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SPORTS

FROM 1 FEBRUARY TO 29 FEBRUARY



U.S. Considering to reverse its policy with India-Pak

- Seven years after the State Department was restructured to 'de-hyphenate' U.S. relations with India and with Pakistan, it is considering a reversal of the move.
- De-hyphenating refers to a policy started by the U.S. government under President Bush, but sealed by the Obama administration, of dealing with India and Pakistan in different silos, without referring to their bilateral relations.
- It enabled the U.S. to build closer military and strategic ties with India without factoring in the reaction from Pakistan, and to continue its own strategy in Afghanistan with the help of the Pakistan military without referring back to India.
- The re-merger proposal is ostensibly timed with the international troops pullout from Afghanistan.
- India's relationship has grown because it stood on its own, as it is important that bilateral relations with India won't be overshadowed by its relations with the region.
- The de-hyphenation policy of the U.S. was crystallised when the SRAP was set up in 2009 soon after President Barack Obama had taken over, with the appointment of Richard Holbrooke.
- There are indications, present, however, that even as the U.S. is planning to bring the desks back together, India may not object as strenuously as it did in 2009.
- To begin with, India has dropped its objections to talks with the Taliban in the past few months, instead asking to be "kept in the loop" on developments in the U.S. talks on Af-Pak.

Supreme Court to hear about criminality of section 377 of IPC

- The Supreme Court will take a final call on whether Section 377 of the Indian Penal Code (IPC), which criminalises consensual sexual acts of Lesbian, Gay, Bi-sexual and Transgender (LGBT) adults in private, amounts to denial of their rights to privacy and dignity and results in gross miscarriage of justice.
- A Bench of the three senior-most judges will hear a batch of eight curative petitions filed by parents, civil society, scientific and LGBT rights organisations against a judgment by the Supreme Court dismissing their review petitions on the ground that Section 377 is constitutional and applies to sexual acts irrespective of age or consent of the parties.
- One of the eight petitions now listed for Tuesday is by 13 senior psychiatrists, psychologists, counsellors and mental health professionals, including an editor of the influential Lancet Series on Global Health.
- They have argued that homosexuality was not a mental disorder, but a normal and natural variant of human sexuality.

PM Modi addresses New Years first Mann ki baat

- Prime Minister Narendra Modi asked people to observe a two minutes' silence on every January 30, the death anniversary of Mahatma Gandhi.

- PM also said that Khadi has the power to provide employment to crores of people. It has now become a symbol and a centre of interest of the nation's youth.
- Due to the efforts of many government organisations in the field of khadi, around 18 lakh people can be granted employment," he said, calling upon people to have at least one piece of garment made of khadi in their wardrobe.
- Mr. Modi lauded Haryana and Gujarat for their initiative to make educated girls hoist the Tricolour, saying this would give a boost to the Beti Bachao, Beti Padhao initiative.

Only Business community from Japan would get visa on arrival for now

- After Prime Minister Narendra Modi's announcement that all Japanese citizens would get "visas on arrival", the government has decided to extend it only to the business community for now.
- The government is actively considering including South Korea in this category. This was being done keeping in mind the "Make in India" policy of the government and to make India an attractive destination for investors from the two countries.
- Japan and South Korea are already on the list of 113 countries whose citizens can arrive in India through an electronic tourist visa on arrival (e-TV) platform.
- In December, during Japanese Prime Minister Shinzo Abe's visit to India, Mr. Modi announced a liberalised visa regime for all Japanese citizens.
- Mr. Modi said that Japan had earmarked a \$11-12- billion fund for "Make in India". At least three Japanese firms were given the go-ahead in 2015 to set up shop in India.

VIF among top think tanks with political affiliation

- Two Delhi-based think tanks — Dr. Syama Prasad Mookerjee Research Foundation and Vivekananda International Foundation (VIF) — have been ranked among the "best think tanks with political party affiliation" globally.
- The "2015 Global Go To Think Tank Index" of the University of Pennsylvania ranked them in the category at 33 and 40 respectively.
- VIF has been ranked at 137 among the top think tanks worldwide (Non-U.S.) and finds a spot in the category "Think Tank to Watch" at number 20 among 100.
- VIF is considered closely associated with the BJP and has been on an upswing since the NDA government came to power in 2014.
- Many of its key members are holding important posts in the government, starting with National Security Adviser Ajit Doval.

SC concedes mistake in notice to Arunachal Governor

- Just a few days after ordering Arunachal Pradesh Governor J.P. Rajkhowa to respond why he recommended President's rule in the sensitive border State, the Supreme Court recalled the order, saying it made a "mistake" by not realising that Governors have "complete immunity".
- The turn of events was triggered by Attorney-General Mukul Rohatgi, for the Centre, drawing the Bench's attention to Article 361 (1) of the Constitution which gives the President and the Governor protection from legal action.

- Under the Article, both the President and the Governor of a State “shall not be answerable to any court” for acts done in performance of their powers and duties.
- However, such immunity to the Governor under Article 361 does not take away the power of the Supreme Court to examine the validity of his action on the ground of mala fide.

Explosive spread of Zika merits do be declared as global emergency says WHO

- The World Health Organization has announced that the explosive spread of the Zika virus in the Americas is an “extraordinary event” that merits being declared an international emergency.
- The agency convened an emergency meeting of independent experts to assess the outbreak after noting a suspicious link between Zika’s arrival in Brazil last year and a surge in the number of babies born with abnormally small heads.

The Bombay HC says mothers getting child through surrogacy can also take maternity leave

- The Bombay High Court on Monday directed the Central Railway (CR) to grant three months’ maternity leave to its employee who became a mother by using a surrogate.
- The court ruled that a mother enjoys the same benefits of maternity leave as any other working woman under the Child Adoption Leave and Rules.
- While challenging the CR for disallowing her leave, the woman’s lawyers argued that if the maternity leave was refused, it would certainly violate the right of a child to develop a bond with the mother.
- The petitioner got married in 2004 and underwent IVF in 2007 on two occasions but lost her baby. In 2012, she was advised to have a child through surrogacy.
- When the surrogate mother completed 33 weeks, the petitioner applied for maternity leave in January 2014 as the baby was expected to be delivered in the first week of February.

Sashastra Seema bal gets first women head for any paramilitary force

- Senior IPS officer Archana Ramasundaram was appointed Director General of Sashastra Seema Bal (SSB), the first woman to head a paramilitary force.
- Ms. Ramasundaram, a 1980 batch officer of the Tamil Nadu cadre, is currently Special Director, National Crime Records Bureau.
- She has been appointed to the post till the date of her superannuation — September 30, 2017.
- The SSB is entrusted with guarding the country’s frontiers with Nepal and Bhutan.
- The other four paramilitary forces are the Central Reserve Police Force (CRPF), the Border Security Force (BSF), the Central Industrial Security Force and the Indo-Tibetan Border Police.
- IPS officers K. Durga Prasad and K.K. Sharma have been appointed Directors- General of the CRPF and the BSF respectively. They will take over after the incumbent chiefs of these forces retire this month-end.

Curative petition against Section 377 IPC to be heard by five judge bench

- The Supreme Court referred a batch of curative petitions against Section 377 of the Indian Penal Code, a colonial-era provision criminalising consensual sexual acts of Lesbian, Gay, Bisexual and Transgender (LGBT) adults in private, to a five-judge Constitution Bench for a possible back-to-roots, in-depth hearing.
- A three-judge Bench of Chief Justice of India T.S. Thakur and Justices Anil R. Dave and J.S. Khehar gave credence to arguments that the threat imposed by the provision amounts to denial of the rights to privacy and dignity and results in gross miscarriage of justice.
- Chief Justice Thakur said the petitions pose several questions with “constitutional dimensions of importance” while dictating the order of reference to a Constitution Bench he would be setting upshorly.
- This Bench neither admitted the petitions nor issued notice to the government, leaving it to the future Constitution Bench to do so, if found necessary.
- Rebelling against its ownprocedural conventions in dealing with curative pleas, the Supreme Court indicated its openness to re-consider the constitutionality of Section 377 with new eyes.
- Chief Justice Thakur toldthat the new Bench may not limit itself to the narrow confines of the curative law.
- The Curative Bench will only entertain if petitioners prove that its review verdict violated principles of natural justice and the judges were biased — and opt for a comprehensive hearing of the arguments placed for the protection of the dignity and rights of the LGBT community.
- As per the apex court’s Rupa Hurra judgment in 2002, the Bench considering curative pleas should necessarily have the three top judges of the Supreme Court.

Cruz and Clinton won first polling state of Iowa

- National front-runner Donald Trump lost the first polling state of Iowa to Senator Ted Cruz of Texas in the run for Republican presidential nomination, an outcome that will keep the race open and make it nastier.
- The emergence of Florida Senator Marco Rubio, who finished a close third, however, keeps the hopes of conventional Republicans alive — that they could stop the nomination of Mr. Cruz and Mr. Trump, both considered insurgents and out of tune withthe party’s traditional base.
- Mr. Cruz polled 28 per cent against Mr. Trump’s 24, while Mr. Rubio, who now seems to have edged out the rest, polled 23 per cent.
- In the Democratic Party, Hillary Clinton won a razor- thin victory over Bernie Sanders in the Iowa caucuses.
- With 100 per cent of precincts reporting, Ms. Clinton took 49.8 per cent, against 49.6 per cent for the Vermont Senator, her sole remaining challenger for the Democratic nomination.

Bihar does U-Turn on toilet policy

- The Bihar government decided to scrap the requirement that those who contest local government elections must have a toilet in his/her house, making a U-turn in its own policy.
- In August last year, the State government had,through an amendment to the Bihar State Panchayati Raj Act, 2006, provided for disqualification of a person wishing to contest panchayat elections if he/she did not have “at least one toilet” in the house by January 1, 2016.

- According to estimates, about 1.5 crore households in Bihar have no toilets, despite several Central and State government schemes for constructing toilets.
- Most of the cases of rape happen in the State when girls and women go out for answering nature's call in the dark.

Pradhan Maitri Fasal Bima Yojna may not be applicable to tenant farmers

- The Pradhan Mantri Fasal Bima Yojna (PMFBY), which the NDA government showcases as the shield against all risks faced by farmers, has failed to be universal because there is a need for a comprehensive crop and income insurance scheme covering income and yield risks for all farmers and all crops
- All India Kisan Sabha joint secretary Vijoo Krishnan said that farmer suicides had continued nation-wide for more than two decades since the neoliberal economic policies were put in place.
- However, the ruling classes have sought to underplay the unprecedented human tragedy and linked the plight of farmers to the weather.
- PMFBY continued the mandatory covering of loanee farmers. Non-loanee farmers, tenant farmers and share-croppers were likely to remain outside its ambit.
- Dalits and Adivasis, socially and economically oppressed, will also be excluded from the scheme. To be truly inclusive, the Central and State governments must subsidise the entire premium for the poor, small and marginal farmers, tenant farmers, share-croppers as well as Adivasi and dalit farmers.
- Trade liberalisation and free trade agreements exposed farmers to the volatility in world markets.
- An uncontrolled increase in input prices, coupled with a fall in the prices of farm goods, had become a regular phenomenon. MSP did not cover production cost, he pointed out.

Home minister send dual message to Pak

- Sending out a dual message to Pakistan, the government said that it would continue to engage with it to ensure it makes progress on the Pathankot investigation, but also made it clear that the Sharif government would have to show "sincerity" as it is from their territory that most attacks come from.
- Most of the terror attacks emanate from Pakistan. It has to show some sincerity and take action against terrorists operating from its soil," Home Minister Rajnath Singh said at a counter-terror conference.
- "Our government will stand by Pakistan if it takes decisive action against terrorists and their organisations," he added.
- Earlier in the day, Foreign Secretary S. Jaishankar said that despite the attacks, India would continue to engage Pakistan at both the Foreign Secretary and National Security Adviser levels.
- The statements by the Foreign Secretary and the Home Minister, as well as those made by President Pranab Mukherjee and NSA Ajit Doval indicate the government's next steps with Pakistan are still under discussion, with no clear signs on whether India will go ahead with Foreign Secretary-level talks that were called of last month.

Bharat Biotech announced developing world's first Zika vaccine

- Vaccines manufacturer Bharat Biotech announced a breakthrough in developing the world's first Zika vaccine.
- The Hyderabad-based company has submitted to the government two vaccine candidates: one inactivated and one recombinant.
- It said pre-clinical studies would be concluded in the next five months, and then the process for regulatory approval would start.
- An inactivated vaccine consists of the disease-causing microbe killed with chemicals, heat, or radiation. This is more stable and safer than live vaccines.
- A recombinant vaccine is produced through the recombinant DNA technology. This involves inserting the DNA encoding an antigen (such as a bacterial surface protein) that stimulates an "immune response."

Govt wants to provide DBT for social sector schemes as well

- The government has drawn up an ambitious plan to scale up the present regime for direct transfer of benefits to the poor under various welfare schemes, by creating a unified national database of beneficiaries that can be updated in real-time and automatically trigger new benefits such as vaccine shots for a newborn baby.
- The blueprint drawn up over the past three months aims to transform the direct benefits transfer (DBT) regime launched in January 2013, into a social security platform linked to the beneficiary database that will have details about the household.
- While the trinity of Jan Dhan Yojana, Aadhaar and mobile connectivity, referred to as JAM, would still play a key role, the government believes there are still several operational issues with the three elements that will take time to sort out.
- For instance, improvement in mobile network coverage and higher enrolments under Aadhaar would take time.
- A committee in the Cabinet Secretariat is also working with the Finance Ministry to create a network of 2 million cash points such as kirana stores, chemists and Grameen Dak Sewaks in 6 lakh villages by March 2017, so that getting the cash in hand isn't an ordeal for the rural poor.

Instructions on OROP implementation issued

- Moving a step closer to fulfilling its promise of implementing the One Rank One Pension (OROP) scheme for military personnel, the government released detailed instructions and tables on its implementation.
- This is a follow-up to the notification on OROP on November 7 last year.
- According to the notification, the annual recurring cost of the scheme would be Rs.7,500 crore, pushing the total Defence budget for pensions from Rs.54,000 crore (Budget estimate 2015- 16) to around Rs.65,000 crore (proposed estimate for 2016-17).
- The arrears for 18 months from July 2014 to December 2015 would be Rs.10,900 crore.
- According to the government, 86 per cent of the total expenditure on account of OROP would benefit jawans and Junior Commissioned officers.
- However, the OROP notification had been rejected by ex-servicemen who said that it was in violation of the "accepted definition".
- In December, the government appointed a one-man judicial commission headed by Justice L.Narasimha Reddy, former Chief Justice of Patna High Court, to look into the issues arising out of the implementation and the report to be submitted in six months.

Govt is likely to make big disinvestment

- The big thrust areas of Union Budget 2016-17, will be the agriculture and transport sectors and big-ticket disinvestment, including strategic sales in high-value companies such as Bharat Heavy Electricals Limited (BHEL), and oil and defence public sector units (PSUs) such as Oil and Natural Gas Corporation (ONGC), Indian Oil Corporation (IOC), Hindustan Petroleum Corporation (HPCL).
- Mr. Jaitley will also announce in his budget speech a new centrally sponsored scheme for irrigation.
- On the expenditure side, the big outgo will be on account of the implementation of the 7th Central Pay Commission recommendations for pay and pension hikes with effect from January 1, 2016.
- Mr. Jaitley will present the budget in Parliament on February 29.
- To meet the fiscal deficit target, the government will rely on proceeds from disinvestment for which the budget will set ambitious targets.

Loss making Public sector undertakings to be winded up

- A two-year road map for three types of sales of government stake in PSUs.
- First, a plan for winding up loss-making units, including rules for the disposal of their assets and land. Passage next month of the new bankruptcy code by Parliament during the budget session, it is expected, will aid these sales.
- Second, profitable PSUs will be listed on stock exchange through public sales of shares.
- The government's shareholding in enterprises already listed will be pared down through public offers to the minimum level depending on the sector and "in line with government policy."
- The third category will be that of strategic sales of high-value and big-size companies such as BHEL, and the oil and defense sector PSUs.
- Based on inputs received from private investors, the government is finalising a new revenue model for irrigation projects to be developed in the public-private partnership space, which will bring down the down-stream user charges for farmers.
- This technology-intensive concept will be selectively applied to high-yield, plantation and commercial crops.
- The Centre has already opened up 100% FDI under the automatic route in rolling stock, services, catering and the development and running of passenger terminals.
- Measures are likely for addressing delays in land acquisition in various States that is leading to stalled rail projects.

Ten soldiers died in Siachen's Avalanche

- The 10 soldiers trapped in ice after an avalanche on the Siachen glacier were declared dead.
- The soldiers belong to the Madras regiment of the Army and have been posted there recently.
- A very large rescue team has been deployed to reach down to the swamped Army post. The rescuers are working at extremely low temperatures hovering between -25 to -45 degrees putting their lives at risk.
- The major avalanche struck the Army post in Northern Siachen Glacier located at a height of 19600 feet.
- The Indian Army has been controlling the dominant heights of the glacier, the world's highest battlefield, since occupying it in April 1984 under Operation Meghdoot pre-empting Pakistan's move which controls heights at the lower altitudes.

50% quota for women in panchayats planned

- Minister for Rural Development and Panchayati Raj, has said the government would be pushing a Constitutional amendment, first cleared by the UPA Cabinet, to increase reservation for women in panchayats from 33 per cent to 50 per cent in the budget session of Parliament.
- Though some States have provided 50% reservation to women in panchayats, the government will, through the Constitutional Amendment, ensure that it is implemented in the whole country.
- Though some States have provided 50% reservation to women in panchayats, the government will, through the Constitutional Amendment, ensure that it is implemented in the whole country.
- Among the States that already follow 50% reservation for women in Panchayati Raj Institutions (PRIs) are Bihar, Uttarakhand, Madhya Pradesh and Himachal Pradesh.

UN panel ruled Julian Assange's forced stay in embassy as arbitrary detention

- A United Nations panel ruled that WikiLeaks founder Julian Assange's three-and-a-half year forced-stay in the Ecuadorean embassy in London is a case of "arbitrary detention" and a "deprivation of liberty" and that he should be allowed to walk free.
- In the light of their investigation and findings, the widely respected UN Working Group on Arbitrary Detention, considered the highest international legal authority on detention, called upon the governments of Britain and Sweden to "assess the situation of Mr. Assange, to ensure his safety and physical integrity."
- Also "To facilitate the exercise of his right to freedom of movement in an expedient manner, and to ensure the full enjoyment of his rights guaranteed by the international norms on detention."
- Mr. Assange, who faces extradition to Sweden over a rape charge, which he denies, claimed asylum in London's Ecuadorean embassy in 2012.
- But Britain and Sweden said they would continue to seek the arrest and extradition of Mr. Assange.
- Both governments adhere to the view, that in this case, domestic law takes precedence over international law.

First case to be decided under new Juvenile law

- A decision will soon be taken by the Juvenile Justice Board (JJB) on whether a 17 year-old boy, who is accused of committing two murders in Delhi in five months, will be tried as a juvenile or as an adult.
- As per the Juvenile Justice Act 2015, the boy could be tried as an adult if the board assesses him mentally and physically capable of committing the heinous offences and as having the ability to understand their consequences.
- The boy, who will turn 18 next month, was first apprehended last September on charge of kidnapping a 13-year-old boy for ransom and killing him later.
- He was released on bail in November, but the same boy allegedly robbed and killed a 65-year-old woman in Delhi's Lodhi Colony last Saturday.
- If he ends up being tried as an adult, his will be among the first such major case in Delhi after the much-debated law was passed in December and approved by the President on the last day of 2015.

Basmati rice all set to get Geographical Indication tag

- The Intellectual Property Appellate Board (IPAB) ordered issue of the 'Geographical Indication' tag for basmati rice grown in the Indo-Gangetic Plains on the foothills of the Himalayas.
- The order comes seven years after the application was made.
- The application has been mired in litigation after farmers and exporters and Madhya Pradesh wanted to be included in the list of States approved by the Agricultural and Processed Food Products Export Development Authority (APEDA), the statutory body responsible for export promotion and development of certain scheduled products.
- In 2014-15, India exported 37 lakh MT of Basmati Rice to the world worth Rs. 27,597.87 crore and is the world's leading exporter of the rice, according to APEDA.
- India exports a major quantity of basmati rice to Saudi Arabia, Iran, United Arab Emirates, Iraq and Kuwait.

FM asks states to use greater devolution for anti-poverty and infra projects

- Union Finance Minister Arun Jaitley, urged the States to boost spending on infrastructure creation and anti-poverty programmes by leveraging the increased devolution from the implementation of the 14th Finance Commission's recommendations.
- At a pre-budget consultative meeting, the State Finance ministers, in turn, asked the Centre to release the compensation for phasing out the central sales tax.
- They said the government should reappraise its role in funding social sector schemes such as the Sarva Shiksha Abhiyan.
- The Centre had reduced its contribution to such schemes after the 14th Finance Commission's recommendations were implemented, placing a greater burden on the States.

International fleet review at Visakhapatnam

- The International Fleet Review, the second in the country, on the vast expanse of the Bay of Bengal at Visakhapatnam provided a big opportunity to the Indian Navy to show case its might, even as its ships anchored alongside foreign vessels in a spirit of camaraderie and bonhomie.
- President Pranab Mukherjee, Supreme Commander of the Armed Forces, reviewed the fleet on the Presidential Yacht INS Sumitra, accompanied by Prime Minister Narendra Modi, Defence Minister Manohar Parrikar and Chief of Naval Staff Admiral Robin K. Dhowan.
- As the Presidential column set sail, around 100 ships of the Indian Navy and navies across the globe dotted the seascape in six columns with their sailors clad in white in grand salutation.
- There were 24 foreign ships, 65 Indian Navy ships, three submarines, two Coast Guard ships and three merchant marine ships. Fifty-one navies sent either their ships or delegations to the IFR.
- Calling upon navies to refocus their efforts on countering the rising tide of non-traditional maritime challenges, Mr. Mukherjee said the country had established a credible record of cooperative initiatives to promote stability of the oceans by realigning its maritime strategy.
- President also said India's geographical location on major shipping routes of the Indian Ocean gave it a pivotal maritime role, and the Indian Navy played a central role in ensuring the safety of the vital sea lines of communication across the ocean.

Indian medical association also supports Maneka Gandhi's view

- The Indian Medical Association (IMA) came out in support of Union Minister Maneka Gandhi's suggestion to make pre-natal sex determination compulsory to check female foeticide.

- The IMA said the recent statement by the Union Women and Child Development Minister indicates that a 20-year old ban on foetal sex determination may be lifted.
- India is among the countries with the worst child sex ratio in the world. The 2011 Census showed that the child sex ratio has dipped from 927 girls in 2001 to 919 girls in 2011.
- Child sex ratio is the number of girls per 1,000 boys between the age 0-6 years.
- Since the PC-PNDT Act, the sex ratio in the country has not changed.

Due to security concerns, soldiers will remain in Siachen

- Defence Minister Manohar Parrikar ruled out any troop withdrawal from the Siachen glacier after the last week's avalanche claimed the lives of 10 soldiers.
- major avalanche hit a post on the northern glacier at a height of 19,600 feet being manned by soldiers of the Madras Regiment.
- One Junior Commissioned officer (JCO) and nine soldiers were killed in the tragedy and efforts are still on to locate and retrieve their bodies.
- Noting that chances of finding any survivor was "very less or almost nil" as the area was under tonnes of ice, Mr. Parrikar said a search was still on.
- He noted that casualties had come down in recent times and despite the best of efforts, nature could not be predicted.
- India and Pakistan have lost over 2,000 soldiers in the last three decades, most of them to extreme and unpredictable weather events.
- Time and again proposals have been put forward to demilitarise the glacier but India has refused any such move without proper delineation and acceptance of the current positions.

PM invited international community to invest in India

- Narendra Modi invited international companies to make in India and make for India under a drive launched by his government.
- He wanted the youth of the coastal areas to join the endeavour to make India a Blue Economy.
- Speaking at the International Fleet Review 2016, he talked about reigniting the manufacturing sector with the 'Make in India' campaign. Defence and ship-building were its focus areas.
- "The Indian Ocean region is one of my foremost policy priorities. Our approach is evident in our vision of 'Sagar,' which means "Ocean" and which stands for Security and Growth for All in the Region.

Health ministry in favour of single common entrance test

- The Union Health Ministry has cleared an amendment to a law, which, if cleared by Parliament, will allow the Medical Council of India to conduct a single, common entrance test for admissions for undergraduate and post-graduate medical courses across the country.
- The test may be introduced in 2016 if the Cabinet approves the proposal. A draft note has been circulated among the Ministries before it is presented to the Cabinet.
- If it comes into being, students will be spared the burden of traversing the length and breadth of the country and pay multiple entrance fees to take several tests for a shot at a medical seat.
- The MCI, it is learnt, has told the government that it could either notify an existing examination, for instance, the All-India Pre Medical Test (AIPMT), or a new one as the common test.
- The MCI attempted to hold a common exam for postgraduate seats in 2012 and undergraduate seats in 2013.

- But nearly 80 private colleges, several led by minority institutions and that currently have the freedom to organise their own tests, united to take the MCI to court.
- The Supreme Court ruled that the existing laws allowed the MCI only to decide the curriculum and not to administer entrance tests.

Plan of abolishing various taxes gets attention from secretaries

- A presentation made last week for a sub-group of Secretaries set up by Prime Minister Narendra Modi seeks to abolish income tax and over 30 local, State and Central taxes.
- The proposal from a Pune-based tax research outfit, Arthakranti, advocates replacing the present tax system with a single 2 per cent levy per receipt in bank accounts and recommends that just import duties be retained from the present system.
- While the government is pitching for quick passage of the Constitution (122nd Amendment) Bill for the rollout of the Goods and Services Tax, Arthakranti's proposal envisages a system that does not tax consumption or income, as is the case now, but the "velocity of money".
- The outfit has estimated that the levy it is proposing can be collected through the banking channel rather than the tax collection authorities. Without leading to a loss of revenue, it will plug tax evasion and avoidance.
- Arthakranti's calculations show that the 2 per cent tax will yield Rs. 40,00,000 crore.
- The claim was contested by the eminent economist and former secretary-general of the FICCI, Rajiv Kumar, who said that at 2 per cent, the proposed new tax will yield Rs. 14,00,000 crore.
- In 2014-15, the Centre's total tax revenue (revised estimates) were Rs. 9,084,63 crore.

David Headley made revelations about ISI, JuD

- In an important turn in the 2008 Mumbai attacks trial, Lashkar operative David Headley named Jamaat-ud-Dawa chief and 26/11 mastermind Hafiz Saeed as the head of the Lashkar-e- Taiba.
- During his deposition before a special court here via video-conferencing from the U.S., he identified Pakistani Army officers associated with the ISI.
- Lashkar handlers Saeed and Zaki-ur-Rehman Lakhvi had also been named by Ajmal Kasab, the Pakistani gunman who was executed for his role in 26/11, in his confession statement in 2008.
- Notably, Headley named Major Ali and Major Iqbal of the ISI and Lashkar commander Sajid Mir as his contacts in Pakistan.
- He also said the 10 people involved in the 26/11 attacks had made two previous attempts on Mumbai.
- The first, in September 2008, failed as the boat, which started from outside Karachi, ran into some rocks and sank. The weapons and explosives were lost in the sea.
- The second attempt took place a month later. It was Mir who informed Headley of the two attempts.
- Headley, who was convicted in the U.S. for his role in the Mumbai attacks, gave his statement before special judge G.A. Sanap.
- Testifying as a prosecution witness from an undisclosed location in the U.S., he confined himself to the information he divulged following his plea bargain agreement with the American government in 2010.
- Terming his deposition "live evidence," special public prosecutor Ujjwal Nikam said it was a "statement of oath" of a person directly involved in the criminal conspiracy.

TRAI barred telecom service providers from charging differential rates

- The Telecom Regulatory Authority of India (TRAI) barred telecom service providers from charging differential rates for data services, effectively prohibiting Facebook's Free Basics and Airtel Zero platform in their current form.
- It said the prohibition was necessary to keep the Internet open and non-discriminatory.
- TRAI said a fine of Rs. 50,000 would be levied per day, subject to a maximum of Rs. 50 lakh, for any violation of these regulations. An exemption, however, has been made for offering emergency services.
- Ruling out case-by-case approval for plans that might be priced differently, the regulator said a clear policy should be formulated.
- The regulator and Facebook have been at loggerheads over the issue with the authority terming the social networking giant's attempt to lobby for its Free Basics initiative a "crude" attempt at turning the consultation over differential pricing of data services into an "orchestrated opinion poll" on Free Basics.
- Facebook had partnered with Reliance Communications in India to offer Free Basics service. However, the services were put in abeyance, post a TRAI order to this effect.
- TRAI said tariff for data services could not vary on the basis of the website/ application/ platform/ or type of content being accessed.
- For example, a consumer could not be charged differently based on whether she was browsing social media site A or B, or on whether she was watching streaming videos or shopping on the Internet.

After six days under ice a soldier miraculously found alive in Siachen

- The Army found a soldier alive and retrieved the body of another from a huge mound of snow and ice, triggered by an avalanche in Siachen Glacier, in Ladakh region, where a search operation is on for six days now.
- Lance Naik Hanamanthappa has been found alive. He is critical but all attempts are being made to evacuate him to RR Hospital in the morning. We hope the miracle continues. Pray with us.

