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1. POLITY AND GOVERNANCE

SEDITION CIRCULAR BY MAHARASHTRA GOVERNMENT

- The circular asks police to bear in mind that the sedition clause of IPC can be invoked against whoever, by "words, either spoken or written, or by signs or by visible representation or otherwise, brings or attempts to bring into hatred or contempt, dissatisfaction and provoking violence" against the central or state government.
- However, the section 124-A will not be invoked against those trying to bring change in government through legal means without hatred and contempt.
- It came under severe criticism that it is an attempt to curb free speech.

BACKGROUND

- The circular was issued at the instance of the Bombay High Court when it dismissed sedition charges against cartoonist Aseem Trivedi. The latter had been charged and arrested by the Mumbai police in September 2011 under Section 124A in relation to some of his cartoons.
- While dismissing the charges, the court held that merely criticizing the government could not be termed as sedition.
- The state government gave an undertaking to the court that it would issue clear guidelines to the police on the use of Section 124A.
- This circular was presented to the court in March this year and was finally sent out to police stations at the end of August.
- It is the Marathi version of these guidelines that has generated controversy as it has injected ambiguity and room for discretion that inevitably results in precisely the kind of misuse that the court sought to prevent.

Freedom of Speech and Expression

The Constitution of India provides Freedom of Speech and Expression as Fundamental Right under article 19(1) (a). However, it is not an absolute right. The state can impose reasonable restrictions on its exercise on the grounds of sovereignty and integrity of India, security of the state, friendly relations with foreign states, public order, decency or morality, contempt of court, defamation, and incitement to an offence.

CONTROVERSY

- Instead of clarifying to the police the limits of using the law, the Marathi version appears to expand it.
 1. while the English version states that "words, signs or representations against politicians or public servants by themselves do not fall in this category unless the words/signs/representations show them as representatives of the government," the Marathi version irons out all these caveats by stating, "words, signs, or representation to be treated as seditious if they are against a person who is shown as representative of government." It gives police the discretion to decide whether the politician or public servant is shown as representative of the government.
 2. the English guidelines state that "words, signs or representations must bring the government (Central or State) into hatred or contempt or must cause or attempt to cause disaffection, enmity or disloyalty to the government and the words/signs/representation must also be an incitement to violence or must be intended or tend to create public disorder or a reasonable apprehension of public disorder." But in the Marathi translation there is ambiguity. In any case, "reasonable apprehension of public disorder" in English or Marathi allows room for many different interpretations and has been used liberally by the police to put down agitations.
- The ambiguity in the circular can be misused by the state against an individual citizen for fair criticism of politician or public personality and or against a fair criticism of their policies.

- It is contended that clause 1 and 2 of the circular does not mention that "apprehension or anticipated danger" must be based on reasonable ground that the danger apprehended is real and imminent.

SECTION 124A

- The section 124A of Indian Penal Code is a pre-independence provision which covers sedition charges against government.
- In 1962, the Supreme Court upheld Section 124A and held that it struck a "correct balance" between fundamental rights and the need for public order.
- Human rights activists and supporters of free speech argued that this section is draconian and should be got rid of.

Popular cases under section 124A

- Protesters of Kudankulam nuclear plant
- writers like Arundhati Roy
- Social activist Binayak Sen
- Cartoonist Asim Trivedi

ARGUMENT AGAINST SECTION 124A

- It stifles the democratic right of people to criticize the government.
- The police might not have the "requisite" training to understand the consequences of imposing such a "stringent" provision.
- It has been used arbitrarily to curb dissent. In many cases the main targets have been writers, journalists, activists who question government policy and projects, and political dissenters.
- The massive levels of poverty, poor health care, unemployment, malnourishment and poor policies leading to farmer's suicide - justifies expressing dissent and disenchantment against government openly.
- The draconian nature of this law—non-bailable, non-cognisable and punishment that can extend for life—has a strong deterrent effect on dissent even if it is not used.
- The press should be protected so that it could bare the secrets of government and inform the people. Only a free and unrestrained press can effectively expose deception in government.
- Legislation exists to deal with unlawful activities and armed movements. There is no need to criminalize words spoken or written.

WAY FORWARD

The provisions of the section should be so construed as to limit their application to acts involving intention or tendency to create disorder or disturbance of law and order, or, incitement of violence and there must be a clear guidelines on this without any ambiguity. This will ensure that section 124 A of IPC strikes a balance between security and smooth functioning of state with the fundamental right of freedom of speech and expression.

Questions:

1. Discuss Section 66A of IT Act, with reference to its alleged violation of Article 19 of the Constitution. **(UPSC Mains – GS 3 - CSE 2013)**
2. What do understand by the concept "freedom of speech and expression"? Does it cover hate speech also? Why do the films in India stand on a slightly different plane from other forms of expression? Discuss. **(UPSC Mains – GS 2 - CSE 2014)**

DRAFT ENCRYPTION POLICY

- Under Section 84A of Information Technology Act, 2000 Rules are to be framed to prescribe modes or methods for encryption. In this regard, a draft National Encryption Policy was formulated by an Expert Group setup by Government.
- The aim was to enable information security environment and secure transactions in Cyber Space for individuals, businesses, Government including nationally critical information systems and networks.

Why in News?

The Government of India recently published the Draft National Encryption policy for public comments online seeking methods of data encryption of data and communications used by the government, businesses, and even citizens. The said draft policy evoked strong responses from various stakeholders and consequently, shortly after its introduction for comments in the public domain, the said Draft National Encryption policy was withdrawn by the Government.

THE OBJECTIVE OF THE POLICY

- To synchronize with the emerging global digital economy / network society and use of Encryption for ensuring the Security / confidentiality of data and to protect privacy in information and communication infrastructure without unduly affecting public safety and National Security.
- To encourage wider usage of Digital Signature by all entities including Government for trusted communication, transactions and authentication.
- To encourage the adoption of information security best practices by all entities and Stakeholders in the Government, public & private sector and citizens that are consistent with industry practice.

What is encryption?

Encryption is the process of encoding messages or information in such a way that only authorized parties can read it.

For example: word "IAS" can become "JBT" in encrypted form, if every letter is replaced by next alphabet. Those who know how it is encoded can only be able to read "IAS" correctly.

Uses of Encryption

All messaging services like WhatsApp, Viber, Google Chat, Yahoo messenger use encrypted services. Banks and e-commerce sites also use encryption to protect financial and private data including passwords.

