development Corporation (NSFDC), a Central Public Sector Enterprise (CPSE) working under the aegis of the Union Ministry of Social Justice & Empowerment from Rs. 1000 crore to Rs. 1200 crore.

- The Central Government had almost exhausted its contribution of authorized share capital of Rs. 1000 crore by paying Rs.998.13 crore to NSFDC. Hence, it became essential to enhance the Authorized Share Capital of the Corporation to expand its ambit of work.

Implications of this move:

- The approval will enlarge the quantum of funds available for economic activities, better coverage and enhanced outreach to double the Below Poverty Line (DPL) Scheduled Caste beneficiaries.
- Enhancement of share capital would expand its ambit of coverage and increase disbursement of funds to larger sections of the economically deprived scheduled caste population.
- The target of NSFDC for the year 2015-16 is to cover 63,000 beneficiaries.

About NSFDC:

National Scheduled Castes Finance and Development Corporation (NSFDC) was set up in 1989 as a non profit company under **Ministry of Social Justice and Empowerment** for financing, facilitating and mobilizing funds for the economic empowerment of persons belonging to the Scheduled Castes families living below double the Poverty Line.

What it does?

- The NSFDC provides loans through its Channelizing Agencies at concessional interest rates for self-employment & economic development activities to its target group.
- NSFDC also sponsors skill/entrepreneurial training programmes to assist the unemployed members of scheduled castes in wage/self-employment.
- NSFDC implements its schemes through 37 State Channelizing Agencies in 32 States/UTs. NSFDC will also implement its schemes through select Public Sector Banks, Regional Rural Banks and Other Institutions, wherever required, to enhance its outreach.

Job portal for disabled

The centre has launched an exclusive job portal for Persons with Disabilities (PwDs). The PwDs can avail the different facilities such as self employment loan, education loan, skill training, link to scholarships and information about jobs in a single window platform through this National Job Portal.

Gujarat anti-terror bill sent back

A controversial anti-terror bill passed by the Gujarat assembly and earlier rejected by two Presidents, has been withdrawn by the union Home Ministry after President Pranab Mukherjee returned the bill, seeking clarifications on some points.

- The Home Ministry will shortly submit a re-worked bill to the President for his consent.

Background:

- The GCTOC Bill, 2015, has been hanging fire since it was first introduced in 2003. The Gujarat Assembly in March 2015 had passed the stringent Bill retaining controversial provisions that had twice earlier led to a previous such Bill being rejected by the President.
- The Bill was first rejected by then President A.P.J. Abdul Kalam in 2004, demanding that the clause relating to interception of communication be removed. It was again rejected when Pratibha Patil was the President.
- In July 2015, the Home Ministry had sent back the controversial Bill to the State government asking it to clarify on certain issues raised by the Ministry of Information and Technology (IT).
- The IT Ministry has objected to the provision in the Bill which allows authorization of interception of telephone

conversations and their admissibility as evidence before a court of law.

- The Gujarat government had strongly rebutted the objections raised by the IT Ministry. In its reply, the Gujarat government cited the subjects mentioned in the 'concurrent list' under which the Centre and the State share the responsibility of formulating 'criminal law' and 'criminal procedure.'

About the Gujarat Control of Terrorism and Organised Crime (GCTOC) Bill, 2015:

The Bill is a re-worked version of the Gujarat Control of Organised Crime Bill (GUJCOC), 2003.

Controversial provisions in the Bill:

- The Bill provides for admissibility of evidence collected through interception of mobile calls of an accused or through confessions made before an investigating officer, in a court of law.
- Clause 16, which makes confessions before police officers admissible in court.
- The bill empowers police to tap telephonic conversations and submit them in court as evidence.
- It extends period of probe from stipulated 90 days to 180 days before filing of charge sheet.
- The legislation makes offences under the Gujarat Control of Terrorism and Organised Crime Act, 2015, non-bailable.
- The Bill provides immunity to the State government from legal action.

Is it really needed?

Citing past terror attacks in Gujarat, the Gujarat state government says such a bill is necessary to prevent cross-border terrorism. Gujarat also has a vulnerable coastline.

Centre hand-picks 20 smart cities for first phase of plan

The Union government has announced the names of the first 20 urban areas that will be developed as smart cities. These 20 cities will be the first to receive funds, thus kickstarting the process of developing them into 'smart cities'. The next two years will see the inclusion of 40 and 38 cities, respectively.