Conference of Governors at Rashtrapati Bhavan

- Inaugurating a two-day conference of Governors at Rashtrapati Bhavan, President Pranab Mukherjee said those holding constitutional posts should maintain the sanctity of the Constitution.
- President said: "It is primarily due to our steadfast adherence to the principles enshrined in our Constitution. It is an enduring document that reflects our aspirations and the avenues to achieve them, in an inclusive manner."
- It is incumbent on us all who hold constitutional positions to maintain the sanctity of this sacred text."
- Referring to 2015 as a difficult year, the President said: "We faced challenges from the global economic slow-down, climatic changes, and internal and external security."
- States having international borders were affected by terrorist attacks that had clear external linkages. Volatile external security environment makes it incumbent on us to upgrade our defence

United States shares details and specifications of LeT operative Headley

- The United States has provided the National Investigation Agency (NIA) with the details and specifications of a mobile phone handset belonging to Lashkar-e- Taiba operative David Coleman Headley, which was used by him to videograph key targets, a few months before the 26/11 Mumbai terror attacks.
- The same phone was used to film key targets when Headley again visited India in March 2009, barely three months after the attacks.
- The details would help the NIA build its case against Headley and others in the Mumbai attacks case.
- Even after a Mumbai court accepted Headley's plea to become an approver in the case being investigated by the Mumbai Police, he remains an accused in the NIA's case.
- With this phone, Headley had filmed the residential areas around the Bhabha Atomic Research Centre (BARC), Taj Hotel, the Naval Air Station, the Police Headquarters, the State Assembly, Siddhi Vinayak Temple, Chabad House and Mumbai Stock Exchange, Leopold restaurant and Trident Hotel.
- Headley has also said he used to get calls from Major Iqbal on this number, and the calls were masked to have generated from New York.

Gates Foundation would be closely scrutinised

- The Indian government will closely scrutinise the Bill & Melinda Gates Foundation's (BMGF) methods of donations in India after an international report accused the world's biggest philanthropist of influencing government policies in favour of multinational pharmaceutical companies.
- Unlike other international donors, the BMGF is not registered under the Foreign Contribution Regulation Act (FCRA), leaving its funding out of the ambit of the Ministry of Home Affairs (MHA), which is the regulatory authority for NGOs and associations who receive foreign funds.
- The foundation instead operates as a "Liaison office" under the Foreign Exchange Management Act (FEMA) as approved by the Reserve Bank of India (RBI).
- Since it is not registered under the FCRA, the funding of NGOs doesn't come under the government's watch list. It is not clear where and what they are funding.
- It is a loop-hole and it can open gates for other NGOs as well to use this route to escape scrutiny.
- The RBI allows "liaison offices" to operate in India and the central bank does not want to give up this power. This is being exploited by many foreign associations and organisations to route undetected foreign funds.
- Though the RBI gives LO permits, it does not regulate them as there are no such rules. No inspections can take place and thus no taxes are paid.
- The BMGF works as a marketing office for U.S. pharmaceutical vaccines pushing only WHO pre-approved manufacturers, all of whom are either USA or EU based.

SC hears constitutionality of President rule in Arunachal

- The Supreme Court has questioned Governor J.P. Rajkhowa's use of his "constitutional discretion" to advance the sixth session of the Arunachal Pradesh Assembly by over a month.

- Advancing the session from its scheduled date of January 14, 2016 to December 16, 2015 in order to remove Speaker NabamRebia triggered the entire political crisis leading to the imposition of President's Rule on January 26
- The Bench's questions pertained to the order issued by Mr. Rajkhowa on December 9, 2015 to advance the Assembly session without consulting Chief Minister NabamTuki and his Council of Ministers under Article 174 (1) of the Constitution.
- Instead of calling a floor test, the Governor invoked Article 174 (1) of the Constitution and ordered the session to be advanced for "facilitating the House to expeditiously consider resolutions for removal of Speaker."
- Referring to its past judgements, the apex court said a Governor could not assume constitutional discretion unless such powers were expressly provided in the specific Articles of the Constitution.
- Since Article 174 (1) was silent on whether the Governor should consult or not the State Cabinet before advancing dates of the Assembly session, it was presumed that aid and advice of the Chief Minister and Council was required to be taken.

Plan to develop cities around major ports dropped

- The Centre has dropped the plan to develop smart cities around major ports in Mumbai and Kolkata.
- Last year, the government had planned to build one smart city each at 12 major ports at an estimated cost of Rs. 50,000 crore.
- The ports — Kandla, Mumbai, the Jawaharlal Nehru Port Trust, Mormugao, Visakhapatnam, Cochin, Chennai, New Mangalore, Ennore, V.O. Chidambaram, Paradip and Kolkata — have 264,000 acres of land around them.
- These ports handle 61 per cent of the cargo traffic.

Women Qazis get support from Deoband

- Islamic seminary Darul-Uloom Deoband came to the defence of two Muslim women from Rajasthan — Afroz Begum and Jahan Ara — who became Qazis (judges).
- Who, in Islamic legal jurisprudence, has the authority to function as the head of informal arbitration centres to sort out disputes related to personal laws as well as other matters.
- Deoband's support for the two women came days after conservative religious clerics in Rajasthan protested against the two women being awarded the certificate of "Qaziat" by an Islamic training Centre in Mumbai.
- Maulana Usmani also said there was no reason for anyone to oppose the two Qazis because there are "several madrasas that train women to become a Qazi or a Mufti."

Along with monsoon forecast IMD will start giving summer forecast

- For the first time in its history, the India Meteorological Department — best known for its monsoon forecasts — will issue a summer forecast for April, May and June.
- Those involved say that though such a forecast may not be of much help to farmers — who rely on IMD's rain forecasts to make sowing decisions and don't plant their crops in these months.
- The information would be useful to power companies, several service-sector industries and state planners who'd like a heads-up on possible water shortages.

- In mid-March, the IMD will send out a colour-coded map of India, showing how temperatures in different regions of the country are likely to deviate from what's normal, during summer months.
- These numbers would be updated every five day.
- The IMD's initiative comes even as India bears the brunt of one of the long-est and severest El Ninos ever experienced.
- Said to be responsible for two consecutive droughts as well awry winter patterns in North India, the El Nino — a meteorological phenomenon marked by an unusual warming of the surface waters of the Pacific Ocean and associated with droughts — is likely to continue for a couple of months more.
- The IMD does give warnings about imminent heatwaves and dry weather but these are no more than five days ahead.
- The key factor to forecasting weather a few months ahead is in ensuring that the computerised weather models are consistently able to simulate the weather as it actually plays out.

Women would get child through surrogacy or adoption will also paid maternity leave

- In a first, the government is set to mandate four months of paid maternity leave to women having babies through surrogacy and those who adopt a newborn within three months of birth.
- Expectant mothers would be entitled to six-and-a-half months of paid leave, compared to just three months now, under the proposed amendments to the Maternity Benefit Act 1961 that are expected to be considered by the Cabinet soon.
- Under the proposed amendment, offices with 50 or more workers will have to compulsorily provide crèche facility on their premises.
- Women's unions said the government's move to raise the leave to six months is a good start and the benefit must be extended to those working in the unorganised sector.
- Globally, around 98 countries provided maternity benefit of at least 14 weeks till 2013, said a report titled 'Maternity and Paternity at Work' prepared by the International Labour Organisation.
- Forty-two countries gave 18 weeks of paid maternity leave.
- Women working in government offices in India get a six-month maternity leave, according to the Central Civil Service (Leave) Rules 1972.

Highly elusive gravitational waves detected

- The highly elusive 'gravitational waves' have finally been detected. Understandably, and justifiably, there is great elation within the global physics community, astro-physicists and cosmologists in particular
- After decades of search for these ripples in space-time, which Albert Einstein predicted exactly 100 years ago.
- Scientists working with the gigantic optical instruments in the U.S. called LIGO [Laser Interferometer Gravitational-wave Observatory], have detected signals of gravitational waves emanating from two merging black holes 1.3 billion light years away arriving at their instruments on the Earth.
- That is to say, this cataclysmic event of two black holes merging occurred 1.3 b yrs ago, when multi-cellular organisms were just beginning to form on the Earth, the gravitational waves from which are being received now on the Earth.
- The announcement was beamed across all the laboratories of the world participating in the LIGO Science Collaboration (LSC). LSC comprises about 1000 scientists from 16 countries.

Lance Naik Hanamanthappa dead

- Lance Naik Hanamanthappa Koppad, whose miraculous survival days after an avalanche hit an Army camp on the Siachen Glacier transfixed the nation, died on Thursday morning.
- This brought the focus back on the challenges of military deployment on the glacier, with Pakistan indicating that it is willing to consider early de-militarisation.
- The soldier of 19 Madras Regiment is survived by his wife and daughter.
- Hanamanthappa was rescued alive on Monday, having been buried under 35 feet of snow, along with nine other soldiers.
- Prime Minister Narendra Modi led the nation in bidding farewell to Hanamanthappa.

BSE saw one of the biggest single day fall

- Disappointing results from State Bank of India (SBI), amid global weakness, dragged the BSE Sensex to its lowest close in 21 months.
- The benchmark index posted its biggest single-day fall since August 24, 2015, slumping 807.07 points, or 3.40 per cent, to 22,951.83 at the close on Thursday.
- The broader Nifty fell 239.35 points, or 3.32 per cent, to close at 6,976.35.
- Investor sentiment was affected after SBI reported a 62 per cent drop in its net profit to Rs.1,115 crore owing to an increase in bad loans.
- The lender saw fresh slippage of more than Rs. 20,000 crore, which took its gross non-performing assets to a staggering Rs.72,792 crore or 5.1 per cent of its total loans.
- On BSE, more than 2,400 stocks declined as against 288 gainers. The rupee also weakened 0.45 against the dollar, the most in a month, to close the day at 68.30 amid foreign fund outflows.

Much awaited plan for malaria elimination announced by Health Ministry

- The Union Health Ministry announced the much-awaited plan to eliminate malaria from the country by 2030. This will be the first time that the government's policy intervention will have deliverables and time-bound targets.
- Under the new framework, India will be divided into three categories as per malaria prevalence — low, moderate and endemic States.
- By 2016 end, all States are expected to include malaria elimination in their broader health policies; by the end of 2017.
- All States are expected to bring down Annual Parasite Incidence [API] to less than 1 per thousand population.
- By the end of 2020, 15 States/UTs under category 1 [elimination phase] are expected to interrupt transmission of malaria and achieve zero indigenous cases and deaths due to malaria.
- It is also envisaged that in States with relatively good capacity and health infrastructure, namely, Gujarat, Karnataka and Maharashtra, accelerated efforts may usher malaria elimination sooner — within two to three years.
- According to Ministry statistics, 1.13 million cases and 287 deaths were reported in the provisional data.
- However, British medical journal The Lancet estimates that India reports at least 50,000 malaria-related deaths annually, making discrepancy in data the biggest challenge in elimination strategy.

- The gross underestimation of data is something officials of the National Vector Borne Disease Control Programme have acknowledged. At a recent press conference held by the ICMR.

Severe penalties would be imposed on power companies for not adhering to solid waste rule

- The Central government has issued a circular to all power distribution companies stating it was mandatory for them to buy electricity from power plants fuelled by solid waste.
- In case the companies brush aside the instructions, the government would impose severe penalties on them, an entitlement that comes from the recent amendment of the Electricity Regulatory Act (2013).
- To turn Prime Minister Narendra Modi's Swachh Bharat Mission a success, Venkaiah Naidu-led urban development ministry convinced the power ministry in early January to amend the Electricity Regulatory Act 2013 and include the "penalty" clause for companies that violate the new instructions.
- The Centre now aims at generating 700 megawatts of electricity from solid waste-run plants in the next five years.
- Every day, about 1.68 lakh tonnes of solid waste is collected across the country.
- As State governments will have to build plants that can produce energy from solid waste, the ministry offered to cover "20 per cent" of the cost of each plant. This money would come from the Swachh Bharat Mission.
- Of its budget allocation of Rs. 62,000 crore, Rs. 38,000 crore would be spent on building solid waste management infrastructure across the country.
- The road to arriving at energy generation is still long but the ministry has made a significant progress in setting up an effective door-to-door collection and transportation of solid waste.

SC for uniform compensation scheme for differently abled rape victims

- Highlighting the plight of differently abled victims of rape and sexual exploitation, the Supreme Court ordered all States and Union Territories to formulate a uniform scheme for providing them compensation.
- It stressed that no amount of money can wipe away the tears of these women who have to battle both the social disadvantage of their disability and stigma of the crime committed against them.
- The compensation given to rape victims was negligible compared to the trauma they had to undergo all their lives.
- Compensation and rehabilitation expenses range from Rs. 20,000 to Rs. 1 lakh at the most, except in the State of Goa where victims were paid Rs. 10 lakh.

Jawahar Lal university's student union leader arrested

- As the Centre hardened its position, a Delhi court remanded Jawaharlal Nehru University Students Union president Kanhaiya Kumar in three-day police custody.
- He was arrested on the charge of sedition, after "anti-India" slogans were allegedly raised at the university during a recent protest meeting in memory of Afzal Guru, hanged in 2013 after his conviction in the Parliament attack case.

- A case of sedition against several unknown students was lodged at Vasant Kunj (North) police station.
- It was registered under IPC Sections 124A (sedition), 120B (criminal conspiracy) and 34 (acts done by several persons with a common intention). Five more persons are absconding in the case.
- The university also initiated action, barring eight students from academic activity pending an enquiry, though they would be allowed to stay as guests in the hostels.

National undisclosed income increased from 6000 crore to 90000 crore from 2011 to 2014

- The nationwide crackdown on black money has meant a steady increase in detection of undisclosed income, which has jumped 15.5 times over the past five years.
- A comprehensive report of the Director General of Income Tax (Intelligence and Criminal Investigation) shows more and more prominent business houses, including diamond traders, steel magnates and the country's leading pharma companies coming under the taxmen's scanner.
- National undisclosed income jumped from just Rs. 5,894 crore in financial year 2011 to Rs. 90,391 crore in 2014.
- The undisclosed income detected in 2012 was Rs. 6,573 crore and Rs. 19,337 crore in 2013.

Urban development ministry made buying of compost from solid waste mandatory

- In an attempt to boost the NDA government's flagship Swachh Bharat Mission, the Ministry of Urban Development has made it "mandatory" for private companies to buy compost that is extracted from municipal solid waste.
- Since solid waste management is a key feature of Swachh Bharat Mission, the Ministry is finding creative ways to turn mounting waste into a national asset.
- In early January, the Ministry arrived at an agreement with the Ministry of Chemicals and Fertilizers that private companies must promote the municipal compost and slowly reduce the market size of urea.
- The government is also weighing whether to offer a deal where subsidy would be granted if one bag of municipal compost is bought with every two bags of chemically rich urea.

India summoned U.S. Ambassador to the External Affairs ministry for F-16 sale

- Angered by a U.S. decision to sell eight more F-16 fighter jets to Pakistan, India summoned U.S. Ambassador Richard Varma to the External Affairs Ministry to express "displeasure" with the deal.
- At the nearly 45-minute meeting, Foreign Secretary S. Jaishankar told Mr. Varma that India was not only disappointed but also upset that its protests over the past year on the issue had gone unheeded.
- The Pentagon conveyed to the U.S. Congress the decision to sell the planes in a \$699.04-million deal, and the U.S. government announced the sale.
- Rejecting the State Department's contention that the sale was in the U.S.'s "vital national security interests" as it helped Pakistan fight terror groups, the Ministry said, "We disagree with their

rationale that such arms transfers help combat terrorism. The record of the last many years in this regard speaks for itself.”

- India believes the sale will only strengthen Pakistan’s ability to threaten India.
- The U.S. move is a setback to India’s hopes that given the mounting evidence of Pakistani agencies’ continuing support to anti-India groups, the U.S. would rethink its arms sales to that country.
- In the past week, many in the government had hoped the details of the deposition in a Mumbai court by the 26/11 planner David Headley would remind the U.S. of the links of Pakistan’s ISI with these groups.
- The U.S. announcement has come at an inconvenient time, when India is hoping to extract action from Pakistan on the Pathankot terror attacks.

Make in India week started in Mumbai

- Showcasing India as a land of immense opportunities, Prime Minister Narendra Modi told representatives from 68 countries participating in the Make in India Week that India was blessed with Democracy, Demography, and Demand.
- His government had added Deregulation making it a four-dimensional India waiting for foreign investment and manufacturing companies.
- Spelling out the potential of the market before foreign investors, Mr. Modi said, “50 of our cities are ready for setting up metro rail systems.
- We have to build 50 million houses. The requirement of road, rail, waterways is enormous. There is no time for incremental changes. We want a quantum jump.”
- The Prime Minister said helaid great emphasis on zero defect and zero effect manufacturing.
- India place high emphasis on energy efficiency, water re- cycling, waste to energy, clean India and river cleaning.
- These initiatives are directed at improving quality of life in cities and villages. These initiatives provide youadditional avenues for investment in technologies, services and human resources.

Government to initiate a nation-wide consultation process for S&T policy

- President Pranab Mukherjee said that the government would soon initiate a nationwide consultation process for framing India’s first ‘publicly accessible’ Science and Technology policy and emphasised the need for consistent encouragement for youth to pursue research and innovations in their chosen fields.
- The new science and technology policy, called Vision S&T 2020, would articulate the country’s future towards technological independence and self-reliance in the 21st Century.
- The President said, indicating that it would supercede the Science, Technology and Innovation Policy initiated by the government in 2013.
- Committing to continue investment in basic sciences, Mr. Mukherjee said science must be used to transform our society, citing the example of technological advancements that could help reach banking.
- Stressing that science and technology was a priority for India from the early days of Independence.

Srikanth Srinivasan set to become Judge of US Supreme Court

- The death of a serving judge of the U.S. Supreme Court has set of acrimonious exchanges between the Democrats and the Republicans on whether President Barack Obama should nominate a new judge in the last year of his presidency.
- Mr. Obama has declared that he would nominate a replacement for Antonin Scalia who died on Saturday at 79, ending a controversial tenure through which he steered the court towards the right with a series of pronouncements.
- Srikanth Srinivasan whose family came to the U.S. from a village in Tirunelveli in Tamil Nadu figures as the most probable choice to succeed Scalia.
- Mr. Srinivasan, 49, is now U.S Circuit Judge of the U.S Court of Appeals for the District of Columbia, which served as a stepping stone for at least three judges of the Supreme Court.

Major revamp to rehabilitation scheme proposed

- To liberate crores of children, transgenders and others trapped in human trafficking, beggary or any such forms of forced labour, the Union government has proposed a major revamp of the rehabilitation scheme for rescued bonded workers, raising aid from the present Rs. 20,000 to Rs. 3 lakh.
- The government has finalised a proposal to institute a three-tier rehabilitation funding scheme, under which a rescued transgender or disabled person will get Rs. 3 lakh, women or children Rs. 2 lakh and adult men Rs. 1 lakh.
- Now, Rs. 20,000 goes towards rehabilitation of a bonded labourer with an equal contribution from both the Centre and the States.
- It is estimated that 1.4 crore workers in the country are bonded labourers, one of the highest in the world, according to the Global Slavery Index of 2014 released by the Australia-based Walk Free Foundation.
- However, official estimates show the State governments had rehabilitated 2.80 lakh workers till March 2015.
- A person becomes a bonded labourer when his or her labour is demanded as a means of repayment of a loan.
- To ensure a sustainable flow of money, a significant chunk of the rehabilitation sum will be credited to the bank accounts of the rescued persons in the form of fixed monthly deposits.

Barsimalugiri of Assam became first smart village in North-east

- A remote nondescript, insurgency-ravaged village in Assam along Indo- Bhutan border has earned the distinction of being the area's first smart village.
- Barsimaluguri, about 11 km from the Indo-Bhutan border, in Baksa district has been turned into a model smart village with 100 per cent toilets, solar power and pure drinking water, following an initiative taken by a few individuals under the aegis of Nanda Talukdar Foundation (NTF).
- There are more than 20,000 villages in Assam with government schemes being implemented, but none has been transformed into a smart village till now.

Government ready with major banking sector reforms

- When most of the public sector banks are bleeding, and their combined market capitalisation has fallen below private sector peer HDFC Bank, Union Finance Minister is set to announce a series of reforms in the banking sector, including reducing the government's holding in these banks to 51 per cent.

- Mr. Jaitley also said: “I don’t think India has reached a state where India can pull out of the banking all together.”
- In the last 3-4 decades, state-owned banks have played an important role as they reached out to areas where there was no banking.
- Mr. Jaitley said “Just 20 months ago, when this government took over, we still had a situation in which only 58 per cent of India was connected to banks and 42 per cent of Indians had no bank accounts.”
- Therefore, these banks have an important role to play in financial inclusion and geographical reach.

After HC Judge stays his transfer, Supreme Court freezes his functions

- The judicial hierarchy turned turtle when Justice C. S. Karnan of the Madras High Court ‘stayed’ the Chief Justice of India’s proposal to transfer him to the Calcutta High Court.
- It forced the Supreme Court to authorise a freeze on his functions as a judge.
- In an unprecedented development which threatened institutional esteem, a Bench of Justice J.S. Khehar and Justice R. Banumathi was informed by the Madras High Court that its sitting judge, Justice Karnan, has passed a “suomotu judicial order” ‘staying’ the Chief Justice of India’s recommendation to transfer him.
- The High Court judge stayed any move to transfer him to Kolkata, asking the CJI not to “interfere in my jurisdiction, as I am in the process of finalising an order on merits.”
- He even suggests to Chief Justice Thakur to look up the Second Judges case law of 1993 delivered by a nine-judge Constitution Bench.
- The 1993 case law had said that judges should be transferred “only in ‘public interest’ i.e. for promoting better administration of justice throughout the country.”

Supreme Court wants Parliament to decide the legality of passive euthanasia

- The Supreme Court said Parliament or the “people’s court” should be the final judge to decide the legality of passive euthanasia and “Living Will”.
- The Centre agreed with the apex court and illustrated the complexity of medically taking a person’s life by pointing at how Formula One legend Michael Schumacher is “being kept alive for years on the hope he will wake up from his coma one day”.
- A Constitution Bench, said it will wait till July 20 with the “unwritten hope” that the government or Parliament will finalise a law on passive euthanasia.
- The act of withdrawing medical treatment with deliberate intention of causing the death of a terminally-ill patient.
- On legalising the ‘Living Will’ — an advance directive to physicians for end-of-life medical care — the Bench asked whether the concept was fundamentally against a person’s instinctive urge to live.
- It asked whether such a person should be given every minute chance to recover without alien intervention.

Mysuru gets top position in Swachh Bharat Ranking

- Mysuru city in Karnataka retained the top position in Swachh Bharat Rankings for 2015 that were released by the Ministry of Urban Development.
- Compared to the 2014 rankings, Chandigarh has replaced Tiruchirapalli of Tamil Nadu in the second rank while Dhanbad of Jharkhand is reeling at the 73rd slot, the lowest rank.
- Urban development minister said that the survey was “more participatory and evidence based” as all the featured cities were informed two months in advance about the methodology.
- In a year-long survey, the researchers studied 476 first-tier cities with two parameters: one, how ‘minimal’ open defecation was in the city; two, how robust the municipalities were with the solid waste management system.
- Launched in October 2014 by Prime Minister Narendra Modi, the Swachh Bharat Mission is the flagship sanitation programme of the National Democratic Alliance government, which aims to bridge the gap between sewerage and solid waste management and construct several million toilets in the urban centres.
- With a Central funding of Rs.14,623 crore, the government aims to build 1.4 crore household toilets, 2.5 lakh community toilets and 2.6 lakh public toilets by 2019.

The oldest operational aircraft carrier INS Viraat to be decommissioned

- In what is probably her last port of call, INS Viraat, the oldest operational aircraft carrier in the world, dropped anchor in Chennai.
- Commissioned as HMS Hermes as part of the Royal Navy, she was in the thick of action during the Falklands campaign in 1982.
- After serving the United Kingdom for almost 28 years since 1959, the carrier was inducted into the Indian Navy as INS Viraat in 1987.

Supreme Court dismisses plea for bringing pending cases under RTI

- Fifteen years after its verdict that the confidence of litigants would be shaken if judgments were kept pending for years, the Supreme Court dismissed a plea to maintain the data on its pending judgments and make the information public under the Right to Information (RTI) Act.
- The court’s refusal to be made accountable under the RTI Act is despite the decision of the Central Information Commission (CIC) to disclose the number of pending or “reserved” judgments.
- The Commission’s decision was upheld by a single judge of the Delhi High Court in a case in which the Supreme Court itself was an opposing party.
- The CIC had directed the Supreme Court to maintain its record in such a manner that RTI applicants could be informed of the number of its “reserved judgments”.
- “We are of the view that the total number of such cases in which orders are reserved should be duly intimated to the public.” Said CIC.
- “Now that the benefit of computerisation is available, placing such data in the public domain should not be particularly difficult,” the CIC had said.

Vodafone gets tax notice

- Tax authorities have issued a reminder to Vodafone Group Plc asking the company to pay Rs. 14,200 crore of tax dues — that the U.K.-based firm has referred to international arbitration — or risk having its assets seized.
- The government stated in 2014 that existing tax disputes, including Vodafone's, would be resolved through existing judicial process.
- The notice, dated February 4, to Vodafone International Holdings BV pertains to its 2007 acquisition of Hutchison's 67 per cent stake in a telecom venture in India for \$11 billion.
- The deal was executed through companies that are not based in India.
- The arbitration process does not stop the Tax Department from going ahead and seeking dues that it feels are legitimate tax demands, said a tax consultant.

Supreme Court directed Central Bank to give list of defaulter companies

- The Supreme Court has directed the RBI to submit a list of companies which have defaulted on bank loans of over Rs. 500 crore.
- The court also asked it to submit in six weeks the list of restructured loans.
- Directing that the list be placed on record in a sealed cover, the court asked how State-owned banks and financial institutions were advancing huge loans without proper guidelines and whether there was adequate mechanism to recover them.

Employees provident fund organisation recommends interest rate of 8.8 percent

- The board of trustees of the Employees' Provident Fund Organisation (EPFO) has recommended an 8.80 per cent rate of return on Rs. 10 lakh crore of retirement savings for 2015-16.
- The Finance and Investment panel of the EPFO board had earlier recommended a higher interest of 8.95 per cent on EPF savings.
- There are as many as 8.5 crore EPF accounts.

Aamir likely to become brand ambassador of Jalyukta Shivar Abhiyan

- Faced with an increased risk of seasonal drought and subsequent suicide by thousands of farmers every year, the Maharashtra government has roped in actor Aamir Khan to promote its flagship schemes in the sector of water and scarcity.
- The actor is likely to be associated with the government's 'Jalyukt Shivar Abhiyan', Chief Minister Devendra Fadnavis' flagship scheme, to make Maharashtra a drought-free State by 2019.
- The programme aims to make 5,000 villages free of water scarcity every year. Mr. Fadnavis is likely to make an announcement in the regard along with the actor.
- The actor would be asked to promote use of micro-irrigation system for efficient use of water, thereby increasing the irrigated area in the drought-prone regions.
- The government has allocated Rs 1,000 crore for the scheme.

Govt set to revoke President's rule in Arunachal Pradesh

- A day after the Supreme Court refused to stop the dissident leaders and the Governor in Arunachal Pradesh from forming a new government, the Union Cabinet sought the revocation of President's rule in the State imposed on January 26.
- The dissidents had staked a claim to form a government. Mr. Pul was accompanied by 19 rebel Congress MLAs, along with 11 BJP legislators, and two Independents.

Cabinet gives in principle approval to gravitational wave detector

- Days after an international team of scientists, including several from India, formally announced that it had detected gravitational waves from deep space, the Union Cabinet, chaired by Prime Minister Narendra Modi, said it had, "in principle," approved a proposal to have a gravitational wave detector in India.
- Those connected with the project said it was an important development and marked the government formally acknowledging it but a final decision regarding the money, and how it would be spent, was still some time away.
- Current estimates suggest the project would cost at least Rs. 1,200 crore.
- The gravitational waves were detected by the Laser Interferometer Gravitational Wave Observatory (LIGO) — a system of detectors in Washington and Louisiana.]
- Known as the LIGO-India project, it is piloted by Department of Atomic Energy (DAE) and Department of Science and Technology (DST).
- The LIGO-India project will be jointly coordinated and executed by three Indian research institutions: the Inter-University Centre for Astronomy and Astrophysics (IUCAA), Pune and Department of Atomic Energy organisations: Institute for Plasma Research (IPR), Gandhinagar and the Raja Ramanna Centre for Advanced Technology (RRCAT), Indore.
- Another ambitious mega- science project, the Indian Neutrino Observatory (INO) project — a proposed, under-ground observatory in Tamil Nadu to detect ephemeral particles called neutrinos — had been cleared by the Centre in 2015, after several years of deliberations.

By year end at least one fighter aircraft from Private sector

- Defence Minister Manohar Parrikar said that by the year-end, India would select one or more fighter aircraft which will be manufactured locally by a private company under the Make in India initiative.
- This is in addition to the Light Combat Aircraft (LCA), the production of which is being scaled up.
- India and France are in advanced stage of talks to conclude an inter-governmental agreement for the direct purchase of 36 Rafale fighter jets. This fighter aircraft will likely be other than the Rafale.
- The Air Force is expected to induct over 100 of the improved LCAs which will feature an Advanced Electronically Scanned Array radar, mid-air refuelling and improved electronic warfare suite in addition to other minor improvements.

India and Nepal begin to repair strained ties

- India and Nepal hope to begin repairing ties as Prime Minister K.P. Sharma Oli makes his first official visit to India.

- But as Mr. Oli lands in Delhi on the six-day visit, the two sides are unlikely to dwell too much on the past few months of strain, choosing instead to focus on the earthquake reconstruction effort, Indian power projects in the pipeline and future cooperation.
- In accordance with tradition, Mr.Oli is making India his first destination abroad after becoming Prime Minister in October 2015.
- He will meet his Indian counterpart Narendra Modi and other leaders in Delhi besides visiting two of India's worst earthquake-hit areas, looking at the hydropower station built in Tehri, Uttarakhand, and re- construction projects in Bhuj, Gujarat.

After JNUSU president getting threats in Patiala house court SC to hear his bail application

- A day after violence returned to the Patiala House courts in defiance of the Supreme Court's call for calm.
- The apex court accepted that "something extraordinary is going on in this country" and agreed to hear the bail petition of JNUSU president Kanhaiya Kumar, facing sedition charges on the allegation that anti-national slogans were allegedly raised on the university campus.
- Bench brushed aside objections raised in the courtroom that the court should not function like a magistrate and hear bail pleas, and posted the student leader's case for urgent hearing.
- "If a citizen comes to this court saying his fundamental rights are under threat, we have to hear him. Something extraordinary is going on in this country." Said Justice Chelameshwar.

