



CENTRE FOR AMBITION
(An Institute for Civil Services)

BACKGROUNDER SEPTEMBER 2016

PROJECT DEVELOPMENT FUND

The Union Cabinet has given its approval to create a **Project Development Fund (PDF) for catalysing Indian economic presence in the Cambodia, Laos Myanmar and Vietnam.**

Details:

- The fund will be established with a corpus of Rs 500 Crore.
- It shall be housed in **Department of Commerce** and **operated through the EXIM Bank.**
- It shall be governed by an Inter-Ministerial Committee under the chairpersonship of the Commerce Secretary.

Significance of this fund:

CLMV countries namely Cambodia, Laos, Myanmar and Vietnam have a unique position in the regional value chains and offer a gateway for market access to China/EU and other markets due to various trade agreements.

- The key advantage of positioning India on the regional value chains is securing on a long term basis, a dedicated market for Indian raw materials and intermediate goods besides a dedicated source for inputs and raw materials for Indian industry.
- While opportunities are a plenty in CLMV region, Indian entrepreneurs' endeavors in these countries have, thus far, been limited due to limited information, infrastructure and other contingent risks. The PDF shall benefit India's industrial community for business expansion, and to maintain cost competitive supply chains, besides integrating with global production networks.

PERMANENT RESIDENCY STATUS TO FOREIGN INVESTORS

The Union Cabinet has approved the scheme for grant of **Permanent Residency Status (PRS)** to foreign investors subject to the relevant conditions as specified in the FDI Policy notified by the Government from time to time.

- The scheme is expected to encourage foreign investment in India and facilitate Make in India Programme.

Features of the scheme:

- Under the Scheme, suitable provisions will be incorporated in the Visa Manual to provide for the grant of PRS to foreign investors.
- The PRS will be granted for a period of 10 years with multiple entry. This can be reviewed for another 10 years if the PRS holder has not come to adverse notice.
- PRS will serve as a multiple entry visa without any stay stipulation and PRS holders will be exempted from the registration requirements.
- PRS holders will be allowed to purchase one residential property for dwelling purpose.
- The spouse/ dependents of the PRS holder will be allowed to take up employment in private sector (in relaxation to salary stipulations for Employment Visa) and undertake studies in India.
- The scheme will be applicable only to foreign investors fulfilling the prescribed eligibility conditions, his/her spouse and dependents. These include:

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- The foreign investor will have to invest a minimum of Rs. 10 crores to be brought within 18 months or Rs.25 crores to be brought within 36 months.
- Further, the foreign investment should result in generating employment to at least 20 resident Indians every financial year.

DISSOLUTION OF CENTRAL INLAND WATER TRANSPORT CORPORATION LIMITED

The Union Cabinet has given its approval to proposal for dissolution of **Central Inland Water Transport Corporation Limited (CIWTC)**.

Why this was necessary?

Due to inherent limitation and infrastructure bottle necks, the operations of CIWTC have never become viable and company has been incurring losses since inception. The Company has only five employees at present. Hence, it has been decided to dissolve the company.

Background:

This decision is in line with the decision of the Government to revitalize sick CPSUs wherever possible or to wind up irretrievable cases.

Significance of this move:

This would free up the assets for better utilization and for the benefit of the people. A number of assets would be taken up by Inland Waterways Authority of India to provide services on Brahmaputra River (NW-4).

ABOUT CIWTC:

Central Inland Water Corporation Limited (CIWTC LTD) was incorporated in May 1967 as a Govt. of India Undertaking after taking over the business from a loss making erstwhile sterling company, namely **River Steam Navigation & Co. (RSN & Co.)**. It is under the **administrative control of Ministry of Shipping (MOS)**.

CABINET APPRISED OF MOU BETWEEN CERT-IN INDIA AND CERT-UK

The Union Cabinet was recently apprised of the Memorandum of Understanding (MoU) signed in May, 2016 between Indian Computer Emergency Response Team (CERT-In) and Ministry of Cabinet Office, UK.

Details:

- The MoU intends to promote closer cooperation between India and the United Kingdom for exchange of knowledge and experience in detection, resolution and prevention of security-related incidents.
- With this MoU, participating countries can exchange technical information on Cyber attacks, response to cyber security incidents and find solutions to counter the cyber attacks.
- They can also exchange information on prevalent cyber security policies and best practices.
- This MoU helps to strengthen cyber space of both countries, capacity building and improving relationship between them.

Background:

CERT-In has signed MoUs with counterpart/similar organizations in about seven countries – Korea, Canada, Australia, Malaysia, Singapore, Japan and Uzbekistan. Ministry of External Affairs has also signed MoU with Cyber Security as one of the areas of cooperation with Shanghai Cooperation Organization.

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.

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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.

INDIA JUMPS 19 PLACES IN LOGISTICS PERFORMANCE INDEX

The World Bank has recently released a Logistics Performance Index (LPI) 2016 report titled “Connecting to Complete 2016”.

Key facts:

- The Logistics Performance Index Report is published by World Bank every two years.
- The Logistics Performance Index (LPI) is an interactive benchmarking tool created to help countries identify the challenges and opportunities they face in their performance on trade logistics and what they can do to improve their performance.
- The LPI is based on a worldwide survey of stakeholders on the ground providing feedback on the logistics “friendliness” of the countries in which they operate and those with which they trade.
- They combine in-depth knowledge of the countries in which they operate with informed qualitative assessments of other countries where they trade and have experience of global logistics environment.

Highlights of the report:

- India has now been ranked 35 amongst 160 countries.
- In terms of the six-components of the LPI i.e. Customs, Infrastructure, International Shipments,

Logistics Quality and Competence, Tracking and Tracing, and Timeliness, India's ranking is 38, 36, 39, 32, 33 and 42 respectively.

- Improvement in India's rank in Logistics Performance Index adequately establishes steady performance in India's competitiveness in manufacturing and trade that also acts as one of the growth driver of Make in India Programme.

CANADA TO APPLY TO JOIN CHINA-BACKED AIIB

Canada is all set to join the China-backed **Asian Infrastructure Investment Bank**. In this regard, Canada will submit its application by the end of September 2016.

About AIIB- 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.
- 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.

JAINS HAVE HIGHEST PERCENTAGE OF LITERATES: CENSUS 2011

Census 2011 data on ‘education level by religious community for age 7 and above’ was recently released.

Highlights of the data:

- Jains have the highest percentage of literates above 7 years of age among India's religious communities,

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with 86.73% of them as literate and only 13.57% as illiterate.

- Muslims have the highest percentage of illiterates aged beyond 7 years at 42.72%, as compared to 36.40% among Hindus, 32.49% among Sikhs, 28.17% among Buddhists and 25.66% among Christians.
- Other minority communities score over both Hindus and Muslims in literacy levels. As compared to 63.60% of 7 years-plus Hindus and 57.28% Muslims in the 'literate' category, the percentage of literates among Christians is 74.34%, among Buddhists 71.83% and among Sikhs 67.51%.
- The overall literacy rates among all communities have gone up since 2001. The following table shows the rise in literacy levels of various religious communities in 2011 when compared to 2001.

Religion	2001	2011
Hindus	54.92	63.60
Muslims	48.05	57.28
Christians	69.45	74.34
Sikhs	60.56	67.51
Buddhists	62.16	71.83

- **HADR exercise:** It is an Annual Joint Humanitarian Assistance and Disaster Relief (HADR) exercise. It was recently organized by the Armed Forces in collaboration with Central Armed Police Forces and civil administration in different places of the country.

GOVERNMENT NOTIFIES NATIONAL APPRENTICESHIP PROMOTION SCHEME

Government has notified National Apprenticeship Promotion Scheme. It is for the first time a scheme has been notified to offer financial incentives to employers.

Details:

- The Scheme has an outlay of Rs. 10,000 crore with a target of 50 Lakh apprentices to be trained by 2019-20.

- 25% of the prescribed stipend payable to an apprentice would be reimbursed to the employers directly by the Government of India.
- The scheme also supports basic training, which is an essential component of apprenticeship training by sharing of basic training cost with basic training providers in respect of apprentices who come directly to apprenticeship without any formal trade training (fresher apprentices).
- All transactions including registration by employers, apprentices, registration of contract and payment to employers will be made as online mode.
- Eligible employers shall engage apprentices in a band of 2.5% to 10% of the total strength of the establishment. Employers need to register on the apprenticeship portal and must have TIN/TAN and any one of EPFO/ESIC/LIN.
- Brand Ambassadors will be appointed for states and for local industrial clusters to act as facilitators and promoters to promote apprenticeship training.

Background:

- Apprenticeship Training is considered to be one of the most efficient ways to develop skilled manpower for the country. It provides for an industry led, practice oriented, effective and efficient mode of formal training.
- The National Policy of Skill Development and Entrepreneurship, 2015 focuses on apprenticeship as one of the key components for creating skilled manpower in India. The policy proposes to work pro-actively with the industry including MSME to facilitate tenfold increase opportunities in the country by 2020.

INCORPORATION OF SAGARMALA DEVELOPMENT COMPANY

As part of the efforts to promote port-led development in the country, the Sagarmala Development Company (SDC) has been incorporated under the Companies Act, 2013.

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Key facts:

- **SDC will be under the administrative control of the Ministry of Shipping.**
- It will have an initial Authorized Share Capital of Rs. 1,000 Crore and a Subscribed Share Capital of Rs. 90 Crore.
- SDC will Identify port-led development projects and assist the project SPVs in project development and structuring activities, bidding out projects for private sector participation, putting in place suitable risk management measures for strategic projects cutting across multiple States / Regions and obtaining requisite approvals and clearances.
- Since the Identified projects will be undertaken by multiple agencies, **SDC will also work as the nodal agency for coordination and monitoring** of all the currently identified projects as well as other projects emerging from the master plans or other sources.
- SDC will undertake the preparation of the detailed master plans for the Coastal Economic Zones (CEZs) identified as part of the NPP and provide a framework for ensuring the integrated development of Indian maritime sector.
- Other important role assigned to SDC is to manage the coastal community development scheme and fund coastal community development projects identified under the Sagarmala Programme. The projects considered would be specific time-bound local interventions and innovative in nature.
- It will also be raising funds as debt/equity (as long term capital), as per the project requirements/ by leveraging resources provided by the Government of India and from multi-lateral and bilateral funding agencies. SDC will also aim to increase the scope of private sector participation in project development.

Background:

The Cabinet in July had approved the formation of the SDC. The incorporation of SDC is part of the ambitious Sagarmala Programme by the Government of India. The

concept of the Sagarmala Programme was approved by the Cabinet in March 2015.

SAGARMALA INITIATIVE:

- The Sagarmala project seeks to develop a string of ports around India's coast. The objective of this initiative is to promote "Port-led development" along India's 7500 km long coastline.
- It aims to develop access to new development regions with intermodal solutions and promotion of the optimum modal split, enhanced connectivity with main economic centres and beyond through expansion of rail, inland water, coastal and road services.
- **The Union Ministry of Shipping has been appointed as the nodal ministry for this initiative.**
- The Sagarmala initiative will address challenges by focusing on three pillars of development, namely:
 - Supporting and enabling Port-led Development through appropriate policy and institutional interventions and providing for an institutional framework for ensuring inter-agency and ministries/ departments/states' collaboration for integrated development.
 - Port Infrastructure Enhancement, including modernization and setting up of new ports.
 - Efficient Evacuation to and from hinterland.

Other objectives:

- In addition to strengthening port and evacuation infrastructure, it also aims at simplifying procedures used at ports for cargo movement and promotes usage of electronic channels for information exchange leading to quick, efficient, hassle-free and seamless cargo movement.
- It also strives to ensure sustainable development of the population living in the Coastal Economic Zone (CEZ). This would be done by synergising and coordinating with State Governments and line Ministries of Central Government through their

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existing schemes and programmes such as those related to community and rural development, tribal development and employment generation, fisheries, skill development, tourism promotion etc.

PRADHAN MANTRI UJJWALA YOJANA EXTENDED TO PEOPLE OF ALL HILLY STATES

Ministry of Petroleum and Natural Gas has decided to extend the benefits under Pradhan Mantri Ujjwala Yojana to the people of **all Hilly States including North-East States by treating them as 'Priority States'** and release LPG connections to the eligible beneficiaries.

- This step of the Ministry will effectively address the difficulty faced by poor people residing in the States of Jammu and Kashmir, Himachal Pradesh, Uttarakhand, Sikkim, Assam, Nagaland, Manipur, Mizoram, Arunachal Pradesh, Meghalaya and Tripura in accessing LPG for cooking purposes.

About Pradhan Mantri Ujjwala Yojana:

Aim of the scheme:

It aims at Providing Free LPG connections to Women from BPL Households.

Who is implementing it?

The scheme is being **implemented by the Ministry of Petroleum and Natural Gas**. This is the first time in the history of the country that the Ministry of Petroleum and Natural Gas would implement a welfare scheme benefitting crores of women belonging to the poorest households.

Details:

- Under the scheme, Rs 8000 crore has been earmarked for providing five crore LPG connections to BPL households. This Scheme would be implemented over three years, namely, the FY 2016-17, 2017-18 and 2018-19.
- The Scheme provides a **financial support** of Rs 1600 for each LPG connection to the BPL households.

- The **identification of eligible BPL families will be made in consultation with the State Governments and the Union Territories**.
- The scheme is being **partly funded from the savings of the GiveItUp initiative**.

ARMY SETS UP DESIGN BUREAU TO REDUCE DEPENDENCE ON IMPORTS

Indian Army has formally announced the establishment of the **Army Design Bureau**. This is an attempt to indigenise procurements and reduce import dependence as part of the government's 'Make in India' initiative.

Key facts:

- Army Design Bureau will help in fast tracking procurement process and also helps in modernisation.
- ADB will also be a "single point contact" and a platform for an interaction between the army and academia, the defence public sector units (PSU), private players to understand the requirements of the army
- The bureau will give a better understanding of the requirements of army to the academia, research institutions and the industry for development of defence products.

RBI ALLOWS BANKS TO SELL STRESSED ASSETS TO NBFCS, OTHER LENDERS

In a move to increase competition that could lead to better price discovery of stressed assets, the Reserve Bank of India (RBI) has allowed commercial banks to sell such loans to their competitors as well as to non-banking financial companies. Till now, banks are allowed to sell stressed loans to asset reconstruction companies.

Details:

- From now on, prospective buyers (of stressed assets) need not be restricted to securitisation or reconstruction companies.
- Banks may also offer the assets to other banks/ NBFCS/financial institutions, etc. who have the

necessary capital and expertise in resolving stressed assets.

- RBI has advised banks to identify assets that could be sold, at least annually, preferably at the start of the year. The regulator also directed that all doubtful assets above a threshold amount be reviewed by the board periodically.

Why such move?

According to RBI, allowing a wider range of buyers for stressed assets apart from asset reconstruction companies (ARCs) or securitization companies (SCs) will help in better price discovery.

What experts say?

Experts say permitting banks to buy stressed assets is a mistake.

According to them, “Banks should not be in the business of buying and resolving stressed loans. They should ideally be incentivised to sell these loans to someone who is a specialist in the space.”

- **BRICS convention on tourism:** The two-day long BRICS Convention on Tourism was recently inaugurated in **Khajuraho Madhya Pradesh**. Representatives from South Africa, Russia and China are taking part in the convention. During the meeting, BRICS leaders proposed to constitute a permanent BRICS Working Stream on Tourism comprising of the stakeholders of the Government and private sector. The leaders also emphasized greater cooperation among the member countries for the mutual benefit for the growth of tourism and looked at the convention as a platform to interact with the travel industry partners.

MAJULI NAMED WORLD’S LARGEST RIVER ISLAND

Majuli Island on the Brahmaputra in Assam was recently declared the **largest river island in the world**, toppling Marajo in Brazil, by Guinness World Records. According to Guinness World Records, the island lost around one-third of its area in the last 30-40 years due to frequent flooding of the river.

Key facts:

- Majuli is a **large river island in the Brahmaputra River, Assam, India**.
- The island is formed by the Brahmaputra river in the south and the Kherkutia Xuti, an anabranch of the Brahmaputra, joined by the Subansiri River in the north.
- The island was formed due to course changes by the river Brahmaputra and its tributaries, mainly the Lohit.
- The river island covers an area of around 880 sqkm.
- Home to an estimated 160,000 people of different ethnic groups, the island is an assembly constituency reserved for scheduled tribes.
- It was recently declared a district and was earlier a sub-division under Jorhat district.
- Majuli is the nerve centre of **neo-Vaishnavite**

Majauli Island

ABOUT GUINNESS WORLD RECORDS:

Guinness World Records, known from its inception in 1955 through 1998 as The Guinness Book of Records and in previous U.S. editions as The Guinness Book of World Records, is a reference book published annually, listing world records, **both human achievements and the extremes of the natural world**.

The book itself holds a world record, as the best-selling copyrighted book of all time. It is one of the most frequently stolen books from public libraries in the United States. As of the 2015 edition, it is now in its 60th year of publication.

IUCN WORLD CONSERVATION CONGRESS

25th World Conservation Congress of the International Union for Conservation of Nature (IUCN) has begun in Hawaii. Since IUCN’s foundation in 1948, member countries have gathered 24 times in all corners of the world. The last Congress was held in Jeju, Korea in 2012. This is the **first time the US is hosting the event**.

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Theme: The theme for this year's IUCN Congress is 'Planet at the crossroads'.

Details:

- The Congress aims to improve how we manage our natural environment for human, social and economic development.
- The main issues to be discussed at the Congress are wildlife trafficking, ocean conservation, nature-based solutions for climate change mitigation and adaptation, and private investment in conservation.
- Over 9,000 delegates from 190 countries, including heads of state, high-level government officials, scientists, indigenous people and business leaders will share, debate and act on the latest issues in conservation and sustainable development and define a global path for nature conservation for the future.
- The IUCN Congress is expected to set the course for using nature based solutions to help move millions out of poverty, creating a more sustainable economy and restoring a healthier relationship with our planet.

IUCN- key facts:

- IUCN was founded in October 1948 as the International Union for the Protection of Nature (or IUPN) following an international conference in Fontainebleau, France.
- It was renamed as International Union for Conservation of Nature and Natural Resources in 1956 with the acronym IUCN.
- IUCN is the world's first global environmental organization. Today it is the largest professional global conservation network
- The Union's HQ is located in Gland, near Geneva, in Switzerland.
- It demonstrates how biodiversity is fundamental to addressing some of the world's greatest challenges such as climate change, sustainable development and food security.

- The IUCN Red List is set upon precise criteria to evaluate the extinction risk of thousands of species and subspecies. These criteria are relevant to all species and all regions of the world. The aim is to convey the urgency of conservation issues to the public and policy makers, as well as help the international community to try to reduce species extinction.
- Species are classified by the IUCN Red List into nine groups, set through criteria such as rate of decline, population size, area of geographic distribution, and degree of population and distribution fragmentation.

CHINA RATIFIES PARIS AGREEMENT AHEAD OF G20

- China has ratified the emissions-cutting agreement reached last year in Paris.
- So far, 23 countries have ratified or otherwise joined the agreement, representing just 1% of global emissions, according to the World Resources Institute.
- US and China produce 38% of the world's man-made carbon dioxide emissions. Both countries have set a 2030 deadline for emissions to stop rising.

The salient features of the Paris Agreement are as follows:

- The Paris Agreement acknowledges the development imperatives of developing countries. The Agreement recognizes the developing countries' right to development and their efforts to harmonize development with environment, while protecting the interests of the most vulnerable.
- The agreement's long-term goal is to keep global warming below 2 degrees Celsius (3.6 degrees Fahrenheit), compared with pre-industrial times. It has an aspirational goal of limiting the temperature rise to 1.5 degrees C (2.7 degrees F). Temperatures have already risen by almost 1 degree C (1.8 degrees F) since the industrial revolution.
- Under the Paris Agreement, countries are required to set national targets for reducing or reining in their

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greenhouse gas emissions. Those targets aren't legally binding, but countries must report on their progress and update their targets every five years. The first cycle begins in 2020. Only developed countries are expected to slash their emissions in absolute terms. Developing nations are "encouraged" to do so as their capabilities evolve over time.

- The developed country parties are urged to scale up their level of financial support with a complete road map to achieve the goal of jointly providing US \$ 100 billion by 2020 for mitigation and adaptation by significantly increasing adaptation finance from current levels and to further provide appropriate technology and capacity building support.

DELHI GOVERNMENT INVOKES ESMA, DECLARES NURSES' STRIKE ILLEGAL

Declaring nurses' strike as illegal, the Delhi government has invoked the Essential Services Maintenance Act (ESMA). The Lieutenant-Governor has approved the government's proposal to invoke ESMA against the agitating nurses.

Background:

More than 2,000 nurses are on strike demanding revision of pay scale and allowances. The strike had affected medical services in most city hospitals. The agitation is a part of a nationwide protest with over 70,000 government nurses going on an indefinite strike.

The nurses are opposing the recommendations of the 7th Pay Commission and demanding immediate redress of issues related to pay and allowances.

ABOUT ESMA:

The Essential Services Maintenance Act (ESMA) is an act of Parliament of India. It is a central law.

- It was established to ensure the delivery of certain services, which if obstructed would affect the normal life of the people. These include services like public transport (bus services), health services (doctors and hospitals).
- **Although it is a very powerful law, its execution rests entirely on the discretion of the State**

government. Each state in the union of India, hence has a separate state Essential Services Maintenance Act with slight variations from the central law in its provisions. This freedom is accorded by the central law itself.

GREEN TRIBUNAL NOD FOR VIZHINJAM SEAPORT PROJECT

- The National Green Tribunal (NGT) has cleared way for the Kerala government's Vizhinjam International Seaport project being undertaken by Gujarat-based Adani Group.
- The order was passed on a petition filed before the Tribunal, seeking cancellation of green clearance to the port.

About the project:

The Vizhinjam International Transshipment Deepwater Multipurpose Seaport is an ambitious project designed primarily to cater container transshipment besides multi-purpose and break bulk cargo.

- It's an ambitious project of the Kerala government and the Adani group commenced the construction on December 5 last year. The port is scheduled to be completed on December 4, 2019.
- The port is about 16 km from Kerala's capital Thiruvananthapuram and just 10 nautical miles from the International Shipping Lane.
- With both strategic and commercial importance, the under-construction Vizhinjam International Transshipment Deepwater Multipurpose Seaport is estimated over Rs 7,000 crore.

Advantages of Vizhinjam are:

- Availability of 20m contour within one nautical mile from the coast.
- Minimal littoral drift along the coast, hardly any maintenance dredging required.
- Links to national/regional road, rail network.
- Flexibility in design and expansion being a Greenfield project.

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- Proximity to International shipping route.

CENTRAL GOVERNMENT APPROVES SABARIMALA SPIRITUAL CIRCUIT

The centre has approved the Sabarimala spiritual circuit. The approval was given by the Union Ministry of Tourism.

Details:

- Enhanced facilities for Ayyappa devotees, setting up of solid waste management and sewage treatment systems, and CCTV surveillance are the thrust areas in the Rs. 99.98-crore Sabarimala-Erumeli-Pampa-Sannidhanam Spiritual Circuit.
- The administrative and financial nod for the circuit have been sanctioned under the Union Tourism Ministry's **Swadesh Darshan Scheme**.
- Kerala has also received Rs. 19.99 crore as the first tranche to commence work for the fully funded Central project.
- The circuit has to be executed by Kerala Tourism in 36 months of commencement of work and the State has to provide land free of charge.
- Land owned by private individuals and trusts should not be part of the scheme. Barrier-free access for the disabled is mandatory.

Background:

The Tourism Ministry had launched 'Swadesh Darshan' scheme with an objective to develop theme-based tourist circuits in the country. These tourist circuits will be developed on the principles of high tourist value, competitiveness and sustainability in an integrated manner.