- The selected cities will be equipped with basic infrastructure, efficient urban mobility and public transport, IT connectivity and e-governance mechanisms.

On what basis these cities were selected?

The selection was done on the basis of replies to a questionnaire. The urban development ministry had received proposals for 97 cities from state governments.

- The cities in the first list have made it to the top of the competition based on implementation framework, including feasibility and cost-effectiveness which has a weightage of 30%, followed by result orientation (20%), citizen participation (16%), smartness of proposals (10%), strategic plans (10%), vision and goals (5%), evidence-based city profiling and key performance indicators (5%) and processes followed (4%).

Key facts:

- Bhubaneswar has topped the list of 20 Smart Cities followed by Pune and Jaipur coming second and third.
- There are five capital cities among the 20 smart cities chosen.
- None of the cities are from Uttar Pradesh, Bihar and West Bengal. On the other hand, some states have two or more nominees – Madhya Pradesh, Rajasthan, Karnataka, Gujarat, Tamil Nadu, Maharashtra and Andhra Pradesh.

Smart cities mission:

The Smart Cities mission, a pet project of Prime Minister Narendra Modi, was launched in June 2015 with the government releasing the guidelines and mission statement for the 100 Smart Cities project. It will provide central funding of Rs 50,802 crore to the selected cities for improving their infrastructure and service delivery through application of better technology and e-governance.

- States and Urban local Bodies (ULBs) will play a key supportive role in the development of Smart Cities. Smart leadership and vision at this level and ability to act decisively will be important factors determining the success of the Mission.

Funding:

According to mission guidelines, the total State and Central financial assistance for each smart city would be Rs. 1,000 crore. The central government will grant every winning city a sum of Rs. 500 crore as overall cache of start-up funds and the State governments will provide an additional Rs. 500 crore.

SPV:

- The Central government has created an outside agency named Special Purpose Vehicle (SPV), which will be

headed by a CEO, and will be given powers to “execute” the proposed developments and projects.

- The professionally managed SPV will be empowered to execute the smart city projects in a timely and cost-effective manner while ensuring that the quality of the outcomes is benchmarked against global standards.

Way ahead:

The government would soon introduce the credit rating system for cities so as to attract foreign investors.

What is a smart city?

There is no standard definition for this. It is different for different people. Simply put, 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.

- Smart cities ensure that 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.

According to the documents released on the Smart Cities website, the core infrastructure in a smart city would include:

- Adequate water supply
- Assured electricity supply
- Sanitation, including solid waste management
- Efficient urban mobility and public transport
- Affordable housing, especially for the poor
- Robust IT connectivity and digitalisation
- Good governance, especially e-Governance and citizen participation
- Sustainable environment
- Safety and security of citizens, particularly women, children and the elderly
- Health and education

IMD to issue block-level forecasts soon

The India Meteorological Department (IMD) is planning to issue weather forecasts at the **block level** later this year.

Why do we need block-level forecasts?

On an average, 8-10 blocks make up each of India's 688 districts but often the weather can vary quite significantly within a district, to the extent, that farmers need different types of forecast even if say 40 km apart.

Benefits:

Through this farmers could be warned, three to five days ahead, of potentially anomalous weather in their localities that could threaten their crops.

Significance of this move:

The IMD's initiative comes even as a study by the National Council for Applied and Economic Research (NCAER) found that India has posted an improved agriculture-performance in rain-fed farming with a sizeable number of farmers attributing a **25% rise in their net income to improved meteorological advisory services.**

- On the other hand, the report notes that nearly **75% of Indian farmers lacked reliable access to these services.**

IMF reforms: India, China, Brazil get more voting rights

The IMF's 2010 quota and governance reforms have finally become effective and will give emerging markets like BRICS more power and greater say at the lender of last resort.

- The reforms were approved by the IMF's Board of Governors in 2010. US foot-dragging on reforms to the institution had blocked changes meant to give more voting power to BRICS and other emerging economies, frustrating countries around the world.

Implications:

- These reforms will **double the IMF's quota resources** and reallocate the quota. That meant reducing the role of advanced European countries and Gulf states, and increasing that of emerging nations, particularly China.
- More than 6% of the quota shares will shift to emerging and developing countries from the U.S. and European countries. The combined quotas — or the capital countries contribute — doubles to about \$659 billion from about \$329 billion.
- China will have the third largest IMF quota and voting share after the United States and Japan, and India, Brazil

and Russia will also be among the top 10 members of the IMF.