SALIENT FEATURES OF NATIONAL ENCRYPTION POLICY

- All citizens "are required to store the plain text of the encrypted messages for 90 days" and provide it to law enforcement agencies as and when required.
- All vendors of encryption products need to register their products with the designated agency of the Government
- All encryption technology used in India shall be cleared by the government.
- Government shall maintain a list of all encryption technologies and only those technologies which are on the list can be used in this country. It means government knows every encryption technology used in India
- Common use Web-based applications and social media sites such as WhatsApp, Facebook and Twitter were exempted
- The encryption products being used in Internet-banking and payment gateways under direction of the RBI And those being used for e-commerce and password- based transactions, are also exempted.

How did encryption originate?

The Preamble to the draft policy states that encryption technology was traditionally deployed most widely to protect the confidentiality of military and diplomatic communication. However, the revolution in Internet technology, expanded the scope of encryption to e-commerce and e-governance civilian applications. This further led to the need to protect privacy and increase the security of the Internet and associated information systems and develop policies that favor the spread of encryption worldwide.

CRITICISM

- Policy will affect almost all Internet users- a majority is not even aware that it is using encryption technologies.
- The biggest concern of this new policy is around the fact that users and organizations would “*on demand*” need to store all communication in plain text for 90 days from the date of transaction and make it available to law enforcement agencies. Most of the users in India do not know the meaning of plain text and in such a case they can be held liable for not storing their encrypted data in plain text format. Thus, almost everyone using the Internet will find themselves in violation of these rules.
- In case of communication with any foreign entity, the primary responsibility of providing readable plaintext along with the corresponding encrypted information shall rest on the business or citizen located in India.
- Additionally, service providers located within and outside India, using encryption technology for providing any type of services in India, must enter into an agreement with the government. This is seen as impractical as there are many service providers around the world that use encryption. It would be highly unrealistic for all of these to enter into an agreement with the Indian government.
- Keeping a copy of the data will require huge storage and that will come at a cost.
- There is a fear that the policy will start a new “registration raj”, now that all encryption technologies that can be used in India will need to be certified and listed by the agencies concerned.
- For companies that store private data it would mean storing passwords in plain text, which means private and confidential data will remain unencrypted and hence vulnerable for 90 days.
- The government proposed to prescribe the algorithms and key sizes for encryption. This implies government control over all data.

WHY INDIA NEEDS ENCRYPTION POLICY?

- To promote use of encryption for ensuring the security/ confidentiality of internet communication and transactions
- To facilitate investigation of crimes and threats to national security in the age of sophisticated encryption technology
- To promote research in encryption technology as it is restricted and not available to India under Wassenaar agreement.
- To build consumer confidence in retail and e-governance, encouraging more Indians to go online and strengthening the country's underdeveloped cybersecurity sector.
- To check misuse of encryption.

Examples from other countries

- USA -Computer Fraud and Abuse Act.
- Australia -Defence Trade Control Act.

WHAT SHOULD BE THE BROAD CONTOURS OF POLICY?

- The policy should leave room for innovation in the field of encryption technology so that industry leaders have incentives to innovate and offer consumers more secure information services.
- The policy should goal for securing information through a minimum standard, instead of rendering it insecure by dictating a standard that might get obsolete.
- The policy must be sensitive to the need to promote cybersecurity research in India.
- The process to retrieve encrypted data must be transparent and necessarily be backed by a court warrant from a civil court, obtained through an open judicial hearing.
- The policy should provide guidance on the use of information/ data within the country in a regulated manner and ensure that our government agencies can access them for investigating serious issues related to terrorism, national security and critical infrastructure.
- The new policy would need to focus on enterprises such as e-commerce companies to ensure their encryptions were good enough to secure customer's financial and personal data
- The policy should prescribe technologies which are globally accepted. It should also talk about revising them from time to time, which is very important as this is a dynamic space.

WAY FORWARD

It is encouraging to see the government take steps towards securing information. Cybercrime and cyber terror are real threats and governments need to devise solutions to fight them. The answer lies in developing the capability to monitor and tackle such threats effectively and in a manner that strikes a reasonable balance between privacy rights and security concerns.

FOREIGN FUNDING OF NGOS AND FCRA

Ministry of Home Affairs (MHA) recently cancelled the registration of Greenpeace India. The government took this measure under the Foreign Contribution Regulation Act (FCRA).

FOREIGN CONTRIBUTION REGULATION ACT (FCRA)

- The act seeks to regulate the acceptance and utilization of foreign contribution or foreign hospitality.
- It prohibits "organisation of political nature" among others to accept foreign contributions
- The central government has the power to prohibit from accepting foreign contribution or hospitality for activities detrimental to the national interest or national security.

KEY CONCERNS WITH FCRA

- Though the stated objective was to strengthen internal security, it addresses only the voluntary sector and only foreign funding. This constitutes less than one per cent of gross inflow of foreign funds into India.
- The FCRA registration process under the Bill confers a number of discretionary powers to the authorized officer.
- There are a number of terms in the Bill including, "foreign source," "foreign hospitality," and "speculative business" that either lack clarity or are not defined.
- It gives the central government powers to classify any organization as of "political nature" and prohibits its funding but it does not provide any guidelines to define organizations of a "political nature."
- Many of the objectives of the Bill are met by other laws in force such as the Unlawful Activities Prevention Act, 1967, the Prevention of Money Laundering Act, 2002, the Foreign Exchange Management Act, 1999, and the Income Tax Act, 1961.

KEY CONCERNS WITH FOREIGN FUNDED NGOS

- Recently, Home ministry found 748 organizations who receive foreign donations but have not filed their return. Filing annual return is a mandatory procedure under the FCRA
- In totality, only about 10 per cent of the over 22 lakh non-government organizations file their annual income and expenditure statements, revealed by CBI
- Many reports of misappropriation of funds by NGOs and their lack of transparency and accountability
- Though political activism with foreign funds is prohibited under FCRA, some Foreign Funded NGOs have been found actively taking part in political campaigns
- Leading NGOs have been accused of mobilizing resistance against development projects (for instance, in the power sector), allegedly at the behest of foreign agencies, thus damaging India's growth potential
- Claiming involvement in "human rights initiatives" or "social empowerment", some organizations are allegedly fronts for foreign-supported extremist and secessionist groups.
- Allegations have been made of using foreign funds in religious conversion which is banned under FCRA.