Objective of Swadesh Darshan Scheme:

- Integrated development of Infrastructure in identified theme based circuits.
- Provide complete tourism experience with varied thematic circuits.
- Follow community-based development and pro-poor tourism approach.

- Creating awareness among the local communities about the importance of tourism for them in terms of increase in sources of income, improved living standards and overall development of the area.
- Promote local arts, culture, handicrafts, cuisine, etc to generate livelihoods in the identified regions.
- Harness tourism potential for its direct and multiplier effects in employment generation and economic development.

Features of Swadesh Darshan Scheme:

- The scheme is 100% centrally funded for the project components undertaken for public funding.
- To leverage the voluntary funding available for Corporate Social Responsibility (CSR) initiatives of Central Public Sector Undertakings and corporate sector.
- Funding of individual project will vary from state to state and will be finalised on the basis of detailed project reports prepared by PMC (Programme Management Consultant).
- A National Steering Committee (NSC) will be constituted with Minister in charge of M/O Tourism as Chairman, to steer the mission objectives and vision of the scheme.
- A Mission Directorate headed by the Member Secretary, NSC as a nodal officer will help in identification of projects in consultation with the States/ UTs governments and other stake holders.
- PMC will be a national level consultant to be appointed by the Mission Directorate.
- **International Conference on LPG cooking gas:** First International Conference on LPG cooking gas was recently held in Bhubaneswar, Odisha. The conference was organized by Research & Development Initiative along with leading Public Sector oil companies – Indian Oil Corporation, Bharat Petroleum and Hindustan Petroleum Corporation. The conference was attended by more than 300 delegates from more than 10 countries. The conference focused on the need for an LPG

enabled household. Problems arising due to absence of cooking gas, the usage of traditional bio mass cooking fuels and their impact on both health and environment were also discussed. The conference also had a session on the hugely successful ‘Give it Up’ scheme, largest Direct Bank Transfer Scheme PAHAL and Pradhan Mantri Ujjwala Yojana.

- **Siruvani River:** A special resolution moved by Tamil Nadu Chief Minister Jayalalithaa, opposing Kerala’s Attappady Valley irrigation project on the Siruvani River, was passed by the Kerala State Assembly recently. The resolution has urged the Centre not to accept the recommendations of the committee formed by the Environment Ministry, allowing Kerala to conduct an Environmental Impact Assessment (EIA) for the project. Siruvani is an inter-State river and a sub-tributary of the Cauvery.

ZIKA ALERT IN INDIA

According to a study, India, China, Pakistan and Bangladesh are vulnerable to Zika virus.

Why?

These countries receive a combination of high volumes of travelers from Zika-affected areas, have mosquitoes capable of transmitting Zika virus, climate conditions conducive to local spread, and limited health resources.

What needs to be done?

According to the study, identifying where and when populations would be most susceptible to local transmission of Zika virus could help inform public health decisions about the use of finite resources.

Background:

Even though Zika virus was first identified in Africa, and sporadic cases have been reported in both Africa and Asia-Pacific, little is known about whether the Asian strain of the virus (now circulating in the Americas) will affect individuals differently if they have previously been infected with the African strain.

Zika virus:

Zika virus disease is an emerging viral disease transmitted through the bite of an infected Aedes mosquito. This is

the same mosquito that is known to transmit infections like dengue and chikungunya.

- World Health Organisation has reported 22 countries and territories in Americas from where local transmission of Zika virus has been reported.

INDIAN SCIENTISTS UNLOCK PRETERM BIRTH MYSTERY

Indian researchers have made a major discovery by understanding the mechanisms by which preterm births (between 28 and 32 weeks of gestation) occur. At 35%, **India accounts for the highest burden of preterm births in the world.**

What has been discovered?

The researchers found that gram-positive Group B Streptococcus (GBS) bacteria produce small balloons called membrane vesicles, which contain toxins that kill both foetal and maternal cells and destroy the collagen that binds the cells together.

The researchers found that the toxins present in the vesicles fragmented the collagen of the amniotic membrane. Fragmentation of the collagen leads to loss in elasticity and weakening of the amniotic membrane thus making it susceptible to rupture due to pressure from the growing foetus. This leads to preterm birth. The vesicles also degrade the collagen in the womb.

GBS BACTERIA:

Group B Streptococcus (GBS) bacteria are normally found in human vagina and their numbers can shoot up in some pregnant women. The GBS bacteria have been associated with premature rupture of amniotic membrane and preterm birth.

How the study was carried out?

The scientists tested hypothesis by injecting vesicles into 15 pregnant mice. All the injected mice gave birth to preterm babies and nearly 40 per cent were born dead (stillborn). The preterm babies were much smaller and unhealthy. In mice, the babies were born two days preterm. This is equivalent to two months in humans as the gestation period in mice is 21 days.

What is preterm birth?

Preterm, also known as premature birth is a birth that takes place more than three weeks before the baby is due. In other words, a premature birth is one that occurs before the start of the 37th week of pregnancy. Normally, a pregnancy usually lasts about 40 weeks. Premature birth gives the baby less time to develop in the womb.

G20 COUNTRIES SCORE POORLY IN CLIMATE GOALS REPORT

A report from Climate Transparency, an open global consortium, has shown that Global greenhouse gas (GHG) emissions of G20 countries are continuing to increase. The study analysed key indicators, including carbon intensity and share of coal in total electricity produced, to assess the performance of these countries

Highlights of the study:

- Between 1990 and 2013, the absolute carbon dioxide emissions of G20 countries, which account for three-fourths of global CO₂ emissions, went up by 56%.
- The study found that half of G20 countries are inadequate as regards actions taken to curb climate change. This is despite energy intensity and the carbon intensity of the G20 economies decreasing as overall economic activity increased.
- The study also found that the carbon intensity of the energy sector was found increasing, due to the strong and continuing role that coal plays. The G20 countries rely heavily on coal in their primary energy supply.
- G20 countries are planning a large number of new coal-fired power plants, which if realised, would almost double coal capacity, making it virtually impossible to keep the temperature increase to below 2°C, let alone 1.5°C as mandated by the 2015 Paris climate agreement.

Performance of various countries:

- India received a 'medium' rating with good scores for emissions, share of renewables in total primary energy supply (TPES) and climate policy, but poor

scores in carbon intensity, share of coal in TPES and electricity emissions.

- The worst overall performers were Australia, Argentina, Japan, Russia, Saudi Arabia and South Africa.
 - Of all the G20 member-states, Australia, Canada, Saudi Arabia and the United States stand out with by far the highest per capita energy-related CO₂ emissions.
 - Saudi Arabia, South Korea and Japan still show an increase over the five-year period 2008-2013. Argentina and South Africa have declining per capita emissions, as with the EU and its big member-states Germany, France, Italy and the U.K.
 - China's per capita emissions were found to be above the G20 average: at 38%, with China having the highest economic growth rate between 2008 and 2013.
 - The coal share of China, India, South Africa and Turkey will remain clearly above the maximum 2°C benchmark in the time period until 2030.
- ### Investment gap:
- According to the study, to be in line with a 2°C-compatible trajectory by 2035, G20 countries face an investment gap of almost \$ 340 billion/year in the power sector.
 - Though plugging the gap requires an increase in green investments, G20 governments provided, on average, almost \$ 70 billion in subsidies for fossil fuel production between 2013 and 2014. This was despite G20 leaders pledging to phase out 'inefficient' fossil fuel subsidies in 2009.
 - The report also points out that reducing fossil fuel subsidies could theoretically create fiscal space for more international climate finance.

MOBILE ACCESS SCHEME FOR REMOTE AREAS SOON

- The government is planning to unveil a new scheme to provide mobile phone access to over 55,000 villages, particularly those in border states and in the Himalayan region, to push forward its flagship Digital India programme. The scheme will be funded by the Universal Service Obligation Fund (USOF).

Background:

- As per official data about 4,700 villages in Himalayan States (Jammu & Kashmir, Himachal Pradesh and Uttarakhand), and 2,138 villages in Border States (Rajasthan, Gujarat, Punjab and Haryana) are not yet connected.
- Further, 5,41,939 villages out of total 5,97,608 villages in the country are already covered with mobile services, leaving 55,669 villages, i.e., 9.31%, without coverage.
- Among states, Odisha has the highest number of villages (10,398) which do not have mobile coverage, followed by Jharkhand (5,949) and Madhya Pradesh (5,926), Maharashtra (4,792) and Chhattisgarh. In states such as Kerala and Karnataka all villages have coverage.

UNIVERSAL SERVICE OBLIGATION FUND:

- USOF, established in 2002, provides effective subsidies to ensure telegraph services are provided to everyone across India, especially in the rural and remote areas. It is headed by the USOF Administrator who reports to the Secretary, Department of Telecommunications (DoT).
- Funds come from the Universal Service Levy (USL) of 5% charged from all the telecom operators on their Adjusted Gross Revenue (AGR) which are then deposited into the Consolidated Fund of India, and require prior parliamentary approval to be dispatched.
- The USOF works through a bidding process, where funds are given to the enterprise quoting the lowest bid. However, the funds for NOFN were made an exception to this process since BBNL was the sole

party involved in the implementation having being specifically created for it.

- As on date, the total available fund in USOF is more than Rs.47,411.56 crore. The total collection since the scheme was started in 2002-03 stands at about Rs.78,587.31 crore, while total amount disbursed for various initiatives to boost rural connectivity is about Rs.31,175.75 crore, according to government data.

SEDITION CHARGES CAN'T BE SLAPPED FOR CRITICISING GOVERNMENT, CLARIFIES SUPREME COURT

The Supreme Court has clarified that sedition charges cannot be brought against a person merely for raising a voice against the government or its policies. The clarification became necessary in view of the controversy generated after sedition charges were recently slapped in a number of cases, sparking demands for the law to be scrapped.

Important observations made by the court:

- The authorities, while dealing with offences under Section 124A of the Indian Penal Code, shall be guided by the principles laid down by the Constitution Bench in Kedar Nath Singh vs State of Bihar.
- The guidelines framed by the Constitution Bench then are good enough in the present circumstances.

Background:

The court had clarified in its 1962 verdict that a “citizen has a right to say or write whatever he likes about the government, or its measures, by way of criticism or comment, so long as he does not incite people to violence against the government established by law or with the intention of creating public disorder”.

The court had clarified that comments, however strongly worded, expressing disapproval of government actions, without exciting those feelings which generate the inclination to cause public disorder by acts of violence was not sedition.

The court had pointed out two essential ingredients required to establish the crime of sedition:

- The acts must be intended to have the “effect of subverting the government” by violent means.
- The acts must be intended to create disorder or disturbance of public peace and order by resort to violence and must incite violence.

PETITIONER’S ARGUMENTS:

- Seeking the court’s intervention to stop misuse of IPC Section 124A, petitioner contended that it was high time the court examined the issue as the law was misused despite the apex court’s order.
- Also, the law has not been amended after the Kedar Nath Singh judgment by the apex court and many police personnel are not aware of this judgment.
- Referring to an NCRB report, the plea said 47 cases of sedition were filed in 2014 alone and 58 people arrested in connection with these cases.
- The bench, however, was not convinced and refused to pass any direction.
- Railway Ministry working on \$5 billion fund to finance infrastructure projects
- The government is working on a proposal to create a \$ 5-billion fund to finance various infrastructure projects of Railways. The proposed Railways of India Development Fund (RIDF) will be placed before the Cabinet for its nod after sorting out some hurdles.

Key facts:

- The proposed fund, which will be anchored by the World Bank, will be of seven years.
- Nearly 20% of the fund will come from the finance ministry and the balance from pension funds and sovereign funds. The finance ministry’s share will come in the form of equity.
- It is being planned that the World Bank will route the funds through the finance ministry, which will be invested in RIDF as equity.
- The proposed fund will mainly invest in major infrastructure projects of the transport behemoth.

EUROPEAN UNION AND NEIGHBOURING STATES JOIN GLOBAL AVIATION EMISSIONS PACT

The European Union and 16 surrounding countries including Turkey, Ukraine and Georgia, are planning to join the first phase of a UN-brokered deal- GMBM (global market-based measure) scheme. It aims to limit carbon emissions from international flights.

- The United Nations’ International Civil Aviation Organization (ICAO) will shortly meet to finalise the deal

Background:

Aviation was excluded from last December’s climate accord in Paris when countries agreed to limit the global average rise in in temperatures to ‘well below’ 2 degrees Celsius (3.6 degrees Fahrenheit) above pre-industrial levels.

Details:

- The proposed new deal on aviation will be voluntary between 2021 and 2026 and then mandatory from 2027 for the world’s largest emitters.
- The deal aims to cap the carbon pollution of all international flights at 2020 levels.
- Airlines in participating countries would need to limit their emissions or offset them by buying carbon credits from designated environmental projects around the world.

G20 NATIONS FOR GLOBAL FORUM TO ADDRESS EXCESS STEEL CAPACITY

Major steel producers China, India and Japan along with other G20 nations have called for increased sharing of information as well as more cooperation by forming a global forum to address the issue of excess steel capacity.

Significance of this move:

The development assumes significance in the backdrop of the problem caused in international markets due to excess steel capacity amidst softening of prices, which eroded sales and profits of firms across countries, especially at a time when the global economy recovery

is weak. The forum facilitates increased information sharing and cooperation.

This move also assumes significance as it comes in the backdrop of nations such as the U.S. imposing heavy duties on imports of cheap steel from countries such as China.

Background:

The decision was announced by G20 leaders recently. G20 leaders recognised the “structural problems, including excess capacity” in some industries, exacerbated by a weak global economic recovery and depressed market demand that have caused a negative impact on trade and workers.

The leaders also recognised that “subsidies and other types of support from government or government-sponsored institutions” can cause market distortions and contribute to global excess capacity and therefore require attention.

Why is it important for India?

India, the world’s third largest steel producer, too is facing a spate of cheap imports from China, Japan and Korea.

- This has hit the sales and profits of domestic steel producers and also impacted their liquidity, which in turn has affected their capacity to repay loans and meet interest payment deadlines having a cascading effect on the number of non performing assets (NPAs) with the banks.
- Steel sector in India accounts for the highest number of NPAs with the banks.
- **TIHAYU:** It is a Water Jet Fast Attack Craft (WJFAC). It was built by Garden Reach Shipbuilders and Engineers Limited (GRSE), Kolkata. It was handed over to the Indian Navy recently. The craft has an endurance of around 2000 nautical miles at 12-14 knots speed and also boasts of modern habitability conditions with accommodation for 29 personnel. It is named after an island in the Andaman, “Tihayu”.
- **QS World University Rankings 2016-17:** According to this, Massachusetts Institute of

Technology (MIT) in US is the world’s best university. MIT has occupied first place for the fifth consecutive year. Indian Institute of Science (IISc), Bengaluru, remained India’s highest-ranked institution with 152nd rank overall.

- **New RBI governor:** Urjit Patel has assumed charge as the as the new Governor of Reserve Bank of India (RBI) for three years. He is 24th Governor of RBI. He was previously Deputy Governor of RBI.

EXPANSION OF INDIA – CHILE PREFERENTIAL TRADE AGREEMENT (PTA)

India and Chile have signed a pact on the expansion of the India–Chile Preferential Trade Agreement (PTA), which is expected to considerably strengthen the commercial relations between both the countries.

Details:

- Chile has offered concessions to India on 1798 tariff lines with margin of preference (extent to which duties are lower than those offered to other countries) ranging from 30% to 100%.
- India’s offer to Chile is on 1,031 products with a margin of preference between 10% and 100%.

Background:

India and Chile first signed a PTA in March 2006 but it was limited in scope. India’s offer list to Chile in the initial PTA consisted of 178 tariff lines with a margin of preference ranging from 10% to 50%. Chile’s offer list to India comprised 296 tariff lines with margin of preference ranging from 10% to 100%.

What is a PTA?

A preferential trade agreement is a trading bloc that gives preferential access to certain products from the participating countries. This is done by reducing tariffs but not by abolishing them completely.

HEALTH MINISTRY LAUNCHES THE BIGGEST LEPROSY CASE DETECTION CAMPAIGN IN THE COUNTRY

In a bid to eradicate Leprosy from India, Union Health and Family Welfare Ministry has launched the biggest Leprosy Case Detection Campaign (LCDC) in the country across 149 districts of 19 states/UTs.

Details:

- This is a fortnight-long campaign. It will cover 1656 blocks/urban areas of these districts and screen a total of 32 crore people for leprosy. For this purpose, 297604 teams comprising of one lady ASHA worker and one male volunteer each would visit every house in their allotted area and screen all the family members for leprosy.
- The states and UTs covered in this campaign are Andhra Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Maharashtra, Nagaland, Odisha, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal, Chandigarh, Dadra & Nagar Haveli, Delhi and Lakshadweep. The districts having a prevalence rate of more than one case per 10,000 population in any of the last three years have been included in this campaign.

About the campaign:

The Leprosy Case Detection Campaign is a unique initiative of its kind in the world where each and every member of the targeted population will be examined by the search team constituted of one male and one female volunteer at household level.

- House to house visits will be done by the search team as per the micro plan prepared for the local area to detect hidden and undetected leprosy cases.
- The objective of the campaign is the early detection of leprosy in affected persons so that they can be saved from physical disability and deformity by providing them timely treatment and thus also halting the transmission of disease at the community level.
- The first LCDC was launched during March-April 2016 in 50 districts of 7 states covering a population of about 6.8 crores. During this campaign 65427

suspected cases were identified out of which 4120 were later confirmed.

RS.20,000 CRORE LONG TERM IRRIGATION FUND TO BE RAISED

In a move that aims to address the perennial irrigation water crisis affecting rural India, Ministry of Water Resources, River Development and Ganga Rejuvenation and NABARD signed an agreement to operationalise the Long Term Irrigation Fund (LTIF) to be instituted in NABARD as part of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY).

- The agreement aims to complete the 99 prioritized irrigation projects as part of the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY).
- The loans from NABARD will be provided at 6% interest rate for a period of 15 years. The Water Users associations will be formed for participatory management of the projects.

Key facts:

- The Fund, with an initial corpus of about Rs 20,000 crore, was announced in the Union Budget 2016-17 by Finance Minister.
- Corpus would be raised by way of budgetary resources and market borrowings to fund fast tracking of implementation of incomplete major & medium irrigation projects.

ABOUT PMKSY:

PMKSY has been conceived amalgamating ongoing schemes viz. Accelerated Irrigation Benefit Programme (AIBP) of the Ministry of Water Resources, River Development & Ganga Rejuvenation (MoWR,RD&GR), Integrated Watershed Management Programme (IWMP) of Department of Land Resources (DoLR) and the On Farm Water Management (OFWM) of Department of Agriculture and Cooperation (DAC).

- The scheme will be implemented by Ministries of Agriculture, Water Resources and Rural Development.

- The major objective of PMKSY is to achieve convergence of investments in irrigation at the field level, expand cultivable area under assured irrigation, improve on-farm water use efficiency to reduce wastage of water and enhance the adoption of precision-irrigation and other water saving technologies (More crop per drop).

Other details:

- Programme architecture of PMKSY will be to adopt a 'decentralized State level planning and projectised execution' structure that will allow States to draw up their own irrigation development plans based on District Irrigation Plan (DIP) and State Irrigation Plan (SIP).
- It will be operative as convergence platform for all water sector activities including drinking water & sanitation, MGNREGA, application of science & technology etc. through comprehensive plan.
- State Level Sanctioning Committee (SLSC) chaired by the Chief Secretary of the State will be vested with the authority to oversee its implementation and sanction projects.
- The programme will be supervised and monitored by an Inter-Ministerial National Steering Committee (NSC) will be constituted under the Chairmanship of Prime Minister with Union Ministers from concerned Ministries.
- A National Executive Committee (NEC) will be constituted under the Chairmanship of Vice Chairman, NITI Aayog to oversee programme implementation, allocation of resources, inter ministerial coordination, monitoring & performance assessment, addressing administrative issues etc.

GOVT APPROVES 6 START-UP CENTRES

The Central government has approved six proposals to set up centres of excellence to promote and fund start-ups under the National Initiative for Development and Harnessing Innovation (NIDHI), a programme steered by the Department of Science and Technology.

- The government has earmarked ¹ 500 crore to scale up the start-up eco system, under which seed

funding of up to ¹ 10 lakh will be given to develop a prototype and access fabrication facilities in incubators.

ABOUT NIDHI:

- NIDHI (National Initiative for Development and Harnessing Innovations), an umbrella program is pioneered by the Department of Science & Technology (DST) for nurturing ideas and innovations (knowledge-based and technology-driven) into successful startups.
- NIDHI focuses on building a seamless and innovation driven entrepreneurial ecosystem especially by channelizing youth towards it and thereby bringing in the positive impact on the socio-economic development of the country.
- The program aims to provide technological solutions not only to the pressing needs of the society but also targets to create new avenues for wealth and job creation.
- NIDHI, by design connects and strengthens all the links of the innovation chain from scouting to sustaining to securing to scaling to showcasing, because a chain is only as strong as its weakest link.
- The key stakeholders of NIDHI includes various departments and ministries of the central government, state governments, academic and R & D institutions, mentors, financial institutions, angel investors, venture capitalists, industry champions and private sectors.
- NIDHI strongly addresses the new national aspirations by massively scaling up DST's experience of three decades in promoting innovative startups.

CSCS MAY ASSEMBLE LED LAMPS TO BOOST RURAL ECONOMY: PRASAD

Looking at tapping the 2.29 lakh Common Service Centers (CSCs) in the country to boost rural economy, the government is planning to enable assembly and manufacturing of LED lights at these centers.

- The government, through these centers, also will provide in rural regions, tele-consultation services for animal healthcare as well as legal issues. Kits for testing of diseases such as malaria and dengue will also be made available at these centers.

What are CSCs?

Common Services Centers (CSCs) are a strategic cornerstone of the Digital India programme. They are the access points for delivery of various electronic services to villages in India, thereby contributing to a digitally and financially inclusive society.

CSCs enable the three vision areas of the Digital India programme:

- Digital infrastructure as a core utility to every citizen.
- Governance and services on demand.
- Digital empowerment of citizens.

Significance of CSCs:

CSCs are more than service delivery points in rural India. They are positioned as change agents, promoting rural entrepreneurship and building rural capacities and livelihoods. They are enablers of community participation and collective action for engendering social change through a bottom-up approach with key focus on the rural citizen.

- **Ministry of DoNER goes LIVE on e-office:** The Ministry of Development of North Eastern Region has gone LIVE on e-office. Required arrangements have been made. This includes a joint training of officers and other employees to bring them on the same page with regard to e-office procedures, understanding the modules of e-office etc. A Central Registry Unit and technical support team has been created to ensure smooth transition from physical files to the electronic platform. The e-office platform would not only digitize the entire office correspondence and file notings, but also ensure an audit trail of all entries and correspondence, thus providing an unprecedented level of accountability. It also migrates the chain of custody from the individual to the system allowing easy access to relevant documents at all times.

- **Sri Lanka is malaria free:** The World Health Organisation has certified that Sri Lanka is a malaria-free nation. Sri Lanka had been among the most malaria-affected countries in the mid-20th century. But, the country had begun an anti-malaria campaign that successfully targeted the mosquito-borne parasite that causes the disease, not just mosquitoes. Health education and effective surveillance also helped the campaign. To prevent parasites re-entering the country, the anti-malaria campaign is working with local and international partners to maintain surveillance and screening.

- **Grauer's gorilla:** Grauer's gorilla (*Gorilla beringei graueri*), a subspecies of eastern gorilla, the world's largest ape, and confined to eastern Democratic Republic of Congo, has been listed as Critically Endangered on the IUCN Red List of Threatened Species. The announcement was made at the IUCN World Conservation Congress currently underway in Hawaii. Critically Endangered status means that a species is considered to be facing an extremely high risk of extinction.