- China's voting rights has increased to 6% from 3.8% and India's voting rights has increased to 2.6% from the current 2.3%.
- S voting share will marginally drop, from 16.7% to 16.5%.
- With these reforms, for the first time, the Executive Board of the IMF will consist entirely of elected executive directors, ending the category of appointed executive directors. Currently, the members with the five largest quotas appoint an executive director, a position that will cease to exist.

These reforms will improve the representation and voice of emerging markets and developing countries in the International Monetary Fund and is conducive to protecting the IMF's credibility, legitimacy and effectiveness. The reforms are the biggest change in the governance of the Fund since it was established after World War Two.

About IMF:

The IMF, along with the World Bank, was conceived in 1944 at a conference in Bretton Woods, in the US state of New Hampshire.

- It aims to preserve economic stability and to tackle – or ideally prevent – financial crises. Over time, its focus has switched to the developing world.
- The IMF is funded by a charge – known as a “quota” – paid by member nations – based on a country's wealth.
- The IMF also acts as a lender of last resort, disbursing its foreign exchange reserves for short periods to any member in difficulties.

Train to Tehran winds along Silk Road into West Asia

China recently flagged off its first direct freight train to Iran from its trading hub of Yiwu, in the eastern coastal province of Zhejiang.

- The container train will cover a journey of 10,399 km in its maiden journey to West Asia in 14 days.
- It will exit China through Alataw Pass in western China's Xinjiang province, and then pass through Kazakhstan and Turkmenistan before heading for the Iranian capital.
- Yiwu is already connected by trains that head for Duisburg in Germany and Madrid.

The new train is part of China's 'Silk Road' plan to increase its influence in Eurasia through infrastructure development and

economic exchanges with the countries in the region that are lacking in development but rich in natural resources and geopolitical importance.

Silk Road Initiative:

- The Silk Road 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.
- This 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.

Zika could infect 4 mn people: WHO

The World Health Organization (WHO) has warned that Zika Virus Disease has gone from a mild threat to one of alarming proportions.

- WHO expects the Zika virus, which is spreading through the Americas, to affect between three million and four million people.

What is Zika?

Until recently, Zika was a rare tropical disease associated with mild symptoms. It takes its name from the Zika forest in Uganda where it was first identified by scientists in the 1940s. It is spread by mosquitoes, and so is called an "arbovirus", in the same family as West Nile and dengue fever.

- It attacks the nervous system and can lead to potentially fatal paralysis.

Spread of the virus:

Zika is spread by the Aedes genus of mosquito, which transmits the disease when it bites a person infected with Zika, then bites another host. The two most common mosquitoes to transmit the disease are the Aedes aegypti and Aedes albopictus species.

Symptoms:

Usually, Zika's symptoms include fever, red and bumpy rash, joint pain and pink eye. However, many patients with Zika have no symptoms at all.

Concerns:

- There is no vaccine or treatment for Zika.
- An estimated 80% of people infected have no symptoms, making it difficult for pregnant women to know whether they have been infected.
- It is believed that Zika is linked to a foetal deformation known as microcephaly, in which infants are born with abnormally small heads.
- As of today, cases have been reported in 23 countries and territories in the [Americas] region.

Way ahead:

WHO will shortly convene an emergency committee to help determine the level of the international response to the outbreak of the virus spreading from Brazil.

India, U.S. clear 100 transfer pricing cases

India and the U.S. have reached an agreement to resolve more than 100 pending transfer pricing cases, one of the biggest deterrents for foreign investors planning an India foray.

- This agreement was finalised under the **Mutual Agreement Procedure (MAP) provision** contained in the **India-USA Double Taxation Avoidance Convention (DTAC)**.
- The agreement seeks to resolve past transfer pricing disputes between the two countries in the Information Technology (Software Development) Services [ITS] and Information Technology enabled Services [ITeS] segments. Some more are expected to be resolved soon.

How such agreements help?

- Transfer pricing is one of the biggest tax issues in the world today. Pending cases and issues are also one of the biggest factors keeping foreign investors wary of India.

- Such agreements will lead to a positive environment and will bring greater certainty. This greater certainty will lead to more investments flowing into India.
- It should be noted here that all those companies, embroiled in transfer pricing issues, are off-shoring companies. With these resolutions, more US companies will offshore work into India, have manufacturing in India, which will mean more employment here.

What is transfer pricing?