Pak anti-terrorism court wants 24 Indian eyewitnesses statement to be recorded

- The Pakistani anti-terrorism court holding the Mumbai attack trial has ordered the Federal Investigation Agency (FIA) to present all 24 Indian witnesses before it so that their statements can be recorded.
- The Anti-Terrorism Court in Islamabad, which is holding the trial of the seven accused including Mumbai attack mastermind and LeT operations commander Zakiur Rehman Lakhvi.
- Court also directed that the boats used by Ajmal Kasab and others be brought back from India and made case property.
- The official said the Interior Ministry will write to the Foreign Ministry in this regard.

Experts wants India to learn from China for pollution control

- Experts who worked on China's successful pollution control measures have said India should learn from China's mistakes and put in place regional and national level action plans.
- Delhi's poor air quality has been at the top of the government and the public's agenda, with road rationing, car-free days and other measures being tried out.
- However, measures restricted to Delhi cannot have any substantial impact on the air quality — just like the Chinese authorities learned.
- The Chinese government woke up to the problem of air pollution only in the early 2000s, particularly in the run up to the 2008 Olympics.
- They tried out pollution control measures in Beijing, which hosted the games, but found that the problem lay elsewhere.

- Apart from the crackdown on polluting industries, China expanded its air quality monitoring system, which is something India needs to do as well.
- Some of the most polluted parts of the country do not have an air quality monitoring station.
- An online platform for each province of China was created, where air quality data, including emissions from individual industrial units in the area, is available to the public via an app.
- A five-year plan with specific targets for pollution reduction was also drawn up in 2013.
- Pollution control became a political agenda as well, with local government representatives being judged on whether they achieve air quality targets.

Li-Fi could make use of LED bulb for providing Internet

- Imagine an LED bulb doubling up as an access point for connecting to the Internet and ordinary light being used as a medium to carry data.
- A whole new world wherein a bulb would not only give us light but also help us access the Web might not be too far away, if a new technology called Li-Fi (or Light-Fidelity) goes mainstream.
- Prof. Harald Haas of the University of Edinburgh, who coined the term Li-Fi in 2011.
- Li-Fi was a disruptive technology that could transform business models, create new opportunities, and was poised to be a \$113 billion industry by 2022.
- Prof. Haas said that the RF (radio frequency) spectrum would not be enough considering the rate of growth of wire-less data communication.
- The visible light spectrum was much larger. The use of the light spectrum for Li-Fi overcomes the issues in traditional wireless communication, like the shortage of spectrum and network disruption because of interference.
- In Li-Fi, anyone who has access to light can access the Internet. The system also allows users to move from one light source to another without losing their network connection.
- In order to provide Internet at night, the stream of photons can be reduced to a minimal level that won't produce visible light but enough to carry data.
- The inability of light rays to pass through walls and similar structures is seen as a major drawback of this technology.

Toxicity testing of drug in the Indian population will start in India by month end

- A pilot programme to test the toxicity, particularly cardio-toxicity, of bedaquiline drug (for combating multi-drug-resistant TB) in the Indian population.
- Programme will assess drug's ability to achieve culture conversion and to check the feasibility of using the drug to treat MDR-TB patients will start in India by the end of this month or on World TB Day.
- Six hundred MDR-TB patients will be enrolled in six institutions — two in Delhi and one each in Mumbai, Ahmedabad, Guwahati, and Chennai — to study the suitability of the drug for the Indian population.
- Only those resistant to both rifampicin and isoniazid, the first-line TB drugs, will be enrolled.
- The pilot programme would last for six months. As per the WHO's recommendation, bedaquiline will be given to patients, besides the regular multidrug treatment regimen.
- Unlike clinical trials, the six institutions will not enrol a certain number of patients each. Instead, patients willing to participate in the programme will be enrolled on a first come, first served basis.

Defence Minister says OROP may also be given to military personnel retiring Prematurely

- The government is “re- considering” the denial of One Rank One Pension (OROP) to personnel opting Pre-Mature Retirement (PMR) in light of the concerns expressed by serving and retired military personnel.
- The PMR in the armed forces is a way of maintaining a younger officer profile at the middle level and open up vacancies for lower ranks.
- Currently the PMR tenure for Jawans and Junior Commissioned Officers (JCO) is 15 years and for officers it is 20 years after which they are eligible for pension.
- However, he said that there has to be a distinction between those leaving service for greener pastures and those leaving for the sake of the country.
- The government issued the notification implementing the OROP in November last year which stated that personnel opting for the PMR will be out of the ambit of the OROP effectively distinguishing those who had already retired and those opting for the PMR in future.

Vice-Chancellors of central universities accept Tricolour will increase nationalism

- The decision to unfurl the national flag at central universities taken at a meeting of Vice-Chancellors in Surajkund, Haryana comes as a surprise as some of the central universities, already have the tricolour flying from their buildings.
- The Flag Code of India, 2002, provides the specifications of the national flag, and when it is to be flown on public buildings.
- The meeting was called to discuss the issues of discrimination on campuses and the setting up of an ombudsman to look into specific complaints, some of the VCs present in the meeting said.
- Some of the resolutions passed addressed optimising academic output of the student community through an active monitoring system and transparent proactive mechanism for grievance redress of the varsity community.

Kalikho Pul sworn in as Chief Minister of Arunachal Pradesh

- The dissident Congress leader, Kalikho Pul, was sworn in as Chief Minister in the night.
- Prior to this, both factions of the Congress, one headed by Mr.Pul and the other by former Chief Minister Nabam Tuki, staked their claim to form a new government in the State.
- At present, the dissenting Congress faction consists of 21 leaders.
- Since they have the support of 11 BJP MLAs, they have the numerical majority in the 50-member Assembly.

India welcomes Pakistan move to file case for Pathankot attack

- In a clear hint of the two countries holding the Foreign Secretary-level talks soon, India welcomed Pakistan’s move to file a case against an unnamed extremist group suspected of executing the January 2 attack on the Pathankot airbase.
- India’s response came a day after the Pakistani police filed a case against a suspected terror group under the strict Anti Terrorism Act and the Pakistan Penal Code.

- Immediately after the attack, India pointed the finger at the Jaish-e-Mohammed, which has its headquarters in Gujranwala, but did not receive a favourable response even after providing technical evidence of the involvement of members of this group.
- But the press release from Pakistan indicated that the police had filed the case against the terror group, though an official confirmation is expected.

Successful hotbed test of cryogenic engine makes ISRO upbeat

- Indian Space Research Organisation's (ISRO) bid to acquire the capability to launch heavier satellites into orbit received a boost with the successful hotbed test of the cryogenic engine for the upper stage of the GSLV Mark 3 rocket.
- The long-duration test at the ISRO Propulsion Research Centre at Mahendragiri lasted 640 seconds.
- Using Liquid Hydrogen at -253 degrees C and Liquid Oxygen at -193 degrees C as propellants, the high-thrust cryogenic engine (CE20) generates power of approximately 2 MW.
- Developed at the Liquid Propulsion System centre (LPSC) here, the engine had already undergone two short- duration tests for engine ignition and steady state performance.
- Last year, the first developmental engine completed different hot tests in various operating regimes.
- The third engine identified for flight use will be vacuum tested in the high altitude test facility as part of the flight acceptance test.

SC declined to hear the bail plea of Kanhaiya Kumar

- The Supreme Court agreed with Kanhaiya Kumar, president of the Jawaharlal Nehru University Students' Union, that repeated mob violence on court premises against him was "unusual and extraordinary", but stopped short of hearing his bail petition barely 24 hours after listing the case at the top of the day's work chart.
- Instead, a Bench of Justices J. Chelameswar and Abhay Manohar Sapre transferred the petition to the Delhi High Court to be heard expeditiously.
- The court ordered the Centre and the police to provide special security arrangements, with the entry to the High Court regulated by the Registrar-General of the latter.
- Mr. Kumar, now lodged in the Tihar jail on a 14-day remand, moved the Supreme Court under Article 32 of the Constitution seeking protection of his life and liberty.

Haryana government gave assurance about Jat reservation

- The Haryana government, which said it accepted the demand of the Jats for reservation after their stir turned violent, gave an assurance that the relevant Bill would have legal sanctity.
- The new Bill will have legal sanctity. With a view to ensuring that no loss is caused by including them in the category of Economically Backward Classes (EBC).
- the quota for the same will be increased from 10 to 20 per cent and the income ceiling go up from Rs. 2.5 lakh to Rs. six lakh.
- Earlier in the afternoon, police said the protesters who had gathered at the Rohtak bypass road of the Delhi-Hisar National Highway turned violent and allegedly attacked police vehicles and the house of State Finance Minister Capt. Abhimanyu.

JAT protest paralyses Haryana

- Violence triggered by the Jat agitation for reservation spread to more areas in Haryana on Saturday, with reports saying protesters set fire to vehicles and public and private property and blocked roads and the railway track. Four persons were reportedly killed and several injured in the State as security forces opened fire.
- Security personnel resorted to firing after protests erupted in Rohtak and Jhajjar districts, taking the death toll to five. A hospital official in Rohtak said two persons were brought dead to the Pandit Bhagwat Dayal Sharma Postgraduate Institute of Medical Sciences (PGIMS) in Rohtak and one critically injured patient died after an operation.
- Curfew has been clamped in more towns, including Jind, Hisar, Hansi, Sonapat and Gohana.

Referendum in Britain for European Union membership

- British Prime Minister David Cameron called a June 23 referendum on membership of the European Union as he sought to rally his divided Conservative Party behind a deal which he said would guarantee Britain's prosperity and security in the bloc.
- After spelling out details of the deal -- clinched at an EU summit in Brussels -- to his senior Ministers, Mr. Cameron said he had secured the Cabinet's backing to recommend to voters that Britain stay in the bloc it joined in 1973.
- The agreement granted Britain an explicit exemption from the founding goal of an "ever closer union", offered concessions on the welfare rights of migrant workers and safeguards for the City of London.

Matribhasha Diwas to be observed on March 3 by Universities and colleges

- Universities and colleges across the country will now have to mark March 3 on their calendars.
- While educational institutions thought they do not have to conduct any activities on 'Matribhasha Diwas' on February 21 as it happens to be a Sunday, the University Grants Commission (UGC) has asked them to observe the day on March 3 instead.
- 'Matribhasha Diwas' is otherwise observed as International Mother Language Day across the world.
- The theme for 2016 is 'Quality education, language(s) of instruction and learning outcomes.'
- According to an earlier letter by the UGC to education institutions, they are expected to organise "elocution, debating, singing, essay writing competitions, painting competitions, music and drama performances, exhibitions, online resources and activities."

Noble laureate Satyarthi wants more budgetary allocation to Children

- Though children below 18 years of age constitute 41 per cent of the country's population, the budgetary allocation for them remains dismal, child rights campaigner and Nobel Laureate Kailash Satyarthi said.
- He said: "India is proud of being the youngest society in the world... We all talk about demographic dividend but when it comes to investment on children, on their health, education and protection, it is dismal I would say. This is only four per cent or less of the budget on children health education and protection."

- Mr. Satyarthi also said no country could accomplish inclusivity and sustain development, along with social development and peace, unless it gave priority to the health and education of its children.
- Speaking on the proposed amendments to the existing law on child labour, he expressed the hope that Parliament would pass a progressive law.
- While the existing law identified 83 hazardous occupations prohibiting children from working, Mr. Satyarthi said the proposed amendment reduced the number of hazardous occupations only to three.

Govt decided to give other backward class status to Jats

- The Jat agitation in Haryana claimed one more life, taking the death toll to 11, as the State remained on edge even as the government decided to bring a Bill to grant other backward class (OBC) status to Jats.
- The decision was taken at a meeting of the Home Minister, the National Security Adviser, the Army chief and the Delhi Police Commissioner with Jat leaders.
- BJP leader, told reporters that the Jat community would get reservation in jobs, and a Bill would be brought in the next session of the Haryana Assembly.
- Fresh incidents of violence and arson were reported in the State as the agitation entered the ninth day. Rohtak, Bhiwani, Jhajjar, Jind, Hisar, Hansi, Sonapat and Gohana continue to be under curfew.

Integrated Child Health Record will map child's health records digital

- With India's first ever digital platform, Integrated Child Health Record (ICHR), you can now have your child's health records made available at the click of a button.
- Supported by cloud computing and mobile technology, ICHR offers to map a child's health and track vaccination.
- ICHR is supported by a mobile application to address the pressing concern of parents who are keen to track their child's growth and vaccination.
- The mobile interface will be available for both Android and iOS users.
- ICHR provides and automates long-term surveillance of a child's growth.
- It also offers benefits including helping in early detection of obesity and malnutrition in urban and rural population respectively.
- It also addresses the dire need of maintaining the data centrally for research purposes.

Rurban mission launched by PM

- Prime Minister Narendra Modi said on Sunday that he has successfully brought the government to the people of the country from the corridors of New Delhi.
- Launching 'Rurban Mission' in Dongargarh, a town in Rajnandgaon district, he said: "Previous governments had the habit of doing everything by sitting in Delhi. They would invite 200 to 400 people to the Vigyan Bhavan in Delhi and light some candles [at the launch of programmes]. Some media friends also used to help them. But I have brought the government out of Delhi and among the people."
- His government is for the Dalits, the tribals and the poor, Mr. Modi said.

- Praising Kovarbai, a 104- year-old woman from the State, for selling her goats to build a toilet in her home, Mr. Modi called her a “symbol of new development.”

Unemployment rate stable in rural areas

- The unemployment rate in urban areas reduced from 4.5 per cent in 2004-05 to 3.4 per cent in 2011-12, new data from the National Sample Survey office show.
- In rural areas, the rate has been stable at around 1.7 per cent during this period.
- According to the survey, which was conducted in 2011- 12 and released, the unemployment rate across all the religious groups in rural areas was on the lower side than those in urban areas for both males and females.
- Un- employment rate is defined as the number of persons unemployed as a proportion of the labour force (persons who are either ‘working’ or ‘seeking or available for work’), not the total population.
- Christians have the highest rate of unemployment in both rural (4.5 per cent) and urban (5.9 per cent) areas in 2011-12.
- The rate in urban areas for Christians stood at 8.6 per cent in 2004-05 while the rural rate stays constant.
- Self-employment is the major source of income for almost half the households, across all religious groups, in rural areas, followed by casual labour.
- In urban areas, the proportion of households deriving major income from regular wage or salary earnings is the highest.
- Half the Muslim households in urban areas have self-employment as major source of income, the highest among all religions, while regular wage or salary earnings was the highest for Christians with 45.8 per cent households.

Jat protest turns ugly

- Even after the Centre’s assurance on reservation for the Jats, the agitation in Haryana doesn’t seem to die down.
- Three more persons were killed in police firing during protests in Sonipat district, even as the State government said the situation was returning to normality.
- The death toll in the State has gone up to 16 and 183 persons have been injured. So far, 320 cases have been filed and 102 persons have been arrested.
- The State Cabinet meeting, chaired by the Chief Minister, is reported to have witnessed a heated exchange of words between some Ministers.
- The Cabinet decided to give full compensation for the damage to private property, both residential and commercial.
- The Cabinet also decided to introduce a Bill for reservation in the coming session of the Assembly.

Three of the finest soldiers died in Kashmir

- The Army lost three of its finest soldiers, two young officers and a jawan from the Para Special Forces in the deadliest fidayeen at- tack in the Srinagar area in many years. It was not an isolated incident, but part of a disturbing trend of the Army losing some of its finest soldiers as the Kashmir violence flares up yet again.

- While statistics may hide much of it, the reality is that the Army has lost many of its most experienced counter-insurgency operatives in recent months because of a host of actors, including the return of fidayeen attacks.
- Among the possible reasons being discussed in intelligence circles is the role of dubious sources planting wrong information on Army units operating in the Valley.
- Earlier this month, two jawans were killed in a 22-hour gunfight in the Chowkibal forest in Kupwara.
- Lance Naik Mohan Nath Goswami, another para commando who was awarded Ashok Chakra this Republic Day, was killed in September last year along with another commando. A month later, four more soldiers were killed in the district.
- In November last, Colonel Santosh Mahadik, commanding officer of 41 Rashtriya Rifles, was grievously injured in Kupwara, not very far from where the earlier casualties occurred, and died later.
- A police officer of the Special Operations Group was also killed in the operations.

Supreme Court refuses to topple Arunachal government

- Remarking that the Arunachal Pradesh “experiment” to topple State governments may prove “deadly”, the Supreme Court refused to intervene in the formation of the new government under dissident Congress leader Kalikho Pul.
- The five-judge Constitution Bench, led by Justice J.S. Khehar, is looking into the constitutionality of State Governor J.P. Rajkhowa’s move to advance the Arunachal Assembly session, which eventually triggered a political crisis that led to the ouster of the Congress-led Nabam Tuki government and proclamation of emergency in the State on January 26 this year.
- The court told the Congress leaders that it should be allowed to comprehensively deal with the issue rather than in a piecemeal, “hotchpotch” fashion.

Global banking giants HSBC gets tax evasion notice

- Armed with “sufficient evidence”, Indian tax authorities have issued notices to the global banking giant HSBC, warning of prosecution against its Swiss and Dubai arms for allegedly abetting tax evasion by four Indians and their families.
- The U.K.-based HSBC, which also disclosed ongoing probes by tax authorities from various countries in connection with alleged abetment of tax evasion and money laundering through its Geneva branch, said it was cooperating with the authorities concerned and cautioned of “significant” financial impact as a result of these investigations.
- HSBC has been under the scanner ever since a leaked list of hundreds of Indian clients of its Geneva branch found its way to the Indian tax authorities.
- Similar lists made their way to tax authorities in various other countries, prompting probes.
- The Indian government has stepped up its fight against black money, allegedly stashed away in Switzerland, in recent years and there have been apprehensions that the so-called illicit wealth might have got shifted to other places such as Dubai.
- Without disclosing the names of the Indians who indulged in the alleged tax evasion through its Swiss or Dubai units.
- HSBC said while announcing its annual results that it had first received summons in February 2015 from Indian tax authorities, while fresh notices were issued in August and then in November.

JNU students accused of anti-national slogan’s surrendered

- Jawaharlal Nehru University students Umar Khalid and Anirban Bhattacharya, facing sedition charge, surrendered to the police late night after the Delhi High Court directed them to give themselves in earlier in the day.
- The students left the campus in a university vehicle escorted by guards around 11-45 p.m. and were taken into custody by a police team waiting outside one of the exit gates of the varsity.
- They were joined by a large number of students who went right up to the west gate of the university. Four teachers and a lawyer also accompanied the two.
- Five students -- Ashutosh Kumar, Anant Prakash, Rama Naga, besides Umar and Anirban – are wanted by the police in a sedition case.

Presidents asks for debate with out disruption

- Anticipating a stormy Budget session of Parliament, President Pranab Mukherjee on Tuesday exhorted all MPs to discharge their responsibility in a spirit of cooperation and mutual accommodation.
- Addressing the joint sitting of both Houses, President Mukherjee said, “Democratic temper calls for debate and discussion, and not disruption or obstruction.”
- He also said let noble thoughts come from all directions — should be the spirit behind debate in this temple of democracy.
- Being a member of this great institution bestows great honour as well as important responsibilities.
- The President also told the MPs that “we owe a great debt to our freedom fighters. It is time to repay that debt, by building the country that they envisioned and fought for.”

Amnesty International says civil liberties in India are not up to International standard

- Criticising the government for using archaic laws to suppress dissent, Amnesty International, in its report for 2015-16, has included India among countries that have failed to match up to the “international standard” of freedom of expression and civil liberties.
- The report especially noted that over the past year, crackdown on freedom of expression by majoritarian groups linked to the government had intensified.
- Report said, “Censorship and attacks on freedom of expression by hardline Hindu groups grew. Scores of artists, writers and scientists returned national honours in protest against what they said was a climate of growing intolerance”.
- It criticised India for a negative gender justice environment, and for violating international legal obligations for the recent modifications in the juvenile justice system which “allows children aged 16 to 18 to be treated as adults in cases of serious crimes”.
- The report also made a special mention of Tripura, which was the first State to withdraw the Armed Forces Special Powers Act.

President’s address to Joint sitting of Houses focuses on Fasal Beema Yojana

- In his address to the joint sitting of both Houses of Parliament, President Pranab Mukherjee dwelt on the government’s programmes, especially those aimed at financial inclusion and the agricultural sector, including the recently launched Pradhan Mantri Fasal Beema Yojana.

- “My government has recently launched the farmer- friendly Pradhan MantriFasalBeema Yojana, with the biggest-ever government’s contribution to crop insurance, and with the lowest- ever premium rates for farmers.”
- It has many firsts to its credit like national coverage of post-harvest losses due to inundation and unseasonal rains, no capping on subsidyand use of technology for early and accurate settlement of claims.
- Assistanceto farmers affected by natural calamities has been increased by 50 per cent and eligibility norms have been relaxed.
- The President said amendments to the Prevention of Corruption Act to make it more stringent were on the anvil.

Supreme Court says agitations can't hold the nation to ransom

- Agitations cannot hold the nation to ransom and be a reason to vandalise public property, the Supreme Court said. Organisers of such agitations will have to pay the cost.
- The court’s resolve hit home after the widespread Jat quota agitation saw killings, burning and looting of shops, and mobs destroying canals supplying water to the National Capital.
- The Haryana government reeled under losses worth several thousands of crores and the Army was brought in to protect public property.
- The apex court had on January 14 asked the AG to assist it on the approach to be adopted in dealing with cases where public property was damaged on a large scale.
- Hardik has claimed that the charges had been wrongly been invoked against him.

Karnataka High court lifted the stay on enforcement of bigger pictorial warnings

- The Karnataka High Court lifted the stay on enforcement of new rules which enhanced the area for displaying health warning to 85 per cent from 50 per cent of the principal area on the packs of tobacco products.
- The Ministry of Health and Family Welfare recently filed an application requesting the Court to vacate the stay by pointing out the direction issued by the Apex Court in 2009.
- Ministry asked the High Courts not to interfere in the implementation of Cigarette and other Tobacco Products (Packaging and Labelling) Rules, 2008, and the matter is still pending before the Supreme Court.
- Justice Malimath pointed out that the legal issue related to the Rules of 2014 is also pending with the apex court as a litigant had sought a direction for the enforcement of the amended rules of 2014 by questioning the notification, which indefinitely deferred display of health warning on the packages of tobacco products.

Astronaut Sunita Williams will visit India on a two day visit

- Captain Sunita Williams, Astronaut with the National Aeronautic and Space Administration (NASA) of the U.S., will be in India on a two-day visit.
- In Delhi, Capt. Williams has a series of engagements addressing students on her journey as an astronaut and women’s empowerment through Science, Technology, Engineering and Mathematics (STEM) Education.
- Capt. Williams is an American astronaut and United States Navy oicer of Indian- Slovenian origin.

- Coinciding with the visit a NASA team lead by the Deputy Administrator Dava Newman is at the Indian Space Research Organisation (ISRO) headquarters in Bengaluru for the third face-to-face meeting of the ISRO-NASA Mars Working Group.

Suresh Prabhu presented customer oriented budget

- Railway Minister Suresh Prabhu effected no hike in passenger fares, indicated a cut in freight tariffs.
- He admitted that the global economic slowdown is hurting India's core sectors and pointed out that the looming impact of the Seventh Pay Commission made it one of the toughest times to formulate a Budget.
- Yet, Mr. Prabhu, in his second Rail Budget, unveiled a bouquet of new train services, innumerable new initiatives to make life easier for passengers and proposed an ambitious capital outlay of Rs. 1.21 lakh crore for 2016-17, a jump of 21 per cent over this year.
- While the Railway Minister didn't refer to a sharp 50 crore shortfall in his passenger traffic estimates for 2015- 16 — the Railways is expected to carry just 810 crore passengers down from 860 crore that he had projected in the last budget.
- He sought to win back passengers by offering some air-plane-type features like on- board entertainment and travel insurance options at the time of booking.
- Railways is looking at bringing down its freight rates for the first time in the coming year, in a bid to increase revenues through higher volumes.
- Minister also said "With an optimistic outlook for the economy, we hope to generate revenues of the order of Rs. 1,84,820 crore next year, 10.1 per cent higher than the revised target for 2015- 16."
- The Railways will increase the senior citizen quota per coach by 50 per cent, resulting in almost 120 lower berths per train for senior citizens.
- All stations will be made disabled-friendly and at least one disabled-friendly toilet in all platforms in A1 Class stations will be built in the next financial year.
- One-time registration for the persons with disabilities for availing concessions while booking tickets online was also announced along with online booking of wheelchairs & Braille-enabled new coaches.
- As a pilot, the Railways will make available children's menu items on trains along with baby foods, hot milk, hot water and changing boards for babies in train toilets.
- The Budget suggests sale of tickets through hand-held terminals on suburban or short distance travel and sale of platform tickets through ticket vending machines with credit/debit cards as accepted payment modes besides cash.
- Further, the e-ticketing facility will be extended to foreign debit/credit cards for foreign tourists and NRIs.
- For cancelling a ticket, it is proposed that a customer can simply call the 139 helpline in- stead of going to a booking window to avail the refund.
- The Ministry is working with insurance companies to offer optional travel insurance for rail journeys at the time of booking.
- Railway Minister Suresh Prabhu announced four new categories of trains — one for unreserved passengers and three for reserved passengers.
- Antyodaya Express, a long-distance, fully unreserved, superfast train service, for the common man, to be operated on dense routes.
- Govt. will also add two to four DeenDayalu coaches to some long-distance trains for unreserved travel to enhance our carrying capacity for the masses.
- Minister also announced a fully third AC train, called Humsafar. The Tejas category of trains will run at 130 km an hour, with entertainment, local cuisine, Wi-Fi and other amenities on board.

- The final category is UDAY (Utkrisht Double- Decker Air-conditioned Yatri), which will be overnight trains plying on the busiest routes to increase capacity by 40 per cent.

NGT wants real estate developers to be punished for the dust

- The National Green Tribunal (NGT) asked civic bodies and public authorities in Delhi-NCR to check air pollution caused by dust emanating from construction sites and initiate action against real estate developers violating environmental norms.
- The green panel has also asked municipal corporations to strictly impose a fine of Rs. 50,000 on builders who violate the Environment Ministry's 2010 guidelines on constructions.
- The announcement of the fine was made by the Tribunal last year.
- NGT Chairperson Justice Swatanter Kumar said that all corporations and public authorities must concentrate on builders who raised huge constructions and did not follow pollution norms.
- It also directed the municipal corporations to file a list of builders involved in violations.

UB group chairman Vijay Mallya resigned

- UB Group Chairman Vijay Mallya has resigned as the non-executive chairman of United Spirits Limited (USL) with immediate effect.
- Recently, there have been allegations and uncertainties over Mr. Mallya's relationship with British alcoholic beverages company Diageo, the majority stakeholder in the USL.
- Ever since Diageo purchased a majority stake of about 54 per cent in the USL in July 2014, tussles between Mr. Mallya and the firm have been reported.
- After the acquisition of majority stake in the USL, Diageo pushed for the exit of Mr. Mallya, which he refused.

Electronic tourist visa extended to 37 more countries

- Electronic tourist visas (e-TVs) will be extended to citizens of 37 more countries from Friday, taking the total number to 150.
- The new additions are Albania, Austria, Bosnia & Herzegovina, Botswana, Brunei, Bulgaria, Cape Verde, Comoros, Cote d'Ivoire, Croatia, Czech Republic, Denmark, Eritrea, Gabon, Gambia, Ghana, Greece, etc.
- TVoA (tourist visa on arrival), enabled by electronic travel authorisation, popularly known as the e-tourist visa scheme, was launched on November 27, 2014.
- Since then, more than 7.5 lakh such visas have been issued. At present, on an average, 3,500 e-TVs are granted daily.

Survey calls for reforms and welfare schemes

- Shunning last year's "over-optimism", Economic Survey 2015-16 projects that the real GDP growth for the current financial year and for 2016-17 will be in the range of 7-7.75 per cent.
- The Central Statistics office estimates that growth this year will be 7.6 per cent, lower than the 8.1- 8.5 per cent projected in the last Survey.
- There is anxiety that the economy is not realising its full growth potential, which in the long run is still around 8-10 per cent, says the survey.
- Improved investments in education and health, where India fares the worst among BRICS nations, the survey says, and adequate attention to agriculture could realise the potential.

- The medium-term potential can be realised over the next two to five years, if the “retrievable setbacks” and the “unfinished agenda” are undertaken.
- In the unfinished agenda, he listed the Goods and Services Tax, strategic disinvestment, de-stressing of the balance sheet of both banks and private companies, and the rationalisation of subsidies.
- Stretched corporate and bank balance sheets are affecting prospects for reviving private investments, and so the underlying stressed assets must be sold or rehabilitated.
- The survey makes a case for unpopular reforms, such as bringing agricultural incomes in the tax net, rationalisation of fertiliser subsidies estimated at Rs. 75,000 crore (excluding arrears) and the withdrawal of tax benefits which, he argued, benefit mainly the rich.

President called for revision of Indian penal code

- President Pranab Mukherjee has called for a “thorough revision” of the Indian Penal Code (IPC) for meeting the “changing needs of the 21st century.”
- Mr. Mukherjee pointed out that “the IPC has undergone very few changes in the last 155 years. Very few crimes have been added to the initial list and declared punishable.”
- Even now, here are offences in the code which were enacted by the British to meet their colonial needs.
- Mr. Mukherjee said the century “witnessed the proliferation of technology in wider spaces of human interaction and transaction.
- It has resulted in greater conveniences but, at the same time, has led to the occurrences of newer types of offences.”