WORRIES OF NGOS

- Registration for the FCRA was easy a few years ago, it has now become a lot more stringent.
- Often, the larger NGOs do not face a problem when it comes to funding, but smaller ones does.
- There are several NGOs that exist only on paper. These have given others a bad name too and so the funding has dried up for many sectors

RECENT REFORMS TAKEN BY GOVERNMENT

- Government replaced old rules with Foreign Contribution Regulation Rules 2015 to govern foreign contributions received by NGOs
- The Home Ministry had proposed making all dealings with NGOs online
- The government has decided to host a website for such NGOs lacking wherewithal to create a website of their own.
- Banks have to inform Home Ministry about all foreign funds coming to an NGO account within 48 hours. This is to enable monitoring use or misuse of foreign funds.
- The ministry has reduced the number of forms to be filled in by the NGOs and now the registration, renewal and prior permission forms have been combined into one single form
- The government plans to streamline the audit and registration of non-governmental organizations (NGOs) receiving foreign funding to ensure greater disintermediation of processes so that there is minimal contact with the bureaucracy.
- NGOs that do not receive any foreign funding in a particular fiscal year will not be required to file a certified copy of the auditors' report with the ministry's foreigners division.

WAY FORWARD

- Sensitize all NGOs about compliance of FCRA act and rules when they receive funds from abroad.
- All NGOs must respect the law of the land, maintain transparency and remain above board.
- Agencies involved in creating engineered dissent just to influence the polity and economy of India should be selectively handled.
- Issues like misappropriation of funds, lack of transparency and accountability of NGOs need to be addressed to bridge trust deficit between government and civil society

SHYAMA PRASAD MUKHERJI RURBAN MISSION

The government launched Shyama Prasad Mukherji Rurban Mission to drive economic, social and infrastructure development in rural areas.

NEED

- To transform rural India into engine of growth.
- To generate opportunities in villages arresting mass exodus from villages in search of jobs and other facilities that cities offer.

SALIENT FEATURES OF THE RURBAN MISSION

- To develop **300 Rurban clusters** over next 3 years, across the country. It is cluster of smart villages developed by provisioning of economic activities, developing skills & local entrepreneurship and providing infrastructure amenities.
- The State Governments would identify the clusters in accordance with the Framework for Implementation prepared by the Ministry of Rural Development. The framework will be adopted using a scientific process of cluster selection which involves an objective analysis of the demography, economy, tourism and pilgrimage significance and transportation corridor impact.
- The funding for Rurban Clusters will be through various schemes of the Government converged into the cluster.
- The mission will provide an additional funding support of upto 30 percent of the project cost per cluster as Critical Gap Funding (CGF) as Central Share to enable development of such Rurban clusters.
- Fourteen mandatory components has been identified under mission which include provision of basic amenities, development of agricultural infrastructure, improving digital literacy and skill development, fully equipped mobile health units and inter-village road connectivity.
- The Mission also has an Innovation budget towards facilitating research, development and capacity building.
- The scheme is expected achieve twin objectives of strengthening rural areas and disburdening the urban areas hence leading to balanced regional development and growth of the country.

PRADHAN MANTRI KHANIJ KSHETRA KALYAN YOJANA(PMKKY)

- The Ministry of Mines launched new programme to provide for the welfare of areas and people affected by mining related operations, using the funds generated by District Mineral Foundations (DMFs).
- It was the Observation of Justice A P Shah Commission in Odisha that the mighty mining companies with the connivance of the concerned department violate mining related laws and indulge in illegal mining activities.
- Also the mineral-rich areas are afflicted by a severe **asymmetry of power** between local communities and the State-miner combine.

OBJECTIVES

- To implement various **developmental and welfare projects/programs** in mining affected areas that complement the existing ongoing schemes/projects of State and Central Government:
 - To minimize/mitigate the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts
 - To ensure long-term sustainable livelihoods for the affected people in mining areas

SALIENT FEATURES

- High priority areas like drinking water supply, health care, sanitation, education, skill development, women and child care, welfare of aged and disabled people, skill development and environment conservation will get at least 60 % share of the funds.
- For creating a supportive and conducive living environment, balance funds will be spent on making roads, bridges, railways, waterways projects, irrigation and alternative energy sources.
- All areas directly affected by mining related operations as well as those areas indirectly affected by such operations will be covered under PMKKKY.
- Indirectly affected areas are those where negative impacts of mining in the form of deterioration of water, soil and air quality, reduction in stream flows and depletion of ground water, congestion and pollution due to mining operations etc. happen.

- This way, government is facilitating mainstreaming of the people from lower strata of society, tribals and forest-dwellers who have no wherewithal and are affected the most from mining activities.
- The Mines and Minerals (Development & Regulation) Amendment Act, 2015, mandated the setting up of District Mineral Foundations (DMFs) in all districts in the country affected by mining related operations and to protect the interests of tribal communities who have borne the costs of mining.
- The miners have to contribute a fraction to DMF of total royalty payable to people. Using the funds generated by this contribution, the DMFs are expected to implement the PMKKKY.

REFORMS REQUIRED FOR EFFECTIVE IMPLEMENTATION

- The DMF's board and its executive committee should have representation from local communities.
- There should be provision of conducting social audits by local people of projects carried out by DMFs.
- There is need of building the capacities of affected communities providing them with monitoring powers on existing mines, enabling informed participation in consent processes, and holding periodic district-level consultations on the impacts of mining
- The decision-making in mining projects must yield to greater public scrutiny, in particular of local communities.
- Public participation and local knowledge should be incorporated in institutional framework as they are crucial to building an effective DMF.
- The present structure is overly centralized, communities can neither plan nor authorize tasks, which they believe the DMF should undertake.

REVISION OF NATIONAL REGISTER OF CITIZEN (1951) IN ASSAM

WHAT IS NRC, 1951 UPDATION?

- National Register of Citizens, 1951 is a register prepared after the conduct of the Census of 1951. These registers covered each and every person enumerated during the Census of 1951.
- National Register of Citizens (NRC) updation means the process of enlisting the names of citizens (or their descendants) based on Electoral Rolls up to 1971, 1951 NRC, or in any one of the other admissible documents issued up to 1971, which would prove their presence in Assam on or before 1971.
- An Indian citizen from another state also who moved to Assam after the specified date is not eligible for inclusion in the NRC though he can continue to vote.

Why in News?

- It is first time being revised since 1951 and only in state of Assam.
- It is expected to be completed by March 2016
- Entire process is overseen by Registrar General of India and monitored by three-member monitoring committee by Supreme Court.

NEED OF NRC UPDATION

- To comply with the demands in Assam Accord signed in 1985.
- Assam has witnessed series of violence since 1970s on the issue of illegal migrants, mostly from Bangladesh. There are demands to send back those who came after 1971. NRC updation is expected to help in solving this issue.
- It is the way to assimilate Bengali Muslims in Assamese society and only way to democratically solve this problem.
- It will provide proof of Indian citizenship to many people stereotyped as illegal migrants.