Transfer pricing refers to the setting of the price of goods or services sold between entities within an enterprise. For example, if a subsidiary sells good or services to its parent company, then the price set for this sale is the transfer price.

Agartala, Aizawl get \$80 mn ADB loan

India and the Asian Development Bank (ADB) have signed an \$80 million loan agreement for improving the infrastructure in the two North-Eastern cities of Agartala and Aizawl.

Details:

- The loan is the third tranche of a \$200 million financing facility under the North-Eastern Region Capital cities Development Investment Program. The previous two tranches were aimed at improving the infrastructure in Shillong, Aizawl, Kohima, Gangtok and Agartala.
- The loan will be used for investments in water supply, solid waste management and sanitation in Agartala and Aizawl. It will also support urban reforms, benefiting nearly a million people in the two cities.
- The loan will support further investments to increase access to sustainable and improved urban services.
- Aizawl and Agartala were selected for the third tranche based on their progress on reforms and implementation performance under earlier tranches.

The third tranche loan from ADB's ordinary capital resources has a **20-year term**. The Ministry of Urban Development is responsible for implementing the tranche 3 activities and overall program, which are both due for completion by June 2019.

ADB: ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members – 48 from the region.

Zika virus (update)

Sensing the urgency, the government of India recently constituted a **special, technical group to monitor the spread of the Zika virus in other countries.**

- The centre has assured that it is closely monitoring the situation and has taken all necessary steps to ensure that India is well prepared in case of any eventuality. The government is mainly focusing on strengthening the surveillance system.

- Emphasis has also been given on prevention to control the spread of the Aedes mosquito that breeds in clean water. **Aedes mosquito which transmits dengue also transmits Zika virus.**

- There have been no reports of outbreaks of Zika in India though there is concern that given the ubiquity of air-travel, carriers of the virus may arrive in India.

WHO recently warned that the spread of the mosquito-borne disease has gone from a mild threat to one of alarming proportions. The Zika virus has been associated with inexplicable spike in Brazil, of babies being born with unusually-small heads. The virus has been detected in some people in the U.S. and the U.K. who have said they had travelled to South America.

'Urban poor own nominal assets'

New data from the National Sample Survey Office (NSSO) show that average asset holding of the bottom 10% of urban Indian households is around Rs. 291.

- The survey was conducted in 2012-13 and was made public recently.

Important observations made in the survey:

- Most households surveyed reported owning some kind of physical or financial assets. On an **average**, rural and urban households own assets worth Rs.10 lakh and Rs.23 lakh respectively. However, the average hides a wide variation in the distribution of assets.
- The **bottom 10%** (in terms of total assets) of rural households had assets worth Rs.25,071 on an average, largely as a result of the value of land, while the figure for their urban counterparts was just Rs.291, implying that the urban poor hardly own any assets.
- On the other hand, the top 10% of the rural and urban population had average assets worth Rs.57 lakh and Rs.1.5 crore respectively.

- The data also show that 31% of the rural households and 22% of the urban households were under debt.

Composition:

- Land and buildings held the dominant share in asset holdings, as was the case in the previous decade, comprising more than 90% of all assets in both urban and rural areas. The report notes that the share of land as a proportion of total assets has increased with time, possibly due to the escalation of land prices.
- Financial assets that include shares in companies and cooperative societies, national saving certificates, and deposits in companies and banks, were 2% of total assets in rural areas, compared with 5% in urban areas.

Performance of various states:

- Haryana and Punjab have the highest average assets per household in rural areas, while Maharashtra and Kerala were on top in urban areas.
- Odisha lay at the bottom in both rural and urban India.

WHO unit to focus on achieving universal health coverage

The World Health Organization (WHO) has announced setting up of a dedicated unit that will focus on achieving universal health coverage (UHC).

- It should be noted here that achieving universal health coverage is one of the targets of sustainable development goals (SDGs). The goals within SDGs emphasise the need to achieve universal health coverage (UHC) by ensuring financial risk protection and improving access to essential health care services for those marginalised.

Was it necessary?

So far, the quality of services had been neglected within the universal health coverage (UHC) dialogue. It is with this in mind the WHO has formed a special unit to address UHC & quality.

What will the special unit do?

This special unit will focus on three key aspects: **alignment of country engagements and global framework, health service resilience, and quality and lastly establishing partnerships to reach these goals.**

Way ahead:

- Shortly, the WHO will launch a global learning lab for UHC, which will help in aligning national policies and strategies to reach UHC.