Survey says private sector help necessary to tackle climate change

- The Economic Survey finds that India will find it hard to meet its variety of obligations to tackle climate change without substantial help from the private sector.
- Successful implementation of the Paris Agreement, the Sustainable Development Goals (SDGs) and the ambitious targets set out in the Intended Nationally Determined Contributions (INDCs) will require huge financial resources which cannot be met through budgetary sources alone.
- Leveraging private finance along with public finance, both international and national, will be critical.
- The SDGs set by the United Nations last September lay the onus on countries to make significant progress on a wide range of goals including ending poverty and hunger and combating climate change.
- The INDCs are plans by governments communicated to the United Nations climate change council regarding the steps they will take to address climate change domestically.
- As part of its domestic climate commitments, India has said it would source nearly 60,000 MW of its energy by wind power and 1,00,000 MW megawatts via solar power by 2022.
- The latter is extremely ambitious considering that as of today only 5% of this proposed solar capacity has been installed.
- The Survey also notes that a mission on Climate Change and Health — mooted since early 2015 — is being developed and a National Expert Group on Climate Change and Health has been constituted.

Supreme Court asks centre to ban Child porn

- An anguished Supreme Court told the Centre to take steps and frame rules to stop access to websites featuring child pornography, classifying them as “obscene” and a threat to social morality.
- The court said technical glitches and jurisdictional niggles were not excuses for the Centre’s inaction in this regard.
- Innocent children can’t be made prey to this kind of situations and a nation cannot afford to carry on any kind of experiment with its children in the name of liberty.
- The court directed the Centre to file an affidavit on ways and means to curb free access to child pornography on the Internet and asked the government to reply whether there could be a ban on watching porn “of any form” in public places.

PM says govt blocked all routes to corruption

- Prime Minister Narendra Modi launched a scathing attack on the Opposition, saying they were criticising him as he had “blocked all routes of corruption” and the “hungama over petty issues” stemmed from this.
- PM said his government had stopped “chor bazaar” (black market) in many sectors, citing the fertilizer manufacturing and distribution as an example.
- PM also said The chor bazaarwale are angry and all these hungama over petty issues is because of it.

Parliamentary standing committee on defence wants higher allocation to defence

- Parliament’s Standing Committee on Defence has expressed dismay over the government’s reluctance to commit to a minimum percentage of its expenses for the armed forces, despite its recommendations.
- The committee desires that declining ratio should be arrested in the next financial year itself, so that the services are provided adequate funds, and hence they are not deprived of essential equipment and ammunition.
- The committee had then told the government that it should “consider fixing a minimum benchmark for this percentage, which should be adhered to, in every case”.
- Though the defence budget is increasing numerically annually, as a proportion of the Central budget, it has consistently been declining.
- In 2009- 10, the defence expenditure of Rs. 1,41,781 crore was 13.84 per cent of the total expenditure.
- In 2010-11, the budget increased in absolute terms, but in percentage terms, it came down to 12.87 per cent.
- In 2011-12, the defence expenditure rose to Rs. 1,70,913 crore, but in percentage terms, it was merely 13.1 per cent of the government’s expenditure. Since then, it has been sliding continuously.
- In 2012-13, the defence expenditure was pegged at Rs. 1,81,776, which was 12.89 per cent of the government’s expenditure. However, it further came down to 12.81 per cent under the revised budget.

Govt. may leverage assets under LIC, EPFO

- The government is exploring the possibility for leveraging the assets under management of Life Insurance Corporation, Employees' Provident Fund Organisation and the National Pension Scheme.
- They will be used as part of the plans for recapitalising the public sector banks that have stressed balance sheets and are saddled with bad loans.
- Finance Minister Arun Jaitley could also make a small reference to the road map being planned.
- The Economic Survey recommends that the assets of the RBI and other regulatory institutions be similarly used. Cross-holdings among banks could be considered later.

PM urges state governments to give priority to farm sector

- Prime Minister Narendra Modi urged the State governments to give priority to agriculture even as he pledged to “double the income of farmers” by 2022, to mark India's 75 years of independence.
- To attain that goal, Mr. Modi said the Centre had adopted a scientific approach to farming and urged farmers to utilise the various agricultural initiatives introduced by his government.
- Fleshing out a formula for productive agriculture, Mr. Modi stressed the need to divide farming practices into three sectors, traditional farming, tree or timber plantation (along the periphery and borders of fields) and livestock rearing.
- The Prime Minister praised the Shivraj Singh Chouhan-led government for its irrigation and farming schemes for the turnaround in the agriculture sector.
- Listing the Centre's steps to get better prices for farmers, Mr. Modi hit out at the State governments for misusing funds allocated for the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).
- He appealed to the States to use MGNREGS funds to support agriculture.

PM's Mann ki Baat focused upon students who have board exams

- Prime Minister Narendra Modi's monthly radio address, Mann Ki Baat reached out to students preparing to sit for their school-leaving “Board” exams, many of whom are likely to enter universities.
- He had roped in cricketer legend Sachin Tendulkar, chess grandmaster Vishwanathan Anand and scientist C.N.R. Rao in this pep talk to students on the eve of the exams.
- Mr. Tendulkar emphasised the need to have a positive attitude and to compete with oneself. “I will only say that you set your targets and don't come under pressure of expectations of others.”
- Vishwanathan Anand said “Work hard but set a realistic, achievable target and try to achieve it”.

Army uniform sale banned in Punjab

- The Punjab government on Sunday imposed a ban on the sale of Army uniforms across the State.
- Punjab had witnessed terror attacks in Pathankot and Gurdaspur in the recent past where militants had disguised themselves in the Army fatigues.
- Any person who wants to buy the uniform would have to submit a self-attested copy of his identity card and phone number with the shopkeeper and this record would be maintained along with date of sale in the record register of the shop-keeper.
- The State has also banned use of red and blue coloured stickers used by police on vehicles.

Vinod Rai would be first chairman of Bank Board Bureau

- Prime Minister Narendra Modi approved the setting up of the Bank Board Bureau with former Comptroller and Auditor-General of India Vinod Rai as its first Chairman.
- The Bureau is mandated to play a critical role in reforming the troubled public sector banks by recommending appointments to leadership positions and boards in those banks and advise them on ways to raise funds and how to go ahead with mergers and acquisitions.
- The bureau will recommend for selection the heads of public sector banks and financial institutions and help banks in developing strategies and capital raising plans.
- The bureau was announced last August as part of the seven-point Indradhanush plan to revamp these banks.
- It will constantly engage with the boards of all 22 public sector banks to formulate appropriate strategies for their growth and development.
- The non-performing assets of public sector banks are estimated at almost Rs. 4 lakh crore, and they need to raise capital of Rs. 2.4 lakh crore by 2018 to conform to Basel-III capital requirement norms, according to the government.

Eleven years after NDMA Centre looks after disaster victims

- Eleven years after the National Disaster Management Act (NDMA) became law in 2005, centre have said that much is to be done in States across the country to ensure that disaster victims access even minimum standards of relief.
- A letter written by the Joint Secretary, Policy and Plan, National Disaster Management Authority, on February 25 to the Chief Secretaries of all States has called for immediate action to frame a road map to provide 'Minimum Standards of Relief' mandated under Section 12 of the NDMA in disaster-hit areas.
- A Bench led by Justice Dipak Misra on Friday ordered the Chief Secretaries to complete the framing of guidelines while remarking that providing minimum standards of relief under the NDMA is a fundamental duty of the State.

INTERNATIONAL

Zika virus is spreading fast across the world

- More than 2,100 pregnant Colombian women are infected with the mosquito- borne Zika virus, the country's national health institute said, as the disease continues its spread across the Americas.
- The virus has been linked to the devastating birth defect microcephaly, which prevents foetus' brains from developing properly. There is no vaccine.
- Zika cases have been confirmed in 23 countries and territories in the Americas and scientists are racing to develop a vaccine for the virus.
- The government has urged women to delay pregnancy for six to eight months to avoid potential infection. Officials expect up to 700,000 cases.
- Brazil is the country hit hardest by the disease. It has reported around 3,700 cases of microcephaly strongly suspected to be related to Zika.
- An Indonesian research institute said it had found one positive Zika case on Sumatra island.

In a move that is likely to raise ethical issues Britain granted licence to gene editing

- Britain granted its first licence to genetically modify human embryos for research into infertility and why miscarriages happen, in a move likely to raise ethical concerns.
- The decision makes Britain one of the first countries in the world to grant this type of authorisation for experimentation on human embryos, although similar research has been carried out in China.
- Modification of the embryos would be done using a technique known as CRISPR-Cas9, which allows scientists to insert, remove and correct DNA within a cell.
- The embryos will not become children as they must be destroyed within 14 days and can only be used for basic research.
- Research plans to find the genes at play in the first few days of fertilisation when an embryo develops a coating of cells that later become the placenta.
- The embryos to be used in the research are ones that would have been destroyed, donated by couples receiving In-Vitro Fertilisation (IVF) treatment who do not need them.

Negotiations between Britain and European Union continue

- An agreement on a possible re-negotiated membership status for Britain in the European Union (EU) failed to materialise during talks between European Council (EC) president Donald Tusk and British Prime Minister David Cameron.
- However, negotiations on an acceptable draft text are to continue over the next 24 hours.
- Mr. Tusk had earlier hoped to put up a draft for discussion before the 27 EU heads in Brussels on Monday. A summit on 'Brexit' (Britain's exit from the EU) is scheduled for February 18 and 19.
- State benefits to refugees Britain's demand that it be allowed to restrict state benefits to EU migrants for the next seven years has emerged as a sticking point.
- As per this condition, any migrant arriving in Britain over the next seven years will have to wait for a period of four years before becoming eligible for any government benefit that British citizens enjoy.
- The European Commission (EC) has instead offered the option of an "emergency brake" — a ban on benefits that can be activated only if the country can prove that its public services are under unsustainable pressure.
- This cannot be invoked by the country concerned but has to be voted on by the EU.

North Korea to launch a satellite

- North Korea notified UN agencies that it plans to launch a satellite later this month, which could advance the isolated country's development of long-range missile technology.
- Pyongyang conducted its fourth nuclear test on Jan. 6 in defiance of United Nations sanctions, and last launched a long-range rocket in 2012, sending an object it described as a communications satellite into orbit.
- Western and Asian experts have said that launch was part of an effort to build an inter-continental ballistic missile.
- North Korea is under UN sanctions for its nuclear and missile programmes, and countries including the U.S. and South Korea are seeking fresh sanctions after its nuclear test last month.
- North Korea is believed to be making preparations for a test launch of a long-range rocket, U.S. Officials said last week, after activity at its test site was observed by satellite.

- Pyongyang has said it has a sovereign right to pursue a space programme by launching rockets, although the U.S. and other governments worry that such launches are missile tests in disguise.
- The International Telecommunication Union, another UN agency, said that North Korea had informed it of plans to launch a satellite with a functional duration of four years, in a non-geostationary orbit.

China changes military structure for joint operations for three forces

- China has revamped its military command structure, tailoring it for joint operations of the Army, the Air Force and the Navy — a move that may have acquired fresh urgency on account of the “Pivot to Asia” doctrine of the U.S. and recent political changes in Taiwan.
- President Xi Jinping, who is also the head of the apex Central Military Commission (CMC), inaugurated the formation of five theatre commands, which will be geared to seamlessly deploy military assets on land, air and sea to “win wars”.
- The Eastern, Western, Northern, Southern and Central theatre commands will focus on joint combat. The CMC will exercise overall political, supervisory and administrative control over the armed forces.
- In the broader context, the President visualises military reforms as a core element of an ongoing effort to realise the “Chinese dream”.
- Analysts say that acquisition of hard power— economic, military, scientific, political and diplomatic —are necessary elements to achieve this goal, though achieving economic equity and clean air are also part of the mix.
- Yet there may be pressing geopolitical considerations that are driving urgent military reforms.
- Observers say the “Pivot to Asia” doctrine, envisaging bulk concentration of U.S. forces in the Asia-Pacific, has imparted urgency to China’s military modernisation.
- Notwithstanding a credible nuclear deterrent and missiles that can destroy aircraft carriers, Chinese military planners acknowledge that the gap between the military capabilities of China and the U.S. was still too wide.

Zika virus can be transmitted sexually

- A person in Texas has been infected with the Zika virus after having sex with an ill person who had returned from South America.
- It’s the first case of the virus being transmitted in the U.S. during the current outbreak of Zika, which has been linked to birth defects in the Americas.
- There was report of a Colorado researcher who picked up the virus in Africa and apparently spread it to his wife back home in 2008, and it was found in one man’s semen in Tahiti.
- The CDC has already recommended that pregnant women postpone trips to more than two dozen countries with Zika outbreaks, mostly in Latin America and the Caribbean.
- In the epidemic in Latin America and the Caribbean, the main villain identified so far is called *Aedes aegypti* a species of mosquito that spreads other tropical diseases, including chikungunya and dengue fever.
- It is found in the southern United States, though no mosquito-borne transmission has been reported in the continental United States to date.

India and Thailand for freedom of navigation and connectivity in Southeast Asian region

- India's Vice-President Hamid Ansari told the leadership of Thailand that India-Thailand collaboration is necessary to ensure freedom of navigation and connectivity in the Southeast Asian region.
- During the ongoing tour of Southeast Asia, the Indian delegation led by Mr. Ansari has expressed Indian concerns about freedom of navigation in the region due to growing maritime disputes between China and several other regional countries over South China Sea.
- Thailand has been the country coordinator of ASEAN-China relations and took useful steps towards solving the dispute.
- India and Thailand recently held a joint task force meeting in Delhi to deepen maritime and defence cooperation which covers a range of issues, including ocean safety, disaster management and anti-terror drills.
- The delegations also confirmed that India and Thailand will soon hold naval exercises in the Andaman Seas.

Breakdown in talks for Syria

- The U.S. demanded that Russia immediately halt its bombing campaign in Syria after a bitter breakdown in peace talks exposed the deep rift between world powers aiming to end the five-year conflict.
- On the ground, nearly 40,000 people have fled an offensive this week by President Bashar Al-Assad's regime north of the city of Aleppo.
- Mr. Assad's forces also entered two Shia villages that were under siege by rebels.
- U.S. Secretary of State John Kerry warned Moscow to halt its bombing of the Syrian opposition in what he said was a "robust" phone call with Russian counterpart Sergei Lavrov.
- Meanwhile, a conference of donor nations raised \$11 billion for Syrian humanitarian needs over the next four years.
- Mr. Cameron told a news conference that donors had pledged \$6 billion for this year alone, and a further \$5 billion to be spent by 2020.

United Nations urged countries hit by Zika virus to let women have access to abortion

- The United Nations urged countries hit by the dangerous Zika virus to let women have access to contraception and abortion.
- The UN human rights office said the South American countries now urging women to hold off getting pregnant over Zika fears had to offer them the possibility of controlling their fertility.
- An exploding number of cases of Zika virus – believed to cause a condition called microcephaly in which babies are born with abnormally small heads – have prompted several countries and territories in Latin America to warn women to avoid getting pregnant.
- But UN human rights chief Zeid Ra'ad al-Hussein said this warning meant little in countries that ban or heavily restrict access to reproductive health services like contraception and abortion.

Srilanka's reform process gets support from India

- India has expressed support for Sri Lanka on its reconciliation and development policies. External Affairs Minister Sushma Swaraj, who was here on a two-day visit, conveyed this to President Maithripala Sirisena.

- Tamil National Alliance (TNA) wants India should remain concerned in getting the issue resolved “in a reasonable way and in an amicable manner”.
- President Sirisena sought India’s assistance for his government’s comprehensive programme to improve the health and education of people living in estates who were essentially of the recent Indian origin, to which Ms. Swaraj favourably responded.

Fiscal management a tough job for this budget

- The last budget had promised fiscal prudence through gradual reduction in fiscal deficit to three per cent of GDP by FY 18.
- It encouraged FIIs to invest in our debt market. This year the budget has to manage the conflict of financing additional expenses of Rs.1 lakh crore for implementation of Seventh Pay Commission recommendations and enhanced allocations to public investment to keep the economy on a growth path.
- The Budget does have the benefit of large savings on fuel subsidy due to lower oil prices.
- The path of raising taxes or borrowing to fund increased expenses will adversely impact debt, currency and equity market.
- Instead smartly monetising assets from land, natural resources and spectrum to investment in SUUTI will positively impact markets.
- Budget can consider following proposals to raise resources to accelerate economic recovery and reassure investors on fiscal stability.
- The Government collects lots of data on many transactions such as buying of automobiles.
- Empower a private company to analyse that data and other publicly available information like social media to assist tax regulators to improve tax compliance.
- Improve asset utilisation over asset hoarding. Incentivise faster conversion from land to affordable houses by taxing vacant land and unoccupied premises.
- Launch a fast track settlement mechanism for disputed taxes to increase revenue collections. Excess manpower can be deployed from fighting time consuming litigations to widening of tax base and improved compliance.
- Encourage creative destruction by providing incentives to scrap old auto- mobiles above certain age.
- Government’s spend on such old vehicles will be far lower than taxes on replacement demand. The economy will benefit by way of lower pollution, better fuel efficiency and more jobs in auto sector.

China will not devalue yuan further this term

- China will fine tune monetary policy and keep the yuan basically stable while guarding against systemic financial risks, the country’s central bank said in its fourth-quarter monetary policy report.
- China will also maintain an appropriate level of liquidity and achieve reasonable growth of money and credit, the People’s Bank of China (PBOC) said in the report.
- The report comes after China reported economic growth of 6.9 per cent for 2015, its weakest in 25 years, while depreciation pressure on the yuan adds to the case for the central bank to take more economic stimulus measures over the near-term.
- It also said it would seek to explore mechanisms to enhance management of interest rates, while increasing the flexibility in both directions of the yuan ex- change rate.
- A slew of economic indicators has sent mixed signals to mar- kets at the start of 2016 over the health of China’s economy.

- Activity in the services sector expanded at its fastest pace in six months in January, a private survey showed on February 3, while manufacturing activity fell to the lowest since August 2012.

Despite UN sanctions North Korea launched satellite Kwangmyongsong-4

- North Korea's launch of a long-range rocket was conducted in defiance of UN sanctions and just weeks after a nuclear bomb test.
- The U.S. Strategic Command said it had detected a missile entering space, and South Korea's military said the rocket had put an object into orbit.
- Later in the day, the United Nations Security Council began an emergency meeting on and diplomats said they expected the 15-nation body to condemn Pyongyang and redouble efforts to agree on new sanctions.
- North Korea said the launch of the satellite Kwangmyongsong-4, named after late leader Kim Jong-il, was a "complete success" and it was making a polar orbit of Earth every 94 minutes.
- North Korea had notified UN agencies that it planned to launch a rocket carrying an Earth observation satellite, triggering opposition from governments that see it as a long-range missile test.
- North Korea's launch sparked international anger and plans for talks on a U.S. missile defence system for the peninsula.
- The United Nations labelled the launch "deeply deplorable" and Japan termed it "absolutely intolerable". Even the isolated state's sole major ally China expressed regret.

China and Russia both against deploying anti-missile defence shield by US in South Korea

- China and Russia have slammed the possible deployment of an American anti-missile defence shield in South Korea following North Korea's satellite launch.
- China's said that China is "deeply concerned" about the decision by the US and the Republic of Korea to start official negotiations on the deployment of the Terminal High Altitude Area Defense (THAAD) system.
- The THAAD system comprises advanced U.S. Anti-missile defence batteries.
- Analysts say that each THAAD missile battery would cost \$1.3 billion and will be capable of covering half or two-thirds of South Korean airspace.
- China said deployment of these weapons would escalate tensions on the Korean peninsula. In turn, this would undermine regional peace and stability, and set back efforts to address the current situation.
- On the other hand, Washington is of the view that following North Korea's nuclear test in January, the THAAD system would be required to protect the 27,000 American troops that have been deployed in South Korea.

United Madhesi Democratic Front (UMDF) ends five month old blockade

- Days before the visit to India by Nepal's Prime Minister, the United Madhesi Democratic Front (UMDF) declared an end to the five-month-old blockade which was started as a protest against the new Constitution of Nepal promulgated.

- intense parleys between Indian and Nepali interlocutors have convinced the Madhesi rebels to stop the blockade which has created a major domestic disturbance in Nepal and hurt India-Nepal ties.
- The Madhesis, however, have threatened to re-launch the blockade in case the key demand for creating two States for the Madhesi region is not met by the Kathmandu leadership.
- The government of Mr. Oli has promised to implement a series of amendments in the Nepali Constitution to increase Madhesi representation in the government, politics and society.

Transition process from military to democracy started in Myanmar

- The names of Myanmar's next President and two Vice-Presidents will be revealed on March 17, setting a clear timeline for the transition of power from a military-controlled government to democracy icon Aung San Suu Kyi's party.
- Positive results could come out on the negotiation for the suspension of the Constitution's Article 59 (f). "The provision which says anyone with a foreign spouse or children cannot hold the executive office, bars Ms. Suu Kyi from becoming President.
- Parliament chairman Mann Win Khaing Than announced that the upper house, the lower House and the military will have to select one candidate each for the three posts before March 17.
- Once the three names are put before the 664-member Parliament, all members will take a vote.
- The person with the largest number of votes will become President, and the other two will be Vice-Presidents.
- The current President's term ends March 31 and the successor must take office April 1.

United Nations High commissioner urged Sri-Lanka to accelerate process of reforms

- The United Nations High Commissioner for Human Rights Zeid Ra'ad Al Hussein urged the Sri Lankan military to accelerate the return of land to rightful owners and reduce its size in the Northern and Eastern provinces.
- Mr. Hussein told a press conference at the end of his four-day visit that "while some land has been returned in the Jafna and Trincomalee areas, there are still large tracts which can and should be swiftly given back".
- According to the Sri Lankan government, about 3,000 acres have been returned since January 2015 and 2,329 families resettled.
- The size of the military in the two Provinces could be reduced to a level "that is less intrusive and intimidating", he added.
- The government was looking at "various options" within the limits of its preference.
- He acknowledged that the Sri Lankan government had "sovereign right" to take decisions on such issues.
- At the same time, he also emphasised that international participation could guarantee an "impartial and independent" judicial mechanism.
- On the present atmosphere of freedom and openness, Mr. Hussein felt "the element of fear has considerably diminished, at least in Colombo and the South. In the North and the East, it has mutated but, sadly, still exists".

Obama unveiled a new cyber-security "national action plan"

- President Barack Obama unveiled a new cyber-security “national action plan” calling for an overhaul of aging government networks and a high-level commission to boost security awareness.
- The announcement responds to an epidemic of data breaches and cyber attacks on both government and private networks in recent years, and passage last year of a cyber-security bill that aims to facilitate better threat sharing.
- Mr. Obama asked for \$19 billion for cyber-security efforts in his budget request, a 35 per cent increase from current levels, with \$3 billion earmarked to help modernise the patchwork of computer systems used in government agencies.
- The moves come after disclosures last year that personal data from some 20 million federal employees, contractors and others had been leaked in a massive breach at the office of Personnel Management.
- Mr. Obama issued an executive order creating a 12- member cyber-security commission to make recommendations to both the public and private sectors.

Zika virus reached China

- China has confirmed its first case of the Zika virus in a man who had recently travelled to South America, the official Xinhua news agency said.
- The virus, which is causing international alarm after spreading through much of the Americas, was detected in the eastern province of Jiangxi.
- Chinese health authorities downplayed the risk of the mosquito-borne virus spreading because of the winter cold, Xinhua added.
- Hong Kong’s Port Health office has stepped up inspections at the airport in response and reinforced training for boundary control inspectors, the statement added.

After US saying only political solution to Syria, Russia continues military action

- For months now the U.S. has insisted there is no military solution to the Syrian civil war, only a political accord between President Bashar Al- Assad and the fractured, divided opposition groups that have been trying to topple him.
- But after days of intense bombing that could soon put the critical city of Aleppo back into the hands of Mr. Assad’s forces, the Russians may be proving the U.S. wrong.
- There may be a military solution, one senior U.S. Official conceded, “just not our solution”, but that of President Vladimir Putin of Russia.
- The Russian military action has changed the shape of a conflict that had effectively been stalemated for years.
- Suddenly, Mr. Assad and his allies have momentum, and the U.S.-backed rebels are on the run.
- His colleagues in the administration, however, fear that a three-month-long effort to begin the political process is near collapse.
- If it fails, it will force Kerry and President Barack Obama, once again, to consider their Plan B: a far larger military effort, directed at Mr. Assad.
- At the core of the U.S. strategic dilemma is that the Russian military adventure has been surprisingly effective in helping Mr. Assad reclaim the central cities he needs to hold power, at least in a rump-state version of Syria.

Ceasefire plan for Syria agreed between U.S. and Russia

- Diplomats agreed to work toward a temporary “cessation of hostilities” in Syria’s civil war within a week, although efforts to secure a lasting ceasefire fell short.\
- The deal appeared to be the result of a compromise between the U.S., which had wanted an immediate ceasefire, and Russia, which had proposed one to start on March 1.
- Although foreign ministers from the International Syria Support Group managed to seal an agreement to “accelerate and expand” deliveries of humanitarian aid to besieged Syrian communities beginning this week, their failure to agree on a ceasefire leaves the most critical step to resuming peace talks unresolved.
- It was not clear from their comments afterward if deep differences regarding the truce and which groups would be eligible for it could be overcome.

Meet between Roman Catholic pope and Patriarch of the Russian Orthodox Church

- The Roman Catholic Pope and the patriarch of Russian Orthodox Church are meeting for the first time in a bid to heal the 1000 year old rift between the western and the eastern branch of Christianity.
- The meet between the two religious leaders has been on the cards for some time.
- Roman Catholic Church has 1.2 billion members worldwide and Russian Orthodox Church has around 250 million members.

Pope Francis first pontiff to meet Russian Orthodox Church

- Pope Francis became the first pontiff to ever meet a patriarch of the Russian Orthodox Church, as the two Christian leaders set aside centuries of division in a historic encounter.
- The meeting was richly symbolic: Pope Francis, leader of the world’s 1.2 billion Roman Catholics, stood with Patriarch Kirill, leader of the largest church in the Eastern Orthodox world, with an estimated 150 million followers.
- But it was also about geopolitics, rivalries among Orthodox leaders and, analysts say, the manoeuvrings of President Vladimir Putin of Russia — who is closely aligned with the conservative Russian church.
- For Pope Francis, the meeting was an ecumenical and diplomatic coup that eluded his predecessors but that also opened him to criticism that his embrace of the Russian patriarch would indirectly give a boost to Mr. Putin as he wages a war in Syria and continues to meddle in Ukraine.

Violence in eastern Ukraine may start new Cold War

- Violence in eastern Ukraine is intensifying and Russian-backed rebels have moved heavy weaponry back to the front line, international monitors warned as Moscow responded by accusing Kiev of violating a peace deal.
- In the latest sign that peace efforts have made scant progress almost two years since Moscow annexed Crimea, Russian Prime Minister Dmitry Medvedev described East-West relations as having “fallen into a new Cold War” and said NATO was “hostile and closed” towards Russia.
- Implementation of a deal agreed in Minsk a year ago, which would allow for the lifting of sanctions on Russia, and a lull in violence late last year raised hopes that the conflict that has killed more than 9,000 people could be resolved quickly.

Syrian rebel targets will continue to be bombed by Russia

- The Turkish army shelled Kurdish militia in northern Syria for a second day on Sunday, while Russia made clear it would continue bombing Syrian rebel targets, raising doubts that a planned ceasefire would bring much relief.
- Major powers agreed on to a limited cessation of hostilities in Syria but the deal does not take effect until the end of this week and was not signed by any warring parties — the Damascus government and numerous rebel factions fighting it.
- Russian bombing raids directed at rebel groups are meanwhile helping the Syrian army to achieve what could be its biggest victory of the war in the battle for Aleppo, the country's largest city and commercial hub before the conflict.
- The situation has been complicated by the involvement of Kurdish-backed combatants in the area north of Aleppo near the Turkish border, which has drawn a swift military response from artillery in Turkey.

More reforms needed to make dream of 'Make in India' a reality

- Thousands of people and mascots of lions swarmed the weekend opening of a "Make in India" drive to attract foreign direct investment, pitched by Prime Minister Narendra Modi as "the biggest brand that India has ever created".
- But even as the Make in India hype scales new heights, some bosses question Mr. Modi's delivery on promises to make it easier to do business, while marketing experts caution against creating unrealistic expectations.
- More pressingly, key legislation such as a goods and services tax and land acquisition bill are stuck in parliament, just as global competitors such as Vietnam step up their own reform efforts.
- Make In India has scored major wins, including a pledge by Taiwan's Foxconn to invest \$5 billion in a new electronics manufacturing facility.
- That has helped foreign direct investment to nearly double to \$59 billion last year, the seventh most in the world, according to the United Nations Conference on Trade and Development.
- Yet in critical aspects, India remains far behind its goals. The proportion of manufacturing to gross domestic product has been stuck at around 17 per cent for five years, below the government's goal to ramp it up to 25 per cent.
- India has only created 4 million manufacturing jobs since 2010, according to Boston Consulting. At the current rate, India may only create 8 million jobs by 2022, well below the government's goal of 100 million.

Lot of things are associated to High speed trains

- High Speed Rail means different things in different contexts. One widely accepted definition applies to new lines running at 250 kmph and above, and existing lines that are able to run at 200 kmph and above.
- High speed rail programs have been successful in Japan, China and several European countries such as France, Germany and Spain.
- The benefits include reduced journey times that impact individuals and business, connectivity benefits to populations and markets, increased passenger comfort, mode shifts from more polluting air and road transport and consequently, lower road congestion.
- High speed rail can create agglomeration benefits i.e., benefits that accrue from the clustering together of firms and labour markets, and regeneration benefits for an area.