PROJECTS APPROVED UNDER SWADESH DARSHAN

The Central Sanctioning and Monitoring Committee (CSMC) for the Swadesh Darshan Scheme in Ministry of Tourism has approved projects to the tune of Rs. 450 Crore for development of Heritage circuit in Madhya Pradesh and Uttarakhand, Ramayana Circuit in Uttar Pradesh, North East Circuit in Sikkim and Coastal Circuit of Tamil Nadu.

Key facts:

The Heritage Circuit in state of Madhya Pradesh: It covers Gwalior- Orchha- Khajuraho-Chanderi-Bhimbetka-Mandu with total project cost of approximately Rs. 100.00 Crore. The project envisages world class infrastructural development of the sites which includes developing a Theme Park and Convention centre in Khajuraho, Sound and Light Show in Mandu.

The Heritage Circuit in Uttarakhand: It is on developing Tourism Infrastructure in Jageshwar-Devidhura-Katarmal-Bajjnath sites with total project cost of approximately Rs.83 Crore. The highlights of project

in Uttarakhand are development of Eco Log Huts, Sound and Light Show and Upgradation of Temple Pathways.

Coastal circuit in State of Tamil Nadu:

It envisages development Chennai- Mamamallapuram- Rameshwaram- Manpadu- Kanyakumari with total project cost of approximately Rs.100 Crore has been approved. Sound and Light Show, development of Beach amenities, Construction of Pedestrian Bridge connecting Vivekanand memorial with Tiruvalluvar Statue are major highlights of project.

Ramayana Circuit in State of Uttar Pradesh:

It envisages development of two destinations viz. Chitrakoot and Shringverpur. The Project cost for this circuit is approximately Rs.70 Crore for development of Parikrama marg, food Plaza, Laser Show, Foot Over Bridge connecting MP and UP part of Chitrakoot. It also includes Ayodhya for which the State Tourism Department of Uttar Pradesh is preparing Detailed Project Report (DPR).

North East circuit in State of Sikkim:

With approximate project cost of Rs.95.50 Crore it includes development of eco log huts, cultural centre, paragliding centre, craft bazaar, base camp for mountaineering and meditation hall.

ABOUT SWADESH DARSHAN SCHEME:

The Tourism Ministry had launched 'Swadesh Darshan' scheme with an objective to develop theme-based tourist circuits in the country. These tourist circuits will be developed on the principles of high tourist value, competitiveness and sustainability in an integrated manner.

Features of Swadesh Darshan Scheme:

- The scheme is 100% centrally funded for the project components undertaken for public funding.
- To leverage the voluntary funding available for Corporate Social Responsibility (CSR) initiatives of Central Public Sector Undertakings and corporate sector.
- Funding of individual project will vary from state to state and will be finalised on the basis of detailed

project reports prepared by PMC (Programme Management Consultant).

- A National Steering Committee (NSC) will be constituted with Minister in charge of M/O Tourism as Chairman, to steer the mission objectives and vision of the scheme.
- A Mission Directorate headed by the Member Secretary, NSC as a nodal officer will help in identification of projects in consultation with the States/ UTs governments and other stake holders.
- PMC will be a national level consultant to be appointed by the Mission Directorate.

Objective of Swadesh Darshan Scheme:

- Integrated development of Infrastructure in identified theme based circuits.
- Provide complete tourism experience with varied thematic circuits.
- Follow community-based development and pro-poor tourism approach.
- Creating awareness among the local communities about the importance of tourism for them in terms of increase in sources of income, improved living standards and overall development of the area.
- Promote local arts, culture, handicrafts, cuisine, etc to generate livelihoods in the identified regions.
- Harness tourism potential for its direct and multiplier effects in employment generation and economic development.

INDIA SIGNS OPEN SKIES PACT WITH GREECE

India has signed an open skies agreement with Greece, the first after the finalisation of the civil aviation policy in June.

Key facts:

- The open skies agreement will allow airlines from India to operate unlimited number of flights to Greece

while Greek carriers have been granted unlimited traffic rights to six Indian metro cities.

- Greece has become the first country to have an open sky agreement with India under the new policy.
- Prior to this, India had entered into an open skies agreement with the US and Britain.

Background:

According to the civil aviation policy, the government can enter into an 'open sky' air services agreement on a reciprocal basis with SAARC nations as well as countries with territory located entirely beyond a 5,000 kilometre radius from New Delhi.

MAHARASHTRA UNDER PRESSURE, TO TWEAK DRAFT OF INTERNAL SECURITY ACT

The Maharashtra government has decided to tweak the newly-drafted Maharashtra Protection of Internal Security Act following public outcry over its contentious clauses. The changes will be made before the draft is presented to the State Cabinet.

The government will incorporate three changes:

- Reduction in punishment from the current three years to half.
- Increase in restrictions on public assembly to 2,500 from the proposed 100.
- Include a clause defining that the draft of the Act will not be applicable on private functions such as marriages and parties.

Background:

- The Act was introduced recently with an emphasis on 'maintaining law and order, combating terrorism, insurgency, caste violence, communalism, and bringing nuclear reactors, dams, major projects and coastal areas under its ambit'.
- But, the State was forced to withdraw the draft in the face of protests over clauses allowing the police's arbitrary power to interfere in public gatherings and carry out security checks in public places.

- The draft also defines critical infrastructure sectors and proposes setting up of special security zones where movement of arms, explosives and inflow of unaccounted funds will be prohibited.

PUBLISH FIRS ONLINE WITHIN 24 HOURS: SC

The Supreme Court has ordered States and Union Territories to upload, on police or government websites, First Information Reports (FIRs) within 24 hours of their registration in police stations.

Why?

This is aimed at upholding the right of an accused to information and putting a check on the authority of the police to deprive a person of his liberty.

- The implementation of this step also ushers in transparency in police work.
- Besides, an accused has every right to know what he was accused of. And access to the FIR would help the accused prepare his defence and seek redressal of his grievances.

Other details:

- The court has exempted from publication FIRs in certain cases. These include cases of insurgency, child abuse, sexual offences and terrorism. The FIRs registered in these categories would continue to be away from the public eye owing to issues of privacy and national interest.
- Also, the court agreed to a submission that the list of such sensitive cases should be illustrative and not exhaustive.
- The decision to not post the FIRs in such cases would be taken by a police officer not below the rank of a Deputy Superintendent of Police or the District Magistrate, either of whom would have to communicate the decision to the jurisdictional magistrate.
- In case of complaint against such non-publication of FIRs, the Superintendent of Police in rural areas and Police Commissioner in metros, will form a

(21)

committee of three officers, which will decide on the complaint in three weeks.

- In areas where Internet access is limited, the Bench extended the deadline for publishing the FIR on websites to 48 hours, which can still further be stretched to a maximum of 72 hours.

Background:

The Delhi HC in its judgment on December 6, 2010, had upheld the right of the accused to get copies of FIRs even before the local Magistrate ordered the police to do so under Section 207 of the Code of Criminal Procedure.

CLEANEST DISTRICTS IN INDIA

The 'Swachh Survekshan' for rural India was recently released.

Background:

A total of 22 hill districts and 53 plain areas were assessed under the Gramin Swachh Survekshan launched in May 2016. The Ministry of Drinking Water and Sanitation had commissioned Quality Council of India (QCI) to carry out the assessment.

Each district has been judged on four distinct parameters. Maximum weightage was placed on accessibility to safe toilets and water. The parameters to judge sanitation status include:

- Households having access to safe toilets and using them (toilet usage, water accessibility, safe disposal of waste) (40%).
- Households having no litter around (30%).
- Public places with no litter in the surrounding (10%).
- Households having no stagnant wastewater around (20%).

Highlights of the study:

- Mandi (Himachal Pradesh) and Sindhudurg (Maharashtra) are the cleanest districts in India.

- Mandi was judged as the cleanest district in "Hills" category and Sindhudurg as the cleanest in the "Plains" category.
- Districts of Sikkim, Shimla (Himachal Pradesh), Nadia (West Bengal) and Satara (Maharashtra) have also featured at the top of the index.

GSLV SUCCESSFULLY LAUNCHES INDIA'S WEATHER SATELLITE INSAT-3DR

In its tenth flight (GSLV-F05) conducted recently, India's Geosynchronous Satellite Launch Vehicle, equipped with the indigenous Cryogenic Upper Stage (CUS), successfully launched the country's weather satellite INSAT-3DR, into a Geosynchronous Transfer Orbit (GTO).

Key facts:

- The launch took place from the Second Launch Pad at the Satish Dhawan Space Centre SHAR (SDSC SHAR), Sriharikota, the spaceport of India.
- This was the first operational flight of GSLV equipped with CUS and the fourth to carry the indigenous CUS.
- This flight was the third consecutive success achieved by GSLV carrying indigenous CUS.
- The 2211 kg INSAT-3DR is the heaviest satellite to be launched from the Indian soil.
- INSAT-3DR satellite is now orbiting the Earth with a perigee (nearest point to Earth) of 169.76 km and an apogee (farthest point to Earth) of 36,080.5 km with an orbital inclination of 20.62 deg with respect to the equator.

ABOUT INSAT- 3DR:

- INSAT-3DR is an advanced meteorological (weather observation) satellite built by India to provide a variety inputs essential for accurate weather forecasting.
- For this, it is equipped with three payloads (instruments), namely, a Multispectral Imager, Sounder and weather Data Relay Transponder.

- INSAT-3DR also carries a satellite aided Search and Rescue Transponder that picks up and relays alert signals originating from distress beacons of maritime, aviation and land based users.
- In the coming days, INSAT-3DR's orbit will be raised from its present GTO to the final circular Geostationary Orbit (GSO) by firing the satellite's Liquid Apogee Motor (LAM) in stages.
- The major users of the service will be the Indian Coast Guards, Airports Authority of India (AAI), Directorate General of Shipping, Defence Services and fishermen.
- The Indian service region will cover a large part of the Indian Ocean and will also include Bangladesh, Bhutan, Maldives, Nepal, Seychelles, Sri Lanka and Tanzania for providing distress alert services.

PAYLOADS:

Multi-spectral Imager:

It will generate images of the Earth from a geostationary altitude of 36,000 km every 26 minutes and provide information on parameters such as sea surface temperature, snow cover, cloud motion winds, among others.

19 channel sounder:

It will provide information on the vertical profiles of temperature, humidity and integrated ozone.

Data Relay Transponder:

It will provide service continuity to ISRO's previous meteorological missions.

Search and Rescue payload:

It can pick up and relay alert signals originating from the distress beacons of maritime, aviation and land-based users to the Indian Mission Control Centre (INMCC).

POPULARISE MUNICIPAL BONDS

- U.K. Sinha, chairman of Securities and Exchange Board of India (Sebi), has urged the country's municipal bodies to improve their accounting standards and suggested that other financial regulators allow regulated entities to invest in municipal bonds.
- He has asked the Municipal bodies to move to a standard accounting practice. This will not only attract better credit rating but also demand from more investors.
- The chairman has also asked stakeholders to engage with other financial regulators such as IRDAI (insurance regulator), PFRDA (pension regulator) and EPFO (employee provident fund organization).
- The Sebi chief also said he would be taking up this matter with the government so that municipalities can better tap the capital markets to part meet their capex bills, which according to some studies will be to the tune of Rs 40 trillion over the next two decades.

Background:

According to government statistics, a cumulative amount of Rs.1,750 crore has been raised through municipal bonds in India while South Africa saw \$1.8 billion being raised through such bonds in a single quarter alone. Incidentally, \$304 billion was raised in the U.S. through municipal bonds in just one single year.

About Municipal Bonds:

A municipal bond is a bond issued by a local government, or their agencies.

- 'Muni bonds' are very popular among investors in many developed nations, especially in the U.S., where these have attracted investments totalling over \$500 billion and are among preferred avenues for household savings.
- The Bangalore Municipal Corporation was the first municipal corporation to issue a municipal bond of Rs.125 crore with a State guarantee in 1997. However, the access to capital market commenced

in January 1998, when the Ahmedabad Municipal Corporation (AMC) issued the first municipal bonds in the country without State government guarantee for financing infrastructure projects in the city. AMC raised Rs.100 crore through its public issue.

- Among others, Hyderabad, Nashik, Visakhapatnam, Chennai and Nagpur municipal authorities have issued such bonds
- As per guidelines of the Urban Development Ministry, only bonds carrying interest rate up to maximum 8% per annum shall be eligible for being notified as tax-free bonds.
- **International Literacy day:** Celebrated on September 8. This year marks the 50th anniversary of International Literacy Day and UNESCO is celebrating it under the banner “Reading the Past, Writing the Future”. Fifty years ago, UNESCO officially proclaimed 8 September International Literacy Day to actively mobilize the international community and to promote literacy as an instrument to empower individuals, communities and societies. This is the first year of implementation of the 2030 Agenda for Sustainable Development. In this context the vision of literacy is aligned with lifelong learning opportunities with special focus on youth and adults. Literacy is a part of Sustainable Development Goal 4, which aims to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all”. The target is that by 2030 all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy.
- **Global Alliance for Literacy (GAL)** has been launched as part of International Literacy Day. This is a new and ambitious initiative to make all major stakeholders pull together to promote literacy as a foundation for lifelong learning. It aims to mobilize investment and promote innovative initiatives, with a focus on gender and new information and communication technologies.
- **Cleanest state:** Sikkim has been adjudged the cleanest state in the list on the condition of sanitation in rural areas of 26 states. The results of survey carried out last year by National Sample Survey Office (NSSO) was released recently. Jharkhand

has occupied the last position. Gujarat is ranked 14th. Following Sikkim come Kerala, Mizoram, Himachal Pradesh, Nagaland, Haryana, Punjab, Uttarakhand, Manipur and Meghalaya among the top 10 States. Sikkim scored 98.2% on a scale of 100. Kerala scored 96.4 while neighbouring Tamil Nadu notched up just 39.2.

NASA SUCCESSFULLY LAUNCHES OSIRIS-REX SPACECRAFT

NASA has launched **OSIRIS-REx spacecraft** to collect samples from an asteroid 101955 **Bennu** and return to Earth.

About the mission:

OSIRIS-Rex stands for Origins, Spectral Interpretation, Resource Identification, Security-Regolith Explorer.

- OSIRIS-REx is the **third mission** in NASA’s New Frontiers program, which previously sent the **New Horizons spacecraft** zooming by Pluto and the **Juno spacecraft** into orbit around Jupiter.

What will the OSIRIS-Rex do?

OSIRIS-REx will spend two years travelling towards Bennu, arriving at the asteroid in August 2018. The probe will orbit the asteroid for 3 years, conducting several scientific experiments, before returning to Earth, with the sample capsule expected to land in Utah, USA in September 2023.

Scientific Mission Goals:

- During its three year orbit of Bennu, OSIRIS-REx will be conducting a range of scientific experiments in order to better understand the asteroid.
- As part of this, the asteroid will be mapped using instruments on the probe, in order to select a suitable site for samples to be collected from.
- The **aim of the mission is to collect a sample of regolith- the loose, soil-like material which covers the surface of the asteroid.**
- In July 2020, the probe will move to within a few metres of Bennu, extending its robotic arm to touch the asteroid’s surface. The arm will **make contact**

with the surface for just 5 seconds, during which a blast of nitrogen gas will be used to stir up the regolith, allowing it to be sucked into the sample collector.

- OSIRIS-REx has enough nitrogen on board for 3 sample collection attempts, and NASA are hoping to collect between 60 and 2000g of regolith material to bring back to Earth.

Why was Benu chosen?

Benu was selected for the OSIRIS-REx mission from over 500,000 known asteroids, due to it fitting a number of key criteria. These include:

Proximity to Earth: In order for OSIRIS-REx to reach its destination in a reasonable timeframe, NASA needed to find an asteroid which had a similar orbit to Earth. Around 7000 asteroids are 'Near-Earth Objects' (NEOs), meaning they travel within around ~30 million miles of the Earth. Out of these, just under 200 have orbits similar to Earth, with Benu being one of these.

Size: Small asteroids, those less than 200m in diameter, typically spin much faster than larger asteroids, meaning the regolith material can be ejected into space. Benu is around 500m in diameter, so rotates slowly enough to ensure that the regolith stays on its surface.

Composition: Benu is a primitive asteroid, meaning it hasn't significantly changed since the beginning of the Solar System (over 4 billion years ago). It is also very carbon-rich, meaning it may contain organic molecules, which could have been precursors to life on Earth.

Additionally, Benu is of interest as it is a **Potentially Hazardous Asteroid (PHA)**. Every 6 years, Benu's orbit brings it within 200,000 miles of the Earth, which means it has a high probability of impacting Earth in the late 22nd Century.

SC TO LAY DOWN LAW ON LG'S POWER

The Supreme Court has agreed to **lay down the law on whether the Lieutenant Governor (LG) of Delhi can unilaterally administer the National Capital without being bound by the "aid and advice" of the elected government.**

Context:

This decision was announced by the court in the context of prolonged Centre-Arvind Kejriwal turf war over who controls Delhi as an "extraordinary matter".

Details:

The Supreme Court has refused to stay the HC judgment, despite submissions by Delhi government that the verdict "affects all future governments and all future relationships between the Centre and the State". The HC had **upheld the LG's power not only over the police, land and public order but also in "services"**. The judgment had effectively shrunk the Delhi Cabinet's girth.

Background:

The **1996 judgment** by the Supreme Court in **North Delhi Municipal Corporation versus State of Punjab** clearly terms Delhi as a Union Territory in a class by itself. The judgment observed that "the Union Territory of Delhi is in a class by itself but is certainly not a State". Union territories are in different stages of evolution.

Union Territories are governed by Article 246 (4) of the constitution notwithstanding the differences in their respective set-ups.

ROAD CLEAR FOR CHANDRAYAAN-2

With Geosynchronous Satellite Launch Vehicle (GSLV-F05) mission's recent success, ISRO has signalled the country's readiness for **Chandrayaan II** mission, which will be **India's second mission to the moon.**

Details:

Chandrayaan II is an advanced version of the previous Chandrayaan-1 mission. It consists of an **orbiter, lander and rover configuration.**

- It is planned to be launched as a composite stack into the earth parking orbit (EPO) of 170 X 18,500 km by GSLV-Mk II.
- The wheeled rover will move on the lunar surface and will pick up soil or rock samples for on-site chemical analysis. The data will be relayed to Earth through the Chandrayaan-2 orbiter.

‘MICROFINANCE SECTOR COULD TREBLE IN 4 YEARS’

- According to an estimate by the ICRA, the country’s **microfinance sector will grow nearly three-fold to reach up to Rs 4.3 trillion over the next three years** on account of expansion into newer segments and enhanced average loan sizes.
- The estimate includes micro credit across self-help groups, microfinance institutions and banks.

Important observations made:

- If the ticket sizes were to double from the current levels over the next 3-4 years and MFIs were to increase their presence in under-penetrated areas, the microfinance market could reach Rs 3.3-4.3 trillion over the next 3 to 4 years. The assumption on the doubling of ticket sizes is based on improving income levels, inflation, higher eligibility of borrowers moving to higher loan cycles.
- The MFI sector, excluding Bandhan Bank and teh SFBs, will need external capital of Rs 16-47 billion over the next three to four years.
- While the business opportunity is exciting, there is a need for establishing a credit culture in the new geographies and strengthening the credit appraisal processes.
- The two operational credit bureaus have helped the sector maintain its asset quality. But there are a few issues yet to be addressed like limited coverage of SHG bank linkage programme data, issues related to multiple identity cards being used by borrowers for availing loans from more than two MFIs and interlinking of retail credit.
- The overall stress of credit which is due for more than a day stood at 0.35% as of March 31, 2016, helped by regulatory decisions like data sharing through credit bureaus, cap of Rs 1 lakh for overall borrowing and the stipulation for not more than two MFIs to lend to a single borrower. However, “communal and political” incidents in Madhya Pradesh, Uttar Pradesh, Bihar, Jharkhand and Karnataka did lead to some pressure on asset quality.

- However, the sector remains vulnerable to asset quality shocks owing to the risks associated with unsecured lending business, political risks, and operational risks arising out of cash handling.

Background:

- The Indian microfinance institution (MFI) sector grew 40% in 2015-16 to Rs 1.4 trillion as against a 38% growth in the previous fiscal, while the average ticket sizes were Rs 20-25,000.

- **Majuli:** It has become the first island district of India. It is the 35th district of Assam. Recently, Majuli entered the Guinness Book of World Records as the world’s largest river island.

- **Two world records by Indian Army:** Two Indian Army soldiers have created world records for longest continuous motorcycle ride by standing on the seat and handle bar riding. Captain Manpreet Singh covered 75.2 km in two hours, 24 minutes and 12 seconds standing on a motorcycle seat. The previous world record of 32.3 km was achieved by Ratnesh Pandey in Indore on December 5, last year. The World Record for handle bar riding on a bike under fresh category was established by Havildar Sandeep Kumar, covering 46.9 km in 1 hour, 27 minutes and 31 seconds.

- **Sarathi:** It is an Indian Coast Guard Ship commissioned recently. It is the third ship in the series of six Offshore Patrol Vessels (OPV). ‘Sarathi’ meaning charioteer is a projection of Indian Coast Guard’s will and commitment ‘To serve and protect’ the maritime interest of the nation. It has been designed and built indigenously by GSL and is fitted with most advanced state-of-the-art navigation and communication equipment, sensors and machineries. The ship is designed to carry one twin engine Light Helicopter and five high speed boats including two Quick Reaction Inflatable Boats for swift boarding operations, search and rescue, law enforcement and maritime patrol. The ship is also capable of carrying pollution response equipment to contain oil spill at sea.

TEA BOARD SEEKS NOD FOR INSURANCE SCHEME

The Tea Board has sought the Centre's approval for modifying an insurance scheme meant for workers in small tea gardens.

Background:

The Tea Board of India had introduced in July, an accident insurance scheme for workers in small tea gardens at an annual premium of Rs.14. Of this, tea-farmers will have to pay only Rs. 3.50 annually. Oriental Insurance would issue the master-policy in the Tea Board's name. This scheme was open only to workers.

The initiative would be funded under the 12th Plan scheme. The Centre had made an allocation of Rs.200 crore in a plan of Rs.1,425 crore.

What's the new proposal?

According to the proposal, owners of the small gardens are also eligible under the new plan.

Why such move?

As enrolment of workers began for the scheme, it became evident that many small-growers would be left out of the ambit of the scheme in its present form, as they were also owners of small patches of gardens and the scheme was only for small tea garden workers. Hence, the scheme is proposed to be widened to include owner/growers too.

About Tea Board of India:

The Tea Board is set up under the Tea Act 1953. It has succeeded the Central Tea Board and the Indian Tea Licencing Committee which functioned respectively under the Central Tea Board Act, 1949 and the Indian Tea Control Act, 1938 which were repealed.

- The Tea Board is functioning as a statutory body of the Central Government under the Ministry of Commerce.
- The Board is constituted of 31 members (including Chairman) drawn from Members of Parliament, tea producers, tea traders, tea brokers, consumers, and representatives of Governments from the principal

tea producing states, and trade unions . The Board is reconstituted every three years.

Functions:

- The Tea Board India is responsible for the assignment of certification numbers to exports of certain tea merchants. This certification is intended to ensure the teas' origin, which in turn would reduce the amount of fraudulent labelling on rare teas.
- The Tea Board India's tasks include endorsement of the diverse production and productivity of tea, financial support of research organisations and the monitoring of advances in tea packaging as it relates to health beneficial aspects.
- It coordinates research institutes, the tea trade and government bodies, ensuring the technical support of the tea trade in the global industry.

CHINA'S BRICS TRADE PACT IDEA FINDS NO TAKERS

India and three others in the BRICS bloc — Brazil, Russia and South Africa — have cold-shouldered China's attempt to bring to the negotiating table a proposal for a Free Trade Agreement (FTA) between the five major emerging economies.

What is it all about?

China has proposed for a 'BRICS FTA' aimed at boosting trade ties in the grouping through binding commitments on eliminating tariffs.