- The families which met with undue harassment by terming them illegal migrant can be stopped.
- It is being updated as per Supreme Court orders.

ISSUES

1. WORRIES OF FINDING LEGACY DATA

- Those who migrated between 1966 and 1971 were minor did not have names in any voter list before 1971.
- Many Muslims who fled Assam during Partition because of riots returned later but could not be included under NRC 1951.
- Discrepancy in names in government documents, caused by misspelling and inclusion of nicknames in place of actual names, since the names were recorded in Assamese. It would pose problem in identification and authentication of legacy data leading to exclusion.
- There is a great deal of unease over the fact the government has not made available all voter lists till 1971.
- There has been concern from several indigenous tribes who may not have any pre-1971 documents to prove their identity. The modalities for identifying them are yet to be worked out.

2. OPPOSITION TO NRC REVISION

- There are writ petition pending before Supreme Court to declare cut-off year as 1951 instead of 1971.
- There are question about validity of 1951 NRC data because it was incomplete.
- Few supports NRC be updated on the basis of 2014 electoral roll.
- Few feel this revision exercise should be carried out in entire country instead of being selective to Assam.

3. POST NRC REVISION

- The treatment to those who will be left out of NRC revision will become a political issue.
- As per Assam Accord, the foreigners who came post 1971 were to be evicted. However, it is much easier said than done. From 1985 to 2012, the government has been able to send back only around 2500 out of over 55000 identified illegal migrants.
- India needs repatriation treaty with Nepal and Bangladesh to push back those who will be excluded from NRC.
- There are claims for religion based differentiation of illegal migrants which may further complicate the settlement process. Some political parties claim that the Hindus who came from Bangladesh are not foreigners and should be given citizenship.
- Since Bangladesh is not ready to take them back, lakhs of such Indian citizens, who have had their names on the Indian electoral rolls for the past four decades, and who are in possession of Electoral Photo Identity Card, would be rendered stateless.



NRC: An Introduction

WHAT IS NRC?
The National Register of Citizens is a list of all Indian citizens

IS THIS THE FIRST SUCH REGISTER?
No, there was an NRC across the country in 1951, but that was based on the Census of that year, and this is the first time it is being revised and only in Assam, and it is not based on the Census

WHAT IS THE NEED FOR THIS?
Assam has been wrecked by violent protests since the 1970s over the issue of illegal migrants, mostly from Bangladesh. The NRC is to be updated to comply with the demands in the Assam Accord, signed in 1985 by Rajiv Gandhi and leaders of the Assam Movement

WHEN WILL THE CURRENT NRC BE COMPLETED?
By Jan 2016. The process is being monitored by the Supreme Court

WHO WILL BE CONSIDERED INDIAN CITIZEN
Those whose names were in the 1951 NRC or in any of the electoral rolls up to the midnight of March 24, 1971, and their descendants

ARE THESE THE ONLY ADMISSIBLE DOCUMENTS?
No, any of 12 other documents including land records, citizenship certificate, refugee registration certificate, birth certificate and educational certificate

WHAT HAPPENS TO THOSE WHO CAME FROM NEIGHBOURING COUNTRIES AFTER MARCH 24, 1971?
While the demand has been that such people be sent back to the countries they came from, India needs to sign repatriation treaties with Bangladesh and Nepal for the same



NRC and Controversies

Many question the **validity of the 1951 NRC** since it was incomplete

People complain that the **government has not made available all electoral rolls** up to 1971 in all districts. The government says it has provided whatever is available

Doubtful voters will have to have **their names cleared by the Foreigners Tribunal** before their inclusion in the NRC

One of the oft-repeated complaints is the **discrepancy in names in different government documents**, caused by misspelling of names and inclusion of nicknames instead of actual names

There has been concern from **indigenous tribes who may not have any pre-1971 documents to prove their identity**. While all original inhabitants of Assam are to be included in Assam, the modalities for the same have not been finalised

PROTECTION OF MANIPUR PEOPLE BILL, 2015

ISSUE

In Manipur violence has erupted in the tribal districts after the Manipur Legislative Assembly passed three bills – *Protection of Manipur Peoples Bill, 2015*, *the Manipur Land Revenue & Land Reforms (Seventh Amendment) Bill, 2015* and *the Manipur Shop & Establishment (Second Amendment) Bill, 2015*.

BACKGROUND

- The bills are the result of two months of protest by several organizations demanding imposition of **Inner Line Permit (ILP)** in line with Arunachal Pradesh, Mizoram and Nagaland where the system is prevalent. The dominant Miete community of Manipur have been demanding the implementation of the permit to restrict the entry of 'mainland Indians' for years.

REASONS OF RECENT PROTESTS IN MANIPUR OVER THIS BILL

- Tribal claim that the Manipur Land Revenue & land Reforms (Seventh Amendment) Bill, 2015 would ease the process of buying land by migrant workers in the state. Manipur land reforms bill apparently brings all land under the Manipur government which even includes tribal lands.
- The tribal population among Kuki and Naga communities, whose land is protected under the 6th schedule on account of being a tribal people, believe that it's a ploy by the Meitei dominated Manipur government to grab tribal land and marginalize their population. Tribal land in the state is governed by customary law and can only be sold to another tribal.
- Protection of Manipur Peoples Bill, 2015 puts the base year to identify non-indigenous people has been set to 1951 whereas the tribal Kukis, Mizos and Chins which mostly reside in hilly areas say that the tribal councils have not kept records prior to 1971 so it may result in their exclusion.
- There is also an apprehension that the definition of "Manipur People" could be used in other Acts/Bills to deny services, facilities and amenities to the people of Manipur, especially the tribal people, in seeking government jobs, admission to schools, colleges or in case of State quota in medical and engineering admissions.

INNER LINE PERMIT SYSTEM (ILPS)

The Inner Line Permit regulates the entry of non-domicile citizens into a restricted region. The British used this to safeguard their revenue-generating regions in the Northeast against raiding tribal communities from the hills. Today, ILP is seen as a way to protect the demographic, cultural, political and social integrity of the small tribal populations in the hill states. At present, it is imposed in Arunachal Pradesh, Mizoram and Nagaland.

REASON FOR DEMAND OF ILP IN MANIPUR

- Currently there is no restriction on the entry by the citizen of India. The increase in the population has caused a panic in the mind of the people of Manipur.
- People of Manipur see outsiders as a threat to employment opportunities and their culture. Currently many economic activities such as shops, small businesses are being done by migrants which poses threat to interests of locals there.
- Many times Illegal migration leads to communal conflict and violence.