- The actual construction also provides an opportunity for employment and the potential for technology transfer.
- The high speed lunch, like all other lunches, is not free. Environmental degradation along the route, dislocation of people, noise pollution, as well as regionally imbalanced development are potential pitfalls that need to be carefully negotiated.
- How the high speed line interacts with existing transport choices is also crucial for the strength of the overall case.
- India has been toying with the idea of high speed trains for fifteen years. The High Speed Rail Corporation (HSRC) of India was set up by the government in 2012 to design and implement the country's high speed projects.
- Through this, feasibility studies for various segments of the 'Diamond Quadrilateral', a proposed high speed network spanning the country, connecting Delhi, Mumbai, Chennai and Kolkata, were initiated.
- Simultaneously, the government has pushed ahead with plans to develop a Rs.980 billion, 505 km segment between Ahmedabad and Mumbai on which it will run "bullet" trains, as high speed trains are often called.
- Higher speeds imply higher costs which may then necessitate higher ticket prices. Tickets will cost approximately Rs.2,800 and the journey will take approximately two hours.
- This bullet train has brought into focus the parameters associated with high speed rail that need careful consideration.
- The United Nations Environment Program (UNEP) and the Technical University of Denmark (DTU) published a study on the Ahmedabad-Mumbai train line last year.
- The report points out that the region in question is highly active economically.
- It is also a high density corridor (18 million passengers in 2010); connecting dense urban areas has been a key success factor for high speed rail in China and Europe.
- Travel demand between 2010 and 2050 is expected to increase four-and-a-half times to 58.2 billion passenger kilometers according to the study.
- In the HSR scenario, high speed trains cater to one-fifth of the total travel demand in 2050, and the growth rate of air travel slows, because of competition from high speed trains.
- The HSR solution is also cleaner; CO2 emissions in 2050 are also lower by 0.2 MT and further emission drops are possible with decarbonisation of electricity, according to the UNEP.
- In general, per passenger km, high speed rail has lower greenhouse gas (GHG) emissions than road or air transport. It also supports lower emissions over the longer term as road and air passengers shift to trains.
- Increasing the operating speed of existing lines would be one possible way forward for transforming India's rail systems.
- High speed lines require huge investments and cause long term demographic and economic impacts.
- Their success depends on getting a comprehensive, context-specific optimal solution; at the very least this means getting speed, pricing, and distance right.

Indian Ocean is core to Maritime Silk Road project

- A military base in Djibouti along with major port development projects in Myanmar and Sri Lanka are defining the contours of China's Maritime Silk Road—an oceanic connectivity project, of which, the Indian Ocean is the core.
- Reuters is quoting Ismail Omar Guelleh, Djibouti's President, as saying that China will soon commence work on the naval base.
- The Horn of Africa nation is strategically located on the junction of the Indian Ocean and the Red Sea—a gateway to the Suez Canal via the Strait of BabAl-Mandab.

- Djibouti would become an ideal location for securing sea lanes, in the vicinity, which radiate from this area towards Africa's Indian Ocean coastline and the Arabian Sea.
- China has also quietly signed a deal to develop an Industrial Park and a deep water port in Kyaukphyu in Myanmar.
- The facility in the Bay of Bengal amplifies Beijing's pitch to deepen its stakes in Myanmar in order to lower its dependence on the Straits of Malacca—a strategic commercial channel, dominated by the U.S. sixth fleet.
- Xinhua has reported that a consortium led by the China International Trust and Investment Corporation (CITIC), a construction company, has won the bid towards the end of last year to develop the two projects.
- The deep sea enterprise includes development of 10 berths at the Madaya Island Terminal and the Yanbu Island Terminal.
- It will be completed in four phases spanning a period of 20 years.
- Madaya Island has already emerged as a major pillar of China's energy security. Last year, a pipeline from the island transited oil sourced mainly from West Asia and Africa to China's Yunnan province, thus avoiding the "Malacca trap".

Nepal PM on maiden visit to India

- Nepal Prime Minister K.P. Sharma Oli said his maiden visit to India this week is aimed at bringing bilateral ties back on track by clearing "misunderstandings" even as he defended the new Constitution, opposed by Madhesis, as "inclusive and democratic".
- Mr. Oli's much-anticipated visit to India at the invitation of Prime Minister Narendra Modi comes days after agitating Madhesis, largely of Indian-origin, ended their crippling protests and blockade that had soured the bilateral ties.
- The year 2015 remained a landmark in our history as we were able to promulgate the new Constitution despite the hardship facing the people due to the five-month-long blockade in the country's southern border, even after suffering from the devastating earthquake that hit the country 10 months ago.
- The new Constitution promulgated on September 20, 2015 was inclusive and democratic as it has all the features of a democratic Constitution including guarantee of human rights, independent judiciary, social justice and equality.

First train arrived from China to Tehran

- The first train from China's trading hub of Yiwu has arrived in Tehran, signalling Iran's firm integration in the Beijing led- Belt and Road connectivity initiative along the New Silk Road.
- The train ferrying 32 containers completed its 14-day journey, covering over 10,399 km, after passing through the arid landscape of Kazakhstan and Turkmenistan in Central Asia.
- Iran is currently in desperate need of investment for infrastructure construction.
- However, as oil prices are low now, Iran's revenue in this sector has seen sharp decrease.
- At the same time, China is promoting the belt and road initiative. Iran is expected to become one of the major participants of that initiative.

Obama govt wants congress approval for F-16 under Foreign military financing scheme

- After notifying Congress of its intention to sell eight F-16 fighter planes to Pakistan, the Obama administration has quickly moved for Congressional approval for financing the deal under the country's Foreign Military Financing (FMF) scheme.
- U.S. administration proposes to pay the bulk of the \$699 million cost of the deal while Pakistan is required to pay \$200 million.
- The administration's request to Congress is for the first tranche of money, though the exact amount sought was not immediately known.
- While the notification itself does not need a positive approval from Congress, spending by the administration requires legislative approval, which is not going to come easily.

China deployed surface to air missile in disputed Woody Island

- China has deployed an advanced surface-to-air missile system to one of the disputed islands it controls in the South China Sea, ratcheting up tensions even as U.S. President Barack Obama urged restraint in the region.
- The missile batteries had been set up on Woody Island. The island is part of the Paracels chain, under Chinese control for more than 40 year but also claimed by Taiwan and Vietnam.
- Images from civilian satellite company ImageSat International show two batteries of eight surface-to-air missile launchers as well as a radar system.]
- China claims most of the South China Sea, through which more than \$5 trillion in global trade passes every year, and has been building runways and other infrastructure on artificial islands to bolster its claims.
- Taiwan President-elect Tsai Ing-wen said tensions were now higher in the region.

World Health Organization needs \$ 56 million to combat Zika virus

- The World Health Organization (WHO) said that \$56 million were needed to combat the Zika virus until June, including for the fast-tracking of vaccines, diagnostics and research studies into how it spreads.
- The funds, including \$25 million for the WHO and its regional office, would also be used to control the mosquito-borne virus that has spread to 39 countries, including 34 in the Americas.
- The WHO expects the funds to come from member states and other donors and said that in the meantime it has tapped a new emergency contingency fund for \$2 million to finance its initial operations.

U.S. President will visit Cuba

- U.S. President Barack Obama will visit Cuba on March 21-22 and meet with Cuban President Raul Castro, in the first U.S. presidential trip to the country in nearly 90 years as relations between the former adversaries thaw.
- During the trip, Mr. Obama will have the opportunity to meet with Mr. Castro, Ben Rhodes
- Mr. Rhodes noted the ultimate aim is to persuade Congress to lift the trade embargo, Havana's biggest request of the U.S.
- Although short-term prospects have seemed unlikely, a Republican congressman just back from leading a delegation of lawmakers to Cuba said he believed legislation ending the embargo could pass Congress by the end of the year

- Word of his travel plans drew immediate resistance from opponents of warmer ties with Cuba including Re- publican presidential candi- dates.

Membership talks between U.K. And E.U. To continue some more time

- A European Union (EU) summit to negotiate new membership terms for Britain was forced into extra time as Prime Minister David Cameron struggled for a deal he could sell to sceptical British voters in a referendum.
- A plenary session to review progress was postponed several times and then the 28 leaders were asked to book hotel rooms for an extra night in Brussels.
- Mr. Cameron cancelled plans to fly home and chair a Cabinet meeting due to have approved a deal and set in motion procedures to call a plebiscite expected on June 23.
- EU officials said the main outstanding problems involved Britain's demands to curtail welfare benefits for migrant workers from other EU countries, although other snags remained.

Britain's exit from European Union will have far-fetched repercussions

- A British exit from the European Union would rock the Union — already shaken by differences over migration and the future of the euro zone — by ripping away its second-largest economy, one of its top two military powers and by far its richest financial centre.
- Pro-Europeans warn an exit could also trigger the break-up of the United Kingdom by prompting another Scottish independence vote.
- The \$2.9-trillion British economy would face years of uncertain negotiations over the terms of a divorce.
- Prime Minister David Cameron is due to make a statement to Parliament on Monday, triggering the start of the campaign for the referendum on EU membership he called after striking a deal with the Union.
- Opponents of EU membership say Britain would prosper outside what they say is a doomed Germany-dominated bloc that punches way below its weight on the world stage.
- The issue of Europe has divided the Conservatives for three decades and played a major part in the downfall of Cameron's two Conservative predecessors, Margaret Thatcher and John Major.

Provisional deal on Syria ceasefire reached

- U.S. Secretary of State John Kerry on Sunday said that a "provisional agreement" has been reached on a cease-fire that could begin in the next few days in Syria's five-year civil war.
- Mr. Kerry declined to go into the details of the agreement, saying it "is not yet done." But he said he hoped President Barack Obama and Russian President Vladimir Putin would talk soon and that after that, implementation could begin.
- Fighting has intensified in Syria during recent weeks and an earlier deadline to cease military activities was not observed.
- The United States, Russia and other world powers agreed on Feb 12 on a deal calling for the ceasing of hostilities within a week, the delivery of urgently needed aid to besieged areas of Syria and a return to peace talks in Geneva.

- UN envoy Stefan De Mistura halted the latest Syria talks on February 3, because of major differences between the two sides, exacerbated by increased aerial bombings and a wide military offensive by Syrian troops and their allies under the cover of Russian air strikes.
- The humanitarian situation has only gotten worse, with an estimated 13.5 million Syrians in need of aid, including 6 million children.

Shooting came back to haunt U.S.

- A man suspected of randomly opening fire in a Michigan town and shooting dead at least seven people, including a teenager, was arrested.
- There were three separate shootings — one outside an apartment complex, another outside a car dealership, and the third at a chain restaurant.
- One of the five people shot at the restaurant was a teenage girl — not a child as initially reported — while a father and son were among the dead at the car dealership.
- The suspect was armed when he was arrested at a traffic stop, but surrendered peacefully.
- The suspect was described as a white male in his late 50s, who drove a blue station wagon.

Islamic State's is deepening its reach in Africa

- The Islamic State's branch in Libya is deepening its reach across a wide area of Africa, attracting new recruits from countries like Senegal that had been largely immune to the jihadist propaganda — and forcing the African authorities and their Western allies to increase efforts to combat the fast-moving threat.
- The U.S. air strikes in northwestern Libya, which demolished an Islamic State training camp and were aimed at a top Tunisian operative, underscore the problem.
- The more than three dozen suspected IS fighters killed in the bombing were recruited from Tunisia and other African countries, and were believed to be rehearsing an attack against Western targets.
- Even as U.S. intelligence agencies say the number of IS fighters in Iraq and Syria has dropped to about 25,000 from a high of about 31,500, partly because of the U.S.-led air campaign there, the group's ranks in Libya have roughly doubled in the same period, to about 6,500 fighters.
- More than a dozen U.S. and allied officials spoke of their growing concern about the militant organisation's expanding reach from Libya and across Africa on rules of anonymity because the discussions involved intelligence and military planning.
- IS leaders in Syria are telling recruits travelling north from West African nations such as Senegal and Chad, as well as others streaming up through Sudan in eastern Africa, not to press on to West Asia.
- The IS in Libya is now the most dangerous of the group's eight affiliates, counter-terrorism officials say.
- About half a dozen senior IS lieutenants have arrived from Syria in recent months to build up the franchise.
- New U.S. and allied intelligence assessments say IS commanders in Libya are seizing territory there, starting to tax its residents and setting up quasi-government institutions.

Jamaat men held for killing Hindu priest

- Bangladesh Police have detained three people in connection with the attack on a temple in north Bangladesh where a Hindu priest was killed and a devotee shot at.

- Two of the detainees are said to be members of the banned Jama'atul Mujahideen Bangladesh (JMB) and the other a Jamaat-e-Islami activist.
- The unidentified attackers slit the throat of the 50-yearold Jogeswar Dasadhikari, who headed the Santo Gaurio temple, after hacking him with sharp weapons.
- The attackers, who arrived on a motorcycle, also shot and injured Gopal Chandra, the devotee who witnessed the murder.
- Meanwhile, the SITE Intelligence Group, the U.S.- based terror monitoring group, said the Islamic State (IS) has claimed responsibility for the temple attack.

The campaign to decide Britain's future in began in U.K.

- The campaign on Brexit has begun in the U.K., with Prime Minister David Cameron receiving early backing for his call for the country to remain in the European Union from opposite ends of British society.
- Even as the pound, which had taken a plunge in response to the Brexit uncertainty, slowly recovered ground, nearly 200 business leaders employing over 1.2 million people, and U.K.'s Trade Union Congress representing six million workers came out in support of the 'Stay' campaign.
- Leave campaigners allege that the business bosses – some of them Conservative Party funders – who have signed up to the letter comprise just a third of the FTSE 100 companies.
- Initiated by the Britain Stronger in Europe campaign and the Prime Minister's office, it includes heads of business houses like Marks and Spencer, British Telecom, Vodafone, and ASDA, although equally big businesses have not signed.
- The political divide over Brexit could not have been more evident in the House of Commons on Monday, when David Cameron presented his case for staying in a "reformed" Europe.
- It was an unusual Commons debate not least because the two opposing groups did not face each other as occupants of Treasury and Opposition benches usually do.

Syria's regime agreed to cease-fire deal

- Syria's regime agreed to a ceasefire deal announced by the United States and Russia, but there were widespread doubts it could take effect by the weekend as hoped.
- The agreement, announced, does not apply to jihadists such as the Islamic State group and the alNusra Front, putting up major hurdles to how it can be implemented on Syria's complex battlefield.
- The deal calls for a "cessation of hostilities" between forces loyal to President Bashar al-Assad and opposition groups that would take effect overnight Friday-Saturday in Damascus.
- The High Negotiations Committee — the leading Syrian opposition group — gave its conditional acceptance to the deal.
- But after several previous failed attempts, few had serious expectations for a lasting ceasefire.

Third straight caucuses win for Trump

- Republican presidential aspirant Donald Trump had said a few weeks ago he would not lose a single vote even if he shot someone dead in full public view.
- He is in fact getting more of them as he won a massive victory in the Nevada caucuses, leading his nearest rival Senator Marco Rubio by at least 22 points.

- With three consecutive victories under his belt, Mr. Trump heads into Super Tuesday on March 1 — when 11 States will have their primaries or caucuses.
- Going by the outcomes in four states that have voted, Mr. Trump's support is now is geographically and demographically spread across the U.S.
- As Mr. Trump continues with his triumphalism, his main rivals Mr. Rubio and Senator Ted Cruz, who finished third for a second time, are hoping that the more than 30 per cent undecided voters in the Super Tuesday states could be mobilised in their favour.
- What gives them both hopes is the fact that still a majority of Republican voters believe, according to opinion polls, that Mr. Trump cannot be a winning candidates in the general election.

India approves Chabahar port plan

- India approved a \$150 million project to develop the strategic Iranian port of Chabahar, which includes a transit route to Afghanistan bypassing neighbouring Pakistan.
- New Delhi signed a multi- million-dollar memorandum of understanding with Tehran last May to develop the port on its southeastern coast, but the deal had been stuck since.
- The approval came at a cabinet meeting chaired by Prime Minister Narendra Modi.
- The statement said the project would “provide opportunities to Indian companies to penetrate and enhance its footprint in the region.”
- Note also added that “Cabinet approves provision of credit of \$150 million USD to Islamic Republic of Iran for Chabahar port development.”

Seven Indian companies products component ended up in explosives of IS

- Products from at least seven Indian companies figure in a large supply of components that have ended up in explosives used by Islamic State terrorists, according to a study released.
- The European Union-funded 20-month-long study by the Conflict Armament Research (CAR) states that the seven Indian companies “manufactured most of the detonators, detonating cord, and safety fuses documented” by their field investigation teams.
- However, there was no illegality on the part of the Indian companies, the report says.
- The study established that 51 companies from 20 countries produced or sold more than 700 components used by IS to build improvised explosive devices (IEDs).
- Companies from other countries such as Turkey, Brazil and the United States also appeared on the list.
- Solar Industries, India, produced one spool of detonating cord on 27 February 2014 and exported it to the Turkish company Ýlci, Ankara.
- On 31 December 2012, Gulf Oil Corporation, India, had produced a spool and exported it to the Turkish company NitromakDyno Nobel, Ankara.
- Solar Industries, India, produced a further two spools, on 21 and 23 October 2012, and exported them [on an unspecified date] to the Lebanese company Maybel, headquartered in Beirut.
- However, all those Indian products landed up with the IS through some intermediaries.

Commonwealth Ministerial action group calls for free and fair election in Maldives

- The Commonwealth Ministerial Action Group (CMAG), at its extraordinary meeting in London, called upon the Maldives to show progress in many areas, including political dialogue, to ensure inclusive, free and fair elections in 2018.
- During the meeting, ministers expressed their “continuing concern” regarding political space available to the opposition and detention or custody of opponents.
- Separation of powers, independence of the judiciary and, the independence and lawful functioning of democratic institutions were the other areas over which the ministers had conveyed their opinion.

First election in Iran after lifting of sanctions

- Millions of Iranians voted in high-stake elections that could shift the balance of power within the hardline-controlled Islamic elite by ushering in a reformist comeback or help conservatives tighten their grip on power.
- The contest is seen by some analysts as a make-or-break moment that could shape the future for the next generation, in a country where nearly 60 per cent of the 80 million population is under 30.
- At stake is control of the 290-seat Parliament and the 88-member Assembly of Experts, the body that has the power to appoint and dismiss the supreme leader, Iran’s most powerful figure.
- Both are currently in the hands of hardliners. During its next eight-year term it could name the successor to Mr. Khamenei, who is 76 and has been in power since 1989.

New development bank will focus on renewable energy projects

- The New Development Bank (NDB) — a multi-lateral lender with a focus on the Global South of the BRICS grouping — is all set to fund more than a dozen projects this year that will focus on renewable energy.
- Lending, which will commence in April, would fund a project each from the five member grouping. But NDB president K.V.Kamath added that 10-15 projects are in the pipeline for the remaining part of the year.
- The NDB would include market borrowing to raise capital, but stressed that bonds in local currency, rather than hard currency, would be favoured.
- The NDB’s initial capital has been fixed at \$50 billion, and the total paid in capital would be \$10 billion.
- On the eve of its operational launch, the NDB has bagged a AAA institutional rating from domestic credit rating agencies in China, where the China Development Bank and the Bank of China have been appointed as rating advisers.

After five years calm in Syria

- A rare calm prevailed across much of Syria as the first major ceasefire of the five-year war took hold and an international task force prepared to begin monitoring the landmark truce.
- Guns fell silent at midnight in suburbs around the capital and the bomb-scarred northern city of Aleppo, after a day of intense Russian air strikes on rebel bastions.
- The nationwide cessation of hostilities, brokered by Washington and Moscow, is seen as a crucial but fragile step towards ending a war that has claimed 270,000 lives and displaced more than half the population.

- It faces formidable challenges, including the exclusion of the Islamic State (IS) jihadist group and Al-Qaeda's Syria affiliate Al-Nusra Front, which control large parts of the country.
- United Nations envoy Staffan de Mistura said peace talks would resume on March 7 if the truce holds and more aid is delivered – a key sticking point in negotiations.
- The complexities of a conflict which escalated from anti-government protests into a full-blown war drawing in rival world powers make brokering a lasting halt to the fighting a huge challenge.

Iran indicates for a split verdict

- The first results from Iran's parliamentary election showed a split of seats among conservatives, reformists and independent candidates, media reports said, after turnout of around 60 per cent.
- Coming just a month after sanctions were lifted under Iran's nuclear deal with world powers, the outcome of vote is being seen as a de-facto referendum on President Hassan Rouhani.
- Out of 27 constituencies — less than 10 per cent of the total — eight went to conservatives, four to reformists and eight to independents, with others set to go to a second round because no candidate won 25 per cent of the vote.
- As well as electing 290 MPs the electorate was voting for a new Assembly of Experts – a powerful 88-member committee that will elect the next supreme leader.

Rouhani's allies won all 30 parliamentary seats

- Reformist allies of Hassan Rouhani won all 30 parliamentary seats in Iranian capital.
- The List of Hope, a pro- Rouhani coalition of moderates and reformists, was on course to wipe out its conservative rivals in Tehran with 90 per cent of ballots counted.
- The clean sweep was a major fillip for the President, signalling overwhelming public backing in the capital for his landmark nuclear deal with world powers last year that ended a 13-year stand-off.
- The landslide in Tehran came after mixed results for the President's supporters in the provinces in the first elections since sanctions were lifted last month under the nuclear agreement.

INDIA & WORLD

TPP and its effect on India

- The Trans-Pacific Partnership (TPP), or the mega-regional free trade pact led by the U.S. and including 11 other Asia-Pacific countries, is likely to indirectly impact India's exports in several industrial sectors.
- Sector such as textiles, plastics, leather, clothing, cotton and yarn, besides the country's regime on investment, labour standards, intellectual property rights (IPR), government procurement and State-owned enterprises (SOE) will face problem.
- The challenges arising from the TPP — which has set very high standards for the international trading regime — could be similar to those experienced by India post the 1991 economic liberalisation.
- The External Affairs Ministry would soon do a study in the context of TPP and in- form the government what the priorities should be in terms of policy-making in the next six months.
- The TPP agreement (which India is not a part of) was reached in October last year and the member countries have two years to ratify the pact. In the meantime, the Indian government will

have to consider improving the country's standards in areas such as labour laws by holding stakeholder consultations.

- The investor-State dispute settlement mechanism adopted by the TPP was also a concern from India's point of view.
- Some of the TPP standards were higher than that of the WTO norms, including on IPR and possible ever-greening of patents, which could hurt India's pharma sector.
- The operations and the production methods of India's public sector units (or SOEs) could also be constrained due to the TPP.
- Several Indian export sectors such as cotton and yarn could be affected as trade may be diverted to the TPP region due to its benefits of low or nil duties.
- Pointing out that the TPP, RCEP and the Transatlantic Trade and Investment Partnership (a proposed mega- regional between the U.S. and the European Union) excluded African countries, the Minister said India would also have to focus on improving its trade with African countries.
- Meanwhile, India is also considering engaging with the Asia-Pacific Economic Cooperation countries to ensure that it did not miss out on the emerging trade dynamics.

India and Russia forms working group to build components for nuclear plants in India

- In a move that could become a model for countries keen on a share of India's civil nuclear energy pie, India and Russia have set up a working group to locally build components for nuclear power plants of Russian design.
- This is based on the Action Programme signed between Rosatom and the Department of Atomic Energy of India during Prime Minister Narendra Modi's visit to Moscow in December 2015.
- Rosatom, as part of its plans for expanding its global footprint, is in the process of opening its regional office for South Asia office in Mumbai.
- The Action Programme includes areas of cooperation in the field of joint machinery production, especially for nuclear power plants, as well as cooperation in the field of joint development, mastering and technological support of the implementation of end-to-end production technologies of products for heavy and power engineering industries.
- The three joint working groups, set up under the Indo-Russian Coordinating Committee on cooperation in the peaceful uses of nuclear energy established in December 2014, are on the nuclear fuel cycle, nuclear CM energy and scientific-technical cooperation.
- The localisation plans are part of the government's efforts to build manufacturing in the country under its ambitions Make in India initiative.
- Russia is currently building six reactors in Kudankulam of which the first unit was commissioned in autumn 2013. It was shut for the first scheduled preventive maintenance (SPM) and has now successfully restarted power generation.

India ratifies pact on nuclear compensation

- Five years after signing the Convention on Supplementary Compensation for Nuclear Damage (CSC), India ratified the convention, the IAEA's Office of Public Information and Communication reported from Vienna.
- The CSC is a convention that allows for increasing the compensation amount in the event of a nuclear incident through public funds pooled in by contracting parties based on their own installed nuclear capacities.
- It entered into force on April 15, 2015.

- India had also passed its own domestic nuclear liability law, the Civil Law for Nuclear Damage (CLND) Act in 2010.
- Countries such as the U.S. have said that the Indian law's provisions are violative of the CSC, but this has been denied by India.

U.S. President assured Narendra Modi to look into visa issues

- U.S. President Barack Obama has assured Prime Minister Narendra Modi that his administration would soon look into India's concerns over the recent move to increase visa fees.
- The Act, among other things, increased the fees for certain H1B and L1 applicants.
- After the increase, the fees for certain categories of H1B and L1 visas have more than doubled.
- According to Nasscom, the IT/ITeS industry body, the decision's financial impact on the Indian technology sector would be around \$400 million a year.
- India (Indian tech firms) will be the most affected by the decision as it is the largest user of H1B visas (67.4 per cent of the total 161,369 visas issued in FY14 went to Indians), and is also among the largest users of L1 visas (Indians received 28.2 per cent of the 71,513 L1 visas issued in FY14).
- The CII, an industry body, had said the visa fee increase was discriminatory and punitive and was aimed at India and Indian-centric technology companies.
- Issues related to tightening of the visa and immigration regime and the fear-mongering about American jobs going to foreigners have been part of the political rhetoric before presidential elections in the U.S.

Indian trucks cross freely into Nepal

- Residents and traders in southern Nepal dismantled tents and roadblocks set up by protesters at a key border crossing, allowing trucks to cross freely from India for the first time in four months.
- More than 50 people have died in an agitation against Nepal's first republican constitution led by minority Madhesis, who say the charter ignores their demands for a united homeland and greater say in the running of the Himalayan nation.
- A prolonged blockade mounted by southern lowlanders on the "Friendship Bridge" linking the Nepali town of Birgunj with Raxaul in Bihar had caused acute fuel shortages and spurred smuggling along the porous border.
- People in Birgunj madhesis and Raxaul had cleared tents pitched on the bridge by protesters from the Madhesi minority.
- Nepali Prime Minister K.P. Oli has appeared increasingly isolated by the protests and faced criticism from India over the tough line taken by the authorities against them. The lifting of the blockade may signal the stand-off is easing.

Nepal confirms PM visit on Feb 19

- Within hours of the end of commercial blockade in Birgunj, the biggest trading post on the Indo-Nepal border, Nepal declared that Prime Minister K.P. Sharma Oli would visit India on February 19.
- The end of the blockade at Birgunj had persuaded Nepal to finally declare the date of the visit which had been under discussions since Mr. Oli became Prime Minister of Nepal in October 2015.
- The China-Nepal economic agreements, meanwhile, added substance to the reports that the Nepal Prime Minister might choose to visit Beijing first, instead of Delhi.

In the mutual interest India and Thailand might exchange prisoners

- Worried over the possible proxy use of narcotics and human trafficking networks by terror operators, India and Thailand have started talks on exchanging prisoners that are of mutual interest.
- One of the first cases that both sides have begun to look into involves a Kindergarten teacher, Mitu Mandal, who has been in Thai custody since May, 2014, when she was arrested in Bangkok's Suvarnabhumi Airport with 1.62 kilogram of "Ya Ice" (meth- amphetamine).
- Ms. Mandal reportedly confessed to Thai authorities that she was used by a narcotics network covering Thailand, India and Nigeria.
- Prisoners exchange is one of the steps being planned in bilateral legal collaboration following two major extraditions from Thailand since January 2015.

Troops of India and China held first joint tactical exercise in Chushul-Moldo

- The border troops of India and China held their first joint tactical exercise in the Chushul-Moldo area along the northern border.
- This is part of the ongoing initiatives taken by India and China to ensure greater interaction between troops stationed along the Line of Actual Control, and thereby ensure peace and tranquillity along the border.
- As previously agreed by both countries, the exercise focussed on actions to be coordinated to tackle jointly aspects of humanitarian aid and disaster relief.
- This exercise complements the Hand-in-Hand series of India-China Joint Exercises and the recently conducted joint exercise in Sikkim.

India and UAE set to engage in various fields after Prince's visit

- India and the United Arab Emirates are set to strengthen cyber security mechanism to track radicalisation of youth in South Asia and West Asian region.
- Over the last several months, India-UAE cooperation has prevented several radicalised youths from joining the ranks of the Islamic State (IS).
- Both sides are expected to sign a number of agreements on cyber security and law enforcement during the February 10-12 visit by Abu Dhabi's Crown Prince Sheikh Mohammed Bin Zayed Al Nahyan.
- Security collaboration has become the centrepiece of India-UAE cooperation, especially since Prime Minister Narendra Modi visited Dubai in August 2015.
- Cyber security experts have pointed out that the cooperation between the UAE and India on cyber security has helped in tracking radicalisation in
- India as well as inside Pakistan. Agreements on security and cyber security will be part of a total of 16 agreements that are expected to be signed during the visit which will also include an agreement on nuclear research and development, and aerospace collaborations.

UAE's national oil company agreed to give oil to India free

- In a first of its kind deal, UAE's national oil company Adnoc has agreed to store crude oil in India's maiden strategic storage and give two-thirds of the oil to it for free.
- India is building underground storages in Visakhapatnam and Mangalore and Padur in Karnataka to store about 5.33 million tonnes of crude oil to guard against global price shocks and supply disruptions.
- Abu Dhabi National Oil Company (Adnoc) is keen on taking half of the 1.5- million-tonne Mangalore facility.
- It will stock 0.75 million tonnes or 6 million barrels of oil in one compartment of the Mangalore facility.
- Of this, 0.5 million tonnes will belong to India and it can use it in emergencies. Adnoc will use the facility as a warehouse for trading its oil.