What's happening now?

BRICS members barring China are not keen on such a pact.

Why?

Their apprehensions about the plan include the fear that it could lead to a surge in imports of Chinese goods into their territory — in turn, hurting local manufacturing.

Why India is not interested?

There is already a widening goods trade deficit with China. India's goods trade deficit with China has

escalated from \$1.1 billion in 2003-04 to \$52.7 billion in 2015-16. In 2014, China enjoyed a goods trade surplus with India (to the tune of \$37.9 billion).

Way ahead:

China is expected to take up this issue in the upcoming BRICS Trade Ministers Meeting, the first BRICS Trade Fair and the Eighth BRICS Summit. India is hosting these events as it currently holds the BRICS Chairmanship.

MAGNETARS

Recently, astronomers picked up strange X-ray bursts using NASA's Swift telescope. These strange bursts were very similar to that of a magnetar — an extremely dense type of neutron star that can produce magnetic fields trillions of times stronger than our sun's.

- The magnetar, called 1E 1613 — at the centre of RCW 103, and the remains of a supernova explosion located about 9,000 light years from Earth — rotates once every 24,000 seconds (6.67 hours).

What are Magnetars?

A magnetar is a type of neutron star, a strange object with an incredibly powerful magnetic field that powers the emission of highly energetic X-rays and gamma rays. Neutron stars are formed when the largest stars in the universe reach the end of their lives. When these stars run out of fuel, their core collapses causing outer layers to come crashing in towards the centre.

As stars are so large the crushing forces created can be phenomenal. These pressures can squash the core of the star together and because of this, a neutron star — and hence a magnetar — is made of some of the densest material in the known universe. In fact, their material is so dense that one teaspoon of it contains the same amount of mass as 900 Egyptian pyramids.

Key facts:

- The theory regarding these objects was proposed by Robert Duncan and Christopher Thompson in 1992.
- Like other neutron stars, magnetars are around 20 kilometres in diameter and have a mass 2–3 times

that of the Sun. The density of the interior of a magnetar is such that a thimble full of its substance would have a mass of over 100 million tons.

- Magnetars are differentiated from other neutron stars by having even stronger magnetic fields, and rotating comparatively slowly, with most magnetars completing a rotation once every one to ten seconds, compared to less than one second for a typical neutron star.
- The active life of a magnetar is short. Their strong magnetic fields decay after about 10,000 years, after which activity and strong X-ray emission cease.
- Given the number of magnetars observable today, one estimate puts the number of inactive magnetars in the Milky Way at 30 million or more.

SEBI NOD TO LAUNCH INFRA INVESTMENT TRUSTS

More than two years after markets watchdog Sebi had issued guidelines for infrastructure investment trusts (InvITs), the regulator has finally granted three companies — IRB Infrastructure, GMR and MEP Infrastructure — to launch the trusts.

- Accordingly, these companies will float IRB Invit Fund, GMR Infrastructure Trust and MEP Infrastructure Trust shortly as per Sebi.

Background:

With a view to help infra developers mop up funds for long-term projects in a more transparent manner, Sebi had in August 2014 introduced InvITs — an investment vehicle that would enable promoters to monetise completed assets.

What are InvITs?

An Infrastructure Investment Trust (InvITs) is like a mutual fund, which enables direct investment of small amounts of money from possible individual/institutional investors in infrastructure to earn a small portion of the income as return.

(28)

- InvITs can be treated as the modified version of REITs designed to suit the specific circumstances of the infrastructure sector.
- InvITS are like mutual funds in structure. InvITs can be established as a trust and registered with Sebi.
- An InvIT consists of four elements: 1) Trustee, 2) Sponsor(s), 3) Investment Manager and 4) Project Manager.
- Currently the Customs and Excise department comes under the Department of Revenue, Ministry of Finance.
- The agency is staffed by IRS officers.

CBEC TO BE RENAMED AS CBIT UNDER GST REGIME

Apex indirect tax body CBEC will be renamed as the Central Board of Indirect Tax (CBIT) once the new national tax framework kicks in from April 1 next year, as per the draft dealing in GST organisational structure prepared by the Centre.

Key facts:

- CBIT will be headed by a secretary-level officer.
- It will implement the rules, including exemptions and threshold, to be set by the GST Council, which is chaired by Union Finance Minister and has state finance ministers as its members.
- CBIT will consist of six members, who will look after Customs, policy and IT, central excise and legal issues, training and litigation.
- Besides, an additional secretary of the department of revenue, who will be secretary to the GST Council, will be a CBIT member for Central GST (CGST) and Integrated GST (IGST) related matters.

ABOUT CBEC:

- It is the nodal national agency responsible for administering Customs, Central Excise, Service Tax & Narcotics in India.
- It was established in the year 1855 by the then British Governor General of India, to administer customs laws in India and collection of import duties / land revenue.

TASK FORCE MOOTS NEW PANEL ON BPL

A task force headed by NITI Aayog Vice-Chairman Arvind Panagariya to prepare a road map for elimination of poverty has submitted its report to the Prime Minister's Office (PMO).

- The main task of task force was to prepare a road map for elimination of poverty as well as suggest strategies and anti-poverty programmes.
- Its terms of reference included developing a working definition of poverty and coordinating and developing synergy with Central Ministries and State government task forces.

Suggestions made:

- The task force has suggested setting up of a committee to identify people below the poverty line (BPL).
- It has also suggested participation from the States in defining the BPL population.

Four options have been proposed for tracking the poor:

- First, continue with the Tendulkar poverty line.
- Second, switch to the Rangarajan or other higher rural and urban poverty lines.
- Third, track progress over time of the bottom 30% of the population.
- Fourth, track progress along specific components of poverty such as nutrition, housing, drinking water, sanitation, electricity and connectivity.

Background:

Official measures are based on the Tendulkar poverty line. But the line is not without its share of controversies, with many terming it being too low. This has prompted the previous government to appoint the Rangarajan

Committee, which has recommended higher rural and urban poverty lines.

- Suresh Tendulkar committee computed poverty lines for 2004-05 at a level that was equivalent, in purchasing power parity (PPP) terms, to one U.S. dollar per person per day, which was the internationally accepted poverty line at that time.
- The PPP model refers to a method used to work out the money that would be needed to purchase the same goods and services in two places. Across countries, this is used to calculate an implicit foreign exchange rate, the PPP rate, at which a given amount of money has the same purchasing power in different countries.
- Tendulkar, computed poverty lines for 2004-05 at a level that was equivalent, in PPP terms to Rs 33 per day.
- Based on the Tendulkar panel norms, the Planning Commission had announced that in absolute terms the number of poor stood reduced from 40.7 crore to 35.5 crore during the period 2004-05 to 2009-10 and 26.9 crore in 2011-12.
- Following criticism of these estimates, the UPA Government had in May 2012 set up the five-member expert group, headed by the then Chairman of the Prime Minister's Economic Advisory Council C. Rangarajan, to revisit the way poverty is estimated.
- In the report Dr. Rangarajan committee suggested that persons spending below Rs 47 a day in cities and Rs 32 in villages be considered poor.

TALGO TRAIN:

The Spanish Talgo train has completed its final trial between Delhi and Mumbai in less than 12—hours at a maximum speed of 150 km per hour speed, to make a strong pitch for its induction in Indian Railways future venture.

- Talgo aims to reduce travel time between Delhi—Mumbai by four hours. Currently, the super-fast Rajdhani Express train takes around 16 hours between New Delhi and Mumbai.

- Railways had conducted the first trial run of Talgo trains on the Bareilly—Moradabad stretch in Uttar Pradesh followed by the second trial run was conducted on the Palwal—Mathura section of the North—Central Railway.

LONGEST METRO NETWORK:

China's high-speed railway has completed over 20,000 kms of track network in the country, becoming the world's longest bullet train network.

Extension of contract between India and the International Seabed Authority

The Union Cabinet has approved the extension of contract between Ministry of Earth Sciences, Government of India and the International Seabed Authority (ISA) for exploration of Polymetallic Nodules for a further period of 5 years (2017-22). The earlier contract is expiring on 24th March 2017.

Details:

- By extending the contract, India's exclusive rights for exploration of Polymetallic Nodules in the allotted Area in the Central Indian Ocean Basin will continue.
- It would open up new opportunities for resources of commercial and strategic value in area beyond national jurisdiction.
- It would also provide strategic importance for India in terms of enhanced presence in Indian Ocean where other international: players are also active.

Background:

India signed a 15 year contract for exploration of Polymetallic Nodules (PMN) in Central Indian Ocean Basin with the International Seabed Authority (ISA) in March, 2002 with the approval of Cabinet. India is presently having an area of 75,000 sq.km., located about 2000 km away from her southern tip for exploration of PMN.

What are PMN?

Polymetallic nodules (also known as manganese nodules) are potato-shaped, largely porous nodules found in

abundance carpeting the sea floor of world oceans in deep sea.

Composition:

Besides manganese and iron, they contain nickel, copper, cobalt, lead, molybdenum, cadmium, vanadium, titanium, of which nickel, cobalt and copper are considered to be of economic and strategic importance.

ABOUT ISA:

The International Seabed Authority (ISA) is an intergovernmental body based in Kingston, Jamaica, that was established to organize, regulate and control all mineral-related activities in the international seabed area beyond the limits of national jurisdiction, an area underlying most of the world's oceans.

- It is an organization established by the 1982 United Nations Law of the Sea Convention. It was established in 1994.
- ISA governs non-living resources of seabed lying in international waters.

BILATERAL TECHNICAL ARRANGEMENT BETWEEN INDIA AND SWITZERLAND

The Union Cabinet has given its approval for signing of the Technical Arrangement between India and Switzerland on the identification and return of Swiss and Indian Nationals and its implementation.

- Conclusion of the Bilateral Technical Arrangement (BTA) has been linked to the Visa Free Agreement for holders of Diplomatic passports as a package deal.

What is BTA?

The BTA essentially aims to formalise the existing procedure for cooperation on the return of irregular migrants between the two countries without introducing any additional obligations or exacting timeframes.

Significance of this BTA:

- If the BTA with Switzerland is approved as proposed, it would offer an opportunity to use the same as a model template for negotiations on the subject with

other EU countries, which have been raising the issue regularly with us.

- It would also help to leverage the Readmission Agreement to liberalise visa and work permit regimes for legitimate Indian travellers. This has been envisaged as a key goal in the recently concluded India-EU Common Agenda on Migration and Mobility (CAMM).

EXCHANGE OF TARIFF CONCESSIONS UNDER THE FOURTH ROUND OF NEGOTIATIONS APTA

The Union Cabinet has approved the exchange of tariff concessions, on Margin of Preference basis, under the Fourth Round of Negotiations under the **Asia Pacific Trade Agreement** and related amendments.

Details:

- The Cabinet has approved India's offer 28.01% of dutiable national tariff lines with an average MoP of 33.45%. This will deepen the concessions being offered under this Agreement.
- Approval was also given to amend the preamble of APTA to effect accession of Mongolia as the 7th APTA Participating State.
- Other amendments to incorporate the Sectoral Rule of Origin to the Agreement were also approved.
- The Fourth Session of the Ministerial Council of APTA, which is scheduled to be held shortly, will formally implement all the above decisions.

ABOUT ASIA PACIFIC TRADE AGREEMENT (APTA):

The Asia Pacific Trade Agreement or APTA (formerly the Bangkok Agreement) is an initiative under the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) for trade expansion through exchange of tariff concessions among developing country members of the Asia Pacific Region.

- The current membership of APTA consists of six countries or Participating States (PSs), namely,

Bangladesh, China, India, Lao PDR, Republic of Korea, and Sri Lanka.

- Since this is a preferential trade agreement, the basket of items as well as extent of tariff concessions are enlarged during the trade negotiating rounds which are launched from time to time. Till date, three rounds of trade negotiations have taken place.

CABINET APPROVES ESTABLISHMENT OF HIGHER EDUCATION FINANCING AGENCY

The Union Cabinet has approved the creation of the **Higher Education Financing Agency (HEFA)** to give a major push for creation of high quality infrastructure in premier educational institutions.

Details:

- The HEFA would be jointly promoted by the identified Promoter and the Ministry of Human Resource Development (MHRD) with an authorised capital of Rs.2,000 crore. The Government equity would be Rs.1,000 crore.
- The HEFA would be formed as a SPV within a PSU Bank/ Government-owned-NBFC (Promoter). It would leverage the equity to raise up to Rs. 20,000 crore for funding projects for infrastructure and development of world class Labs in IITs/IIMs/NITs and such other institutions.
- The HEFA would also mobilise CSR funds from PSUs/ Corporates, which would in turn be released for promoting research and innovation in these institutions on grant basis.
- The HEFA would finance the civil and lab infrastructure projects through a 10-year loan. The principal portion of the loan will be repaid through the 'internal accruals' (earned through the fee receipts, research earnings etc) of the institutions. The Government would service the interest portion through the regular Plan assistance.
- All the Centrally Funded Higher Educational Institutions would be eligible for joining as members of the HEFA. For joining as members, the Institution should agree to escrow a specific amount from their internal accruals to HEFA for a period of 10 years.

This secured future flows would be securitised by the HEFA for mobilising the funds from the market. Each member institution would be eligible for a credit limit as decided by HEFA based on the amount agreed to be escrowed from the internal accruals.

MOU BETWEEN INDIA AND KENYA

The Union Cabinet has given its ex-post-facto approval for the Memorandum of Understanding (MoU) between India and Kenya on cooperation in the field of National Housing Policy Development and Management (NHPDM). The MoU was signed in July, 2016 at Nairobi during the visit of the Prime Minister of India.

Highlights:

- Under the MoU, both the sides will collaborate on all matters relating to housing and human settlements through various strategies including training of personnel, exchange visits, expos/exhibitions, conferences and workshops.
- The cooperation between the two countries will focus on upscaling slum upgradation and prevention initiatives based on the experience and implementation process of each country.
- They will collaborate on development and sharing of information on housing and real estate data base including market trends, best practices and investment opportunities.

Benefits of this agreement:

- It will encourage technical cooperation in facilitating access to affordable housing from locally available building materials.
- It will also encourage technical cooperation in development of Government/Public employee facilitated housing.
- This would be useful to explore ways of a delivery model towards Government employees housing scheme, including creating an enabling environment for participation in the delivery of such intended scheme by private sector players.

CABINET APPROVES CREATION OF GST COUNCIL AND ITS SECRETARIAT

The Union Cabinet has approved setting up of GST Council and setting up its Secretariat.

Details:

- The GST Council has been created as per Article 279A of the amended Constitution.
- GST Council Secretariat will be set up with its office at New Delhi.
- The Secretary (Revenue) will be appointed as the Ex-officio Secretary to the GST Council.
- The Chairperson, Central Board of Excise and Customs (CBEC), will be included as a permanent invitee (non-voting) to all proceedings of the GST Council.
- One post of Additional Secretary to the GST Council in the GST Council Secretariat (at the level of Additional Secretary to the Government of India) will be created.
- Four posts of Commissioner in the GST Council Secretariat (at the level of Joint Secretary to the Government of India) will also be created.

As per Article 279A of the amended Constitution, the GST Council which will be a joint forum of the Centre and the States, shall consist of the following members:

- Union Finance Minister-Chairperson.
- The Union Minister of State, in-charge of Revenue of finance-Member.
- The Minister In-charge of finance or taxation or any other Minister nominated by each State Government-Members.

Functions performed by the council:

As per Article 279A (4), the Council will make recommendations to the Union and the States on important issues related to GST, like the goods and services that may be subjected or exempted from GST,

model GST Laws, principles that govern Place of Supply, threshold limits, GST rates including the floor rates with bands, special rates for raising additional resources during natural calamities/disasters, special provisions for certain States, etc.

Background:

The Constitution (One Hundred and Twenty-second Amendment) Bill, 2016, for introduction of Goods and Services tax in the country was accorded assent by the President recently, and the same has been notified as the Constitution (One Hundred and First Amendment) Act, 2016.

As per Article 279A (1) of the amended Constitution, the GST Council has to be constituted by the President within 60 days of the commencement of Article 279A.

Third Phase of Technical Education Quality Improvement Programme (TEQIP)

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Narendra Modi, has approved the proposal for initiation of the Third Phase of Technical Education Quality Improvement Programme (TEQIP).

Key facts:

- The Project will be implemented as a 'Central Sector Scheme' with total project outlay of Rs. 3600 crore.
- External assistance from the World Bank through International Development Association (IDA) is also being given.
- The project will be implemented with the facility of Direct Funds Transfer to the accounts of beneficiary institutes.
- The Focus States are 7 Low Income States (Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Rajasthan and Uttar Pradesh), 3 Hill States (Himachal Pradesh, Jammu & Kashmir and Uttarakhand), 8 North-Eastern States (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura) and Union Territory of Andaman and Nicobar Islands.

ABOUT THE TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP):

The Technical Education Quality Improvement Programme (TEQIP) commenced in 2003 with World Bank assistance as a long term programme to be implemented in three phases.

- The first phase of TEQIP commenced in 2003 and ended on March 31st, 2009. It covered 127 institutes across 13 States including 18 Centrally Funded Technical Institutions (CFTIs).
- TEQIP-II commenced in August 2010, covering 23 States/Union Territories (UTs) and 191 Institutes (including 26 CFTIs). TEQIP-II is scheduled to conclude in October, 2016.

The major outcomes of the project will be:

- Better academic standards, through accreditation, filling up faculty positions, training faculty in better teaching methods, improved research outputs in institution in Focus States/UTs.
- Better administration of the institutions with improved financial/academic autonomy.
- Better systems for assessment of Student Learning, higher transition rates.
- Transparent and expeditious release of funds to institutes by way of Direct Funds Transfer (DFT) System.
- The Union Cabinet has approved the signing and ratification of the Extradition Treaty between India and Afghanistan. The treaty would provide a legal framework for seeking extradition of terrorists, economic offenders and other criminals from and to the Afghanistan.
- Deepa Malik has created history by winning silver medal in Women's shot put at the 2016 Rio Paralympics. With this she has become the first Indian woman to win a medal at the Paralympics.

Government plans 27,000km economic corridors

The government is planning to make 44 highway stretches totalling 27,000 km to be developed as “economic corridors” for seamless movement of cargo vehicles, cut delays, deepen economic activities and create jobs.

- This will be the biggest highway expansion plan since the rolling out of Golden Quadrilateral and North South East West Corridor, totalling 13,000 km during the Vajpayee regime.

Details:

- The new stretches pass through and connect major hubs of economic activities such as manufacturing clusters and ports.
- It will help in decongesting 30 top cities in the country by building ring roads and logistics hubs along these corridors.
- The new plan is expected to be completed in six years. The government is exploring several funding options, including road development cess, loans from agencies and also private investment.
- The government is also planning to develop another 15,000 km as feeder routes to these economic corridors. 40 interconnecting corridors will also be developed to link 44 economic corridors and the Golden Quadrilateral. This network will carry 80% of the country's freight.
- The government will also rebrand national highways as national corridors, economic corridors and feeder roads, a move aimed at helping in navigation and identifying the roads. The corridors have been identified using satellite imagery.

Way ahead:

In this regard, the Union highways ministry is preparing a proposal to seek the cabinet approval for the execution of this programme.

CHINESE DAILY WARNS OF SETBACKS TO CHINA-PAKISTAN ECONOMIC CORRIDOR

The China Pakistan Economic Corridor (CPEC) is generating a vigorous internal debate, pitting those who advocate a lighter reliance on the project against others who view the undertaking as a cornerstone of security of the New Silk Road-Beijing's ambitious connectivity plan.

Details:

- Critics are highlighting the burgeoning costs of keeping the corridor secure. According to them, it is unlikely that China will change its supportive attitude on the CPEC in the short term, but the increasing cost of security is becoming a big problem in efficiently pushing forward the project.
- But, supporters view the CPEC as a project that can result in the emergence of a stable Pakistan. In turn, that would yield a major geostrategic prize, as it could disrupt the spread of extremism in the region, through which China's ambitious One Belt, One Road will pass.

Background:

It should be noted here that the economic corridor, linking Kashgar in northwest China's Xinjiang Uygur Autonomous Region and Gwadar Port in southwest Pakistan, passes through some turbulent regions.

Way ahead:

It is unlikely to be plain sailing for China and Pakistan in their attempts to push forward the CPEC due to challenges such as a complex regional environment, and people in the two countries should be prepared for potential setbacks.

CPEC:

ABOUT THE CPEC PROJECT:

- The 3,000-km CPEC connecting Xinjiang with Pakistan's Gwadar Port through PoK is stated to cost \$46 billion.
- This project will shorten the route for China's energy imports from the Middle East by about 12,000 kms.

- The project includes building of highways, railways as well as pipelines. It is among the six economic corridors conceived under China's Silk Road Economic Belt and 21st-Century Maritime Silk Road.

INFRA POOL TO HAVE SEPARATE FUNDS FOR ROADS, CLEAN ENERGY

The government has tweaked the structure of the National Infrastructure Investment Fund (NIIF).

Key facts:

- The fund will now have two dedicated funds — one for roads and another for clean energy.
- This is aimed at getting long-term funds into these two crucial sectors of the economy.
- This will also reduce pressure on banks, which are the primary source of finance for long-term infrastructure projects.

About NIIF:

- The Union Cabinet, in July 2015, had approved creation of National Infrastructure and Investment Fund (NIIF) as a trust that will have a corpus of Rs 20,000 crore.
- The Fund aims to attract investment from both domestic and international sources.
- The government's contribution would be limited to 49% of the subscribed capital.
- The government will seek participation from strategic investors such as sovereign fund, quasi sovereign funds and multilateral or bilateral investors, which can help leverage this fund to many times.
- Cash-rich PSUs, pension funds, provident funds, National Small Saving Fund will be able to pick up stake in the fund.
- The government has budgeted to contribute Rs.20,000 crore to the fund in the current fiscal year while another Rs.20,000 crore is expected to be raised through sovereign wealth funds.

- The objective of NIIF is to maximize economic impact mainly through infrastructure development in commercially viable projects, both greenfield and brownfield, including stalled projects, NIIF would solicit equity participation from strategic anchor partners.

APPROVED STRENGTH OF JUDGES ENOUGH TO END BACKLOG: LAW PANEL HEAD

Law Commission of India Chairman and former Supreme Court judge Justice Balbir Singh Chauhan has said “working judges”, and not increasing sanctioned strength of judges, may be a solution to modern-day demands of judicial workload caused by the heightened legal awareness among the public about their liberties.

Details:

According to Justice Balbir Singh, “Increasing the sanctioned strength of judges will not solve the problem. We need working judges.”

Why workload has increased?

Workload has increased because of an increase in awareness among the public and education. There has also been an expansion of liberty.

What needs to be done now?

Steps should be taken to fill the sanctioned strength rather than increase the number of judges over and above the current sanctioned strength to solve pendency.

Background:

His view comes at a time when the Supreme Court has directed the Law Commission to file a report within a year on whether it is permissible to rid the apex court of routine appeals crowding the court, to help it focus on cases of national and public interest. Also, Chief Justice of India T.S. Thakur had recently called for over 70,000 more judges to be appointed to courts all over the country to clear the backlog.

The present vacancies in the High Courts number over 480 when the sanctioned strength is 1079.

GSAT-11 TO BE LAUNCHED IN EARLY 2017

GSAT-11 is set to be launched early next year on the European Ariane launch vehicle.

About GSAT-11:

In 2009, Government of India had approved the development of GSAT-11, which is touted to be one of the largest Indian communication satellite.

- GSAT-11 is a four-tonne geostationary communications satellite, which has a mission life of about 15 years.
- The GSAT-11 will not only link all the towns and villages in this country with quality high-speed Wi-Fi service, it will also integrate internet and television services.
- The satellite is currently under development at Department of Space and ISRO facilities.
- GSAT-11 is designed to generate a bandwidth of more than 12 gbps primarily for users of Internet driven services, VSAT operations and rural connectivity.
- **Operation calm down:** It is an army operation in J&K. It aims to clear out protesters and militants from the region.
- The third edition of BRICS Urbanisation Forum Meet has begun in Visakhapatnam, Andhra Pradesh. The conference will discuss about ways to increase the productivity and make a separate urban finance system and create employment opportunities.