CRITICISMS OF ILPS

- ILPS is against constitutional rights like Right to free movement across the country, right to equality, right to reside peacefully within any part of the country.
- ILPS will turn Manipur into more isolated and insulated. Thus it will lead to more insecurity and vulnerability and integrity of the state.
- Migration helps underdeveloped NE states to avail services like medical, educational facilities etc. from outside states. Therefore People should demand a well-equipped Legislation to regulate the migration in place of ILP.

WAY FORWARD

- The immediate need is to restore peace and normalcy in the State at the earliest possible, more importantly to prevent the further loss of lives which can aggravate the already tense situation.
- State government should have consulted the Hill Areas Committee before passing the Bills in order to clear any misunderstanding. So there is a need of effective consultation among them.
- Illegal Migration has more threats in terms of security of the state. Recent Bodo Muslim Clash in Assam was due to the fear of being marginalized and land alienated. So, there is need to protect interests of various ethnic groups in Manipur.

LAW COMMISSION RECOMMENDED CAPITAL PUNISHMENT ABOLITION

- Law Commission presented its 262nd Report, titled '**The death penalty**' where it recommended abolition of the death penalty for all crimes except terrorism-related offences and waging war against the state.

BACKGROUND

- Debate on death penalty is not new and in 1931 itself a Bill was introduced to abolish death penalty in India. In the Constituent Assembly also, Dr. B R Ambedkar had opposed death penalty.
- Earlier Law Commission also in its 35th Report had favored retention of death penalty.

ARGUMENTS FOR ABOLITION OF DEATH PENALTY, AS GIVEN BY THE COMMISSION

- There is no conclusive evidence to suggest that the death penalty has greater deterrent effect than life imprisonment.
- As per NCRB data, rate of decline in murder has coincided with a corresponding decline in the rate of executions since 1992.
- It is an excessive punishment for purpose of incapacitation.
- The SC ruled that "retribution has no Constitutional value" (Shatrughan Chauhan case).
- Death Penalty leaves no scope for reformation.
- Public opinion have been given an important role to play.
- Focusing on death penalty leads to neglect of the restorative and rehabilitative aspects of justice.
- Diverts attention from problems ailing criminal justice system - poor investigation, crime prevention and rights of victims of crime.
- The SC itself has come to doubt the implementation of "rarest of rare" test (Bachan Singh case) due to rather high rate of death penalty.
- Fallibility of criminal justice system e.g.- Ravji Rao case.
- The exercise of clemency power under article 72 and 161 have failed against acting as final safeguard against miscarriage of justice.

REASONS FOR REVIEWING THE DEATH PENALTY

- Earlier in 1967 the Law Commission rejected its abolition citing the size of the country and diversity of its population across which law and order had to be maintained. India has undergone many changes since then for e.g.: higher national wage, changes in development, the introduction of a new code of criminal procedure in 1973 and the emergence of constitutional due process standards, calls for abolition of the death penalty from political parties and judicial developments.
- There is lack of resources in India justice system, an overstretched police force and ineffective prosecution as among the reasons. As a result, the administration of capital punishment is vulnerable to misapplication.

Thus most people who are executed are poor people as they cannot afford the expenses involved in defending them against conviction.

- India has retained capital punishment while 140 countries have abolished it in law or in practice.

ALSO IN NEWS

E-GOVERNANCE

MAHARASHTRA TO OFFER ESSENTIAL SERVICES ONLINE

- Maharashtra become first state to offer essential services such as birth and death certificates, marriage registration, domicile documents online.
- It has enacted Right to Service act under which 224 services were guaranteed

RIGHT TO SERVICE ACT

- It binds the state government and its agencies to deliver designated services in a stipulated time
- Including Maharashtra, there are 20 states in India which have similar laws.
- The first state to do so was Madhya Pradesh which enacted Right to Service Act in 2010.

WORLD BANK REPORT ON URBANIZATION IN SOUTH ASIA

- South Asia's urbanization is "messy and hidden" in that an estimated 130 million South Asians live in informal settlements — i.e. slums and sprawl.
- Hidden urbanization is seen in the large share of India's population that lives in settlements that possess urban characteristics but do not satisfy the criteria required to be officially classified as urban.
- Urban population growth is not driven by rural to urban migration as is commonly thought. Report says that 44% of the urban population growth that India experienced between 2001 and 2011 was due to natural increase and 29.5% to the reclassification of rural settlements into census towns.
- The report called for initiatives at the policy and institutional level to tap the economic potential it offers.
- Focus has to be on reforms, they are required to address three fundamental urban governance deficits in:
 1. Empowerment deficit - of local governing bodies - Inter-governmental fiscal relations must be improved to address empowerment.
 2. Resources deficit - practical ways must be identified to increase the resources available to local governments to allow them to perform their mandated functions.
 3. Accountability deficit - mechanisms must be strengthened to hold local governments accountable for their actions.
- To tackle messy urbanization and bring about lasting improvements in both prosperity and livability, policies are also required for
 1. to improve the ways in which cities are connected and planned,
 2. working of land and housing markets, and

Importance of Urbanization: Over 54% of the world's population now lives in urban areas, creating 80% of global GDP, consuming two-thirds of global energy and accounting for 70% of greenhouse gas emissions, according to World Bank data. Urbanization leads to concentration of economic activity, improves productivity and spurs job creation, specifically in manufacturing and services.

3. City's resilience to natural disasters and the effect of climate change.

The challenge will be to make the transition inclusive, providing opportunities and jobs to youth, especially women, and supported by efficient service infrastructure. If managed well, urbanization can lead to sustainable growth.

Questions:

1. The significance of counter-urbanization in the improvement of metropolitan cities in India. **UPSC Paper I 2011.**
2. Examine the status of urbanization among the states in India and bring out spatial inequalities. **UPSC Paper I 2009**

SPECIAL COURT BILL PASSED BY ANDHRA PRADESH ASSEMBLY

The Andhra Pradesh Legislative Assembly passed Special Courts Bill, 2015 for the constitution of special courts.

IMPORTANT PROVISIONS OF BILL

- To facilitate time bound disposal of corruption cases against public servants by constituting Special Courts in Andhra Pradesh.
- Enable state to recover assets acquired illegally by public servants.
- Utilization of recovered wealth for the development of the State and for public good and purpose.
- The public servant includes both people's representative and government officers. Earlier, Bihar and Odisha brought in similar laws to recover ill-gotten properties and used them for public purpose.