Counter terrorism operation needs to be viewed with flexibility

- Weeks after Defence Minister Manohar Parrikar spoke about sending troops to fight the IS in Syria, India told the United Nations Special Committee for Peacekeeping Operations that it recognises the need for "flexibility" on international anti-terror operations if they are backed by U.N. authorisation.
- Presenting India's position on the HIPPO (High Level Independent Panel on Peace Operations) report, which is aimed at countering international terror groups, Syed Akbaruddin, said: "We understand that these issues [response to counter-terrorism operation with U.N. authorisation] need to be viewed with flexibility in response to emerging challenges."
- The HIPPO report has expanded the scope of counter-terror operations beyond the traditional U.N. peacekeeping operations by recommending that "ad hoc coalitions authorised by the U.N. Security Council" can undertake counter-terror operations with the intention of peacekeeping and peace-enforcement.

Nepal's PM on visit to India

- Aiming for Nepal's recovery from more than five months of economic blockade, Prime Minister K.P. Sharma Oli, who arrived on a six-day visit to India on afternoon, is expected to seal crucial bilateral agreements.
- This visit is a confidence- boosting step. It's not just about agreements and accords.
- Mr.Oli's visit, however, began on a dramatic note when 40 Madhesi students from Nepal were detained by the Delhi police near the embassy of Nepal when they were trying to reach the public reception organised by the ambassador of Nepal.
- Earlier, another group of Madhesi students staged a protest outside the Indira Gandhi International Airport.

EU-India summit to be held after the gap of four years

- Prime Minister Narendra Modi will travel to Brussels for the EU-India summit on March 30, which is being held after a long gap of four years that have also seen the suspension of talks on the Bilateral Trade and Investment Agreement (BTIA).
- the visit by Mr. Modi, who will stop in Brussels on his way to the U.S. will also see an announcement on the resumption of talks on the BTIA, as the free trade agreement (FTA) is known.

- there are still some obstacles preventing the resumption of the India-EU FTA talks that were suspended in 2013 after 16 rounds of negotiation.
- To begin with, the EU is learnt to have asked India to substantially bring down the “high” duties on automobiles as a pre-condition for resumption of the FTA negotiations.
- India’s import duty on cars range from 60-120 per cent as against the EU’s 10 per cent.

Britain’s exit from European Union will have far-fetched repercussions

- A British exit from the European Union would rock the Union — already shaken by differences over migration and the future of the euro zone — by ripping away its second-largest economy, one of its top two military powers and by far its richest financial centre.
- Pro-Europeans warn an exit could also trigger the break-up of the United Kingdom by prompting another Scottish independence vote.
- The \$2.9-trillion British economy would face years of uncertain negotiations over the terms of a divorce.
- Prime Minister David Cameron is due to make a statement to Parliament on Monday, triggering the start of the campaign for the referendum on EU membership he called after striking a deal with the Union.
- Opponents of EU membership say Britain would prosper outside what they say is a doomed Germany-dominated bloc that punches way below its weight on the world stage.
- The issue of Europe has divided the Conservatives for three decades and played a major part in the downfall of Cameron’s two Conservative predecessors, Margaret Thatcher and John Major.

India, Nepal sign seven accords

- India and Nepal signed seven agreements at a summit meeting of Prime Minister Narendra Modi and his Nepal counterpart K.P. Sharma Oli, even as leaders of the Madhesi people in Nepal threatened one more blockade.
- Addressing the press after the signing ceremony at the Hyderabad House, Mr.Oli said that both sides were determined to avoid the disruption of Nepal’s transit facilities as experienced over the past five months.
- Referring to Nepal’s dependence on India for receiving essential commodities, Mr.Oli said without naming Madhesi protesters, “Unscrupulous elements should not be allowed to abuse the open borders between Nepal and India”.
- Though both the sides tried to address the grievances of the pro-blockade agitators by agreeing to build a road network in the Madhesregion, the leaders of the Madhesis are planning more agitation.

Principle of sovereign equality should guide the India-Nepal relations, said Oli

- Asserting Nepal’s sovereignty, visiting Prime Minister K.P. Sharma Oli on Monday said that ties between India and Nepal should be based on the “principle of sovereign equality”.
- “Our cultural connections are deep. Pashupatinath and Bishwanath, Janakpur and Ayodhya, Lumbini and Bodhgaya and many more are icons of our shared civilization and our relationship should not be judged on the basis of agreements and treaties”, Mr. Oli said

- Mr. Oli's comments came a day after he defended Nepal's new Constitution, which he described as a "living dynamic document" that had emerged out of a long process of democratic struggle to end discrimination.
- His assessment of the constitutional democratic process went against India's viewpoint.
- Reflecting the Indian concern for the democratic process in Nepal, External Affairs Minister Sushma Swaraj said India was playing the role of an "elder brother".
- "India's role of an elder brother is not similar to the Western concept of a Big-Brother".
- Mr. Oli asked India to make most of the opportunities provided by Nepal and partner the new development process.

India will approach UN to include Masood in globally designed terrorists

- In its biggest diplomatic move after the Pathankot attack, India will approach the United Nations to include the Pakistan-based terror master- mind Maulana Masood Azhar on the list of globally designated terrorists.
- India would formally request the 1267 Sanctions Committee, which consists of 15 members, to schedule a discussion on Masood Azhar on Friday.
- The decision is significant since it is the second time in less than a year that India will attempt to isolate an international terrorist through the anti-terror committee.
- In June 2015, India moved the committee in the United Nations, demanding an ex- planation from Pakistan for its decision to release the 26/ 11 attack plotter Zakiur Rahman Lakhvi from jail.
- The attempt to isolate Pakistan, however, failed at the last moment because of China's opposition. this year too, China's attitude would be watched.

India's plan of acquiring aircraft from Japan facing problems

- India's plans to acquire amphibious aircraft from Japan, in the first big military deal between the two countries, is facing serious challenges.
- Indicating at a longer wait- ing period for India's plans to acquire the amphibious aircraft, US-2, in a deal involving 12-18 aircraft, Japan had no immediate plans for "selling or delivering" the capacity-multiplier aircraft to India.
- The absence of diplomatic progress on India acquiring the aircraft is significant in view of the fact that during Prime Minister Shinzo Abe's visit to India in December 2015.
- The two countries had concluded agreements on Transfer of the Defence Equipment and Technology, and, Security Measures for the Protection of Classified Military Information, aimed at deals such as the one on the US-2.

Turmoil in Maldives is stalling PM Modi's visit

- Continuing political turmoil in the Maldives is the reason Prime Minister Narendra Modi's visit to Male has had to be put off repeatedly.
- The visit that was cancelled at the last moment in March 2015 owing to protests over former President Nasheed's trial has been due since early January this year, but each time, actions by the government spark of a new crisis that makes it difficult for Mr. Modi to travel to the Islands.
- When India's largest new aircraft carrier INS Vikramaditya, accompanied by two support ships travelled to the Maldives on February 14 for a "goodwill" visit, many in Male fully expected that Mr. Modi would also be on his way.

- MEA believes that moment will only come with some political resolution and a more controlled narrative in Male that seems to be fast spinning out of President Yameen's grip.
- India has stayed away from direct criticism of the Yameen government over the past few months as it tried to rebuild ties with the Maldives.
- However, it is a member of the Commonwealth Ministerial Action Group (CMAG) that passed a resolution giving the government one month's time to start a dialogue with the Opposition and halt the use of anti-terror laws against political opponents.

BUSINESS & ECONOMY

Government considering to include road as priority sector

- The government will soon approach the Reserve Bank of India (RBI) with a proposal to include road projects under the priority sector list for lending purposes and review the non-performing assets norms to revive Rs. 40,000-crore worth of highway projects that have not taken off due to bureaucratic delays and cost overruns.
- At present, 40 per cent of loans given by banks should go to priority sectors defined by the RBI. Out of this, 18 per cent should go toward agriculture lending.
- In a separate move, the Union government may ask the RBI to ease non-performing asset norms for bank loans to revive projects.
- It may ask the RBI to not classify bank loans as NPAs if the project has failed to take off beyond two years from its original date of commencement.
- At present, bank loans, extended for infrastructure projects, become NPAs if the project has been delayed for two years from its original schedule even for reasons beyond the control of promoters such as land acquisition approvals.
- This will, however, be done for road projects which are found viable after assessment.

Core sector output recovers, grows 0.9 per cent in Dec.

- Core sector output returned to positive territory in December 2015 by registering a 0.9 per cent growth after shrinking (-) 1.3 per cent in November 2015 but was still much lower than 3.2 per cent growth re-corded in December 2014.
- The output of eight core industries — that comprise almost 38 percent of the weight of items included in the Index of Industrial Production (IIP) — could record only a 0.9 per cent growth in December 2015 due to 4.1 per cent contraction in output of crude oil (the fourth consecutive month in the negative territory), 6.1 per cent contraction in natural gas (falling for the third successive month) and 4.4 per cent shrinkage in steel (falling for the sixth consecutive month).
- During April-December 2015 period this fiscal, the output of these eight sectors slowed to a 1.9 per cent growth from 5.7 per cent growth in the same period last fiscal. In 2014-15, these sectors had grown by 4.4 per cent,
- The core sector growth had registered the steepest fall in over a decade when it shockingly shrank 1.3 percent in November 2015 compared to the same month a year ago
- In December, fertiliser output registered double digit growth for the fifth successive month with 13.1 per cent growth while coal production grew by 6.1 per cent (up from 3.5 per cent in November).
- Cement output increased by 3.2 per cent (up from -1.8 per cent in November). Electricity production also grew by 2.7 per cent (from flat growth in November, and has been in the positive

growth territory this fiscal year (April 2015), while refinery products grew by 2.1 per cent (up from 2.5 per cent in November).

- In December 2014, the growth in output of coal was 7.5 per cent, crude oil (-1.4 per cent), natural gas (-2.9 per cent), refinery products (6.1 per cent), fertilisers (-1.6 per cent), steel (flat growth), cement (3.8 per cent) and electricity (4.8 per cent).

TRAI for PPP model for Bharat Net Project

- The Telecom Regulatory Authority of India (TRAI) on Monday recommended public private partnership (PPP) model for the roll out of the Bharat Net project that has been marred by delays.
- Bharat Net seeks to connect all of India's households, particularly in rural areas, through broadband by 2017, forming the backbone of the government's ambitious Digital India programme.
- as rural broadband provision is prone to market failures as well as government failures (as is evident by the slow implementation of National Optical Fibre Network or NOFN), employing a PPP-based model to expand broad-band coverage is the only other viable option
- At present, a special purpose vehicle, Bharat Broad-band Network Ltd (BBNL), under the telecom ministry is handling the roll out of optical fibre network. The project is being executed by BSNL, Railtel and Power Grid.
- A PPP model that aligns private incentives with long-term service delivery in the vein of the Build-Own-Operate-Transfer/Build-Operate-Transfer models of implementation be the preferred means of implementation,
- The regulator has also suggested that contract period should be of 25 years, which can be further extended in block of 10, 20 or 30 years.
- The UPA Government had approved Rs. 20,000 crore for laying optical fibre network in 2011.
- However, it missed all the deadlines. The new NDA Government re-examined the project status with a deadline of 2016 end. A committee setup by the DoT proposed increasing the scope and scale of the project at an estimated cost of over Rs. 70,000 crore and extending the deadline to December 2017.

Indian likely to become CFO of AIIB'

- India is likely to bag the post of Chief Financial officer (CFO) in the newly launched Asian Infrastructure Investment Bank (AIIB) — the multilateral bank, whose formation was steered by China in order to boost infrastructure development in Asia.
- The Vice-President from Germany would serve as the Chief Operating Officer, while his peer from India would become the bank's first CFO.
- The Chief Administrative officer would be from Indonesia, while the South Korean Vice-President would be handle risk affairs.
- The British Vice-President is expected to head the communications department.
- The AIIB along with the upcoming New Development Bank (NDB) of the Brazil-Russian-India-China-South Africa (BRICS) grouping and the European Bank for Reconstruction and Development (EBRD) are likely to anchor funding for the Eurasian Land Corridor or the China-proposed Belt and Road connectivity initiative, along with opening up a new channel of financial flows for the Global South.
- The three institutions have been established outside the framework of the Bretton Woods Charter, which led to the post-war emergence of the western-backed International Monetary Fund and the World Bank.

- The run up to the formation of the bank opened cracks within the Atlantic Alliance. Despite U.S. objections, European countries including Britain, France and Germany joined the AIIB.
- Australia and South Korea — top U.S. allies in the Asia-Pacific — also decided to participate in the development bank as its founding members.

RBI keeps interest rates unchanged

- The Reserve Bank of India (RBI) left the key policy rate unchanged at 6.75 per cent, as widely expected, ahead of the union budget as the central bank will wait for the fiscal road map from the government.
- The government is targeting a fiscal deficit of 3.9 per cent for the current financial year and 3.5 per cent for FY17.
- The central bank has reduced interest rates by 125 bps since January 2015.
- The RBI also highlighted that re- tail inflation, though having evolved along the projected trajectory, could face the risk of upward momentum due to factors like 24 per cent salary hike proposed by the seventh pay commission.
- RBI has projected five per cent retail inflation by the end of the financial year 2016-17.

Govt. sets up Tax Policy Council

- The Government has created a Tax Policy Research Unit (TPRU) and Tax Policy Council to be chaired by the Union Finance Minister with nine other members including Minister of State for Finance, Niti Aayog Vice Chairman, Commerce and Industry Minister Revenue Secretary and the Chief Economic Advisor.
- Finance secretary, Commerce Secretary and Industry Secretary will also be its members.
- The Council will be advisory in nature, which will help the Government in identifying key policy decisions for taxation.
- The TPRU will comprise of officers from both the Central Board of Direct Taxes (CBDT) and Central Board of Excise and Customs (CBEC) as well as economists, statisticians, operational researchers, legal experts.
- The decision is based on the recommendation of the Tax Administration Reform Commission (TARC) that have in its First Report, identified handling of tax policy and related legislation as one of the areas in need of structural modifications.
- Right now this is handled in the CBDT and the CBEC. Independently of the two boards, the Tax Research Unit (TRU) and Tax Policy and Legislation (TPL) wings also send proposals to the union Finance Minister.
- To bring consistency, multidisciplinary inputs, and coherence in policymaking, the TARC recommended that a Tax Council supported by a common Tax Policy and Analysis (TPA) unit should be established to cater to needs of both direct and indirect taxes.
- It also recommended that Comprising tax administrators, economists, and other specialists such as statisticians, tax law experts, operation research specialists and social re- searchers should be set up for both the the boards.

Govt to come up with measures to increase exports

- India's exports, since December, 2014, have been in negative territory. While the primary reason has been the slowdown in the global economy, declining crude oil prices coupled with low commodity prices have added to the woes of the exports sector.

- However, domestic challenges like slowdown in manufacturing, high logistics cost, increasing transaction cost and product profile of our exports have also contributed in no less measure.
- Our competitors like Vietnam and Bangladesh have shown positive exports growth in the last 6 months or so asking us to do some introspection.
- The recent incentives by the government in the form of revision of MEIS benefits and its expansion, announcement of Interest Equalisation Scheme on Export Credit along with the benefits on all Industry Rates of Duty Drawback did give some cushion in such difficult times.
- However, Chinese slowdown and devaluation of Yuan has come as yet another jolt for the sector.
- In the upcoming Union Budget, we expect that the inverted duty structure in respect of various items may be addressed as it not only affects exports but also the manufacturing sector and adversely impacts Make in India and the import substitution strategy.
- The exemption from service tax on ex- port may see the light of the day. The biggest challenge affecting MSME exports is on the marketing front.
- The total marketing support extended by Department of Commerce under MAI and MDA is insufficient and therefore a Export Development Fund (EDF) should be created with a corpus of 0.5 per cent to 1 per cent of total export value so that sizeable money is available to promote MSME exports.
- In view of current global trend, we expect country's exports to reach \$260-\$270 billion in 2015-16.
- All exporters may also be given Interest Equalisation Benefit (IES) as cost of credit is the same across sectors.
- With all these happening, we expect the exports sector to see some green shoots coming out only from the second quarter of the FY 2016-17 expecting to end the financial year with an export figure of \$310-15 billion.

Coal linkages to steel, aluminium, cement sectors only via auction

- Coal linkages to non-regulated sectors such as steel/sponge iron, cement and aluminium will be provided only through auctions.
- This was decided by the Cabinet Committee on Economic Affairs (CCEA) which met under Prime Minister Narendra Modi.
- The auction of coal linkages will be transparent and creates a level-playing field, Coal and Power Minister Piyush Goyal said.
- The auction ensures all market participants have a fair chance to secure the coal linkage, irrespective of their size. It attempts to ensure an optimal allocation of coal across user industries and geographies.
- As per the CCEA decision, all allocations of linkages/ Letter of Assurance (LoAs) for non-regulated sector (but excluding fertilizer (urea) sector), including their captive power plants, shall from now on be auction-based.
- State-owned Coal India Ltd (CIL) and Singareni Collieries (SCCL) will put up 25 per cent of their incremental production during 2015-16 over 2014-15 for auction. The
- Supreme Court in August and September 2014 had declared 204 coal mines/blocks allocated since 1993 as illegal on the grounds that the procedure followed was arbitrary.
- Pursuant to this judgment, e- auction of Schedule II and Schedule III Coal Mines was conducted. The same philosophy of non-discretionary allocation is being extended for the coal linkages as well. This would require CIL to allocate linkages through a market-based mechanism.
- The union cabinet allowed the railways ministry to form joint venture (JV) companies with the state governments to mobilize resources for undertaking various rail infrastructure projects in states.

- The JV can also form project-specific SPVs with equity holding by other shareholders like banks, ports, public sector undertakings, mining companies etc.
- The JV exercise would ensure greater participation of states in implementation of railway projects in terms of financial participation and decision-making process.
- This will facilitate in faster statutory approvals and land acquisition. Besides transporting people, various cement, steel and power plants would get the necessary rail link for transportation of their raw material and finished products.

Good future markets necessary for farmers to get fair price

- Union Agriculture Minister Radha Mohan Singh said that better developed 'futures markets' for agricultural commodities will be significant for farmers as it could help them secure fair price for their products.
- Mr. Singh, said with a better developed futures market, farmers will face lower price risks.
- This is good indication for the agriculture arena of the country that ASSOCHAM is taking interest to revitalise agricultural sector by adopting sophisticated techniques so as to improve production in agricultural sector.
- Mr. Singh said most of Indian farmers are small and marginal and they do not enjoy specific capacity to transact the deals concerned, which is a serious problem.
- They deal with their business in low-benefiting markets and are victimized to exploitation owing to limited awareness about marketing.
- A better-developed futures markets for farmer meant for agricultural commodities attribute to great importance. He said the government was working towards developing National Agriculture Market (NAM) a pan India electronic trade portal.

Crucial bills at stake in budget session

- Finance Minister Arun Jaitley expects the joint committee of Parliament studying the insolvency and bankruptcy code will submit its report by the first week of March, with passage of the reform legislation possible during the Budget session scheduled to begin February 23.
- He also expressed the hope that the Constitution (122nd Amendment) Bill meant for the rollout of the Goods and Services Tax (GST) would also be passed in the Budget session itself.
- Minister of State for Finance Jayant Sinha stressed upon prioritising the provision of universal pension security including income security, health and life insurance and taking advantage of the large number of young people in the country who would otherwise become dependent on the State and society in the old age.
- He said that he believed in the philosophy to empower Indians with tools and knowledge to take ownership of their own retirement.
- The NIIIF would be the major driving force for investments in to India's infrastructure 2016-17 onwards and can emerge as a major vehicle for bringing in foreign investment for infrastructure.

IT services exports to cross \$100 billion

- IT industry body Nasscom said that India's IT services exports would cross the \$100 billion mark in 2015-16 and the sector would clock double digit growth in 2016-17.
- The optimism comes despite concerns about the impact of the election campaign in the United States, which accounts for half of India's IT exports and the rise of protectionism in Europe and the U.K.

- The IT sector, which India's largest private sector employer, is likely to add two lakh new jobs this year, taking its employee strength to 3.7 million.
- It expects another two lakh new jobs in 2016-17 with an expected 10 per cent to 12 per cent growth in exports at the present currency valuations.

Cabinet nod likely for scrapping old vehicles

- The government is working on a plan to phase out old vehicles from the roads and the policy frame- work will be soon sent to the Cabinet for approval.
- The auto industry has been demanding a uniform policy in this regard for a long time.
- Scrapping of old vehicles will not only create a market for new vehicles but also help in reducing the pollution to some extent.
- With the government pushing for introducing of BS-VI emission norms by 2020, Mr. Gadkari told the automakers not to worry about the availability of suitable fuel but focus on developing engines to meet the guidelines.
- Automobile manufacturers have expressed doubts on whether BS-VI compatible fuel would be available in time as the entire country is yet to be covered by BS-IV, although it was introduced in 2010.

FM says India has potential to grow at faster pace

- Finance Minister Arun Jaitley said India remained one of the fastest- growing economies in the world despite the global economy remaining uncertain. There was still potential for India to grow at a faster pace, he added.
- "All the major economic organisations, including IMF, have predicted low growth for the world economy in the coming year," Mr. Jaitley said.
- "These developments have implications on India's economy as our ex- ports are also affected.
- However, the silver lining is low international commodity and oil prices which, in turn, have helped in a better macroeconomic situation in the country," he said
- Regarding the fiscal deficit, Mr. Jaitley said that the government was on track to meet the 3.9 per cent of GDP target set for the financial year.
- "This was the first time that the real expenditure amount was higher than the budget proposal. This year we have spent more but still we will very well manage our deficit targets.
- During 2016-17, the government had to make provision for around Rs. 1.10 lakh crore to meet the liabilities on account of implementation of Seventh Pay Commission recommendations and One Rank One Pension (OROP) Scheme.
- One major suggestion by the Committee regarding taxation was to raise the tax exemption limit for middle and salaried class from Rs.2.5 lakh to Rs. 4 lakh.
- In addition, greater emphasis is to be laid on widening the tax base and punishing tax evaders.
- The Committee also suggested that the threshold limit for mandatory PAN card requirement for transaction be raised to Rs.5 lakh and above from the current limit of Rs.2 lakh and above.
- Further, it was suggested that the service tax exemption limit be raised from Rs.10 lakh to Rs.25 lakh.

- Other important suggestions made by the Committee included more allocations for agriculture sector and the set- ting-up of an Indian Council for Veterinary Research (ICVR) to boost to milk production.
- Another suggestion was to bring in more clarity to and awareness about the government's new crop insurance schemes.

D. J. Pandian named as Chief Investment officer of Asian Infrastructure Investment Bank

- D. J. Pandian, a former bureaucrat known for holding a string of key positions with the Government of Gujarat, has been appointed as one of the five Vice-Presidents of the newly-established Asian Infrastructure Investment Bank (AIIB).
- Dr. Pandian has been appointed as the Chief Investment officer (CIO) of the lender, whose role is to focus on infrastructure development in Asia.
- The CIO would be “leading the planning and supervision of the bank's in- frastructure investment,”.

India sought clarity from U.S. On API issue

- India has sought clarity from the U.S. government on the ramifications of a recent adjudication, which gave rise to apprehensions that the medicines procured by the American government should be only from companies making even the Active Pharmaceutical Ingredients (API) either locally or in certain designated nations such as European Union (EU) members.
- India and China account for about 80 per cent of the U.S.'s requirement of API (drug raw materials). The ‘determination’ of the U.S. Homeland Security Department — which seemed to imply that the drugs that contained APIs imported from India and China are ineligible to be sold to the U.S. government — is likely to directly and indirectly hurt India's API exports to the U.S.
- The matter came to the Indian government's attention after Pharmexcil (a lobby group of the pharmaceutical industry) approached the commerce ministry earlier this month, asking them to intervene and help resolve the issue.
- However, the U.S. Food and Drug Administration (FDA) said FDA requirements that govern the approval of drugs for marketing in the U.S. have not changed.

Mobile phones in India may each 50 crore by 2017

- The production of mobile phones in India is likely to touch 500 million units in the next two years with lead- ing companies setting up manufacturing bases in the country.
- Earlier this year, Telecom Minister Ravi Shankar Prasad had announced that mobile phone production in India had touched 100-million mark.
- The number of phones be- ing manufactured was 10 mil- lion sometime back (which increased) to 45 million and then to 100 million. The time has come when we will reach 500 million, may be in two years.
- The government wants to reduce imports of electronic products while meeting domestic requirement through indigenous production.
- It has received proposals worth Rs. 1.13 lakh crore in the electronics manufacturing segment under the modified special incentive package scheme (M-SIPS), which offers capital subsidies to large investments in electronics manufacturing and system design.

Third quarter growth at 7.3 percent

- Economic growth slowed in the third quarter to 7.3 per cent from a revised 7.7 percent, the Central Statistics Office (CSO) reported
- The Gross Domestic Product (GDP) is now estimated to accelerate to a five-year high of 7.6 per cent for the 12-month period ending March 31.
- The higher growth in FY16 will be possible thanks to robust output in the services sector and a revival in industrial production, though concerns remain on the agriculture front. The 7.6 per cent growth projection for this fiscal will be the fastest pace since 8.9 per cent recorded in FY11
- The 7.3 per cent growth in Q3 will also make India the fastest growing economy in the world, faster than China which witnessed a 6.8 percent growth in the same period.
- The growth estimates come at a time when several experts have expressed concern about the methodology used to compute the GDP and asked the government to look into possible discrepancies as they feel it does not seem to accurately reflect ground realities.
- This includes weak (global and) domestic demand, exports shrinking for 13 straight months and troubled balance sheets of banks and corporates especially those operating in the infrastructure sector.
- The government, however, claims the new methodology of GDP calculation is an improvement over the previous one as it better collates the value addition that happens in the entire supply chain of goods and services

Sugar mills want cane policy overhaul

- Tamil Nadu, the country's fourth largest sugarcane producing state, needs to overhaul its policy and rationalise taxes to ensure the mills are profitable, a top official of Indian Sugar Mills Association (ISMA) said.
- The current policy puts the burden solely on the mills which is both "unreasonable and unaffordable"
- The state had four lakh farmers and 45 sugar mills. Tamil Nadu accounts for seven to nine per cent of the country's total sugar production of 260 lakh tonne.
- Currently, the Tamil Nadu government has fixed the State Advised Price at Rs.2,850 per tonne for 2015-16 sugar season, which was Rs.550 more than the Fair and Remunerative Price fixed by the Centre. This was the highest in the country, if one considered the sugar recovery ratio
- According to ISMA, sugarmills in Tamil Nadu were located close to the port and had quick access to Sri Lanka. But out of about six lakh tonne of white sugar imported by Sri Lanka, India was able to meet about 50 per cent. The balance was met by Brazil. India was unable to take advantage of the situation because of high sugarcane costs.
- The state government was urged to develop a model followed by other states to ensure that the sugarcane farmers got their payments on time and if required, assist the mills in the payments especially when the revenue realisation was poor.
- There is an urge to removal of five per cent VAT on sugar, as it raised the cost of sugar produced in Tamil Nadu, which was already high due to low sugar recovery. It thus made it all the more uncompetitive as revenue loss for mills was over Rs.200 crore a year.

Government easing rules to grant construction permits around airports

- The government is easing rules for granting construction permits around airports and monuments by developing colour-coded maps in a bid to give fillip to urban growth.

- Developers have to get permits from Airport Authority of India (AII) in New Delhi to build projects around the country's airports.
- AII has come out with colour-coded zonal map. The airspaces used by jetliners for landings and take offs are highlighted in the map. No construction will be allowed in such spaces.
- Construction would be allowed in those areas that fall out of "colour coded" zones.
- Developers don't have to come all the way to Delhi to get building height clearances among others.
- The government will soon empower urban local bodies to follow the colour-coded zonal maps and authorise real estate development accordingly.
- Jaipur International Airport is the first one to develop a colour-coded map.
- All the other civilian airports across India, including 28 defence airports that are being used for civilian purposes, will have their maps ready by December 2016.
- The Ministry of Culture in collaboration with ISRO is developing colour-coded maps for 281 monuments that fall in construction zones.
- Ministry of Culture has launched a mobile app that enables online approvals for construction around monuments in just 72 hours.

New standards for handsets may make Indian fonts compulsory

- Indian fonts may be mandatory for mobile phones sold in the country according to new standards for handsets being finalised by the government.
- The Bureau of Indian Standards is expected to notify the standards that will require handsets to be able to render Indian font messages as well as allow users to type in Hindi, Tamil and other Indian languages, by end of April 2016.
- The Bureau is working with the Department of Electronics and Information Technology in the IT ministry and the Indian Cellular Association, which represents mobile handset and component manufacturing industry, to work out these standards.
- The government had initiated a move to promote Indian fonts on digital interfaces in 2011.

To decongest traffic government will increase NH length to 2 lakh km

- In a bid to decongest traffic in the country, the government has decided to increase the length of national highways from 96,000 km, at present, to two lakh km.
- As much as 40 per cent of the traffic moves on these 2 per cent national highways and as a result five lakh accidents take place.
- Three lakh people get injured and 1.5 lakh are killed in these accidents. The main reason is traffic congestion.
- Two new highways would be developed in UP. First is east-west highway on which we are going to spend Rs 1,400 crore. This will reduce Delhi's traffic by 50 per cent.
- The second one is from Delhi to Dasna, which would be 14 lane, a first time in the country.

RBI directed banks to accelerate provisioning requirement

- The Reserve Bank of India (RBI) has directed commercial banks to accelerate provisioning requirement, from April 1, for the existing stock of restructured loans that are showing signs of stress.
- RBI has identified bank specific accounts in which respective lenders have to make higher provisioning from April 1.
- These accounts were restructured earlier. Banks have provided only 5 per cent for these restructured loans, but now the central bank has directed them to increase the provisioning by 2.5 per cent every quarter so that by March 31, 2017, provisioning reached the 15 per cent level — in line with sub-standard accounts.
- However, banks are not allowed to classify these accounts as non-performing assets.
- The central bank has given four quarters to banks, starting April 1, to make full provisioning for the identified accounts, so that a bank is not hit in one go.
- The central bank's move comes in the backdrop of RBI Governor Raghuram Rajan's drive to clean up banks' balance sheets by March 2017.
- In February 2014, the central bank issued a set of guidelines on joint lenders' forum and laid out a corrective action plan with the objective of revitalising distressed assets in the banking system.
- In that circular, RBI had said that banks have to face accelerated provisioning if the borrower's account continues to show weakness.
- The step to increase provisioning is seen in line with the accelerated provisioning requirement.