INDIA DECLARES ITSELF FREE FROM AVIAN INFLUENZA (H5N1)

The Department of Animal Husbandry, Dairying and Fisheries in the Ministry of Agriculture and Farmers welfare has declared India free from Avian Influenza (H5N1).

- India had notified outbreak of Avian Influenza (H5N1) in May 2016 in Karnataka. There has been no further outbreak reported in the country thereafter.

- However, the Center has emphasized the need for continued surveillance especially in the vulnerable areas bordering infected countries and in areas visited by migratory birds.

WHAT IS H5N1?

H5N1 is a type of influenza virus that causes a highly infectious, severe respiratory disease in birds called avian influenza (or “bird flu”). Human cases of H5N1 avian influenza occur occasionally, but it is difficult to transmit the infection from person to person. When people do become infected, the mortality rate is about 60%.

How does H5N1 influenza spread to people?

Almost all cases of H5N1 infection in people have been associated with close contact with infected live or dead birds, or H5N1-contaminated environments. The virus does not infect humans easily, and spread from person to person appears to be unusual. There is no evidence that the disease can be spread to people through properly prepared and thoroughly cooked food.

Why is there so much concern about H5N1 influenza?

H5N1 infection in humans can cause severe disease and has a high mortality rate. If the H5N1 virus were to change and become easily transmissible from person to person while retaining its capacity to cause severe disease, the consequences for public health could be very serious.

Unaccounted flow of funds to NGOs a ‘major problem’: SC

Startled by the number of NGOs operating in India, Supreme Court has decided to lay down a legal framework to regulate their funding, spending and working. The court, in this regard, may also consider asking the Law Commission of India to bring an effective law to regulate the flow of money to NGOs.

Why?

According to the court, regulation of funds flowing to NGOs has become a major problem. NGOs in India are getting money from all over the world. Yet, there has not been any comprehensive law to deal with this.

Implications:

This could spell trouble for many NGOs as the Centre has initiated a process to examine which NGO received what amount from foreign sources and whether they had been permitted to receive monetary assistance from abroad under the Foreign Contribution Regulation Act (FCRA).

Why a law in this regard is necessary?

- According to CBI reports, only 2,90,787 NGOs file annual financial statements of a total of 29,99,623 registered ones under the Societies Registration Act.
- In some States, the laws do not even provide for the NGOs to be transparent about their financial dealings.
- In the Union Territories, of a total of 82,250 NGOs registered and functioning, only 50 file their returns.
- New Delhi has the highest number of registered NGOs among the Union Territories at 76,566. But none of these organisations submit returns.
- In Kerala, which has 3,69,137 NGOs, there is no legal provision to submit returns. The same is the case for Punjab with 84,752 and Rajasthan with 1.3 lakh NGOs.
- Uttar Pradesh, which has the highest number of NGOs at 5.48 lakh among 26 States, has only about 1.19 lakh filing returns.
- Tamil Nadu has about 1.55 lakh NGOs registered, however, only 20,277 file returns.

GOYAL CALLS FOR GLOBAL IMPLEMENTATION OF ‘POLLUTER PAYS’ PRINCIPLE

Power Minister Piyush Goyal has reiterated India’s stand for the implementation of ‘Polluter Pays’ principle on international carbon emissions.

Why this is necessary?

India is putting out about 4% of greenhouse gases supporting 17% of the world’s population. But, some of the largest polluters in the world are not taking any

responsibility in this regard. Therefore, the world will have to recognise the polluter pays principle.

What is Polluters Pay Principle?

The 'polluter pays' principle basically works on the premise that those responsible for higher pollution—whether it is an individual factory or a country—should bear the costs of managing it to prevent damage to health or the environment.

For instance, a factory that produces a potentially poisonous substance as a byproduct of its activities is usually held responsible for its safe disposal.

- The **National Hindi Divas was observed on 14 September**. Hindi Diwas commemorates the day when the Constituent Assembly of India accepted Hindi as the official language of the country along with English. The listing of Hindi as official language took place on September 14, 1949. **Article 351 of the Constitution** asks for the promotion and development of the Hindi language in a way that it could serve as a means of expression in all matters.

African Development Bank (AfDB) Group annual meeting

India will be hosting the next Annual Meetings of the African Development Bank (AfDB) Group in Ahmedabad in May 2017.

Key facts:

- In this regard, a MoU has been signed between GoI and AfDB. The MoU outlines the roles of Govt of India and AfDB.
- The mega international event will be attended by more than 5000 delegates from 80 member countries of the African Development Bank including the Governors, Alternate Governors, Executive Directors, policy makers and businesses.

Background:

The African Development Bank (AfDB) was established in 1963 with a view to promote the Economic Development and social progress of its regional members.

INDIA AND AFDB:

India became member of the African Development Bank (AfDB) in 1983. The Union Finance Minister and Secretary, Department of Economic Affairs (DEA), Ministry of Finance are the Governor and Alternate Governor of the Bank respectively.

Direct Tax Dispute Resolution Scheme, 2016 extended

The government has extended the time period of the Direct Tax Dispute Resolution Scheme, 2016. Now the scheme can be availed up to 31st December, 2016. This move is aimed at reducing the pending litigation.

Background:

The Direct Tax Dispute Resolution Scheme, 2016 has come into force from 1st June, 2016.

- The Scheme is available to the cases pending with the first appellate authority as on 29th February, 2016, subject to certain conditions.
- It also extends to the cases pending litigation owing to retrospective amendment at different levels.

Under the Scheme, if the amount of disputed tax is:

- Up to Rs.10 lakh, complete waiver from levy of penalty and from initiation of prosecution is provided on payment of assessed tax along with the interest.
- More than Rs.10 lakh, the declarant is required to pay only 25% of the minimum penalty leviable along with the due tax and interest.

Also, in respect of penalty appeals, the declarant shall get waiver of the 75% of the penalty levied and immunity from prosecution. In respect of specified tax, the declarant gets complete waiver of/immunity from levy of penalty and immunity from prosecution.

GOLD KEY TO LOWER GST RATE

The Centre is set to propose that the rate of tax on gold consumption be doubled under the Goods & Services Tax (GST) regime so as to allow the GST council the elbow room to set a lower standard GST rate.

INTENTION BEHIND SUCH MOVE:

To protect their revenues, States had sought that the standard GST rate, which will fall on the bulk of goods and services, be fixed at 20% or higher. According to the government, increase in revenue from gold consumption will provide the necessary cushion for the standard GST rate to be fixed at a level lower than 20%.

Background:

The proposal is based on last year's recommendation from a government committee headed by Chief Economic Advisor Arvind Subramanian. The panel had suggested taxing gold and other precious metals at rates ranging between 2% and 6%. This, the panel had argued, would protect the revenues of the States even if the standard rate of GST was pegged below 20%.

Present scenario:

At present, the Centre and States tax precious metals at rates between 1% and 1.6%. Currently, about 70% of goods and services get taxed at an average rate of 27%.

Is it a good move?

Yes, say few experts. It is because in a system in which the rate on gold was kept low and the standard GST rate was high, poor people end up subsidising the gold consumption of the rich. Gold is also an item which is prone to tax evasion, being a very high-value item.

Also, the higher tax rate proposed for precious metals actually subsumes many hidden taxes on them and brings many parts of the jewellery industry so far outside the tax net into the tax base.

Delink drug prices from R&D costs: UN

A landmark report by the United Nations High-Level Panel on Access to Medicines has called for delinking drug prices from research and development (R&D) costs.

- The report calls for human rights to be placed over intellectual property laws and all countries must freely be able to use flexibilities granted under TRIPS to access affordable medicines.

- The report also recognises the incoherence between the human rights and the intellectual property rules.

Important recommendations made:

- Countries that threaten generic drug makers like India for using their entitlements under the TRIPS agreement should be forced to face serious sanctions.
- Governments should negotiate the coordination, financing and development of health technologies to aid existing models.
- Governments should also increase current levels of investment in health technology innovation to address unmet needs.
- WTO Members must register complaints against undue political and economic pressure which includes taking punitive measures against offending WTO Members.
- Governments engaged in bilateral and regional trade and investment treaties should ensure that these agreements do not include provisions that interfere with their obligations to fulfil the right to health. Public health impact assessments should be undertaken, inform negotiations, and made publicly available.
- Several United Nations agencies should collaborate with one another and with other relevant bodies with the relevant expertise to support governments to apply public-health-sensitive patentability criteria.
- United Nations Secretary-General should establish an independent review body tasked with assessing progress on health technology innovation and access, which would monitor challenges and progress on innovation and access to health technologies under the ambit of the UN 2030 Agenda.
- Membership of this review body should include governments, representatives from the UN and multilateral organisations, civil society, academia, and the private sector.
- Separately, the report calls for the UN Secretary-General to establish an inter-agency taskforce on health technology innovation and access. This

taskforce, operating for the duration of the SDGs, should work toward increasing coherence among United Nations entities and relevant multilateral organizations like the WTO.

- It has also called for greater transparency in drug pricing and public health impact assessments in free trade agreements.

Background:

Access to medicines is not just a poor country problem. The high price of drugs is crippling healthcare systems across the world. Millions of people are suffering and dying because the medicines they need are too expensive. If implemented, the report's recommendations will go a long way towards ensuring all people have access to affordable quality medicines.

- **Exercise YUDHABHYAS 2016:** It is a joint military training exercise of Indian and US Armies. It has commenced at Chaubattia, Uttarakhand.
- **Tiangong 2:** It is a space station launched by China recently. It is part of China's plan to establish a manned space station around 2022. It is placed at 380 kilometres above Earth. There are two astronauts on board. Tiangong 2 will be used to test space technology and conduct medical and space experiments.

TIANGONG 2

- **Yatri Mitra Seva:** It is an initiative of railways to improve the railway travel experience of elderly, differently-abled and ailing passengers. It aims to simplify access to wheelchairs, battery operated cars and porter services. The scheme will be operational at all major railway stations. The Indian Railway Catering and Tourism Corporation Ltd. has been entrusted with implementing services that can be availed at the time of booking tickets online, accessing an app to be developed by the Centre for Railway Information Systems, calling or messaging '139' IVRS, or by dialling a dedicated mobile phone number.

MOU FOR SPEED IMPLEMENTATION OF NAMAMI GANGE PROGRAMME

Ministry of Water Resources, River Development and Ganga Rejuvenation (MoWR, RD&GR) has signed an MoU with the Ministry of Agriculture and Farmers Welfare (MoA&FW) for speedy implementation of Namami Gange programme.

Significance of this MoU:

Being a multi-disciplinary programme, the success of Namami Gange largely depends upon the participation of other ministries, state governments and local communities. Signing of this MoU will ensure effective and efficient implementation of various projects of Namami Gange.

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.

Focus of the programme:

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.

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).
- The program emphasizes on improved coordination mechanisms between various Ministries/Agencies of Central and State governments.

In order to improve implementation, a three-tier mechanism has been proposed for project monitoring comprising of:

1. High level task force chaired by Cabinet Secretary assisted by NMCG at national level.

2. State level committee chaired by Chief Secretary assisted by SPMG at state level.
3. District level committee chaired by the District Magistrate.

Other details:

- 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.

NASA'S CASSINI TO MAKE FINAL, CLOSEST OBSERVATIONS OF SATURN

After studying Saturn, its rings and moons for more than 12 years, NASA's Cassini spacecraft has entered the final year of its epic voyage during which it will make the closest-ever observations of the planet.

- The conclusion of the historic scientific odyssey is planned for September 2017.

Details:

- Cassini's final phase, called the Grand Finale, begins in earnest in April next year. A close flyby of Saturn's giant moon Titan will reshape the spacecraft's orbit so that it passes through the gap between Saturn and the rings, an unexplored space only about 2,400 kilometers wide.
- During the Grand Finale, Cassini will make the closest-ever observations of Saturn, mapping the planet's magnetic and gravity fields with exquisite precision and returning ultra-close views of the atmosphere.
- Cassini's orbit will send the spacecraft just past the outer edge of the main rings. These orbits, a series of 20, are called the F-ring orbits.

- During these weekly orbits, Cassini will approach to within 7,800 kilometres of the centre of the narrow F ring, with its peculiar kinked and braided structure.

CASSINI – NASA

About Cassini Mission:

Cassini-Huygens is an unmanned spacecraft sent to the planet Saturn. Cassini is the fourth space probe to visit Saturn and the first to enter orbit.

- Its design includes a Saturn orbiter and a lander for the moon Titan. The lander, called Huygens, landed on Titan in 2005. The spacecraft was launched on October 15, 1997. This was the first landing ever accomplished in the outer Solar System.

Objectives:

- Determine the three-dimensional structure and dynamic behavior of the rings of Saturn.
- Determine the composition of the satellite surfaces and the geological history of each object.
- Determine the nature and origin of the dark material on Iapetus's leading hemisphere.
- Measure the three-dimensional structure and dynamic behavior of the magnetosphere.
- Study the dynamic behavior of Saturn's atmosphere at cloud level.
- Study the time variability of Titan's clouds and hazes.
- Characterize Titan's surface on a regional scale.

MFIS SEE HIGHER GROWTH IN URBAN INDIA THAN RURAL: REPORT

According to an annual report by Sa-Dhan- the Bharat Microfinance Report 2016, the self-regulatory body for MFIs, microfinance institutions (MFIs) have seen their business grow faster in urban India than in rural in last one year.

Highlights of the report:

- In 2016, total loan amount disbursed increased by Rs.13,433 crore over 2015, there is a growth of

23% where amount increased in rural areas by 14% and in urban areas by 27%.

- 94% of the loans disbursed in 2015-16 were used for income-generating purposes, up from 80% in the previous year.
- However, the loans are being put to increasingly productive uses with a higher proportion of them going towards income generation than before.
- In 2011, RBI (Reserve Bank of India) regulation stipulated that a minimum of 70% of the MFI loans are to be deployed for income generating activities. Analysis of the loan portfolio held by reporting MFIs for 2014-15 and 2015-16 shows that the proportion of income generation loan to non income generation loan is 94:06.
- Within the income-generating loans, the largest proportion—39%—went to the animal husbandry sector, followed by 29% to the trading & small business category. Agriculture received 15% of the loans.

PROPOSALS PENDING FOR INCLUSION IN THE VIII SCHEDULE

There are 38 proposals pending for inclusion in the VIII Schedule of the Constitution with the government. The government had instituted an official group to look into the inclusion of these languages in the VIII Schedule. The committee has given its report and the government is examining it.

Background:

The proposal to include English along with 37 other regional languages like Bhojpuri, Chattisgarhi, Khasi and Bundelkhandi in the VIII Schedule of the Constitution, granting it an official status, has been pending with the Centre for 12 years now.

Procedural requirement for inclusion of languages in the Eighth Schedule:

A Committee was set up in September, 2003 under the Chairmanship of Shri Sitakant Mohapatra to evolve a set of objective criteria for inclusion of more languages

in the Eighth Schedule to the Constitution. The Committee submitted its report in 2004.

- The report of the Committee is under consideration in consultation with the concerned Minorities/ Departments of the Central Government.
- However, no time frame is fixed for consideration of the demands for inclusion of more languages in Eighth Schedule to the Constitution of India.

CONSTITUTIONAL PROVISIONS RELATING TO EIGHTH SCHEDULE:

The Constitutional provisions relating to the Eighth Schedule occur in articles 344(1) and 351 of the Constitution.

Article 344(1) provides for the constitution of a Commission by the President on expiration of five years from the commencement of the Constitution and thereafter at the expiration of ten years from such commencement, which shall consist of a Chairman and such other members representing the different languages specified in the Eighth Schedule to make recommendations to the President for the progressive use of Hindi for official purposes of the Union.

Article 351 of the Constitution provides that it shall be the duty of the Union to promote the spread of the Hindi language to develop it so that it may serve as a medium of expression for all the elements of the composite culture of India and to secure its enrichment by assimilating without interfering with its genius, the forms, style and expressions used in Hindustani and in the other languages of India specified in the Eighth Schedule, and by drawing, wherever necessary or desirable, for its vocabulary, primarily, on Sanskrit and secondarily on other languages.

The Eighth Schedule was mainly intended to promote the progressing use of Hindi and for the enrichment and promotion of that language.

- **Task force on Innovation:** The Department of Industrial Policy & Promotion (DIPP) has decided to set up a Task Force on Innovation. The Task Force will assess India's position as an innovative country, suggest measures to enhance the innovation eco-system and thus improve the country's ranking

in the Global Innovation Index (GII). It comprises members from the industry and the government.

SC MOVES AWAY FROM DEATH PENALTY

The Supreme Court has commuted the death sentence of a youth for raping and killing a seven-year-old girl but awarded him 25 year jail term, saying that judicial innovation was required in awarding appropriate punishment between death sentence and life imprisonment in heinous crimes.

What has the court said?

- The court has said that the offence did not come within the ambit of rarest of rare case but also held that life imprisonment of 14 years would not be sufficient punishment for the crime committed.
- Holding that innovative approach is needed to award sentence in such cases, the court directed that the convict must spend 25 years behind the jail.
- The court has also held that judicial innovation for bridging the gap between death sentence on the one extreme and only 14 years of actual imprisonment in the name of life imprisonment on the other, serves a laudable purpose and does not violate any law in the Indian Penal Code or in the Code of Criminal Procedure.

Significance of this judgment:

The innovative approach reflected in this case, on the one hand helps the convict in getting rid of death penalty in appropriate cases, on the other it takes care of genuine concerns of the victim including the society by ensuring that life imprisonment shall actually mean imprisonment for whole of the natural life or to a lesser extent as indicated by the court in the light of facts of a particular case.

Background:

A judicial innovation was formalised by a Constitution Bench of the Supreme Court in the Rajiv Gandhi killers' case in December 2015, instead of the death penalty.

This judicial innovation helps get rid of death penalty and addresses the genuine concerns of the society to see justice done.

- This innovative approach veering away from capital punishment was formalised after the Supreme Court gave itself the authority to tweak the sentencing laws and evolve a special category of sentence in its judgment in Union of India versus Sriharan alias Murugan last year.
- The innovation is an endeavour by the apex court to make “no party (convict or the society) a loser”.

What is special category?

The innovation involves substituting death penalty with a “special category” of life imprisonment without the benefit of release on remission for prolonged periods ranging from 25 to 30 years, if not more.

The special category is to be limited to a “very few cases”. This special category finds its first mention in the Swami Shraddhananda versus State of Karnataka judgment of the Supreme Court in 2008.

CAMBODIA EMERGES AS SURROGACY HUB

With India toughening its stand on surrogacy, evident in the Surrogacy (Regulation) Bill 2016 which the Cabinet cleared last month, Cambodia has emerged as a surrogacy hub.

- Surrogacy service seekers and even doctors have started moving to destinations that still allow this service including Cambodia.
- Besides Cambodia, countries such as Ukraine and Kenya are also attracting doctors from India.

Why Cambodia has emerged as an attractive destination?

As in the early days of surrogacy in India, the lack of proper laws or guidelines in Cambodia has proved a big attraction.

Why India is becoming unattractive for surrogacy?

Surrogacy laws in India are becoming tougher. India banned commercial surrogacy in November, 2015. The Cabinet also recently cleared the Surrogacy (Regulation) Bill 2016. The bill has made the government's intent to ban commercial surrogacy clear.

SIMPLIFY FACTORY INSPECTIONS FOR 'EASE OF DOING BUSINESS': CII

Confederation of Indian Industries (CII) has released its white paper titled 'Inspections and Regulatory Enforcements for Micro Small and Medium Enterprises (MSMEs) in India.'

What has the CII said?

In its report, the CII notes that the factory inspection system in India needs a complete overhaul to bring India among the top 50 countries in terms of 'ease of doing business' in the next two years.

Why?

According to the report, the excessive number of inspections in India weighs down on the competitive advantage and the 'ease of doing business' of Indian businesses.

What are the challenges faced by MSMEs in India, according to the report?

- A manufacturing company in India has to comply with around 70 laws and regulations.
- Besides, 40 inspectors and government officials visit factories on an average with the ulterior motive to fleece the company promoters and owners. Most of the inspections conducted are related to environment or labour law compliances.
- Apart from multiple inspections, a company has to file around 100 returns every year.
- Inspections in India have also been found to be excessive, duplicate and complicated, imposing significant costs on businesses, especially MSMEs. While most inspections are selected locally, without any objective criteria, inspectors act over-zealously and make extortionist demands from factories.
- There are also variations in inspections conducted on small factories across the country. While inspectors for labour compliances visit most SMEs once or twice a year, it has been observed that in Jammu and Kashmir and Uttarakhand, SMEs are visited by labour inspectors once every month.

What needs to be done?

- CII has called for an integrated inspection system and highlighted the need for inculcating a risk-based approach in the inspection system which will rationalise the number of inspections and weed out the redundancy and duplicity.
- A portal could be created for automatically updating invoices related to excise, sales tax, customs and the like by SMEs and this could be used by regulators and inspectors in lieu of physically visiting the factory premises. Audited accounts of SMEs could be used by inspectors while performing verification.
- CII has also urged the central government to encourage the states to pursue a process for simplification of labour laws and compliance.

Background:

India is currently placed at 130 out of 189 countries in the 'ease of doing business' rankings.

Rich Indians worry as 'dollar' visa set to end

Many high net worth individuals the world over, including in India, are worried as the controversial immigrant visa programme for the wealthy in the US- EB-5 Programme, is set to expire this month-end.

What is EB-5 Programme?

It is popularly called as the 'Green Card for greenback' scheme. The EB-5 programme was created in 1990 with the approval of the US Congress — America's highest law-making body.

- It aims to boost the American economy by attracting investment from foreign nationals and generating employment for locals. In 1992, its scope was widened through an Immigrant Investor Programme, or the Regional Centre Programme.
- Simply put, the programme grants rich entrepreneurs — as well as their spouses and unmarried children below the age of 21 — an opportunity to bag the coveted U.S. Green Card (or status of permanent residence) and Citizenship.

- The programme is named EB-5 as it is the fifth preference category under the Employment-Based (EB) immigration visas.

How this scheme operates?

- Rich entrepreneurs have to invest in over half a million dollars in the U.S. and ensure that the funds help generate at least ten full-time jobs for qualified U.S. workers.
- The visa, given in exchange for investments, grants the holder a conditional permanent residence status.
- After two years, the conditions may be removed, when it becomes permanent green card that can lead to citizenship, provided it has resulted in the creation of 10 jobs.

Key facts:

- In order to be considered for permanent residency status in the U.S., the Programme mandates a qualified foreign investor to invest at least \$1 million — or a minimum of \$500,000 if the investment is made in certain rural areas or regions with high unemployment — and show that ten or more full-time positions were generated or preserved directly or indirectly as a result of that investment.
- These EB-5 investments can be stand-alone or made through Regional Centres, with the former (direct investments) carrying a greater risk than investments made through over 860 approved Regional Centres that have more on-the-ground knowledge.
- Regional Centres are certain designated organisations permitted to collect money from overseas investors seeking the EB-5 visas, and then pump such foreign investment into officially approved projects.

Why Indians are concerned?

In 2015, the U.S. authorities issued 111 EB-5 visas to Indians — that is 15 more than the previous year, and 74 more than the number of such immigrant visas issued in 2011. The rapid rise in the number of EB-5 visas to Indians in the last few years had led to the filing of over a thousand applications under that category from India this year.

However, in the backdrop of allegations of fraud and corruption — including against Indian-origin individuals — related to the programme, the U.S. Congress is planning to consider whether to renew it or to pay heed to growing criticism and wind it up altogether.