SC PORTAL ON PENDENCY OF CASES

The Supreme Court of India, recently inaugurated the public access portal of National Judicial Data Grid (NJDG).

ABOUT PORTAL

- The webpage ecourts.gov.in/services will give consolidated figures of pending cases in District Judiciary across the country.
- It will also disseminate national and State, district and court wise information.
- It would also separately provide data and details of cases filed by senior citizen and women.
- The pendency statistics would be updated by district court complexes on a daily basis.
- The initiative is to promote transparency and access of information for all the stakeholders of the justice delivery system.

Pendency of Cases in Judiciary

- Nearly three crore cases pending in Indian courts.
- The CJI recently set deadline of five years to end trial of all the pending cases.

ABOUT NATIONAL JUDICIAL DATA GRID

- The National Judicial Data Grid (NJDG) is a part of the on-going e-Courts Integrated Mission Mode Project to transform justice delivery by ICT enablement of courts.
- NJDG will work as a monitoring tool to identify, manage & reduce pendency of cases.
- It will also help in providing timely inputs for making policy decisions to reduce delay and arrears in the system
- It will facilitate better monitoring of court performance and systemic bottlenecks, and, thus, facilitate better resource management.
- The NJDG will cover all categories of cases, including those relating to juvenile justice system.

STEPS TAKEN BY THE CENTRAL GOVERNMENT FOR RELIEF TO FARMERS IN VIEW OF DEFICIT MONSOON

- Allocation of additional days 50 days of work under MGNREGA to households in drought affected areas
- Diesel Subsidy Scheme for farmers in affected areas
- Enhancement of ceiling on Seed subsidy in affected areas
- Farmers in the drought affected districts/ blocks will be provided monetary assistance for taking up appropriate combination of interventions to save horticulture crops, for production of additional fodder.
- States have been advised to keep aside about 5 to 10% of fund allocated under Rashtriya Krishi Vikas Yojana (RKVY) for undertaking appropriate interventions to minimize the adverse impact of an aberrant monsoon on the agriculture sector.

SUGGESTIONS

- Cut the fat layer of intermediaries between farmers and the bulk or industrial consumers of farm produce.
- India needs to invest more in developing rural infrastructure- roads connecting villages to market towns and post-harvest crop storage infrastructure.
- Water scarcity – both due to poor rains and depleted aquifers—is now a reality in large parts of India. So investment in drought resistant varieties, better irrigation techniques like drip irrigation, sprinkler irrigation is required.

WATER POLICY IN INDIA

The renowned water policy expert **Shri Ramaswamy R. Iyer** died this month. He played key role in drafting India's first National Water Policy in 1987. India adopted first National water Policy in 1987 and subsequently updated it in 2002 and 2012.

NATIONAL WATER POLICY 2012: SALIENT FEATURES

- **National Framework Law:** It must provide general principles governing relations among the Centre, the States and the local governing bodies and a comprehensive legislation for optimum development of interstate rivers and river valleys.
- **Uses of Water:** Optimum utilization of water, to ensure access to a minimum quantity of potable water to all its citizens, Community based water management should be institutionalized and strengthened etc.
- **Adaptation to Climate Change:** Special impetus should be given towards mitigation at micro level by enhancing the capabilities of community to adopt climate resilient technological options.

- Enhancing Water Available for Use.
- Demand Management and Water Use Efficiency: Water footprints, and water auditing should be developed to promote and incentivize efficient use of water.
- **Water Pricing:** Pricing of water should ensure its efficient use and reward conservation.
- Conservation of river corridors, water bodies and infrastructure.
- Management of flood and drought.
- Water supply and sanitation.
- **Institutional Arrangements:** National level forum to deliberate and evolve consensus, co-operation and reconciliation amongst party States.
- **Trans-boundary River:** Efforts should be made to enter into international agreements with neighbouring countries for exchange of hydrological data of international rivers on near real time basis.
- **Database and information system:** National Water Informatics Center should be established to collect, collate and process hydrologic data regularly from all over the country.
- **Research and Training needs:** An autonomous center for research in water policy should also be established.

INDIAN RAILWAYS - SAFETY AND SECURITY

The plan has come amid an increase in number of railway accidents in recent months.

- The Railways will launch a **zero-accident mission** envisaging renewal of tracks, more railway bridges, better signaling and rolling out of accident-proof coaches and engines.
- It is expected that once implement fully, the accident rate will go down and speeds will improve, facilities will improve, quality of service will go up and revenue will increase and customer experience will go up significantly.
- With this objective in mind, the Ministry has planned an investment of Rs 8.5 lakh crore in the next five years.
- One of the option is to do prudential borrowing from institutions such as the LIC, the World Bank and other multilateral agencies, which would be repaid in the next 30-40 years through an increase in revenues.
- Also Railway is working on increasing the transparency and efficiency of the Railways by bringing in a change in the accounting system, which was key to attracting investments. Moving to commercial accounting was one of the key recommendations of the Bibek Debroy panel on railway restructuring.

SEVENTH PAY COMMISSION

The commission, headed by **Justice A. K. Mathur** was formed in February 2014. The committee's recommendations are scheduled to take effect from 1 January, 2016.

- The government constitutes the Pay Commission almost every 10 years to revise the pay scale of its employees and often these are adopted by states after some modifications.
- Nearly 48 lakh central government employees and 55 lakh pensioners will be benefitted by the pay commission.
- Financial burden Seventh pay commission will definitely bring a toll on the exchequer. The reason being Government has to manage OROP's expenditures too. Experts say that Central government's salary bill will rise by 9.56% to Rs. 1,00,619 crore after Seventh pay commission will come into effect.
- According to a report, as a result of the recommendations of the Sixth Pay Commission, pay and allowances of Union government employees became more than doubled between 2007-08 and 2011 from Rs.74,647 crore to Rs. 166,792 crore.

2. SOCIAL ISSUES

FRAMEWORK FOR RANKING INDIAN INSTITUTES

The Union Ministry of HRD launched National Institutional Ranking Framework (NIRF) for educational institutions.

WHAT IS NIRF?