Govt. plans to set up 2,000 waterports

- Government plans to set up 2,000 waterports as well as "Ro—Ro" services at five select places to transport goods and vehicles.
- Besides, there is a plan to develop 1,300 islands and 280 light houses as major attractions for tourists.
- Not only this we will develop our 1,300 islands as major tourist attraction.
- The government will soon start Ro- —Ro (Roll—on Roll—of) service at five places including Haldia, Patna, Varanasi and Sahibganj with the World Bank assistance.
- Once they are operational, trucks could be transported till the points leading to huge savings which in turn would boost economy.
- He also informed that government is constructing waterways on a 1,620 kilometer stretch on the Ganga between Varanasi and Haldia and 30 water ports would be constructed there.

US ranked India in second last position in Intellectual property Index

- India was ranked 37 out of 38 countries, with only Venezuela scoring lower, in the U.S. Chamber of Commerce-International Intellectual Property Index.
- The report, comes at a time when the government is close to finalising a National Intellectual Property policy to improve the IP regime, increase IP awareness and strengthen enforcement of rules.
- The U.S. was ranked first, followed by the UK, Germany, France and Sweden. India's peers in the BRICS grouping were all ranked ahead with Russia ranked 20th, China (22nd), South Africa (26th) and Brazil (29th).
- The 38 economies benchmarked in the 2016 Index accounts for nearly 85 per cent of the global GDP.

- The Index -- produced by the Chamber's Global Intellectual Property Center(GIPC) -- is based on 30 criteria critical to innovation including patent, copyright and trademark protections, enforcement, and engagement in international treaties etc.
- The GIPC report found that among India's key areas of weakness was the use of compulsory licensing (CL) for commercial and non- emergency situations, and the expanded use of CL being considered by the Indian government.

RBI governor says Balance sheet clean up will only have short term effect

- The ongoing clean- up of bank balance sheets will help spur economic growth and improve the lenders' profitability, Re- serve Bank of India (RBI) Governor Raghuram Rajan said..
- The RBI had conducted an asset quality review (AQR) of banks and identified specific accounts, which banks have to identify as non-performing in twoquarters, October-December and January-March.
- As a result, bad loans have hit banks' profitability in the third quarter with most of them posting heavy losses in Q3.
- State Bank of India reported 62 per cent drop in its net profit on the back of over Rs. 20,000 crore rise in non-performing loans or bad loans.
- Private banks, which are in a much better shape on the asset quality front, saw their business growing much more than their public sector counterpart.
- Non-food credit growth from public sector banks, the more stressed part of the system, grew at only 6.6 per cent over the calendar year 2015.
- In contrast, non- food credit growth in private sectorbanks was 20.2 %, per cent.
- The Indian banking sector is seeing rise in stressed assets over the last three years.
- According to RBI data, stressed asset, that is gross NPA plus standard restructured advances, as a percentage of advances moved up to 11.3 per cent as on September 2015 as compared to 9.2 per cent in March 2013.

In order to align small savings with market Interest rates might be reduced

- Interest rates for small savings schemes, such as Post office Savings Account, Public Provident Fund and Post office Fixed Deposit Scheme, may be reduced by the government to align them more.
- The new rates would be applicable from April 1, 2016. The rates for the long-term schemes and those for the girl child and senior citizens will remain unaffected by the decision.
- The Reserve Bank, over the last one year, has reduced interest rates by over a percent- age point.
- At present, the small savings rates are linked to government securities and are readjusted every year. The decision is to start adjusting the rates on quarterly basis.
- The smalls saving schemes include Post office Monthly Income Scheme (MIS), PPF, Post office Fixed Deposit Scheme, Senior Citizens Savings Scheme, Post office Savings Account and Sukanya Samriddhi Accounts.
- While the rates for the girl child and senior citizen schemes will also be adjusted every quarter, the spreads they have over the G-Sec rates will be left unaltered.

Industrial activity shrank for the second consecutive month

- Industrial activity shrank 1.3 per cent in December 2015 for the second consecutive month with the capital goods sector taking the lead.
- Consumer price inflation accelerated to 5.7 per cent in January. And the Index of Industrial Production for December 2015 stood at 183.4, which is 1.3 per cent lower than its level in December 2014.
- The contraction in the IIP in December comes after a 3.4 per cent drop in November 2015.
- The manufacturing sector contracted 2.44 per cent for the second straight month, while mining and electricity sectors grew 2.92 per cent and 3.15 per cent respectively in December.
- The capital goods sector, by usage, contracted by 19.69 per cent in December.
- Consumer durables, however, maintained a strong growth showing, registering a growth of 16.49 per cent in December on the back of 12.5 per cent in November. Consumer non-durables contracted 3.2 per cent while intermediate good grew modestly, by 0.94 per cent in December.

NSEL and FTIL would be merged together

- The Ministry of Corporate Affairs (MCA) has ordered the merger of Mumbai-based National Spot Exchange Ltd. (NSEL), which was embroiled in a Rs.5,600-crore settlement scam in July 2013, with Jignesh Shah-promoted Financial Technologies India Ltd (FTIL).
- In an order issued, the government said that the merger will be applicable from March 31, 2015.
- Simply put, all the liabilities of NSEL as on March 31, 2015, would shift on the books of FTIL. NSEL as a corporate entity would cease to exist post the merger.
- This is the first time that the government has ordered a merger between two private entities under Section 396 of The Companies Act, 1956. The government had issued a draft merger order on 21st October 2014.

RBI to still guard the inflation

- Reserve Bank of India Governor Raghuram Rajan may have raised a quiet toast with his colleagues on Friday evening after retail inflation data showed the central bank had met its January 2016 target of slowing the price gains to under 6 per cent.
- The satisfaction would be understandable given that the RBI had less than a year ago — at the end of February 2015 — entered into a historic agreement with the government on an inflation targeting monetary framework with clear and specified goals and timelines.
- The first target of limiting retail inflation to 6 per cent or below by January 2016 has now been met, with the government reporting CPI data that showed the headline number at 5.59 per cent.
- While the reading is a 17-month high, it has slowed considerably from the 11.15 per cent recorded in November 2013.
- It's the journey ahead to the next milestone of 5 per cent by March 2017 which is likely to challenge monetary policy makers.
- The target agreed by the government and the central bank is for inflation of 4 per cent, with a band of plus or minus 2 per cent. There are several factors that could contribute to roiling the RBI's inflation targeting plans.

Public and private banks will face serious competition from new entrants

- Reserve Bank of India Governor Raghuram Rajan told public and private sector banks to prepare for serious competition from new entrants and small banks as he assured them that the turbulence

in the domestic financial market would end sooner than, later offering tremendous growth opportunities.

- Competition was needed for new solutions to emerge and to cut cost of transactions.
- However, new products and technology should be used initially in a measured manner, he said, reiterating that he would cross the river feeling the stones, one stone at a time.
- The Reserve Bank was in the process of strengthening the public sector banks. One of the measures was to strengthen the boards governing the banks. New board members would be brought in through a transparent process.
- Universal banking licences would be reopened soon, he said, but pointed out that small banks would connect better with those requiring smaller loans where “character banking” would merge with new technological tools to aggregate information and make decisions on that basis.
- The RBI has also initiated three major steps to improve transactions.
- These include a unified payment interface which would be facilitated by an e-mail-like identity of the persons involved; trade receivables exchanges, which would bridge the gap between payment by a company to a manufacturer.

RBI governor says there is no need for currency devaluation

- The Reserve Bank of India (RBI) and the government don't favour undervaluation of the exchange rate as a means to spur economic growth
- “There are those who argue that in countries such as China, Japan and Korea business enterprises grew via an undervalued exchange rate.
- However there are a lot of problems with undervaluing the exchange rate and some of these problems are reflected in the economic condition that these countries find themselves in today.
- sustained undervaluation over a long period of time is not a feasible or desirable strategy. Which is why the RBI's philosophy of not focusing on the level of exchange rate and trying to manipulate it up or manipulate it down but trying instead to minimise situations of extreme volatility and intervening in situations when the exchange rate becomes extremely volatile in either direction is the right one.
- The Indian rupee is one of Asia's worst performing currencies against the U.S. dollar this year amid renewed concern about the health of the world economy and dwindling investor confidence
- The advantage to Micro Small and Medium Enterprises (MSMEs) should come from their capabilities, cost-effectiveness and innovative ideas rather than from undervaluation.
- MSMEs can act as a means of social empowerment where disadvantaged sections of society can be empowered with money and wealth
- Lack of infrastructure and logistics, lack of access to marketing, difficulty and the expense in acquiring land and financing are some of the impediments faced by MSMEs.
- Kerala, with its literacy rate and educational achievements, is quite capable of triggering a revolution on the MSME front

National capital goods policy introduced

- The government introduced a National Capital Goods Policy to spur capital goods sector and the Make in India initiative.
- Heavy Industry and Public Enterprise was part of the government's commitment to turn the country into a world class hub for capital goods.

- The objective of the policy was to increase production of capital goods from Rs. 2.30 lakh crore in 2014-15 to Rs. 7.50 lakh crore in 2025 and raising direct and indirect employment from the current 8.4 million to 30 million
- The policy envisages making India a net exporter of capital goods and aims at facilitating improvement in technology across sub-sectors, increasing skill availability, ensuring mandatory standards and promoting growth and capacity building of MSMEs.
- Some of the key issues addressed include availability of finance, raw material, innovation and technology, productivity, quality and environment-friendly manufacturing practices, promoting exports and creating domestic demand.
- The key policy recommendations include strengthening the existing scheme of the DHI (Department of Heavy Industry) on enhancement of competitiveness of capital goods sector by increasing budgetary allocation and increasing its scope to further boost global competitiveness in various sub sectors and enhancing export of Indian made capital goods through a 'Heavy Industry Export and Market Development Assistance Scheme (HIEMDA)'.
- It has also made provision for introducing a Technology Development Fund, upgrading existing and setting up a new testing and certification facility, making standards mandatory in order to reduce sub-standard machine imports and at the same time providing opportunity to local manufacturing units by utilising their installed capacity and unveiling scheme for skill development for capital goods sector.

Exports shrink for 14th straight month in January

- Merchandise exports fell for the 14th consecutive month with shipments in January, 2016 contracting 13.6 per cent year-on-year to \$21 billion due to weak overseas demand as well as fall in major export items such as engineering goods and petroleum products.
- Imports also fell during the month by 11 per cent to \$28.7 billion, resulting in the trade deficit narrowing to an 11-month low of \$7.6 billion.
- The trade deficit would have been lower had the gold imports not recorded an 85.16 per cent increase in January to \$2.91 billion.
- The growth in exports have fallen for U.S.A. (-10.51%), European Union (-9.48%) and China (-7.01%) for November 2015 over the corresponding period previous year as per WTO statistics
- Seventeen of the 30 export sectors recorded a negative growth in January. These included major sectors such as engineering goods (-27.6 per cent to \$4.98 billion), ready-made garments (-6.1 per cent to \$1.4 billion) and petroleum products (-35.1 per cent to \$1.9 billion). Non-petroleum exports in January 2016 fell 10.55 per cent to \$19.1 billion
- Reflecting the fall in global oil prices, oil imports in January 2016 were 39 per cent lower year-on-year at \$5 billion. However, non-oil imports during January, 2016 were only 1.4 per cent lower at \$23.7 billion.
- The net export of services for April-December, 2015-16 was estimated at \$54.8 billion, lower than \$56.5 billion during April-December 2014-15.
- With the Prime Minister's office setting a target to switch at least 90 per cent of all official transactions to paperless mode by the end of 2016, Finance Minister Arun Jaitley launched a new e-platform for non-tax receipts.
- NTPC made the maiden payment on the portal developed by the Controller General of Accounts, by remitting Rs.989 crore as an interim dividend to the government.
- The major sources of non-tax revenue for the government are from dividends paid by public sector companies, the Reserve Bank of India, etc.
- During his previous year's Budget speech, Mr. Jaitley had said that one major way to curb black money is to discourage cash transactions in favour of electronic transactions.

New BOT annuity model to be used by Indian Railways

- The Indian Railways has identified the first three projects to be taken up for development through the new build, operate, transfer (BOT) annuity model at an estimated cost of around Rs 2,450 crore.
- The three targeted projects are developing third line between Nagpur and Wardha (both in Maharashtra), Kazipet (Telangana) and Balharshah (Maharashtra) and, Bhadrak and Nergundi (both in Odisha).
- The total estimated cost of development of 357 km third line is around Rs 2450 crore.
- The Railways has received Rs 14,000 crore worth investment commitments since 2014 after it introduced new models for projects through public-private partnership (PPP) model.
- This is a sharp rise from roughly around Rs 4,000 crore investments generated in 2002-2012.
- Under the BOT annuity model for rail projects, the private developer gets a revenue guarantee of 80 per cent of projected revenue at the time of bidding.
- The developer gets a full right to revenue between 80 and 120 per cent and the Indian Railways do not take any share from it.

India's most affordable smartphone will cost 251 rupees

- Noida-based smart-phone maker Ringing Bells is set to unveil India's most affordable smartphone, priced at Rs.251, a move that is set to disrupt the booming Indian mobile handset market.
- The 3G handset, Freedom 251, features a 4-inch display, Qualcomm 1.3-GHz quad-core processor and 1 GB RAM, according to details shared by the company.
- The Android Lollipop-based handset will have an onboard storage of 8 GB with support for expandable memory of up to 32 GB.
- It features a 3.2-MP rear and a 0.3-MP front facing camera and a 1,450-mAh battery.
- The mass market device will come with preinstalled apps including Women Safety, Swachh Bharat, Fisherman, Farmer, Medical, WhatsApp, Facebook and YouTube.
- Bookings for the Freedom 251 will start on Thursday.

Department of Pharmaceuticals are expected to come up with bulk drug policy

- Department of Pharmaceuticals is expected to come out with a new bulk drug policy in less than a month with an objective to grow the Indian pharmaceuticals sector to a \$200 billion industry by 2030.
- Under this policy, the government wants to build an ecosystem to help pharma companies to move up in the value chain and develop new molecules through innovations.
- The industry which grew in the last 15 years has potential to be a \$200 billion industry and can be the world's largest if it scales up and moves up the value-chain.
- Until 1970 India was dependent on other countries for its pharmaceutical requirements and in 20 years' time it became self-sufficient to meet its own requirements.
- India has now become a superpower as far as generic drugs are concerned. India can become a \$300 billion industry including medical devices by 2030.
- As per this report the country's pharmaceutical industry has the potential to touch \$200 billion by 2030 from the present \$32 billion.
- And the medical devices segment can grow from \$5 billion now to \$100 billion.

Reliance will start oil lifting from Iran

- India's Reliance Industries Ltd, owner of the world's biggest refining complex, is preparing to lift oil from Iran next month after a gap of about five years,
- The Indian conglomerate, controlled by billionaire Mukesh Ambani, stopped Iranian oil imports in 2010 because it was worried that the threat of U.S. sanctions on companies doing business with the Islamic republic would complicate its efforts to boost market share for its fuels in the United States.
- The shipment will make Reliance Iran's first new Indian oil customer since the lifting of the sanctions.
- Reliance's sophisticated complex at Jamnagar in western Gujarat state can refine 1.24 million bpd of crude as varied as light West African to heavy sour Middle East and Latin American grades, allowing it to switch to whatever crude is cheapest.

Ministry moots National Social Security Authority

- The Labour Ministry has mooted the idea of forming a National Social Security Authority, chaired by Prime Minister Narendra Modi, and a separate Social Security Department within the ministry to provide social security to the entire population in a bid to prop up the government's pro-worker credentials.
- The functions of the authority should be mainly to formulate the National Policy on Social Security and to co-ordinate the central and state level programmes and to ensure that the objectives of the policy are achieved within the time frame prescribed.
- The note proposes a four-tier system to cover the entire population of the country, including both formal and informal sector workers, through a common Social Security Code.
- It said the current social security programmes and schemes can be "strengthened" and universalised.
- It said the first tier would include the "destitute and people below the poverty line," the second tier would have workers in the unorganised sector who may be covered under a subsidised scheme and the third tier would cover workers who can, with the help of employer, can make contribution to the schemes.
- The fourth tier would include people who "are comparatively affluent and can make their own provisions for meeting contingencies or risks as and when arise.
- The note "visualised" that the social assistance programmes for the first tier shall be based on tax revenue.

Historically low solar tariffs could dent operating margins

- Low tariff bids for recent solar projects could prove risky for developers as any slight changes in costs could dent operating margins.
- Developers are banking on the fact that module prices have been falling and so will fall in the future, then this could work adversely for them since module prices have already started plateauing.
- Solar tariffs hit a historic low of Rs 4.34 per unit in January following the bid for a 70 MW project in Rajasthan by Finnish solar power company Fortum Energy.
- At the time, many experts said that the tariffs are moving too low and that they would dissuade private lenders from giving loans for solar projects.
- The key to boosting rooftop solar adoption — something that has been sluggish so far—is to make the power distribution companies (discoms) more financially secure.

- At a time when the health of the discoms is so poor, they don't particularly favour people going for rooftop solar and buying less from the grid.
- The renewable energy sector in India, though benefiting from the huge push by the NDA-government, still needs some incentives—both in policy and in the upcoming Budget—for the sector to take off.
- At the moment, the country has 34 GW of operating wind capacity and 4 GW of operating solar capacity.
- Going by the bid processes in the last year, an additional 2 GW should be under construction in each of the sectors.

Competitive prices and shorter shipping distances makes easier to import from OPEC

- India's oil imports from Saudi Arabia and Iraq hit the highest in more than a decade last month as OPEC's top producers gained at the expense of Latin American crudes, a validation of the OPEC policy of maintaining output and fighting for market share.
- Competitive prices and shorter shipping distances are giving the Middle East members of the Organisation of the Petroleum Exporting Countries (OPEC) the upper hand in India, the world's third-largest crude oil importer.
- Saudi Arabia was the top supplier to India in January, with volumes jumping 29 per cent from the same month a year ago to nearly 9,40,000 barrels per day (bpd).
- Just behind was Iraq at 9,30,000 bpd, up 52 per cent from January levels last year. The daily rates from both were at their highest since at least 2001.
- In contrast, total imports from Latin America fell by a quarter in January from a year ago to 7,06,000 bpd, the data showed.

XIV finance commission members wants Independent council for budget

- Members of the XIV Finance Commission have questioned the government's failure to act on its recommendation to constitute an Independent Fiscal Council that objectively evaluates budget announcements and forecasts, stressing that such an institution was critical to improve the government's credibility on fiscal management.
- The Centre opts for creative accounting, pauses or simply doesn't follow the targets it has submitted to Parliament under the Fiscal Responsibility and Budget Management (FRBM) Act of 2003.
- States have constraints in managing their finances as the RBI controls their deficit and cannot float a bond on a state's behalf without the Centre's approval. Since the 2003 FRBM law came into effect, there have been four pauses in the deficit targets enshrined in it and a few occasions where the targets have been flouted.
- The Commission had recommended a sharp increase in allocations to state governments in its report released last February, which the government accepted.
- It had also mooted an Independent Fiscal Council as an oversight body over the finance ministry.
- The council would report to the Parliament on how realistic government projections are, citing similar independent budget and fiscal management monitoring offices in 35 countries.

Christine Lagarde says spillovers are necessary for G20

- IMF Managing Director Christine Lagarde said that G20 finance ministers and central bank governors should focus on global economic spillovers from their policy decisions when they meet in Shanghai.
- The G20, is going to have to focus on spillovers, on spillbacks and on the combination of various policies in play at the moment.
- Lagarde said that at the moment, the “asynchronicity” of U.S., Japanese and European monetary policies needed to be reviewed and practices better coordinated.
- She also said that G20 ministers should examine the interactions of their countries' fiscal policies and structural reform moves.

Banks require holistic cure

- Even as mounting bad loans have put Indian banks in a pincer-like situation, the idea of a government-backed ‘bad bank’ has kicked off quite a debate.
- ‘Bad bank’ concept allows a government-supported entity to buy bad loans from stressed banks at a fair price (discount). Such an entity will then be responsible for recovering the debt.
- The objective is simple – to help banks clean up their books, and use their capital resources (which are otherwise locked up in making provision for bad loans) for funding the growth in credit needs.
- The current debate also comes close on the heels of Italy and the EU inking an agreement to allow the Italian banks sell their NPA (non-performing assets) portfolios to private investors with government guarantee.
- Pointing out that these public sector banks are backed by the Government, he has argued against creating a new entity.
- A national asset reconstruction company (ARC) or ‘bad bank’ – given its size and expertise - can fetch multiple advantages to stakeholders, and bring about a quicker resolution to the recovery problems posed by the NPA imbroglio.
- The NPA levels of these banks are over Rs.3 lakh crore. How much of these can be absorbed by such an ARC or ‘bad bank’? Even allowing for a discounted price for such purchases, the effort requires quite a funding from the Government.
- A resource-constrained Government will have difficulty in providing money for this. Elsewhere in the globe, national ARCs were funded by issuing long-term Government-guaranteed bonds.

Commerce Ministry is assessing the impact of China

- India’s Commerce Ministry is assessing the implications of the likelihood of China being granted “Market Economy Status” (MES) from December this year under the World Trade Organisation (WTO) norms.
- This comes against the backdrop of instances of India's manufacturers in steel, chemicals, electrical and electronics sectors being “severely hurt” by “unfairly low-priced” imports from China, and the extensive usage of anti-dumping duty by India to offset the losses caused to the local manufacturers due to dumping.
- Of the 535 cases where anti-dumping duties were imposed by India from 1994- 2014, a maximum of 134 has been on goods from China.
- Beijing has cited the 2001 agreement on China joining the WTO to say that WTO- member countries had then decided to deem China as a 'market economy' from December 2016 while adjudicating anti-dumping cases.

- As per the 2001 agreement (Protocol on the accession of China to the WTO), in calculating the 'normal value' of the exported goods while adjudicating anti-dumping cases, the WTO member nations could for 15 years ignore selling price and production costs in China.
- Once China is granted MES, it will severely limit India's ability to resort to anti-dumping as the authorities (DGAD) will have to accept the production costs and selling price in China as the benchmark, the sources said.
- They added that it will in turn mean lesser chances of anti-dumping duties being imposed or lesser anti-dumping duties even if they are imposed.

Adequacy of foreign exchange reserves and currency turmoil

- The upbeat mood was pervasive, and even infectious. A radiant smile, expanding into a wide grin was common on the faces of government and RBI officials about 10 years ago when conversations would gravitate towards the topic of foreign exchange reserves.
- Successive years of high and increasing positive overall balance of payments, occasioned by large portfolio capital inflows and RBI's continuous buying of U.S. dollars from the local forex market resulted in a very rapid rise in foreign exchange reserves from about \$60 billion in 2002 to a little over \$160 billion by mid-2006.
- Some were quick to conclude that the reserves then were much in excess of what was needed to ensure an orderly forex market and for external stability and blamed RBI for running a faulty forex market intervention policy.
- There were still others who saw in this an opportunity to hive off the 'excess reserves' for setting up a sovereign wealth fund, on the lines of China, Russia etc.
- A few fortune-seekers offered to leverage their relationships and influence to the benefit of asset managers of the world eager to get a slice of the reserves for fee-based discretionary management and RBI seemed willing to play ball.
- A comparison with China here is instructive in many respects. A similar computation leads to a range of \$3 – \$4.5 trillion. The current level of reserves at \$3.23 trillion constitutes about 110 per cent of the lower bound.
- But there is a catch here. About one third of China's reserves are believed to be locked in illiquid assets such as investments in infrastructure.
- Even after making allowance for the possibility of overestimation in this regard, the usable reserves of China likely lie in the range of \$2.8 – \$3 trillion.
- This, coupled with the fact that the reserves are falling rapidly there explain why both residents and non-residents alike see the yuan much lower.
- They are either taking out capital from China at a ferocious pace or betting hard against the yuan at offshore locations.

Government wants to bring growth reforms through budget

- The Union Budget for 2016-17 will primarily focus on stimulating growth without deviating too much from the fiscal deficit target set by the Finance Minister Arun Jaitley in his previous Budget.
- Mr. Jaitley had set a fiscal deficit target of 3.9 per cent of GDP for 2015-16, paring it further to 3.5 per cent for 2016-17 and 3 per cent for 2017-18.
- However, with the economic recovery still tentative and private sector investments remaining elusive, there has been a growing clamour for the government to relax its deficit targets in order to pump prime the economy via enhanced public investments.

- Given the fiscal constraints, it is the government's endeavour to present a budget which is growth oriented and maintains the momentum of growth and tries to develop on it.
- For Budget 2016-17, the government invited suggestions from citizens through Twitter for the first time, even conducting a series of polls to gauge public priorities and expectations from the budget.

Government will divest five percent of its stake in NTPC

- The government announced it will be divesting five per cent of its stake in NTPC through the offer-for-sale route.
- The sale is expected to garner Rs.5,029 crore at a floor price of Rs.122 per share.
- The stake sale is to be spread over two days, with institutional bidders getting to buy shares and retail investors.
- The retail investors have 20 per cent of the shares reserved for them.
- The five per cent stake in NTPC works out to 41.22 crore shares. At the floor price of Rs.122 per share, this could fetch the government Rs.5,029 crore.
- The government has been struggling to meet the disinvestment target of Rs.69,500 crore for the financial year.
- With about 40 days left in the financial year, the government has managed to realise only Rs.13,330 crore through divestment which is less than 20 per cent of the budgeted target.

Policy on strategic sale of state-owned companies soon

- The government will soon come out with a policy on strategic sale of state-owned companies and the disinvestment will not be confined to loss-making enterprises.
- Broadly, the strategic sale is that government is selling the equity of the company along with the controlling management.
- How much stake will be sold, it will vary from place to place and company to company.
- The previous NDA Government led by Atal Bihari Vajpayee had from 1999 to 2004 privatised about a dozen state-owned firms and hotels including Videsh Sanchar Nigam Ltd. (VSNL), Bharat Aluminium Company Ltd. (BALCO), CMC Ltd. and Hindustan Zinc (HZL).
- But the policy was buried after the UPA came to power and only minority stake sales were pursued since then.

WTO compliant National Intellectual Property Rights policy in fortnight

- The government is likely to announce its National Intellectual Property Rights (IPR) Policy within a fortnight.
- The policy -- which will be entirely compliant with the World Trade Organisation's agreement on Trade Related aspects of IPRs (TRIPS) -- will, as per Prime Minister Narendra Modi's suggestion, have a special thrust on awareness generation and effective enforcement of IPRs.
- However, the policy will not suggest any changes in the existing Indian IPR laws or other related policies on the patent-disabling Compulsory Licensing (CL) and the provision-preventing 'ever-greening' of drug patents (done through minor modifications of an existing drug).
- The move to retain the provisions on CLs (in the National Manufacturing Policy and Section 84 of India's Patents Act) as well as Section 3(d) of India's Patents Act (preventing ever-greening of drug patents) comes even as the European Union and the US have been pressing India to make

changes in this regard to “boost innovation, research and development (R&D) and foreign investment in India”.

- According to Section 3(d), besides novelty and inventive step, improvement in therapeutic efficacy is a must for grant of patents when it comes to incremental inventions.
- The EU and U.S. had objected to India's adoption of CL in industrial sectors (in the National Manufacturing Policy) saying it will discourage investment and innovation.
- The policy will also suggest incentives such as tax benefits and fee waivers to encourage R&D and IP creation to strengthen the Make In India/Start-up/Digital India initiatives.
- To protect 'small inventions' developed especially in the informal / unorganised sectors, the policy will promote 'utility patents' (with lower compliance burden and shorter period of protection, when compared to the normal patents) only for mechanical innovations.
- This 'utility patents' may not be extended to the pharmaceutical sector considering the sensitivities involved in ensuring the efficacy of the drugs.

FII investment in public sector banks may increase to 49 percent

- The government is considering a proposal to increase the cap on foreign institutional investment in public sector banks to 49 per cent from 20 per cent.
- The move comes at a time public sector banks need equity capital while their stocks have taken a hammering after reporting huge losses in the third quarter due to a sharp rise in non-performing assets.
- According to present regulations, a single non-banking institution cannot hold more than 10 per cent in a bank while one bank can hold maximum 5 per cent stake in another bank.
- The public sector banks will need to raise tier-I capital as their capital positions have depleted due to higher provisioning for bad loans.
- While the government has committed Rs.70,000 crore capital infusion in four years (starting from this financial year) that amount may be inadequate, several rating agencies had pointed out.
- Earlier, the government had estimated an amount of Rs.2.8 crore as capital infusion for the public sector banks by 2018.
- Public sector banks are constrained to raise equity capital from the markets as most of them are trading at a significant discount to their book value.
- Most public sector banks reported weak earnings in Q3 after Reserve Bank of India (RBI), found in its asset quality review (AQR) that certain accounts need higher provisioning and asked the lenders to classify those accounts as non-performing and gave the lenders two quarters – Q3 & Q4 – to complete the task.
- Most banks have classified 50 per cent of the RBI identified accounts in Q3 and remaining will be identified in Q4, which will result in further rise in NPAs.
- One of the biggest hurdle to increase the foreign shareholding cap in public sector banks was Reserve Bank of India, which was not in favour of higher limit due to concerns over stability.

Hurun Global Rich List adds 27 new Indian billionaires

- India added 27 new billionaires with Mukesh Ambani, Chairman of Reliance Industries (RIL), emerging at the top with a personal wealth of \$26 billion, according to Hurun Global Rich List 2016.
- Cumulative Indian billionaires' wealth stood at \$308 billion, registering a 25 per cent growth over last year. Mr. Ambani, who is ranked 21st globally, was followed by Sun Pharma promoter, Dilip Shanghvi, with personal wealth of \$18 billion.
- India is home to 111 billionaires and most of them are from Mumbai, according to the report.