Key facts:

- According to U.S. government data, applicants from China managed to get 8,156 visas under this programme.
- This was followed by Vietnam (280), China/Taiwan-born (139), South Korea (116), India (111), Russia (88), UK (84), Mexico (77) and Iran (62).

Way ahead:

EB-5 programme has so far attracted FDI worth around \$16.8 billion. It has also contributed \$9.62 billion to the U.S. GDP, supported 29,300 jobs annually and generated \$2.08 billion in tax revenue. Now, it remains to be seen how the U.S. Congress will do a balancing act especially since it is estimated that if the programme fails to get re-authorized, it could not only adversely impact over \$20 billion worth of investments, but also lead to many court cases in addition to a loss of an estimated over three lakh jobs.

- **Mormugao:** It is indigenously built Guided Missile Destroyer. It was recently commissioned. It is the second ship of Project 15B. Project 15B ships feature cutting edge advanced technology and are comparable to the best ships of similar class anywhere in the world. These ships have been designed indigenously by the Directorate of Naval Design, New Delhi. Each ship spans 163 metres in length and 17.4 metres at beam and displaces 7300 tonnes. These ships will be propelled by four gas turbines to achieve speeds in excess of 30 knots. The P15B destroyers incorporate new design concepts for improved survivability, sea keeping, stealth and ship manoeuvrability.

- **Giant African Land Snail (GALS):** It was recently sighted in Goa university. It has been listed in the world's top 100 invasive species. According to experts, the presence of this snail in Goa could be showing indicators of impact of gross human

interference in the natural ecosystem. Ecologically, the species are dangerous as they reproduce faster and take over entire ecosystems, this becoming a menace to crops.

ONLINE SEARCH ENGINES SHOULD CHECK SEX DETERMINATION ADS, SAYS SUPREME COURT

Noting that online search engines Google, Yahoo and Microsoft are under an “obligation” to check pre-natal sex determination advertisements, the Supreme Court has directed them to develop in-house methods to prohibit such content.

What has the court said?

Search engines are under obligation to see that the ‘doctrine of auto block’ is applied within a reasonable period of time. Also, it has to be an in-house procedure/method to be introduced by the companies.

Background:

PCPNDT law prohibits pre-natal sex determination. The PCPNDT Act was brought in to stop female foeticide and arrest the declining sex ratio in India. Under this Act, gender selection is prohibited.

ABOUT PCPNDT ACT:

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

- The main purpose of enacting the act is to ban the use of sex selection techniques before or after conception and prevent the misuse of prenatal diagnostic technique for sex selective abortion.
- Offences under this act include conducting or helping in the conduct of prenatal diagnostic technique in the unregistered units, sex selection on a man or woman, conducting PND test for any purpose other than the one mentioned in the act, sale, distribution, supply, renting etc. of any ultra sound machine or any other equipment capable of detecting sex of the foetus.

Key features of the act:

- The Act provides for the prohibition of sex selection, before or after conception.
- It regulates the use of pre-natal diagnostic techniques, like ultrasound and amniocentesis by allowing them their use only to detect few cases.
- No laboratory or centre or clinic will conduct any test including ultrasonography for the purpose of determining the sex of the foetus.
- No person, including the one who is conducting the procedure as per the law, will communicate the sex of the foetus to the pregnant woman or her relatives by words, signs or any other method.
- Any person who puts an advertisement for pre-natal and pre-conception sex determination facilities in the form of a notice, circular, label, wrapper or any document, or advertises through interior or other media in electronic or print form or engages in any visible representation made by means of hoarding, wall painting, signal, light, sound, smoke or gas, can be imprisoned for up to three years and fined Rs. 10,000.
- The Act mandates compulsory registration of all diagnostic laboratories, all genetic counselling centres, genetic laboratories, genetic clinics and ultrasound clinics.
- Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 (PNDT), was amended in 2003 to The Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition Of Sex Selection) Act (PCPNDT Act) to improve the regulation of the technology used in sex selection. The Act was amended to bring the technique of pre conception sex selection and ultrasound technique within the ambit of the act. The amendment also empowered the central supervisory board and state level supervisory board was constituted. In 1988, the State of Maharashtra became the first in the country to ban pre-natal sex determination through enacting the Maharashtra Regulation of Pre-natal Diagnostic Techniques Act.

ONE-THIRD OF TOTAL MATERNAL DEATHS IN 2015 HAPPENED IN INDIA: REPORT

Ahead of the U.N. General Assembly, The Lancet has published a new series of papers on maternal health which reveal that while progress has been made in reducing maternal mortality globally, differences remain at international and national levels.

Highlights of the report:

- Each year, about 210 million women become pregnant and about 140 million newborn babies are delivered. But, nearly one quarter of babies worldwide are still delivered in the absence of a skilled birth attendant.
- In high-income countries, rates of maternal mortality are decreasing but there is still wide variation at national and international level. For instance, in the U.S., the maternal mortality ratio is 14 per 1,00,000 live births compared to 4 per 1,00,000 in Sweden. Nigeria shouldered the maximum burden of 58,000 maternal deaths.
- The sub-Saharan African region accounted for an estimated 66% (2,01,000) of global maternal deaths, followed by southern Asia at 22% (66,000 deaths). However, not all care is evidence-based, and improved surveillance is needed to understand the causes of maternal deaths when they do occur.
- There are also new challenges in delivering high quality care, including the increasing age of pregnancy, and higher rates of obesity.
- While facility and skilled birth attendant deliveries are increasing in many low-income countries, phrases such as 'skilled birth attendant' and 'emergency obstetric care' can mask poor quality care. Besides, many birth facilities lack basic resources such as water, sanitation and electricity.
- Also, measuring progress via the current indicator of skilled birth attendant coverage is insufficient and fails to reflect the complexity of circumstances. It is also unethical to encourage women to give birth in places with low facility capability, no referral mechanism, with unskilled providers, or where

content of care is not evidence-based. This failing should be remedied as a matter of priority.

Reasons for poor maternal health care:

According to the report, there are two broad scenarios that describe the landscape of poor maternal health care — the absence of timely access to quality care (defined as 'too little, too late') and the over-medicalisation of normal and postnatal care (defined as 'too much, too soon').

The problem of over-medicalisation has historically been associated with high-income countries, but it is rapidly becoming more common in low and middle-income countries, increasing health costs and the risk of harm. For instance, 40.5% of all births are now by caesarean section in Latin America and the Caribbean.

What's the main concern?

In all countries, the burden of maternal mortality falls disproportionately on the most vulnerable groups of women. This reality presents a challenge to the rapid catch-up required to achieve the underlying aim of the Sustainable Development Goals [SDGs] — to leave no one behind.

Why India should be concerned?

One-third of the total maternal deaths in 2015 happened in India, where 45,000 mothers died during pregnancy or childbirth.

CENTRE SENDS BS-V AUTO EMISSION NORMS FOR A 'SIX'

The Centre has notified the Bharat Stage (BS)-VI emission standards for two-wheelers and four-wheelers from April 2020 across the country.

Key facts:

- With this, the government has decided to skip the BS-V emission standards and move directly to BS-VI from the BS-IV norms currently being followed in various cities.
- The Ministry of Road Transport and Highways has given the Union Petroleum Ministry four years to make BS-VI fuels available to auto companies.

- Oil companies will be investing more than Rs.60,000 crore towards BS-VI fuels. BS-VI is the Indian equivalent of the Euro-VI norms. At present, BS-IV norms are being followed in over 30 cities while the rest of the country follow BS-III norms.

Background:

In a bid to curb vehicular pollution, the government, in January 2016 decided to implement stricter emission norms of Bharat Stage (BS) VI from April 1, 2020 by skipping BS-V altogether.

What are Bharat norms?

Introduced in the year 2000, the Bharat norms are emission control standards put in place by the government to keep a check on air pollution. Based on the European regulations (Euro norms), these standards set specifications/limits for the release of air pollutants from equipment using internal combustion engines, including vehicles. Typically, the higher the stage, the more stringent the norms.

- The BS IV norms were introduced in 13 cities apart from the National Capital Region from April 2010. Currently, BS IV fuel is being made available across the country in stages, with the entire nation expected to be covered by April 2017.

BS-VI Norms:

- The particulate matter emission in BS-V and BS-VI is same for diesel cars though it is 80% less than BS IV.
- The nitrogen oxide (NOx) level is, however, 55% less in BS-VI over BS-V which in itself is 28% lower than BS IV.
- The sulphur content in fuel norms for diesel and petrol under both BS-V and -VI standards does not change at 10 ppm, though it is substantially less than 50 mandated for both the fuels under BS-IV.
- PARAM-ISHAN: It is a super computing facility launched recently at IIT, Guwahati. PARAM-ISHAN have power of 250 Teraflops and three hundred tera bites capacity and this will not only augment the research initiatives in the Institute, but

also help in creating an ecosystem for attracting right talents to the field of research. PARAM-ISHAN can be used in the application areas like Computational Chemistry, Computational Fluid Dynamics, Computational Electromagnetic, Civil Engineering Structures, Nano-block Self Assemble, Optimization etc. North East India receives heavy rainfall during monsoon, which leads to flooding and landslides. PARAM-ISHAN can also be used for Weather, climate modeling and seismic data processing.

- Australia has returned to India three sculptures. The returned sculptures are – a 900-year-old stone statue of Goddess Pratyangira, a third century rock carving of worshippers of the Buddha and the sculpture of ‘Seated Buddha’.

GOVT ANNOUNCES 27 MORE CITIES IN SECOND ROUND

The government has selected 27 new smart cities in the latest round of ‘Smart City Challenge’ competition.

Key facts:

First Round Winners

- The 27 smart cities announced are from 12 States including 5 from Maharashtra, 4 each from Tamil Nadu and Karnataka, 3 from Uttar Pradesh and 2 each from Punjab and Rajasthan. Nagaland and Sikkim have made it to the smart city list for the first time.
- Amritsar has topped the list. Eight other cities of pilgrim and tourism importance that made to the third list of smart cities are ; Ujjain, Tirupati, Agra, Nashik, Madurai, Thanjavur, Ajmer and Varanasi.
- With this the number of cities selected under Smart City Mission for financing implementation of smart city plans has gone up to 60.
- With this announcement, implementation of smart city plans is now spread over 27 States and UTs.
- 9 States/UTs still to enter implementation phase are; Uttarakhand, J & K, Meghalaya, Mizoram, Nagaland, Arunachal Pradesh, Puducherry,

Lakshadweep, Daman & Diu and Dadra, Nagar & Haveli.

Funding:

- The new 27 smart cities have proposed an investment of Rs.66,883 cr under smart city plans including Rs.42,524 cr under Area Based Development.
- The cities have proposed another Rs.11,379 cr for technology based Pan-city solutions that benefits all the citizens of respective cities.
- With this, the total investment proposed by the 60 cities selected so far has gone up to Rs.1,44,742 cr.

Background:

The Smart Cities mission was launched in June 2015 with the government releasing the guidelines and mission statement for the 100 Smart Cities project.

- Under this programme, the government 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.

INDIA SUCCESSFULLY TEST FIRES LONG RANGE SURFACE-TO-AIR MISSILE

India has successfully test-fired the Barak-8 long-range surface-to-air nuclear-capable ballistic missile, jointly developed with Israel, from a defence test facility off the Odisha coast.

About the missile:

- LRSAM is also called Barak 8 missile in Israel which in Hebrew language means Lightning.
- The missile configuration is same for both LRSAM/ MRSAM.
- For the LRSAM, DRDO has designed and developed Dual Pulse Propulsion System and other safe arm mechanisms for Solid Propulsion system.
- It has the ability to hit targets within radii of 70 km to 90 km.
- The missile is designed to defend against any type of airborne threat including aircraft, helicopters, anti-ship missiles, and UAVs as well as cruise missiles and combat jets.
- Both maritime and land-based versions of the system exist.

The LRSAM programme consists of Missiles, MFSTAR (Radar), Weapon Control System, Vertical Launcher unit and Two- way data link.

INDIA SLIPS 10 NOTCHES IN WORLD ECONOMIC FREEDOM INDEX 2016

The Economic Freedom of the World: 2016 Annual Report has been released worldwide by the Centre for Civil Society, a public policy think tank, along with Canada's Fraser Institute.

- The report measures the degree of economic freedom in countries in five broad areas based on 2014 data – size of government: expenditure, taxes and enterprises; legal structure and security of property rights; access to sound money; freedom to trade internationally and regulation of credit, labour, and business.

Highlights:

- Hong Kong topped the index, followed by Singapore and New Zealand among 159 countries.
- India has been ranked 112th. India has slipped 10 positions and ranks behind Bhutan (78), Nepal (108)

and Sri Lanka (111) but stood higher than China (113), Bangladesh (121) and Pakistan (133).

- India has fared badly in all categories i.e. legal system and property rights (86), sound money (130), freedom to trade internationally (144) and regulation (132) except the size of the government (8),” as per the report.
- The 10 lowest-ranked countries are Iran, Algeria, Chad, Guinea, Angola, Central African Republic, Argentina, Republic of Congo, Libya and lastly Venezuela.
- Other notable countries include the United States (16), Germany (30), Japan (40), France (57) and Russia (102).
- In the top quartile, the average income of the poorest 10% was \$11,283, compared with \$1,080 in the bottom quartile in 2014. Interestingly, the average income of the poorest 10% in the most economically free nations was twice the average per capita income in the least free nations, says the report.
- Life expectancy was 80.4 years in the top quartile compared with 64 years in the bottom quartile, while political and civil liberties were also considerably higher in economically free nations.

Significance of economic freedom index:

The economic freedom index of a country is directly proportional to the freedom and opportunities available to its citizens. People living in countries with high levels of economic freedom enjoy greater prosperity, more political and civil liberties, and longer lives. On the contrary, countries at the lower levels of freedom index tend to suppress its citizens’ freedom and rights.

C MERGER OF RAIL BUDGET WITH GENERAL BUDGET

The Union Cabinet has approved the proposal of Ministry of Finance to merge Railway budget with the General budget.

Background:

The presentation of separate Railway budget started in the year 1924, and has continued after independence as a convention rather than under Constitutional provisions.

The arrangements for merger of Railway budget with the General budget have been approved by the Cabinet with the following administrative and financial arrangements:

- The Railways will continue to maintain its distinct entity -as a departmentally run commercial undertaking as at present.
- Railways will retain their functional autonomy and delegation of financial powers etc. as per the existing guidelines.
- The existing financial arrangements will continue wherein Railways will meet all their revenue expenditure, including ordinary working expenses, pay and allowances and pensions etc. from their revenue receipts.
- The Capital at charge of the Railways estimated at Rs.2.27 lakh crore on which annual dividend is paid by the Railways will be wiped off. Consequently, there will be no dividend liability for Railways from 2017-18 and Ministry of Railways will get Gross Budgetary support. This will also save Railways from the liability of payment of approximately Rs.9,700 crore annual dividend to the Government of India.

The merger would help in the following ways:

- The presentation of a unified budget will bring the affairs of the Railways to centre stage and present a holistic picture of the financial position of the Government.
- The merger is also expected to reduce the procedural requirements and instead bring into focus, the aspects of delivery and good governance.
- Consequent to the merger, the appropriations for Railways will form part of the main Appropriation Bill.

ADVANCEMENT OF THE BUDGET PRESENTATION

The Cabinet has approved, in principle, for advancement of the date of Budget presentation from the last day of February to a suitable date.

- The exact date of presentation of Budget for 2017-18 would be decided keeping in view the date of assembly elections to be held in States.

This would help in following ways:

- The advancement of budget presentation by a month and completion of Budget related legislative business before 31st March would pave the way for early completion of Budget cycle and enable Ministries and Departments to ensure better planning and execution of schemes from the beginning of the financial year and utilization of the full working seasons including the first quarter.
- This will also preclude the need for seeking appropriation through 'Vote on Account' and enable implementation of the legislative changes in tax; laws for new taxation measures from the beginning of the financial year.

MERGER OF PLAN AND NON PLAN CLASSIFICATION IN BUDGET AND ACCOUNTS

The cabinet has approved the merger of Plan and Non Plan classification in Budget and Accounts from 2017-18, with continuance of earmarking of funds for Scheduled Castes Sub-Plan/Tribal Sub-Plan. Similarly, the allocations for North Eastern States will also continue.

This would help in resolving the following issues:

- The Plan/Non-Plan bifurcation of expenditure has led to a fragmented view of resource allocation to various schemes, making it difficult not only to ascertain cost of delivering a service but also to link outlays to outcomes.
- The bias in favour of Plan expenditure by Centre as well as the State Governments has led to a neglect of essential expenditures on maintenance of assets

and other establishment related expenditures for providing essential social services.

- The merger of plan and non-plan in the budget is expected to provide appropriate budgetary framework having focus on the revenue, and capital expenditure.

CABINET APPROVES THE RIVER GANGA (REJUVENATION, PROTECTION AND MANAGEMENT) AUTHORITIES ORDER, 2016

The Union Cabinet under has approved the River Ganga (Rejuvenation, Protection and Management) Authorities Order, 2016.

Key facts:

- The Order lays down a new institutional structure for policy and implementation in fast track manner and empowers National Mission for Clean Ganga to discharge its functions in an independent and accountable manner.
- It has also been decided to grant a Mission status to the Authority with corresponding powers under Environment (Protection) Act, 1986 to take cognizance of the provision of the said Act and follow up thereon.
- Similarly, there is adequate delegation of financial and administrative powers which will distinctly establish NMCG as both responsibility and accountability centre and effectively accelerate the process of project implementation for Ganga Rejuvenation.

Briefly, the Order envisages:

- Creation of the National Council for River Ganga (Rejuvenation, Protection and Management), as an Authority under the Chairperson of Hon'ble Prime Minister, in place of the existing NGRBA for overall responsibility for superintendence of pollution prevention and rejuvenation of river Ganga Basin.
- Setting up of an Empowered Task Force chaired by Hon'ble Minister of Water Resources, River Development and Ganga Rejuvenation to ensure that the Ministries, Departments and State Governments concerned have an action plan with specific activities,

milestones, and timeliness for achievement of the objective of rejuvenation and protection of River Ganga and a mechanism for monitoring implementation of its action plans.

- Declaration of National Mission for Clean Ganga (NMCG) as an Authority with powers to issue directions and also to exercise the powers under the Environment (Protection) Act, 1986 to enable it to carry out efficiently its mandate. The NMCG will have a two-tier management structure with a Governing Council (GC), to be chaired by DG, NMCG. Below the GC, there will be an Executive Committee (EC) constituted out of the GC, to be chaired by the DG, NMCG.
- NMCG will comply with the decisions and directions of the National Ganga Council and implement the Ganga Basin Management Plan approved by it; co-ordinate and carry out all activities necessary for rejuvenation and protection of River Ganga and its tributaries.
- At the State level, it is proposed to create the State Ganga Committees in each of the defined States as Authority, to function as Authorities in respect of each State and perform the superintendence, direction and control over the District Ganga Protection Committees under their jurisdiction.
- Similarly, the District Ganga Committees in each of the Ganga Bank Districts will carry out the assigned tasks as an Authority at the district level, to take cognizance of local threats and needs of river Ganga and conceptualise such measures as necessary to ensure overall quality of water in river Ganga and monitor various projects being implemented.

Background:

The Ganga Action Plan (GAP) Phase-I was launched in 1985 and later GAP Phase-II was initiated in 1993 with the objective of improving the water quality of river Ganga and was later expanded to include some of its tributaries also.

In May, 2015, the Government approved the Namami Gange programme as a comprehensive mechanism to take up initiatives for rejuvenation of river Ganga and its

tributaries as a Central Sector Scheme with hundred per cent funding by the Union Government.

SUBMARINE OPTICAL FIBRE CABLE CONNECTIVITY BETWEEN MAINLAND (CHENNAI) AND ANDAMAN & NICOBAR ISLANDS

The Union Cabinet has given its approval for provision of a direct communication link through a dedicated submarine Optical Fibre Cable (OFC) between Mainland (Chennai) and Port Blair & five other islands viz. Little Andaman, Car Nicobar, Havelock, Kamorta and Great Nicobar.

Key facts:

- The estimated cost of the project is Rs. 1102.38 crore including operational expenses for 5 years. The project is likely to be completed by December 2018.
- The approval would equip Andaman & Nicobar Islands (ANI) with appropriate bandwidth and telecom connectivity for implementation of e-Governance initiatives; establishment of enterprises & e-commerce facilities.
- It will also enable the provision of adequate support to educational institutes for knowledge sharing, availability of job opportunities and fulfil the vision of Digital India.

Need for submarine OFC:

The Andaman and Nicobar Islands are of immense strategic significance for India. The geographical configuration and the location of the Andaman & Nicobar Islands chain in the Bay of Bengal safeguard India's eastern seaboard.

- Provision of secure, reliable, robust, and affordable telecom facilities in these islands is of importance from a strategic point of view to the country and also an important requirement for the socio-economic development of the islands.
- Currently the only medium of providing telecom connectivity between Mainland and Andaman & Nicobar Islands is through satellites, but the bandwidth available is limited to 1 Gbps. Satellite

bandwidth is very costly and its availability is limited due to which future bandwidth requirement cannot be met solely through it.

- Then, there is an issue of redundancy, that is, no alternate media is available in case of any emergency. Lack of bandwidth and telecom connectivity is also hampering socio-economic development of the islands.
- Hence it is essential to have submarine OFC connectivity between the Mainland India and Andaman & Nicobar Islands, being the only option for catering to projected future bandwidth requirements.

ADMIRALTY (JURISDICTION AND SETTLEMENT OF MARITIME CLAIMS) BILL 2016

The Union Cabinet has given its approval to the proposal of Ministry of Shipping to enact Admiralty (Jurisdiction and Settlement of Maritime Claims) Bill 2016 and to repeal five archaic admiralty statutes.

- The repealing of five admiralty statutes is in line with the Government's commitment to do away with archaic laws which are hindering efficient governance.

Key facts:

- The Bill consolidates the existing laws relating to admiralty jurisdiction of courts, admiralty proceedings on maritime claims, arrest of vessels and related issues.
- It also repeals five obsolete British statutes on admiralty jurisdiction in civil matters, namely, (a) the Admiralty Court Act, 1840 (b) the Admiralty Court Act, 1861, (c) Colonial Courts of Admiralty Act, 1890, (d) Colonial Courts of Admiralty (India) Act, 1891, and (e) the provisions of the Letters Patent, 1865 applicable to the admiralty jurisdiction of the Bombay, Calcutta and Madras High Courts.

Salient Features of Admirability Bill, 2016:

- The Bill confers admiralty jurisdiction on High Courts located in coastal states of India and this jurisdiction extends upto territorial waters.
- The jurisdiction is extendable, by a Central Government notification, upto exclusive economic zone or any other maritime zone of India or islands constituting part of the territory of India.
- It applies to every vessel irrespective of place of residence or domicile of owner.
- Inland vessels and vessels under construction are excluded from its application but the Central Government is empowered to make it applicable to these vessels also by a notification if necessary.
- It does not apply to warships and naval auxiliary and vessels used for non-commercial purposes.
- The jurisdiction is for adjudicating on a set of maritime claims listed in the Bill.
- In order to ensure security against a maritime claim a vessel can be arrested in certain circumstances.
- The liability in respect of selected maritime claims on a vessel passes on to its new owners by way of maritime liens subject to a stipulated time limit.
- In respect of aspects on which provisions are not laid down in the Bill, the Civil Procedure Code, 1908 is applicable.

Background:

India is a leading maritime nation and maritime transportation caters to about ninety-five percent of its merchandise trade volume. However, under the present statutory framework, the admiralty jurisdiction of Indian courts flow from laws enacted in the British era.

What is admiralty jurisdiction?

Admiralty jurisdiction relates to powers of the High Courts in respect of claims associated with transport by sea and navigable waterways.