- This framework outlines a methodology to rank institutions across the country.
- Although the Ranking Frameworks are similar, the exact methodologies are domain specific. Ranking methods have been worked out for engineering and management institutions, while those for other domains will be announced soon.
- The framework follows an Indian approach which considers India-centric parameters like diversity and inclusiveness apart from excellence in teaching learning and research.
- The parameters are under the five broad headings
 1. **Teaching learning and resources**- these parameters are related to the core activities of any place of learning. These lay emphasis on measuring numbers and quality of faculty, library and lab resources and general facilities for development of young persons.
 2. **Research, consulting and collaborative performance**- These parameters attempt to measure the quantity and quality of research output as seen through international data bases, IPR generation and interface with industry and fellow professionals.
 3. **Graduation outcomes**- is parameter forms the ultimate test of the effectiveness of the core teaching/learning activity, and measures the student graduation rate and their success in finding appropriate placement in industry and Government or taking up higher studies.
 4. **Outreach and Inclusivity**- the Ranking framework lays special emphasis on representation of women and socially challenged persons in student and/or faculty populations, and also on outreach activities of the institution.
 5. **Perception**- The ranking methodology gives a significant importance to the perception of the institutes by its stakeholders. This will be accomplished through Stakeholder Surveys.



IMPORTANCE OF NIRF

- It would enable parents, students, teachers, educational institutions and other stakeholders to rank institutions on the basis of a set of objective parameters and a transparent process.
- It will facilitate a level playing field in ranking for institutions
- The institutions which have been working in languages other than English and excelled relatively in the recent past will be greatly benefited.
- It will give Indian institutions a competitive platform free of any international bias.

WHY WE NEED IT?

- International rankings do not entirely suit Indian realities.
- International ranking agencies does not consider inclusivity of our institutions and the body of work in regional languages.
- To provide benchmarks to measure the productivity of Indian universities and creating a sense of movement and competition among them.
- To give new institutions a level playing field with older institutions
- To promote social inclusion in the institutes.

CHALLENGES WITH RANKINGS: INDIAN CONTEXT

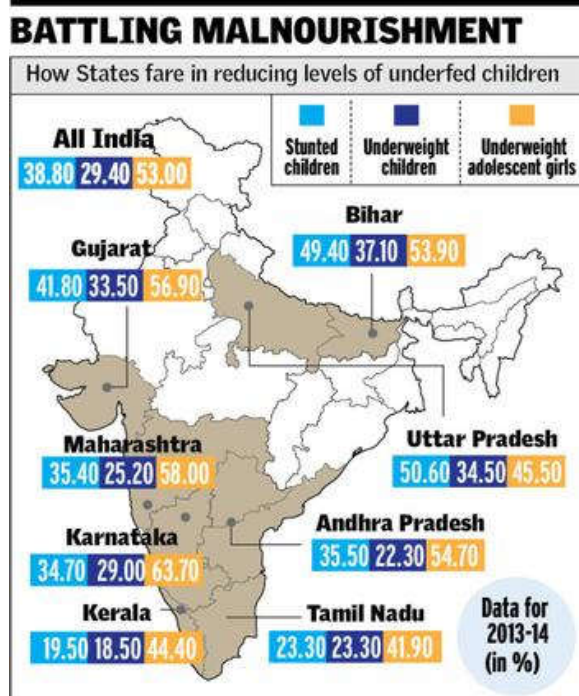
- The lack of data on many aspects of higher education. Without reliable data on all of the aspects of ranking from all of the universities included, the rankings will have limited value.
- The ranking should not be limited to public universities only else ranking will have limited value
- A few of the private institutions are innovative and may score well, although most will not. These universities may have less data available and some may be reluctant to report accurate statistics.
- The teacher/student ratio usually used in ranking do not adequately measure actual teaching quality
- Most rankings count articles, citation rates in internationally respected journals. However, due to lack of sufficient internationally recognized Indian journals, there is no accurate way of evaluating either the scope or the influence of the publications of Indian academics.

MATERNAL AND CHILD HEALTH

RAPID SURVEY ON CHILDREN (2013 - 14)

IMPORTANT FINDINGS

- No State reported an increase in the proportion of children underweight or stunted, a significant reversal from past trends.
- All States have performed poorly in reducing the number of underweight adolescent girls.
- At the national level, stunting is higher in rural areas (41.7 per cent) than in urban areas (32.1 per cent), as is the case for underweight children.
- Tamil Nadu, West Bengal, Uttarakhand and Tripura are the only States which have reduced the proportion of underweight adolescent girls
- Kerala remains the best performing State in the number of child stunting cases
- Manipur and Mizoram have the lowest numbers of underweight children.
- Uttar Pradesh still has the highest levels of child stunting, with over 50 per cent of the children under the age of five underdeveloped
- Jharkhand has the highest number of underweight children under the age of five
- Among the developed States, Gujarat is the only one



to perform worse than the national average in reducing the numbers of child stunting cases and underweight children.

However, The Ministry of Statistics and Programme Implementation (MoSPI) has raised concerns on the sampling design and methodology adopted for UNICEF's Rapid Survey on Children (RSOC).

ANALYSIS

- The proportion of institutional deliveries among recent births shot up and the proportion attended by a skilled provider also rose. It reflects the impacts of various government schemes including Janani Suraksha Yojana.
- However, the maternal care has not seen much improvement. For instance, the proportion of pregnant women who had at least three antenatal checkups was not much higher than in 2005-06. Similarly, the proportion who consumed Iron and Folic Acid tablets for at least 90 days was very low.
- In some States, many women deliver in health centers for the sake of cash incentives, with very limited real benefits in terms of natal or postnatal care.
- The proportion of children with a vaccination has seen substantial progress which is an achievement after an alarming phase of near stagnation in routine immunization.
- The improvement in immunization can be attributed to works by Accredited Social Health Activists (ASHAs), who are now actively involved in immunisation programmes along with Anganwadi workers and Auxiliary Nurse Midwives (ANMs).
- The proportion of undernourished children declined substantially as compared to the preceding period, when child undernutrition was declining at a glacial pace. Yet, much faster progress is required if India is to overcome this colossal problem in a reasonable period of time.
- There are worrying signs of stagnation in some important fields such as
 - Access to safe drinking water - close to 10 per cent of households are still deprived of it
 - Slow progress of sanitation - At present rate, it will take at least another 40 years for India to eliminate open defecation.

INDIA AND MDG

WHAT IS MDG?

- India has made remarkable progress in achieving the MDG health-related targets. The country has been able to substantially reduce its under-five mortality rate from 126 deaths per 1,000 live births in 1990 to 53 deaths per 1,000 live births in 2013.
- Many initiatives, such as the Call to Action, India's Newborn Action Plan and the Integrated Action Plan for Pneumonia and Diarrhoea, have paid tremendous health dividends.
- But there is still a long way to go.
- Of the nearly six million children under the age of five who die from preventable causes every year around the world, 21 per cent are from India. Many of these children die because of malnutrition and infectious diseases.