- The rich in China overtook their U.S. counterparts to make Beijing, the 'billionaire capital of the world' for the first time, according to Hurun.

Standing committee on finance recommends to make names of wilful defaulters public

- The Standing Committee on Finance recommended that state-owned banks make public the names of their respective top 30 stressed accounts involving wilful defaulters.
- This will act as a deterrent and enable banks to withstand pressure and interference from various quarters in dealing with the promoters for recoveries or sanctioning further loans, the committee said in its report tabled in Parliament.
- Wilful defaulters owe PSU banks a total of Rs.64,335 crore or 21 per cent of total non-performing assets, (NPA), according to the report.
- The sharpest increase in NPAs in the banking industry was observed in mid size corporates (Rs.25 crore—Rs.100 crore exposure to commercial entities) as they rose to 9.7 per cent in September 2015 from 6.4 per cent in March 2014.

Union cabinet to promote cashless transactions

- The Union Cabinet approved several steps to promote cashless transactions, which include mandatory card-based or electronic payments beyond a prescribed threshold.
- Some of the other major steps approved by the Cabinet include the withdrawal of any additional charge currently imposed on card or digital payments by various government entities and the introduction of the required infrastructure for digital payments in all government offices.
- The Cabinet also approved the rationalisation of the merchant discount rate (MDR) on card transactions and telecom service charges for digital financial transactions to promote mobile banking.
- Later in the year, the government also proposed to levy a nominal cash handling charge on cash transactions above a specified level, though this was not included in the steps approved by the Cabinet.

Indian industry welcomes railway budget

- India Inc, welcoming the railway budget for its focus on various initiatives aimed at fuelling economic growth.
- many initiatives announced in the budget would restore the Indian railways back to good health.
- Bajaj Auto Chairman said many positive steps had been taken in the right direction but large expenditure on a project like the bullet train should be postponed and the money utilized for the much required improvement and expansion of the railways.

Railway budget lays emphasis on PPP projects

- The Railway Budget has laid emphasis on Public Private Partnerships (PPP) to implement initiatives such as rail connectivity for ports, station-redevelopment, rail-side logistics parks and warehousing as well as satellite terminals.
- A committee appointed for the purpose of revamping the ministry's PPP cell has submitted its report and the initiative is "under implementation".

- The capital expenditure for the next financial year, pegged at Rs.1.21 lakh crore, calls for abandoning the “business-as-usual approach” and continually innovating to develop new frameworks for PPP.
- Foreign investors from Spain and France were keen on dedicated freight corridors (DFC) projects provided they were structured properly in terms of financial returns and risk-allocation and mitigation.
- The railway minister said his ministry would take up dedicated freight corridors and implement it in a time-bound manner through innovative financing mechanisms, including PPP.
- Referring to the Cabinet approval for redevelopment of 400 stations through PPP, Prabhu said on the basis of a bankable structure for private participation, the government will undertake a bidding process for a few large and medium stations during the next financial year.
- The government is also considering availing multilateral financial investments for the development of certain other stations and partnering with states.

Survey says only 5.5% pay taxes

- India is far from being a full tax-paying democracy with about 5.5 per cent of the people who earn paying tax and only 15.5 per cent of the net national income being reported to the tax authorities, according to the Economic Survey tabled in the Parliament.
- The survey estimated that just four per cent India’s voters are taxpayers, though it should be closer to 23 per cent, and 85 per cent of the net national income fall outside the tax net.
- The tax to GDP ratio at 16.6%, as a result, is well below that of the emerging market economies of 21 per cent and OECD average of 34 per cent.
- The survey, however, pointed out that the democracies with higher ratios took a long time to strengthen tax capacity.
- On the expenditure side, India’s spending on human capital, education and health, to the GDP ratio is the lowest among BRICS and lower than the OECD and emerging market economies averages.
- To widen the tax net and raise revenue for spending on India’s human capital development, the survey called for bringing rich farmers into the tax net, raising property tax rates and phasing out tax exemptions.
- If the UPA Government had not raised in the 2012- 13 the threshold level of personal income tax, the survey calculated that an additional 1.65 crore income tax payers would have got incorporated.
- The tax-GDP ratio would have been 0.32% higher as Rs.31,500 crore additional tax revenue would have been collected.
- According to the survey fast growing years in the 2000s were in fact associated with rising inequality at the very top end of the Indian income distribution.

India is getting more and more technological start ups

- Within a year, the number of technology start ups in the country has grown by 40 per cent to over 4,200, making India the third largest base of technology start-ups in the world, according to the Economic Survey 2015-16.
- This has further helped create about 80,000-85,000 jobs during 2015.
- As of January 2016, there were 19,400 technology-enabled start-ups in India, of which 5,000 had been started in 2015 alone.
- The survey added no less than 2000 of the start-ups have been backed by venture capital/angel investors since 2010, of which 1005 were created in 2015 alone.

Survey looking for faster labour reforms

- The economic survey criticised the slow pace of reforms in labour laws, arguing that firms “negotiate” regulatory hurdles imposed to protect employees who get poor quality jobs as a consequence and suggested easier retrenchment norms and lower statutory deductions from salaries to create ‘good’ jobs.
- The slow pace of labour reform has encouraged firms to resort to other strategies to negotiate regulatory cholesterol.
- Noting that contract labour hiring grew faster in states with relatively more rigid labour laws.
- The Industrial Disputes Act 1947 requires firms with more than 100 workers to seek government’s approval before retrenching workers.
- The law has encouraged factories to employ contract workers to stay out of the rule books even though entrepreneurs feel ‘contract labour is not the ideal solution’ for them.

NDB’s president says Bank is an assertion of global south

- The formation of the New Development Bank (NDB) of the Brazil-Russia- India-China-South Africa (BRICS) grouping is an assertion of the Global South and its significance would be felt beyond the economic domain, says K.V. Kamath.
- The New Development Bank was not an economic instrument alone, but an initiative that also symbolised an assertion of political sovereignty of the five emerging economies.
- Currency reserve arrangement that is in place in the BRICS context, it is a commitment of another 100 billion dollars.
- Mr. Kamath also said that two institutions, NDB and the China-led Asian Infrastructure Investment Bank (AIIB) are complementary rather than competitive.

Survey says More scrutiny on FDI is needed

- A close scrutiny of foreign direct investments from Singapore and Mauritius is needed as both the nations accounted for about 60 per cent of the \$30 billion worth of FDI in India during the first three quarters of the current fiscal year.
- A detailed examination is needed to find out if they constitute actual investments or whether they are diversions from other sources to avail tax benefits under the Double Taxation Avoidance Agreement (DTAA) that India has with these two countries, according to the Economic Survey.
- According to government data, of the \$29.5 billion FDI into India during April-December 2015 in 2015-16, around \$11 billion was from Singapore, while \$6.1 billion was from Mauritius.
- Most of the FDI coming in- to India through Mauritius, Singapore and Cyprus are actually from the U.S. or from India-related investors.
- The Mauritius route is used for availing tax benefits and for ensuring anonymity.
- FDI from Mauritius is however sector-agnostic unlike FDI from countries like Japan, Germany and France, which are mostly in manufacturing-related sectors.

G-20 asks to look for policies of growth other than ultra low interest rates

- The world's top economies declared that they need to look beyond ultra-low interest rates and printing money to shake the global economy out of its torpor, while renewing their focus on structural reform to spark activity.
- A communique from the Group of 20 (G20) finance ministers and central bankers flagged a series of risks to world growth, including volatile capital flows, a sharp fall in commodity prices and the potential "shock" of a British exit from the EU.
- The global recovery continues, but it remains uneven and falls short of our ambition for strong, sustainable and balanced growth.
- Faltering growth and market turbulence have exacerbated policy frictions between major economies in recent months, and the statement also noted concerns over escalating geopolitical tensions and Europe's refugee crisis.
- The G20, which spans major industrialised economies such as the United States and Japan to the emerging giants of China and Brazil and smaller economies such as Indonesia and Turkey, reiterated in the communique a commitment to refrain from targeting exchange rates for competitive purposes, including through devaluations.

Controller General of accounts questioned the new accounting method

- The Controller General of Accounts has asked the government to be careful in adopting the accrual method of accounting considering the costs involved as only a few of its departments can benefit.
- CGA said that There is no such thing as a big-bang approach.
- Even if you've heard of some advanced countries that have made this transition, like Australia, New Zealand, South Africa, UK, you must understand that the background to the introduction of accrual accounting was not that it was an end by itself.
- The Fourteenth Finance Commission had strongly recommended the adoption of the accrual system of accounting. Accrual method is the standard accounting procedure for most medium and large companies.
- The method, according to experts, provides a more accurate picture of the company's current financial position.
- However, it is a more complex accounting system than cash accounting, which the government uses currently and so is more expensive and time-consuming to implement.
- While cash accounting recognises a transaction only when money changes hands, accrual accounting recognises the transaction at the time it is made, thereby providing a more current snapshot.

SCIENCE & TECHNOLOGY

Zika is fit case for WHO to declare public health emergency

- The World Health Organization faced flak for its delay by two months in 2014 in declaring the Ebola epidemic as a Public Health Emergency of International Concern (PHEIC).
- This might not happen in the case of Zika virus when the WHO will convene an emergency committee on February 1 (Monday) to help determine the level of the international response to the outbreak.

- It is alleged that WHO declared Ebola as a PHEIC only after a U.S. health care person was infected with the virus.
- Likewise, is it because the risk to the U.S. is very high in the case of Zika virus that WHO has convened the Committee meeting on Monday.
- But in the first place why should the Zika virus outbreaks be declared a Public Health Emergency of International Concern?
- The term PHEIC is defined as an “extraordinary event” which is determined if both these conditions are met — constitute a public health risk to other States through the international spread of disease, and potentially requires a coordinated international response.
- According to the 2005 International Health Regulations (IHR) agreement, this definition “implies a situation that is: serious, unusual or unexpected, carries implications for public health beyond the affected State’s national border, and may require immediate international action”.
- The Zika outbreak in 23 countries meets these conditions. “Given the rapidly spreading Zika epidemic, WHO should declare an emergency and use all their powers under the International Health Regulations.
- Since its outbreak in Brazil in May 2015, there have been nearly 4,000 suspected cases of microcephaly — a foetal deformation where infants are born with abnormally small heads.
- Officials are still investigating whether Zika causes microcephaly in newborns, but the link is “strongly suspected,” according to the WHO.
- The Zika virus infection usually is asymptomatic in nearly 80 per cent of the cases. As a result, many cases of Zika go undetected, making it difficult to estimate the true scale of the outbreak in the Americas.
- One in four people infected with Zika develop symptoms — mild illness, such as fever, rash, muscle/joint pain, and conjunctivitis.

Travancore bush frog reappeared in western ghats

- Travancore Bush Frog (*Raorchestes travancorius*), a rare and endemic frog species reported from Western Ghats, which was once recorded as extinct, has been located from eight new locations within the Periyar Tiger Reserve.
- Incidentally, the species, according to researchers, was wrongly classified as extinct in the Red data book of the International Union for Conservation of Nature despite spotting a live individual some 12 years ago.
- Though the classification as extinct lasted till June last year, it was subsequently reassessed as Endangered based on its area of occupancy.

India’s sun mission Aditya-L1 will be launched in 2019

- Aditya-L1, the Indian sun mission due after three years, may turn out to be a unique formation of not one but two spacecraft looking at the sun from two stable orbital points.
- Aditya is the nation’s third big extra-terrestrial outing after moon and Mars, all conceived and designed by AD- COS, the multi-faculty body of the Indian Space Research Organisation.
- ISRO has started activities to send a 400-kg spacecraft to look at the sun from a special stable orbital slot called L1 around 2019-20. L1 or ‘Lagrangian’ point # 1 is about 1.5 million km from Earth towards the sun.
- There are four more Lagrangian points L2 to L5 for sun and Earth where space objects can resist the pulls of both the celestial bodies and stay relatively stable in that orbit.

- According to ADCOS Chairman, and former ISRO chief and cosmic ray scientist U.R. Rao, a second spacecraft can be sent to Point L5, about 1.3 million km away and at a 30-degree angle to L1, for a fuller picture of the sun. It could follow L1 a few months or a year apart.
- ADCOS has designed the 2008 Chandrayaan-1; its future sequel; the 2013 Mars Orbiter Mission and is weighing the pros of either a second Mars mission or a Venus trip — the last of which is attracting other space agencies as potential partners.
- The first task is to build a few ultra-sensitive instruments to accurately measure minute details about the sun.
- Dr. Rao said the bigger challenge is to create an all-aluminium 20-metre-high magnetic test facility near Bengaluru to specially assemble and test the spacecraft and instruments in a magnetically clean manner with “not one electric material, not even a car, being nearby”.

Syrian rebel targets will continue to be bombed by Russia

- The Turkish army shelled Kurdish militia in northern Syria for a second day on Sunday, while Russia made clear it would continue bombing Syrian rebel targets, raising doubts that a planned ceasefire would bring much relief.
- Major powers agreed on to a limited cessation of hostilities in Syria but the deal does not take effect until the end of this week and was not signed by any warring parties — the Damascus government and numerous rebel factions fighting it.
- Russian bombing raids directed at rebel groups are meanwhile helping the Syrian army to achieve what could be its biggest victory of the war in the battle for Aleppo, the country’s largest city and commercial hub before the conflict.
- The situation has been complicated by the involvement of Kurdish-backed combatants in the area north of Aleppo near the Turkish border, which has drawn a swift military response from artillery in Turkey.

More reforms needed to make dream of ‘Make in India’ a reality

- Thousands of people and mascots of lions swarmed the weekend opening of a “Make in India” drive to attract foreign direct investment, pitched by Prime Minister Narendra Modi as “the biggest brand that India has ever created”.
- But even as the Make in India hype scales new heights, some bosses question Mr. Modi’s delivery on promises to make it easier to do business, while marketing experts caution against creating unrealistic expectations.
- More pressingly, key legislation such as a goods and services tax and land acquisition bill are stuck in parliament, just as global competitors such as Vietnam step up their own reform efforts.
- Make In India has scored major wins, including a pledge by Tai- wan’s Foxconn to invest \$5 billion in a new electronics manufacturing facility.
- That has helped foreign direct investment to nearly double to \$59 billion last year, the seventh most in the world, according to the United Nations Conference on Trade and Development.
- Yet in critical aspects, India remains far behind its goals. The proportion of manufacturing to gross domestic product has been stuck at around 17 per cent for five years, below the government’s goal to ramp it up to 25 per cent.
- India has only created 4 million manufacturing jobs since 2010, according to Boston Consulting. At the current rate, India may only create 8 million jobs by 2022, well below the government’s goal of 100 million.

Lot of things are associated to High speed trains

- High Speed Rail means different things in different contexts. One widely accepted definition applies to new lines running at 250 kmph and above, and existing lines that are able to run at 200 kmph and above.
- High speed rail programs have been successful in Japan, China and several European countries such as France, Germany and Spain.
- The benefits include reduced journey times that impact individuals and business, connectivity benefits to populations and markets, increased passenger comfort, mode shifts from more polluting air and road transport and consequently, lower road congestion.
- High speed rail can create agglomeration benefits i.e., benefits that accrue from the clustering together of firms and labour markets, and regeneration benefits for an area.
- The actual construction also provides an opportunity for employment and the potential for technology transfer.
- The high speed lunch, like all other lunches, is not free. Environmental degradation along the route, dislocation of people, noise pollution, as well as regionally imbalanced development are potential pitfalls that need to be carefully negotiated.
- How the high speed line interacts with existing transport choices is also crucial for the strength of the overall case.
- India has been toying with the idea of high speed trains for fifteen years. The High Speed Rail Corporation (HSRC) of India was set up by the government in 2012 to design and implement the country's high speed projects.
- Through this, feasibility studies for various segments of the 'Diamond Quadrilateral', a proposed high speed network spanning the country, connecting Delhi, Mumbai, Chennai and Kolkata, were initiated.
- Simultaneously, the government has pushed ahead with plans to develop a Rs.980 billion, 505 km segment between Ahmedabad and Mumbai on which it will run "bullet" trains, as high speed trains are often called.
- Higher speeds imply higher costs which may then necessitate higher ticket prices. Tickets will cost approximately Rs.2,800 and the journey will take approximately two hours.
- This bullet train has brought into focus the parameters associated with high speed rail that need careful consideration.
- The United Nations Environment Program (UNEP) and the Technical University of Denmark (DTU) published a study on the Ahmedabad-Mumbai train line last year.
- The report points out that the region in question is highly active economically.
- It is also a high density corridor (18 million passengers in 2010); connecting dense urban areas has been a key success factor for high speed rail in China and Europe.
- Travel demand between 2010 and 2050 is expected to increase four-and-a-half times to 58.2 billion passenger kilometers according to the study.
- In the HSR scenario, high speed trains cater to one-fifth of the total travel demand in 2050, and the growth rate of air travel slows, because of competition from high speed trains.
- The HSR solution is also cleaner; CO2 emissions in 2050 are also lower by 0.2 MT and further emission drops are possible with decarbonisation of electricity, according to the UNEP.
- In general, per passenger km, high speed rail has lower greenhouse gas (GHG) emissions than road or air transport. It also supports lower emissions over the longer term as road and air passengers shift to trains.
- Increasing the operating speed of existing lines would be one possible way forward for transforming India's rail systems.
- High speed lines require huge investments and cause long term demographic and economic impacts.
- Their success depends on getting a comprehensive, context-specific optimal solution; at the very least this means getting speed, pricing, and distance right.

India will come up with its own version of LIGO

- With the discovery of gravitational waves by the U.S.-based LIGO (Laser Interferometer Gravitational Wave Observatory), Prime Minister Narendra Modi may have tweeted his support for a similar detector in India but such a project is at least eight years away.
- This is not counting the time it will take the Central government to clear the proposal, estimated to cost around Rs. 1,200 crore, and is further premised on the project not running into environmental or State-level hurdles.
- Another ambitious mega-science project, the Indian Neutrino Observatory (INO) project — a proposed, underground observatory in Tamil Nadu to detect ephemeral particles called neutrinos — had been cleared by the Union government in 2015.
- Scientists associated with the India-LIGO project (called INDIGO) say that they have, since 2009, done considerable work in identifying suitable sites in India and met officials in several States.
- INDIGO will be a replica of the two LIGO detectors and many of its components have already been built and are ready to be shipped from the United States.
- The project was initially to be located in Australia but, since 2011, scheduled to be located in India. At least 25 sites were considered for the detector that will, most saliently, have two L-shaped four-kilometre-long arms.
- Other than the benefit of having a third detector, which will likely improve the chances of spotting gravitational waves, an India detector would improve the chances of novel, exciting discoveries being made out of India and being made by Indians.

Scientists finding ways to reduce coral bleach

- Oceanographers are diving deep into the aquamarine seas of Lakshadweep to unravel the mysteries of marine life that thrive and wither deep down there around the colourful corals.
- A group of researchers from Kerala are looking at the science behind the defence mechanism of corals to resist coral bleaching, the biggest threat to their beautiful submarine world.
- Coral bleaching is considered as a stress response of corals to a few biotic and abiotic factors. Increased solar irradiance (photosynthetically active radiation and ultraviolet band light) is an important factor.
- Exposure to UV radiation when combined with thermal stress could be lethal for corals.” It could lead to the loss of algal symbionts from coral tissue and coral bleaching.
- Mycosporin-like Amino Acids (MAA) are small secondary metabolites produced by organisms that live in environments with high volumes of sunlight.
- Besides protecting cells from mutation due to UV radiation, they also boost cellular tolerance to desiccation and salt and heat stress.
- The coral reefs are highly sensitive ecosystems facing the threat of extinction. They are often compared to tropical rainforests considering the ecosystem services they deliver.
- Coral reefs are considered a valuable source of pharmaceutical compounds from which drugs for the treatment of cancer, HIV, cardiovascular diseases, ulcers, and other ailments are extracted, highlighting the medicinal value of corals, the researchers noted.

Antarctica influencing weather in tropics

- Scientists are coming to grips with how weather in Antarctica is influencing climate as far away as the tropics.

- For example, researchers at Ohio State's Byrd Polar Research Center have discovered an influence of atmospheric circulation in the Wilkes Land and Ross Sea regions of Antarctica on precipitation from the East Asian monsoon.
- In this context, the Atmospheric Radiation Measurement West Antarctic Radiation Experiment (AWARE) project gains importance as it studies the skies above Antarctica for answers to questions such as how climate change and associated atmospheric physics are affecting Antarctica and how the ripple effects of these phenomena are being felt thousands of miles away in the mid latitudes and the tropics.
- The temperature gradient between the equator and the poles essentially drives the atmospheric circulation in the southern hemisphere in the form of three north- south systems: the polar cell, the mid-latitude Ferrel cell and the tropical Hadley cell. These cells are dynamically linked together.
- The AWARE project by the United States located at Mc Murdo station in Antarctica will observe how climate change affects the polar region as it has been determined that when the polar region warms, the location of the boundary between the polar and Ferrel cells will change, along with the strength of circulation in both cells.
- Antarctica acts as a global heat sink. Near the equator the Sun is highest in the sky and insolation (solar radiation reaching the surface) is larger than thermal radiation loss to space.
- At the South Pole during winter there is no insolation and the Antarctic continent loses energy to space.
- Energy and warmth transported over the Antarctic continent by global circulation patterns is lost to space by radiative cooling.
- Another wind system is the circumpolar westerlies which prevents warm air from the northern latitudes of the southern ocean from reaching the interior of eastern Antarctica which remains a cold, isolated desolate region, losing energy to space.

Experiment proves acidification diminishes the coral-reef growth

- A first-of-its kind, field-controlled experiment carried out for 22 days in a natural coral-reef community has allowed scientists to unequivocally show the detrimental effects of ocean acidification on coral reefs across the world.
- Coral reefs, which provide marine ecosystems comparable to tropical rain forests, are most vulnerable to ocean acidification.
- Ocean acidification arises when nearly 25 per cent of carbon dioxide released into the atmosphere and absorbed by the oceans reacts with water to form carbonic acid.
- The carbonic acid thus produced leads to ocean acidification by decreasing the pH of the ocean, reducing the concentration of carbonate ion.
- oceans are already 30 per cent more acidic than they were before the Industrial Revolution.
- Increasing the pH of the ocean to make it more alkaline than acidic will provide an ideal condition for coral reefs to grow.
- Global warming has not only increased the acidity of the oceans but has also elevated the sea surface temperature.
- While a warming ocean would have initially favoured coral reefs and led to more growth, the continued increase has proved harmful.
- Hence, coral reefs suffer from the combined onslaught of both acidification and elevated sea surface temperature.

Climate-driven reduction in sea-level rise

- The rate of rise of sea level globally has lessened by 20 per cent during the last decade, according to a new study.
- This is because of 3.2 trillion tons of excess liquid water storage on land in aquifers, lakes and other water bodies.
- Though glaciers and ice bergs have been steadily melting, the earth has been behaving like a sponge and absorbing the water which should otherwise have flowed back to the oceans from the land, thus closing the hydrological cycle.
- While increase in sea level can be attributed to glacier and ice-sheet melting and transfer of water from aquifers to ocean from human-driven pumping, the reason for the slowing down of the sea level rise has not been accurately attributed until this study, which states that climate driven hydrology has a major role.
- Human-induced changes in land water storage include the direct effects of groundwater extraction, irrigation, impoundment in reservoirs, wetland drainage, and deforestation.
- Several studies of large aquifers suggest that trends in regional and global land-water storage are now strongly influenced by the effects of groundwater withdrawal.

SPORTS

Djokovic wins another Australian open

- Novak Djokovic crushed Andy Murray 6-1, 7-5, 7-6(3) at Melbourne Park on Sunday to match Roy Emerson's record of six Australian Open titles.
- The defending champion was at his ruthless best under the lights at Rod Laver Arena, mauling Murray in the base- line duels and closing out the match in two hours and 53 minutes.
- Murray succumbed to his fifth loss in five Australian Open finals, and fourth against the World No.1 Serbian, who claimed his 11th Grand Slam title to draw level with Rod Laver and Bjorn Borg.

South Asian games started at Guwahati and Shillong

- The 12th South Asian Games will be launched with pomp and grandeur at the Indira Gandhi stadium, Sarurasajai, Guwahati.
- Originally scheduled to be back in 2012, the prestigious multi-discipline event encompassing competitions in 23 disciplines and 241 events well be held across two cities — Shillong and Guwahati.
- From a historical perspective, the South Asian Games were established as a movement to foster peace and friendship through regular sporting contact between athletes from Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka and current host India.
- The first edition was held in Kathmandu in 1984.
- This is the third time India will host the Games, after Kolkata in 1987 and Chennai in 1995, and it will have hopes of continuing with its overall dominance across venues for a twelfth straight time.

IPL 2016 auction will happen today

- The latest auction will witness 351 players going under the hammer and that includes 230 Indian and 121 overseas players.

- With a majority of the teams having retained their core players, attention will be riveted on the strategy adopted by the two new entrants — Rising Pune Supergiants and Gujarat Lions — as they try to beef up their respective units led by M.S. Dhoni and Suresh Raina respectively.
- Including the caption, both the Pune and Rajkot-based outfits have picked five players each and should do the lion's share of the bidding.
- Delhi Daredevils too can be an active player, flush as it is with the highest available purse of Rs. 37.15 crore.
- Missing from the auction will be the two suspended teams — Chennai Super Kings and Rajasthan Royals — which in the previous auctions used to follow a set pattern. CSK preferred continuity and Royals plumped for value-buys.

India performing well in south Asian games

- Host India enjoyed a field day on the opening day of the weightlifting competitions of the 12th South Asian Games, picking three of the four gold medals.
- India's No. 1 women's ace archer Deepika Kumari,, maintained her focus in tough weather conditions to beat Sonam Deki (Bhutan) 6-2 in the quarterfinals and Beauty Ray of Bangladesh 6-0 in the last-four to enter the final.
- The Indian men's badminton team reached the semifinals with 3-0 wins over Maldives and Bangladesh in Group A, without losing a game.
- India made a clean sweep of the gold medals on offer on the opening day of the wrestling competition.

India in south Asian games

- India's 27-year-old Sandeep Sejwal who took the gold in the men's 100m and 200m breaststroke, proved unbeatable once again as he clinched his third gold medal of the 12th South Asian Games.
- Sri Lanka picked up three of the four remaining golds which were decided this evening, while Bangladesh took the other through Mahfuza Khatun who won the women's 50m breaststroke — her second in as many days.
- Sri Lanka's Komiko Raheem won two golds in a little over an hour the women's 100m backstroke and the 50m freestyle, the second one at the expense of elder sister Machiko.
- India completed its dominance, winning five of the six titles, on the concluding day of the wrestling events
- Pakistan picked up the men's heavyweight gold to prevent a clean sweep by the host, which finished with 14 out of the total 16 gold medals.
- India walked away with all the gold medals on offer in badminton and archery at the South Asian Games
- India steamrolled Sri Lanka 3-0 in both the men's and women's sections to win the badminton crown. The host dominated the archery events as well clinching all the five titles at stake: compound team men's and women's, individual men's and women's and mixed.

India enters under-19 World Cup final

- India entered the ICC Under-19 World Cup final for a fifth time with a 97-run win over Sri Lanka in the semifinals.
- India did well to reach 267 for nine after a shaky start before dismissing Sri Lanka for 170 in 42.4 overs.

- India now awaits either West Indies or Bangladesh in the final to be played on February 14.

India beats Pakistan in Kabaddi

- India edged Pakistan by a solitary point in the concluding round-robin match of men's kabaddi here at the R.G. Barua Sports Complex.
- The slender win helped India top the league standings for a place in the semifinals, where it will take on Bangladesh.
- The Indian men had earlier dominated Bangladesh beating them by 30-17 margin.
- The other semifinal will feature Pakistan against Sri Lanka.

India going firm in South Asian Games

- The Indian victories in both the categories came in contrasting fashion as the men had to put their best foot forward against Pakistan, before winning the close encounter at 9-7, while the women's team hardly had to break sweat en route to an easy 36-11 victory over Bangladesh.
- India, made a clean sweep in the men's boxing event bagging all the seven gold medals on offer.
- Nepal made a fine comeback in the second half to beat host India 2-1 in the final of the men's football at the Indira Gandhi Stadium. The win saw Nepal reclaiming the South Asian Games gold after 23 years.
- Kamala found her touch in the crucial match by scoring a brace as India scripted a convincing 4-0 win over Nepal in the women's football final.

South Asian games ended with full flare

- The closing ceremony at the Indira Gandhi Stadium brought the curtain down on the 12th South Asian Games.
- Twelve days of competition saw action in 22 disciplines —15 in Guwahati and seven in Shillong — and the awarding of 789 medals to athletes representing the eight participating nations.
- Nepal was introduced as the host of the 13th edition of the Games in 2018.
- India finished its tally of medals at 308, with 188 golds, 90 silver and 30 bronze medals.
- Sri Lanka and Pakistan took second and third position respectively.

Brendon McCullum quit international cricket

- New Zealand captain Brendon McCullum insisted the time was right to quit international cricket despite hitting one of his best innings just days earlier.
- It was not the way the 34-year-old wanted to retire, as Australia completed a 2-0 series sweep by winning the second Test by seven wickets.
- But McCullum did mark his swansong in trademark fashion, setting records for the fastest century and most sixes in Test history (107).

Gianni Infantino becomes FIFA chief

- Swiss football executive Gianni Infantino vowed to lead FIFA, the sport's world governing body, out of years of corruption and scandal after being elected president to succeed Sepp Blatter.
- He now inherits a very different job from that inhabited by his compatriot Blatter, who toured the world like a head of state for 17 years.
- Before the election, the Congress had overwhelmingly passing a set of reforms intended to make it more transparent, professional and accountable.