USOF SUPPORT TO BSNL

The Union Cabinet has approved the proposal to extend subsidy support of Rs. 1,250 crore to Bharat Sanchar Nigam Limited (BSNL) from Universal Service Obligation Fund (USOF), as compensation for deficit incurred by BSNL in operating the Rural Wire-line connections installed prior to 1st April, 2002.

Key facts:

- The government has also said that the subsidy support would be the last and final payment and no further request from BSNL for financial/subsidy support from USOF on this count shall be considered.
- In order to make Bharat Sanchar Nigam Limited (BSNL) eligible for subsidy funding on nomination basis from USOF, amendment will be required in Rule 526 of the Indian Telegraph Rules (ITRs), 1951. *It stipulates that the criteria for selection of Universal Service Providers shall be made by bidding process from amongst eligible entities for implementation of USOF schemes.* Corresponding Amendment in Rule 525 will also be required.

Background:

USOF since its inception in 2002 has been providing subsidy for BSNL for the rural wire line connections installed prior to 1.4.2002. A total of Rs. 8,692 crore has been extended as USOF subsidy support till date, for the rural wire-line connections, installed by BSNL prior to 1.4.2002.

UNIVERSAL SERVICE OBLIGATION FUND:

USOF, established in 2002, provides effective subsidies to ensure telegraph services are provided to everyone across India, especially in the rural and remote areas. It is headed by the USOF Administrator who reports to the Secretary, Department of Telecommunications (DoT).

- Funds come from the Universal Service Levy (USL) of 5% charged from all the telecom operators on their Adjusted Gross Revenue (AGR) which are then deposited into the Consolidated Fund of India, and require prior parliamentary approval to be dispatched.

- The USOF works through a bidding process, where funds are given to the enterprise quoting the lowest bid. However, the funds for NOFN were made an exception to this process since BBNL was the sole party involved in the implementation having being specifically created for it.

IWAI SIGNS CONTRACT WITH DST

With its objective of providing safe, environment friendly and economical mode of transportation through National Waterway-1 (NW-1), the Inland Waterways Authority of India (IWAI), Ministry of Shipping has signed a contract with M/s DST, Germany to design vessels, especially suited to navigate the 1620 km stretch of NW-1.

Background:

Government is developing NW-1 under the Jal Marg Vikas Project, with assistance from the World Bank at an estimated cost of Rs. 4,200 crore.

- The project would enable commercial navigation of vessels with capacity of 1500-2,000 tons. Phase-I of the project covers the Haldia-Varanasi stretch.
- The project includes development of fairway, Multi-Modal Terminals at Varanasi, Haldia, and Sahibganj, strengthening of river navigation system, conservancy works, modern River Information System (RIS), Digital Global Positioning System (DGPS), night navigation facilities, modern methods of channel marking, construction of a new state of the art navigational lock at Farakka etc.

- **5th BIRAC Innovators Meet:** BIRAC (Biotechnology Industry Research Assistance Council), a non-profit Public Sector Enterprise under the aegis of Department of Biotechnology (DBT), Government of India, is organizing the 5th Innovators Meet in New Delhi. The theme of the meet would be 'Biotech Innovation Ecosystem – Strategizing the Next Leap'. The Innovators Meet is being organized for marking BIRAC's continuous efforts to foster innovation and entrepreneurship in all places of research. BIRAC's mandate is to serve as a single window interface to promote affordable

innovation in key social sectors with higher focus on start-ups & small and medium enterprises.

- **Incredible India Tourism Investors Summit (IITIS)-2016:** It was recently inaugurated by Finance Minister Arun Jaitley. IITIS is a platform for domestic and international investors to meet project owners from across Indian states and the private sector. The Key Highlights of the Summit are- Participation from 29 Indian States and UTs; Around 700 investable projects from across the country and from across various sectors of tourism; Total participation of more than 1800 registered delegates; Participation from 250 National and International investors; Key Policy Makers from Central and State Government; Welcome Diner & Cultural Evening and 23 seminars across the two days event.

ENHANCED SUPPORT UNDER MERCHANDISE EXPORTS FROM INDIA SCHEME (MEIS)

In the backdrop of the continued challenging global environment being faced by Indian exporters, Department of Commerce has extended support to certain new products and enhanced the rate of incentives for certain other specified products under the Merchandise Exports from India Scheme (MEIS).

2901 additional products falling under different product categories have been added. These include items in the following areas:

- Many items of traditional medicines like Ashwagandha herbs and its extracts, other herbs, extracts of different items.
- Certain marine products, sea feed items.
- Onion dried, processed cereal products and other value added items of plastics, lather articles, suitcases etc
- Industrial products under different categories, including engineering goods, fabrics, garments, chemicals, ceramics, glass products, leather goods, newspapers, periodicals, silk items, made ups, wool products, tubes, pipes etc.

Background:

Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy of India (FTP 2015-20) is one of the two schemes introduced in Foreign Trade Policy of India 2015-20, as a part of Exports from India Scheme.

Objective of Merchandise Exports from India Scheme (MEIS) as per Indian Foreign Trade Policy 2015-20 (FTP 2015-20) is to offset infrastructural inefficiencies and associated costs involved in export of goods/products, which are produced/manufactured in India, especially those having high export intensity, employment potential and thereby enhancing India's export competitiveness.

MINISTRY OF SHIPPING PROPOSES NEW MODEL CONCESSION AGREEMENT FOR PORT SECTOR

The Ministry of Shipping has proposed a new Model Concession Agreement (MCA) for the Port Sector.

Key facts:

- The proposed MCA will replace the existing Model Concession Agreement which came into existence in January, 2008.
- The proposed MCA has taken into account the suggestions provided in various reports by Member Planning Commission (2010), Indian Ports Association (IPA-2015) and Kelkar Committee Report (2015).

The objectives of the revised Model Concession Agreement are following:

- More equitable allocation of project risks.
- Provisions to handle unforeseen circumstances.
- Removing ambiguity in existing provisions.
- To attract more private sector investment.

The salient changes proposed in the Revised Model Concession Agreements are:

- Change in equity holding to provide exit route.

- Providing for refinancing provision in MCA.
- Amendment in Definition of “Change of Law”.
- Provision for mid-term review of concession.
- Approval of Discounts on Ceiling Rates for the Purpose of Recovery of Revenue share.
- Improved Utilization of Project Assets and Higher Productivity.
- Grievance Redressal System.
- Provision for Additional Land, Utilities & Services.
- Replacement of “Actual project Cost” with “Approved Project Cost.”
- The bill also cites a 2012 NATO report that indicated that the Afghan Taliban is directly assisted by the Pakistani security services and noted that “Pakistan’s manipulation of the Taliban senior leadership continues [unabated]”.

Way ahead:

TERROR-SPONSOR PAKISTAN BACKS LET, JEM: U.S. BILL

A new bill has been moved in the U.S House of Representatives in the wake of the terrorist attack on an Army base in Uri in Jammu and Kashmir.

Highlights:

- The “Pakistan State Sponsor of Terrorism Designation Act of 2016” designates Pakistan as a state sponsor of terrorism. It calls on the U.S. administration to provide a report on whether or not Pakistan qualifies as such under various U.S. laws.
- The bill underlines multiple facts that the members think make Pakistan a state sponsor of terrorism.
- The bill lists Inter-Services Intelligence (ISI) involvement in supporting terrorism in Afghanistan and quotes the Department of State’s 2016 Country Reports on Terrorism that “Pakistan has not taken sufficient action against groups such as Lashkar-e-Taiba (LeT) and Jaish-e-Mohammad (JeM), which continued to cooperate, train, organise, and fundraise in Pakistan.”
- The bill says the Government of Pakistan, and the ISI in particular, provides support and a safe haven to groups designated as foreign terrorist organizations by the U.S.

- The bill envisages a two-step process towards designating Pakistan a state sponsor of terrorism. If enacted into law, it will require the administration to submit to Congress a report within 90 days, determining whether Government of Pakistan, including any agents or instrumentalities “committed, conspired to commit, attempted, aided, or abetted any such act” referred in the bill.

- Within 30 days after the first report, the Secretary of State will be required to submit another report explaining whether any of these acts constitutes support for international terrorism and “a determination that the Government of Pakistan is a state sponsor of terrorism.”

- If the administration decides not to designate Pakistan as state sponsor of terrorism, it will have to give “a detailed justification.”

MANAGEMENT BOARD AN IDEAL OPTION TO END CAUVERY IMPASSE: CWC CHIEF

The Supreme Court has directed the Centre to constitute a Cauvery Water Management Board.

What is the Cauvery Management Board?

The Cauvery Water Dispute Tribunal mandated the establishment of the Cauvery Management Board to ensure implementation of and compliance with its 2007 final order on the sharing of the river waters, mainly between Karnataka and Tamil Nadu, but also with Kerala and Puducherry. The board is a permanent body under the Union Ministry of Water Resources.

Who will be part of the Board?

According to the rules, the Centre will appoint the chairman and all the members of the management board. Members will include an Irrigation Engineer and an agricultural expert and two other representatives from

the Centre, who will be appointed by the Ministry of Water resources and Ministry of agriculture. Also all four Cauvery states – Karnataka, Tamil Nadu, Kerala and Pondicherry will have their representatives on the board.

What is the purpose of the Board?

Once the Board is set up, all the Cauvery reservoirs in Karnataka will come under the control of the board and the state will lose its rights over the management of water. The Board will take decisions on water usage and distribution. The Board will also see to it that states ensure proper hydraulic structures at relevant sites. It will determine the amount of water to be received by the states.

Who will handle the reservoirs?

The important reservoirs will be handled by the concerned states as per guidelines issued by the Cauvery Water Management Board to meet the requirements of various states.

How will the Board react during bad monsoons?

The Board will ensure adequate storage by the end of May each year during good years. This will help during delays in the onset of monsoons. In case of consecutive bad years, the Board will handle the issue appropriately by distributing water in a planned manner with minimum distress.

Who will bear the expenses?

The expenses of the board will be borne by all the member states. The expenses of the member representing a state will be borne by the respective state. The cost of installations, constructions or maintenance of hydrological systems shall be borne by the concerned states.

- **‘In-Residence’ programme:** Eminent artists Shri Paresh Maity and his wife, Smt. Jayasri Burman have commenced their stay in Rashtrapati Bhavan as Artists In-Residence. They will be in residence for 10 days. The ‘In-Residence’ programme in Rashtrapati Bhavan was launched by the President of India on December 11, 2013 with the aim of providing writers and artists an opportunity to stay in Rashtrapati Bhavan and be a part of the life of Rashtrapati Bhavan. The Programme seeks to

provide an environment which will inspire creative thinking and rejuvenate artistic impulses. It is intended to honour and recognize eminent and established artists and writers as well as encourage young upcoming talent from different parts of the country.

Paresh Maity Jayasri Burman

- **World’s largest solar power plant:** The ‘world’s largest solar power plant’ with an installed capacity of 648 MW has been commissioned at Kamudhi in Ramanathapuram district of Tamil Nadu. It is set up by Adani Group. The plant comprises 3.8 lakh foundations, 25 lakh solar modules, 27,000m of structure, 576 inverters, 154 transformers and 6,000km length of cables.

ADVANCE PRICING AGREEMENTS (APAS)

The Central Board of Direct Taxes (CBDT) has entered into five unilateral Advance Pricing Agreements (APAs) with Indian taxpayers. One of these Agreements has a rollback provision in it.

- The five APAs signed pertain to diverse sectors i.e. Information Technology, Sourcing services and Investment advisory services.
- With these signings, the total number of APAs entered into by the CBDT has reached 103. These include 4 bilateral APAs and 99 unilateral APAs.

Background:

The APA Scheme was introduced in the Income-tax Act in 2012 and the Rollback provisions were introduced in 2014.

- The Scheme endeavours to provide certainty to taxpayers in the domain of transfer pricing by specifying the methods of pricing and determining the arm’s length price of international transactions in advance for a maximum period of five future years. The taxpayer has also the option to rollback the APA for four preceding years.
- Since its inception, the APA scheme has attracted tremendous interest among Multi National Enterprises (MNEs) and more than 700 applications

(both unilateral and bilateral) have been filed in just four years.

BRAZIL URGES INDIA TO BROADEN MERCOSUR PRESENCE

Brazil has asked India to expand its commercial and multilateral footprints in South America. Brazil is also planning to take up this issue in the upcoming Goa BRICS summit.

- Prime Minister Narendra Modi and Brazilian President Michel Temer are scheduled to hold a bilateral meeting on September 17 where Brazil is likely to push for greater presence of India in MERCOSUR.

Background:

India at present has over 450 tariff lines with MERCOSUR (Southern Common Market). But, the plan now is to raise the tariff line to 4000. Both sides have already begun to take several steps to firm up India's involvement in MERCOSUR that covers apart from Brazil, Paraguay, Uruguay, Argentina and Venezuela.

What is MERCOSUR?

Mercosur is a sub-regional bloc. Its full members are Argentina, Brazil, Paraguay, Uruguay and Venezuela. Its associate countries are Bolivia, Chile, Peru, Colombia, Ecuador and Suriname.

The Mercosur trading bloc was established in 1991 and negotiations with the EU originally started in 2010 with a number of 'rounds' of negotiations, which have the overall aim to agree a trade deal between the two blocs to allow easier trading of goods and services as well as government procurement and intellectual property and technical barriers to trade.

- **INDRA-2016:** It is the eighth edition of India-Russia Joint Military Exercise. It has begun in the Ussiriysk District in Vladivostok, Russia. Main focus of this edition of the joint exercise is on 'Counter-Terrorism Operations in semi mountainous and jungle terrain under United Nations Mandate'. Indra series of bilateral exercises is one of the major bilateral defence cooperation initiatives between India and Russia since 2003.

- **SAARC Anti-Terrorism Mechanism:** The 2nd meeting of the High Level Group of Eminent Experts to strengthen the SAARC Anti-Terrorism Mechanism recently concluded in Delhi. Delegations from all SAARC member countries participated in the conference. During the meeting, the issues of terrorism and the measures to strengthen the SAARC anti-terrorism mechanism were discussed. Besides terrorism, the important issues discussed during the meeting included drugs trafficking, financing of terrorism and cyber crimes. The member countries shared their national experiences on various related legislations to counter terrorism. All member countries of SAARC agreed to move forward towards operationalizing the SAARC Terrorist Offences Monitoring Desk (STOMD) and the SAARC Drugs Offences Monitoring Desk (SDOMD) in order to strengthen the combat efforts against terrorism.

- **5th BIRAC Innovator's Meet:** Biotechnology Industry Research Assistance Council (BIRAC), a Public Sector Undertaking under the aegis of the Department of Biotechnology (DBT), is organizing its 5th Innovator's Meet in New Delhi. BIRAC Innovator's Meet is an industry-academia interface facilitating national and global partners, providing innovators access to risk capital through targeted funding, technology transfer, IP management and handholding schemes. This would help in bringing innovation excellence to Indian biotech firms, make them globally competitive and facilitate novel, high quality and cost-effective affordable technologies. Theme for 2016– 'Biotech Innovation Ecosystem – Strategizing the Next Leap'.

- **Special courts:** Gujarat government has set up 16 new courts at district level for speedy trial of cases registered under the Prevention of Atrocities against SCs and STs Act. The state law department has issued a notification after consultation with the Chief Justice of Gujarat High Court for setting up of new courts.

INDIA TO HOST 1ST BRICS YOUNG SCIENTISTS CONCLAVE

The Department of Science & Technology (DST), Government of India, under the BRICS framework, is hosting 1st BRICS Young Scientists Conclave.

Key facts:

- It will be held in Bengaluru.
- It will be a five day event where a group of about 50 young scientists/ researchers from BRICS countries will meet.
- It would be organized and coordinated by the National Institute of Advanced Studies (NIAS), Bengaluru.
- The meet would provide a platform for engaging, connecting and networking among young scientists to hold discussions and find solutions to some of the common challenges and problems being faced in BRICS countries.
- The participants are drawn from science, engineering and allied disciplines. The focus of the Conclave would be on three thematic topics – Computational Intelligence, Energy Solutions and Affordable Healthcare.

Significance of this meeting:

This BRICS Young Scientists Conclave assumes importance as it is taking place during India's chairmanship of BRICS in 2016 under a focal theme of 'Building, Responsive, Inclusive and Collective Solutions'.

Background:

The BRICS Young Scientist Forum (BRICS-YSF), under which the BRICS Young Scientists Conclave is being organised, was initiated at the 2nd BRICS Science, Technology and Innovation Ministerial Meeting at Brasilia in March, 2015.

- The respective Science, Technology and Innovation (STI) Ministries of BRICS countries are the lead coordinating organisations for this Forum on co-investment and co-ownership principles.

- The Conclave aims at building a BRICS Innovation Corps – who individually or collectively have specialized capability to work on their novel scientific ideas and technological solutions which transform and accelerate change through better quality of life and higher incomes for citizen of this region.
- It will pave way for creation of strong generation of S&T leadership that can accelerate change collectively.

PAKISTAN'S MFN TAG MAY STAY FOR NOW

The Centre has clarified that it is not considering any proposal to withdraw the 'Most Favoured Nation' (MFN) status accorded to Pakistan.

Background:

The MFN status was accorded in 1996 as per India's commitments as a member of the World Trade Organisation (WTO).

What is MFN principle?

According to the MFN principle of the WTO's General Agreement on Tariffs and Trade (GATT) — to which India is a signatory/contracting party — each of the WTO member countries should "treat all the other members equally as 'most-favoured' trading partners."

According to the WTO, though the term 'MFN' "suggests special treatment, it actually means non-discrimination."

Why is this in news?

In the wake of the deadly attack on Indian soldiers in Uri, an incident for which India is holding Pakistan responsible, there have been calls in India for tough action against its neighbour, including the revocation of the MFN status.

Can India do it?

International trade experts said India could consider making use of a 'security exception' clause in the GATT to deny the MFN status to Pakistan or bring in certain trade restrictions.

This is because Article 21(b)(iii) of GATT states that “Nothing in this Agreement shall be construed to prevent any contracting party (including India in this case) from taking any action which it considers necessary for the protection of its essential security interests taken in time of war or other emergency in international relations.”

Pakistan, a founding member of the WTO like India, is yet to grant the MFN tag to India (and Israel).

HOW REVOKING MFN STATUS AFFECTS INDIA?

If India revokes the MFN status it would only have a symbolic impact on Pakistan. On the other hand it would hit India's exports to Pakistan if there are retaliatory actions and it could also result in India losing goodwill in the South Asian region (where it enjoys a trade surplus and is a party to a free trade pact called SAFTA, which also includes Pakistan). The move may also not go down well at the WTO-level.

ISRO PUTS 8 SATELLITES IN TWO ORBITS

ISRO has successfully launched PSLV-C-35 injecting India's SCATSAT-1 in orbit.

Key facts:

- This is ISRO's longest PSLV satellite launch mission spread over two hours and 15 minutes.
- The 320 tonne PSLV rocket carried 8 satellites. The main cargo will be the 371 kg SCATSAT-1 for ocean and weather related studies which will be placed into a 730 km polar sun synchronous orbit. The other seven satellites will be placed in a 689 km polar orbit.
- According to ISRO, SCATSAT-1 is a continuity mission for Oceansat-2 scatterometer to provide wind vector data products for weather forecasting, cyclone detection and tracking services to the users.
- The satellite carries Ku-band scatterometer similar to the one flown onboard Oceansat-2.
- On board are five foreign satellites: three from Algeria (Alsat-1B 103kg, Alsat-2B 117kg, Alsat-1N 7kg);

and one each from Canada (NLS-19, 8kg) and the US (Pathfinder-44kg).

- The two other Indian satellites are: Pratham (10kg) built by Indian Institute of Technology – Bombay and PISAT (5.25 kg) from PES University, Bengaluru and its consortium.

DISPARITY BETWEEN STATES GROWING: STUDY

According to a report in epw, regional disparity has been growing over the years in India. The study evaluates the governance performance of 19 major States.

What the report says?

Five of the six best-performing States in 2001 — Gujarat, Tamil Nadu, Andhra Pradesh, Kerala and Punjab — continue to be the top performers in 2011. Four of the six worst-performing States in 2001 — Odisha, Jharkhand, Uttar Pradesh and Bihar — remained at the bottom in 2011. This led the researchers to conclude that “development clusters” — combinations of quality service delivery and high per capita income — are emerging among the more developed States in the south and west of the country, leaving behind the less-developed States, especially in the eastern region.

- The study shows that development legacy seems to have a strong impact on the quality of governance (when measured as service delivery).
- Some of the less developed States like Bihar and Madhya Pradesh moved up significantly in the modified ranking. Bihar jumped eight positions from the 18th in standard ranking to the 10th in development-adjusted ranking. Madhya Pradesh jumped from the 13th to second position. Chhattisgarh, placed at the eighth position, was the top performer in the modified ranking.

How was it measured?

While there are various approaches to evaluating performance of the State governments, the researchers use “output” — the quality of service delivery — as a measure of governance quality.

- Five sets of criteria were used to rank the States: infrastructure, social services, fiscal performance, justice, law and order, and quality of the legislature.
- Only official government data were used.
- The study covers 19 States which account for 96% of the population, for which requisite data was available from 2001-02 to 2011-12.
- Open defecation free city: The Centre is preparing to declare Mangaluru an open defecation-free city. A survey conducted by the Quality Council of India at the behest of the Union Ministry of Urban Development across 75 cities, including 53 with a population of more than one million and State capitals, declared Mangaluru as an ODF city in the sub-5 lakh population category.
- World's largest radio telescope: China has unveiled the world's largest radio telescope. The Five-hundred-meter Aperture Spherical Telescope (FAST) was launched in a mountainous region of China's Guizhou province. Like radio telescopes in other parts of the world, FAST will study interstellar molecules related to how galaxies evolve.
- Decline in Africa's elephant population: IUCN, in its report, has said that Africa's elephant population has suffered its worst drop in 25 years, blaming the plummeting numbers on poaching. Africa's total elephant population now is at around 4,15,000, a decline of around 1,11,000 over the past decade. Habitat loss is also increasingly threatening the species.
- The government has decided to send an expert committee to the State on its request.
- It is also very closely monitoring the situation and is ready to provide all logistical and technical support to the Himachal Government to strengthen their capacity to effectively manage the situation.

ABOUT SCRUB TYPHUS:

Scrub Typhus is an acute illness caused by a bacterium *Orintia tsutsugamushi*, which is transmitted by the bite of an infected mite larva present in the soil having scrub vegetation. Himachal is an endemic region as it has a large scrub vegetation.

PM Modi dedicates seven new home-grown plant species to the nation

Prime Minister Narendra Modi has dedicated seven new indigenously developed varieties of plants to the nation to mark the 75th anniversary of the Council of Scientific and Industrial Research (CSIR).

Key facts:

- The new varieties of the plants that have ornamental and medicinal qualities were developed by the CSIR laboratories, especially Central Institute of Medicinal and Aromatic Plants (CIMAP).
- The plants include new varieties of lemongrass, citronella, vetiver and canna lily plant.

ABOUT CSIR:

CSIR, constituted in 1942 by a resolution of the then Central Legislative assembly, is an autonomous body registered under the Registration of Societies Act XXI of 1860.

- Known for its cutting-edge R&D knowledgebase in diverse S&T areas, CSIR is a contemporary R&D organization, having pan-India presence, with a dynamic network of 38 national laboratories, 39 outreach centers, 3 Innovation Complexes and 5 units.
- CSIR covers a wide spectrum of science and technology – from radio and space physics, oceanography, geophysics, chemicals, drugs,

HEALTH MINISTRY RECEIVES DETAILED REPORT ON SCRUB TYPHUS FROM HP GOVT

In view of the rising number of cases and reported deaths due to of Scrub Typhus in Himachal Pradesh, Shri J P Nadda, Union Minister of Health and Family Welfare had sought a detailed report from the State Government.