- The aspect of health service resilience, will focus on learning from experiences in recovery in Ebola-affected countries — especially by establishing linkages between UHC, post shock recovery.

What are the SDGs?

The SDGs are a set of 17 goals and 169 targets aimed at resolving global social, economic and environmental problems.

- Aiming to encompass almost every aspect of human life, the main themes of the SDGs are ending poverty, tackling inequality and combating climate change.
- According to the UN's own estimates, achieving the 17 Sustainable Development Goals and 169 targets meant to transform the world will require over 250 billion dollars annually for the next 15 years.

These new goals, which replace MDGs, were adopted by the United Nations in September 2015.

Fiscal deficit at 88% of annual target

According to the recently released data, the government's fiscal deficit for the first nine months (April-December) of this financial year stood at 88% of the annual target comparable with 100.2% of the target it managed during the same period in the previous financial year.

- The April-December fiscal deficit stood at Rs.4.88 lakh crore, which is 88% of the Rs.5.55 lakh crore target for the full year set by Finance Minister Arun Jaitley in the Budget.
- This figure amounts to 3.9% of the GDP. The improvement is mainly on account of buoyancy in tax collections, which have kept revenue deficit in check.
- However, many industry leaders want this target to be pushed back in favour of increased public expenditure, which, according to them, will boost the domestic demand.

Some experts want the government to increase public spending and still keep a tight grip on the fiscal deficit target. But, how can this be achieved?

- One way is to revive PPPs, and the Kelkar Committee report laid out a good roadmap for this.
- Another way is to bring to resolution the large number of tax dispute cases held up in court, which will then release the tax arrears.

- The third option is to make use of the huge saving the government is incurring due to falling oil prices.

Definition: **Fiscal deficit** is the difference between total revenue and total expenditure of the government. It is an indication of the total borrowings needed by the government.

Revenue deficit is concerned with the revenue expenditures and revenue receipts of the government. It refers to excess of revenue expenditure over revenue receipts during the given fiscal year. Revenue deficit signifies that government's own revenue is insufficient to meet the expenditures on normal functioning of government departments and provisions for various services.

Kamlesh Kumar Pandey appointed as the CCPD

Kamlesh Kumar Pandey has been appointed as the Chief Commissioner for Persons with Disabilities (CCPD) for a period of three years.

- Previously, Pandey has worked with many civil society initiatives like 'Sewa Bharti' working for rehabilitation of slum dwellers and 'Akhil Bhartiya Dristihin Kalyan Sangh' working for visually challenged persons.

About CCPD:

The Office of the Chief Commissioner for Persons with Disabilities is a **statutory government agency** functioning under the **Ministry of Social Justice and Empowerment** of Government of India. It has been set up under the Persons with Disabilities (Equal Opportunities, Protection of Rights & Full Participation) (PWD) Act, 1995.

- The CCPD coordinates with the state governments' commissioners to monitor the utilization of funds disbursed by the central government.
- The body also looks into the facilities made available to persons with disabilities and to submit reports to the Centre on the implementation of the Persons with Disabilities Act, 1995.

Appointment of commissioner: The Chief Commissioner for Persons with Disabilities (CCPD) is appointed by the Central Government from amongst persons having special knowledge or practical experience in matters relating to rehabilitation of Persons with Disabilities.

'US firms keen to participate in India's solar programme'

A recent study by the US Exim Bank has indicated that several American companies are looking at opportunities in India's renewable energy sector and are keen to participate in the National Solar Mission. A number of US based companies

are looking for opportunities to expand their business in India.

Background:

It may be noted here that, in 2014, the US dragged India to WTO on the country's solar mission. The US alleged that India's programme appears to discriminate against the US solar equipment by requiring solar energy producers to use locally manufactured cells and by offering subsidies to those developers who use domestic equipment. It also alleged that forced localisation requirements restricted US exports to Indian markets.

- India had lost this case as the WTO ruled that India's domestic content requirements under its solar power programme were inconsistent with the international norms.
- After losing the battle at WTO last year, India is looking to modify its solar power programme.

National Solar Mission, launched in 2010, aims to establish India as a global leader in solar energy by creating the policy conditions for its diffusion across the country as quickly as possible. The Mission has set the ambitious target of deploying 20,000 MW of grid connected solar power by 2022 and aims at reducing the cost of solar power generation in the country.

The US primarily exports thin film technology for the solar panel.