- Having received the detailed report, the Union Health Minister has assured all support to the Himachal Pradesh Government in managing the endemic disease observed in this region.

genomics, biotechnology and nanotechnology to mining, aeronautics, instrumentation, environmental engineering and information technology.

- It provides significant technological intervention in many areas with regard to societal efforts, which include environment, health, drinking water, food, housing, energy, farm and non-farm sectors. Further, CSIR's role in S&T human resource development is noteworthy.

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."
- Druzhba-2016: It is the first military exercise between Russia and Pakistan which recently began in Pakistan. It aims at bolstering and building military cooperation between the two countries.
- Tamil Nadu tops national average in remittances: International remittances (money sent by migrants back home) constituted 14% of Tamil Nadu's gross state domestic product in 2015, almost three times the national average, according to a study by Western Union, the world's biggest money transfer firm. As per the data, remittances to Tamil Nadu were estimated to be Rs. 61,843 crore in 2015. The figure is 6.8 times the money that the State received from the Central government as revenue

transfer and 1.8 times the entire government expenditure.

- World Tourism Day: Since 1980, the United Nations World Tourism Organization has celebrated World Tourism Day on September 27. This date was chosen as on that day in 1970, the Statutes of the UNWTO were adopted. The adoption of these Statutes is considered a milestone in global tourism. Theme for 2016: "Tourism for All – promoting universal accessibility"

INVISIBLE FOE IN AIR KILLS 600,000 IN A YEAR

According to a study conducted by WHO, air pollution could have killed at least 600,000 Indians in 2012.

What else the study notes?

- About a fifth of the 3 million who died worldwide were exposed to fine particulate matter (PM2.5) that may have aggravated or been directly responsible for cardiovascular diseases and lung cancer.
- India comes just behind China – which witnessed an estimated 800,000 deaths. It is second among all countries in the absolute number of deaths caused due to exposure to air pollution.
- About 2,49,388 Indians died of Ischemic heart disease; 1,95,001 of stroke; 1,10,500 of Chronic Obstructive Pulmonary Disease (COPD) and 26,334 of lung cancer.
- Industries, households, cars and trucks emit complex air pollutants, including invisible PM2.5 particulates.

Impact of PM2.5:

- The impact of fine particulate matter (PM2.5) highlighted by the World Health Organisation (WHO) study is felt through a broad spectrum of acute and chronic illnesses that cause premature death. These include lung cancer, chronic obstructive pulmonary disease (COPD) and cardiovascular diseases.

- Worldwide, PM2.5 is estimated to cause about 16% of lung cancer deaths, 11% of COPD deaths, and more than 20% of ischaemic heart disease and stroke.
- More than 80% of people living in urban areas that monitor air pollution are exposed to air quality levels that exceed the World Health Organization (WHO) limits. The study gave the WHO air quality guidelines for PM2.5 as 10 micrograms per cubic metre annual average, and 25 micrograms per cubic metre 24-hour average.
- While all regions of the world are affected, populations in low-income cities are the most impacted. Overall, 98% of cities in low- and middle income countries with more than 100,000 inhabitants do not meet WHO air quality guidelines. However, in high-income countries, that percentage decreases to 56%.
- Of all of pollutants, fine particulate matter has the greatest impact on health. A lot of the fine particulate matter comes from fuel combustion, both from mobile sources such as vehicles and from stationary sources such as power plants, industry, households or biomass burning.

INDIA TO INVEST \$2 BILLION IN SRI LANKA OVER 3-4 YEARS

Commerce and Industry Minister Nirmala Sitharaman, during a recent meeting on the Economic and Technological Cooperation Agreement (ETCA), said that India will invest \$2 billion in Sri Lanka in the next three-four years. The Minister also called on Prime Minister Ranil Wickremesinghe to discuss the terms of the agreement.

Background:

The ETCA initiative follows unfruitful negotiations, spanning nearly a decade, on a Comprehensive Economic Partnership Agreement (CEPA) between the neighbours. India and Sri Lanka already have a Free Trade Agreement since 1998.

ETCA:

The Indo-Lanka Economic and Technology Cooperation Agreement better known as ETCA (formerly CEPA) is a trade agreement. The ETCA agreement seeks to boost cooperation in technical areas, scientific expertise and research amongst institutions, boost standards of goods and services able to compete on the global market and improve opportunities for manpower training and human resource development.

WEF RANKS INDIA AS 39TH MOST COMPETITIVE ECONOMY

World Economic Forum (WEF) has released the Global Competitiveness Report for the year 2016-17.

India's performance:

- India has risen rapidly among all countries in the global competitive stakes by climbing 16 notches to the 39th position during the past year.
 - This marks the biggest scale of improvement in competitiveness among all countries and is the second year in a row India has gone up 16 ranks in the WEF index.
 - India's competitiveness has improved, particularly in goods market efficiency, business sophistication and innovation, while lower oil prices and improved monetary and fiscal policies have made the economy not only stable, but also the fastest growing among G20 countries.
 - The report suggests that improvements in institutions and infrastructure have increased overall competitiveness along with recent reforms such as opening the economy to foreign investors and increasing transparency in the financial system.
- #### Challenges ahead:
- According to the report, huge challenges lie ahead on India's path to prosperity.
 - Despite significant improvements in infrastructure and social indicators such as health and education over the past decade, India lags other nations in various parameters.

- India's tax regulations, corruption, tax rates and poor public health are the most problematic factors for doing business.
- The labour market rigidities and the presence of large, public enterprises especially in the utilities and financial sector make the economy less efficient. The labour market is segmented between workers protected by rigid regulations and centralised wage determination, especially in the manufacturing sector, and millions of unprotected and informal workers.
- Lack of infrastructure and ICT use (where India is ranked 120th in the world) remain bottlenecks. Besides, progress in recent years has been slow and further investment is necessary to connect rural areas and ensure they equally benefit from and contribute to India's development.
- The country's biggest relative weakness today is in technological readiness, where initiatives such as Digital India could lead to significant improvements.
- The efficiency of the goods market in India has also deteriorated over the past decade, and the WEF reckons this would change once the GST regime is implemented.

Performance of other countries:

- Globally, Switzerland has retained its top position as the world's most competitive economy for seventh year in a row and is followed by Singapore, the US, Germany and the Netherlands in the top-five.
- These are followed by Japan, Hong Kong, Finland, Sweden and the UK in the top ten.
- Among emerging economies, South Africa is ranked higher and it has re-entered the top 50, progressing seven places to 49th.
- Elsewhere, macro economic instability and loss of trust in public institutions has dragged down Turkey (51st), as well as Brazil (75th), which posted one of the largest falls.
- China, holding steady at 28, remains by far the most competitive among large emerging economies, although its lack of progress moving up the ranking

shows the challenges it faces in transitioning its economy.

JOBLESSNESS RISES TO 5-YEAR HIGH

According to the latest annual household survey on employment conducted by Labour Bureau, jobless economic growth continues to haunt India's youth, with the country's unemployment rate rising to a five-year high of five per cent in 2015-16.

Highlights of the report:

- India's unemployment rate stood at 4.9% in 2013-14, 4.7% in 2012-13 and 3.8% in 2011-12.
- Female job seekers were the worst hit as the pace of unemployment rose sharply to 8.7% in 2015-16 compared to 7.7% in 2013-14.
- While unemployment rate in rural areas rose to 5.1% in 2015-16 from 4.7% in 2013-14, it declined to 4.9% from 5.5% in urban areas during the same period.
- The annual survey also showed that 47.8% of the surveyed population was reported to be employed in 2015-16 compared with 49.9% (also known as worker population ratio) two years earlier when the previous survey was conducted by the Labour Bureau, under the Ministry of Labour and Employment.
- The survey also shows that fewer households benefited from various employment schemes of the government in 2015-16. For instance, the benefits of Mahatma Gandhi National Rural Employment Guarantee Act scheme were availed by 21.9% households compared to 24.1% households in 2013-14.
- The survey showed a decline in the proportion of self-employed and salaried workers and a rise in contractual employment.
- MCGS Victory: It is the first fast patrol vessel delivered to Mauritius by Goa Shipyard Limited. The 50m vessel has been designed for coastal patrolling, anti-piracy, anti-smuggling, anti-drug surveillance, anti-poaching operations, and search

and rescue operations. The contract of the vessel was signed on May 17, 2014, and the keel for the vessel was laid on December 18 2014. GSL is the largest exporter of military ships from the Indian subcontinent and is presently executing export orders worth 1,200 crore.

- IGI becomes carbon neutral: The Indira Gandhi International Airport has become Asia-Pacific's only and one of the world's few airports to achieve a "carbon neutral" status. Less than 25 airports in the world, with most of them located in Europe, have earned carbon neutral status. IGI, managed by private operator Delhi International Airport Ltd (DIAL), boasts green buildings, solar power plants, rainwater harvesting system, etc., which have helped it reduce and offset its carbon emissions. The announcement was made by the Airports Council International during the Airport Carbon Accreditation certificate presentation ceremony held recently in Canada.
- Jim Yong Kim: The World Bank has reappointed Jim Yong Kim to a five-year term as President of the multilateral development lender after the nomination period closed without any challengers coming forward. Mr. Jim, an American citizen, was unanimously chosen by the bank's executive directors for a term that begins on July 1, 2017.

JIM YONG KIM

- New lizard species: A new species of a ground-dwelling lizard has been discovered in Mumbai, 130 years after the last such gecko was discovered, and has been named after a Bengaluru-based scientist Varad Giri. The species, of the genus *Cyrtodactylus* known in Southeast Asia, India and Sri Lanka, is a member of the subgenus *Geckoella*, which are small ground-dwelling geckos largely found in leaf litter in forests.

CYRTODACTYLUS VARADGIRII

Cabinet approves India – Singapore MoU

The Union Cabinet has given its approval to the Memorandum of Understanding (MoU) in the field of Industrial Property Cooperation between Department

of Industrial Policy and Promotion under the Ministry of Commerce & Industry and the Intellectual Property Office of Singapore (IPOS), Ministry of Law, Government of Singapore.

- The MoU will be signed at the upcoming visit of Singapore's Prime Minister to India in October, 2016.
- The MoU will enhance bilateral cooperation activities in the arena of Industrial Property Rights of Patents, Trademarks and Industrial Designs.
- It is intended to give a boost to innovation, creativity and technological advancement in both regions.

The Priority initiatives under the MoU would be:

- Exchange of best practices, experiences and knowledge on Intellectual Property awareness among the public, businesses and educational institutions of both countries.
- Exchange of experts specialized in the field of intellectual property.
- Exchange and dissemination of best practices, experiences and knowledge on IP with the industry, universities, R & D organizations and Small and Medium Enterprises.
- Cooperation in the development of automation and implementation of modernization projects.
- Partnership in IP-related training for local IP and business communities.

Significance of this MoU:

- The MoU will enable India to exchange experiences in the innovation and IP ecosystems that will substantially benefit entrepreneurs, investor and businesses on both sides.
- The exchange of best practices between the two countries will lead to improved protection and awareness about India's range of Intellectual creations which are as diverse as its people.
- It will be a landmark step forward in India's journey towards becoming a major player in global

innovation and will further the objectives of the National IPR Policy, 2016.

CABINET APPROVES AN UNDERTAKING BETWEEN INDIA AND KOREA ON MUTUAL RECOGNITION OF CERTIFICATES FOR SEAFARERS, 1978

The Union Cabinet has given its approval for signing of an Undertaking between India and Korea on Mutual Recognition of Certificates.

- It is in pursuance of the Regulation 1/10 of International Convention on Standards of Training, Certification and Watchkeeping (STCW) for Seafarers, 1978, as amended.

Significance of this MoU:

Signing of the Undertaking will pave way for recognition of maritime education and training, certificates of competency, endorsements, training documentary evidence and medical fitness certificates for seafarers issued by the Government of the other country.

ABOUT STCW:

The International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (or STCW), 1978 sets qualification standards for masters, officers and watch personnel on seagoing merchant ships.

- STCW was adopted in 1978 by conference at the International Maritime Organization (IMO) in London, and entered into force in 1984. The Convention was significantly amended in 1995.
- The 1978 STCW Convention was the first to establish basic requirements on training, certification and watchkeeping for seafarers on an international level. Previously the standards of training, certification and watchkeeping of officers and ratings were established by individual governments, usually without reference to practices in other countries.
- The Convention prescribes minimum standards relating to training, certification and watchkeeping for seafarers which countries are obliged to meet or exceed.

- The 1995 amendments, adopted by a Conference, represented a major revision of the Convention, in response to a recognized need to bring the Convention up to date.
- The 1995 amendments entered into force on 1 February 1997. One of the major features of the revision was the division of the technical annex into regulations, divided into Chapters as before, and a new STCW Code, to which many technical regulations were transferred. Part A of the Code is mandatory while Part B is recommended.

PROJECT SAKSHAM

Project Saksham, a new indirect tax network of the Central Board of Excise and Customs (CBEC), has been approved by the Cabinet Committee on Economic Affairs (CCEA).

- The total cost of the project is estimated to be Rs 2256 crore, which will be incurred over a period of seven years.

About the project:

Under the project, the CBEC's existing IT systems will be integrated with the GST Network. This is required for processing of registration, payment and returns data sent by GSTN systems to CBEC, as well as act as a front-end for other modules such as audit, appeals, investigation.

- The exercise is also expected to help the indirect tax department cater to the larger number of taxpayers when GST rolls out from April 1, 2017. According to official estimates, the number of taxpayers under various indirect tax laws administered by CBEC is about 36 lakh at present, and will nearly double to 65 lakh after the introduction of GST.
- It will also help in implementation of GST, extension of the Indian Customs Single Window Interface for Facilitating Trade and other taxpayer-friendly initiatives under Digital India and ease of doing business.

A NEW HANDHELD DEVICE TO DETECT MELAMINE IN MILK

Researchers at the Indian Institute of Science (IISc), Bangalore have developed a handheld melamine detector. With this detecting melamine in milk is expected to become easy, quick and inexpensive.

How is it detected?

In this method, leaf extract of a commonly seen weed parthenium along with silver nitrate is used for detecting the presence of melamine in milk.

- Prior to melamine detection, the milk is processed to remove fat and proteins as they tend to interfere with detection.
- With this technique, the presence of melamine in milk can be detected at room temperature within a few seconds through a change in colour.
- The change in colour depends on the amount of melamine present and, therefore, the extent of its interference with the synthesis of silver nanoparticles. The colour change can be directly observed by the naked eye and also recorded by spectral change.
- The silver nanoparticles are reddish yellow in the absence of melamine, while it becomes nearly colourless when melamine is present. Light absorption at 414 nm wavelength is a signature of silver nanoparticles. But when melamine is present the absorption of light is reduced as nanoparticle formation decreases.

WHY BE CONCERNED ABOUT MELAMINE IN MILK?

Melamine content of more than 1 ppm in infant formula and more than 2.5 ppm in other foods should be viewed with suspicion of adulteration.

What is melamine?

Melamine is an organic base chemical most commonly found in the form of white crystals rich in nitrogen.

What is melamine generally used for?

Melamine is widely used in plastics, adhesives, countertops, dishware, whiteboards.

Why is melamine added into milk?

The addition of melamine increases the nitrogen content of the milk and therefore its apparent protein content.

However, addition of melamine into food is not approved by the FAO/WHO Codex Alimentarius (food standard commission), or by any national authorities.

What are the health effects of melamine consumptions in humans?

While there are no direct human studies on the effect of melamine data from animal studies can be used to predict adverse health effects. Melamine alone causes bladder stones in animal tests. When combined with cyanuric acid, which may also be present in melamine powder, melamine can form crystals that can give rise to kidney stones.

These small crystals can also block the small tubes in the kidney potentially stopping the production of urine, causing kidney failure and, in some cases, death. Melamine has also been shown to have carcinogenic effects in animals in certain circumstances, but there is insufficient evidence to make a judgment on carcinogenic risk in humans.

Almost every household has a bank account: Labour Bureau

According to the latest Labour Bureau data, almost every household in the country is a part of the banking system, mainly due to government's financial inclusion plans.

Key facts:

- Around 94.4% households had saving bank accounts in 2015-16. The figure was much higher than the official figure (58.7%) of households with saving bank accounts in India, as per Census 2011.
- While 93.4% households in rural areas had a bank account, 96.8% houses had a savings bank account in the urban parts.
- In Daman and Diu and Lakshwadeep, all the households surveyed had saving bank accounts.

Chandigarh had 99% households with saving bank accounts whereas households in Nagaland had the least, 79.2%, access to the banking system.

- Banking penetration was particularly low in north-eastern states – Manipur (82.8%), Meghalaya (85.1%) and Arunachal Pradesh (88.9%). This was followed by a comparatively low coverage in West Bengal (90.4%), Karnataka (91.6%) and Mizoram (91.7%).

Background:

According to the data, Government of India's recent initiatives to enhance the financial inclusion and accessibility of financial institutions such as Pradhan Mantri Jan Dhan Yojana and Pradhan Mantri Micro Units Development and Refinance Agency (Mudra) Yojana may have translated into entering of more population in the ambit of formal financial activities.

TRILATERAL MEET BETWEEN INDIA, AFGHANISTAN AND IRAN TO TAKE CHABAHAR AGREEMENT FURTHER

A Trilateral meeting was recently held between India, Afghanistan and Iran to take Chabahar agreement further.

- Discussions were held on Trilateral Agreement on Establishment of International Transport and Transit Corridor i.e. Chabahar Agreement which was signed in May, 2016 in Tehran in the presence of Prime Minister of India and Presidents of Iran and Afghanistan.
- During the meeting, it was decided to organize a connectivity event involving all stakeholders at Chabahar within two months to increase awareness about the new opportunities offered by Chabahar Port.

Where is Chabahar port?

It is located on the Makran coast, Chabahar in southeastern Iran. Its location lies in the Gulf of Oman. This coast is a relatively underdeveloped free trade and industrial zone, especially when compared to the sprawling port of Bandar Abbas further west. Also, it is the only Iranian port with direct access to the ocean.

For India, Chabahar is of strategic importance for the following reasons:

- It is the nearest port to India on the Iranian coast, which provides access to the resources and markets of Afghanistan and Central Asia.
- It is located 76 nautical miles (less than 150km) west of the Pakistani port of Gwadar, being developed by China. This makes it ideal for keeping track of Chinese or Pakistani military activity based out of Gwadar.
- Also, Chabahar port is suitably located to serve India's outreach in the region to Afghanistan and beyond as well as link with International North-South Transport Corridor (INSTC) to which India is one of the initial signatories.
- The port will cut transport costs/time for Indian goods by a third.
- From Chabahar, the existing Iranian road network can link up to Zaranj in Afghanistan, about 883 kms from the port. The Zaranj-Delaram road constructed by India in 2009 can give access to Afghanistan's Garland Highway, setting up road access to four major cities in Afghanistan — Herat, Kandahar, Kabul and Mazar-e-Sharif.

TARGET TERROR: INDIA STRIKES ACROSS LOC

India has carried out surgical strikes targeting "launch pads" for terrorists across the Line of Control (LoC).

Key facts:

- The operations were focused to ensure that these terrorists do not succeed in endangering lives of citizens in our country.
- During the counter-terrorist operations, significant casualties have been caused to the terrorists and those who were trying to support them. The operations have since ceased.
- The government has said that the Indian armed forces are fully prepared to deal with any contingency which may arise.

- The “surgical strikes” could force militants across the LoC to shift their sanctuaries further back into Pakistani territory, bolstering the image of Indian forces as a capable striking power.

What is a surgical strike?

A surgical strike is essentially a swift and targeted attack on specific target that aims to neutralise them while ensuring minimum collateral damage to the surrounding areas and civilians. Neutralisation of targets with surgical strikes also prevents escalation to a full blown war.

Surgical strikes are part of India’s Cold Start doctrine and have proved effective in foiling a new infiltration bid by terrorists groups across the LoC who were ready to attack several locations in Jammu and Kashmir and other Metro cities in India.

Significance of surgical strikes:

Surgical strikes gain importance in India’s case as Pakistan has repeatedly shown its intention to use tactical nuclear weapons on Indian Forces, even risking the collateral damage to its own troops, to stop Indian military operations. Therefore, the covert surgical strikes are a powerful weapon for the Indian armed forces to carry out the necessary dirty work while ensuring the status-quo between the opposing armies on the LoC.

IMF TO DISBURSE \$102 MILLION TO PAKISTAN

The International Monetary Fund (IMF) Executive Board has completed the twelfth and final review of Pakistan’s three-year economic reform program supported by an Extended Fund Facility (EFF) arrangement.

Key facts:

- The Board’s decision enables the immediate disbursement of the final tranche in an amount equivalent to the SDR 73 million in the IMF currency or about \$102.1 million.
- The go-ahead follows the approval on September 4, 2013, by the Executive Board of the 36-month extended arrangement under the EFF in the amount

of SDR 4.393 billion (about \$6.15 billion, or 216% of Pakistan’s current quota at the IMF).

WHAT IS EXTENDED FUND FACILITY (EFF) ARRANGEMENT?

It is an IMF lending facility to help members with balance of payments problems that need an adjustment period longer than that provided for under a standby arrangement.

A country requesting an extended fund facility outlines its objectives and policies for the period of the arrangement, usually about three years, and each year presents a detailed statement of the measures it plans over the next 12 months.

What is the EFF designed for?

The EFF was established to provide assistance to countries: (i) experiencing serious payments imbalances because of structural impediments; or (ii) characterized by slow growth and an inherently weak balance of payments position. The EFF provides assistance in support of comprehensive programs that include policies of the scope and character required to correct structural imbalances over an extended period.

PAK. LOSES \$7 BN. BY AVOIDING INDIA GOODS

According to a study by the New Delhi-based Research and Information System for Developing Countries (RIS), Pakistan suffered a loss of about \$7 billion in 2014 by importing items from other countries at a higher cost instead of sourcing them from India.

- The objective of the study is to show Pakistan that they can save on the foreign exchange front if they cooperate in South Asia.

Highlights of the study:

- The study found out that the loss was substantial considering Pakistan’s GDP (nominal, 2015) was only about \$270 billion.
- The study covered 5,200 items. These included refined petroleum, palm oil, aviation spirit, motor vehicle parts, edible oil, cotton, milk powder, marine

products, machinery as well as chemicals and allied products.

- The study notes that Pakistan incurred huge losses by importing items from the global market at prices higher than the price at which the same product is available from India. Many products that Pakistan imported from third countries were at least three times more costly than the price of the same item from India in export markets, it added.

Background:

Pakistan is a net-importing nation with a trade deficit of \$22 billion in 2015. In 2015, it imported around \$44 billion, while it exported only items worth \$22 billion. India-Pakistan trade is far below potential and negligible.

Trade between India and Pakistan in 2015-16 was just \$2.6 billion, while according to various estimates the annual bilateral trade has the potential to surpass \$20 billion if both countries cooperate and remove barriers and restrictions. Currently, most of the trade happens indirectly through Dubai, Singapore, port of Bandar Abbas (Iran).

- **Best Tourist Friendly Airport:** Airports Authority of India's Tirupati Airport has been awarded as "Best Tourist Friendly Airport" under the category for "State Annual Excellence Awards for the year 2015-16" by Andhra Pradesh Tourism. The State Annual Tourism Excellence Awards under various segments of Travel and Tourism Industry are awarded by Department of Tourism, Government of Andhra Pradesh for maintaining excellent Customer friendly relations with tourists and passengers, coinciding with World Tourism Day Celebrations.
- **World's deepest and largest high-speed railway station:** China will build the world's deepest and largest high-speed railway station at a popular section of the country's Great Wall, as part of its preparations for the 2022 Winter Olympics. The station will be at Badaling, the most visited section of the Great Wall which lies about 80 km (50 miles) northwest of Beijing. The Badaling station will be located 102 metres (335 feet) below the surface, with an underground construction area of 36,000 square metres (387,501 sq feet), equal to five

standard soccer fields, making it the deepest and largest high-speed railway station in the world.