WHAT WE NEED TO DO?

- Adopt comprehensive and integrated approach to child health, one that focuses on nutrition, safe water, improved sanitation, micronutrient supplements and vaccination against preventable pneumonia and diarrhoea.
- India will have to focus on its most vulnerable children — children who are poor, live in rural areas or face discrimination because of ethnicity, caste, gender or disability.

- The multilateral institutions such as GAVI, a global vaccine alliance, the World Health Organization and UNICEF should complement the government's efforts by providing vaccine supplies in under-served areas, and strengthening health systems, planning, monitoring, research and logistics.
- The Indian government must seek solutions to barriers that prevent children from receiving vaccinations.

VACCINE BARRIERS:

- These barriers include
 - Gender disparities
 - Procurement and delivery challenges
 - Too few front line health workers and
 - Lack of information or misinformation on the benefits of immunization.

RESERVATION IN INDIA

WHY IN NEWS?

The Gujarat witnessed statewide mobilization of Patel community demanding quota for themselves and reforms in reservation policy of India.

CONSTITUTIONAL PROVISIONS

- **Article 15(3)** - State can make special provision for women and children
- **Article 15(4)** - State can make special provision for the advancement of any socially and educationally backward classes of citizens or for the Scheduled Castes and the Scheduled Tribes
- **Article 16(4)** - State can make provision for the reservation of appointments or posts in favour of any backward class of citizens
- **Article 46** - To promote the educational and economic interests of SCs, STs, and other weaker sections of society

IMPORTANT SUPREME COURT JUDGMENTS

- **Mandal Case:** Under this, Supreme Court restricted total reserved quota up to 50 percent and excluded advanced section in other backward castes from benefits of reservation
- **Justice O. Chinnappa Reddy in his 1985 judgment:** efficiency cannot be used as a camouflage to let the upper classes take advantage of the backward classes in its name and to monopolise the services, particularly the higher posts and the professional institutions".
- **Jat Reservation:** The Supreme Court ruled that "caste" and "historical injustice" cannot blind a state in according backward status to a community and that new emerging groups such as transgenders must be identified for quota benefits.

NEED OF RESERVATION IN INDIA

- Social empowerment of disadvantaged section of society
- Reduce discrimination by providing educational and employment opportunities

ISSUES WITH RESERVATION POLICY OF INDIA

- **Stagnant:** The reservation policy which was initiated as a temporary provision (for 10 years) for Scheduled Castes(SC) and Scheduled Tribes (ST) in our Constitution in 1950, has expanded its coverage and has now become an almost a permanent feature.
- The existing reservation policy has **failed to assimilate lowest castes/tribes** within the mainstream economy and society.
- **Political Mobilization:** Over the years, political parties has utilized caste-based reservation as vote bank politics for their electoral gain
- **Inter-caste conflicts and tensions:** The tool of reservation has failed miserably in removing caste differences and has promoted the caste divide and caste conflicts.
- **Dissatisfaction:** the communities excluded from reservations harbor animosity and prejudice against the castes included in the reservation category.
- **Class within Castes:** The creamy layer of reserved category has benefited most leaving mostly on the fringes devoid of any benefits and poor.
- The poor among general categories are resentful and frustrated, and tend to blame reservations for all their problems.

REFORMS REQUIRED

- **Better Identification:** New yardsticks need to be developed for the identification of backward group instead of solely deciding on the basis of caste. It should include social and economic criteria.
- **Dis-reservation:** Families of public officials of a certain rank – IAS, IPS, other Central and State civil services, present or former MLAs, MPs, other senior politicians – certain high income professionals like physicians, chartered accountants, managers above a certain rank in the private sector, and businessmen and others above a certain income should be dis-reserved.
- **Self-proclaimed backwardness:** The perception of a self-proclaimed socially backward class of citizens cannot be a constitutionally permissible yardstick for determination of backwardness.
- **Support to poor:** No child with ability and desire should ever be denied opportunities for higher education on account of poverty or birth. Scholarships, free tuition, soft loans and other mechanisms must be strengthened.
- **Develop Capabilities:** Apart from providing admission to colleges and jobs, capabilities of the deprived and excluded section should also be developed.
- **Assimilation:** The benefits should flow to the vast majority of underprivileged children from deprived castes; not restricted to few elites.

SHOULD WE MOVE AWAY FROM CASTE-BASED RESERVATION?

- Caste-based reservation has not been completely successful in bringing up the weakest member of the group.
- It prevents us from transcending caste and causes resentment against the beneficiary group, and existing prejudices and stereotypes against the group are reinforced.

EVALUATE EVIDENCE-BASED APPROACH FOR AFFIRMATIVE ACTION

Under Evidence based approach, the policy framework is explicitly linked to **empirical information** relating to disadvantage. It requires collection, maintenance and analysis of data of all citizens. It may include social as well as economic indicators. Its merits and demerits are:

- **Better Identification:** The individuals genuinely in need of support or preference can be identified cutting across the caste boundaries.

- The major advantage of such an approach is that it highlights the **fundamental reasons why affirmative action is being undertaken** – namely, various sorts of social and economic disadvantage.
- **Reduces caste-based politics:** It helps to **de-essentialise identity markers** like caste or religion.
- **Reduce inter-caste conflicts:** It provides a rational explanation why specific castes or communities are entitled to compensatory discrimination.
- **Assimilation:** It might also help target the benefits better by prioritizing the weakest members of a weak group.
- **Disadvantage:** The only downside is that such approaches become data dependent, and are vulnerable to the failings of the data sources, and to the fallacy of data.

WAY FORWARD

India has changed a lot since the reservation policy was introduced. The deficiency of data and technology has made then government to adopt simple approach of caste-based reservation. However, with the availability of sufficient data through census and real time updation technologies using Aadhaar number, evidence based approach could be utilized. It will help in better targeting and thus providing benefits to real beneficiary.

COUNTRIES WITH GENDER PARITY ARE AT ECONOMIC ADVANTAGE

The World Bank's latest 'Women, Business and the Law ' report shows that countries whose laws discriminate against women and do not promote gender equality suffer economically.

- **Income Loss to economy:** The gender gaps in women's entrepreneurship and labor force participation account for income losses in country. These are losses that many countries can't afford, particularly those facing high levels of poverty. The estimated income losses for South Asia is 19 percent whereas it is 10 percent in Europe.
- **Women Empowerment:** When women are allowed to work in a profession of their choice, when they have access to financial services and when they are protected, by law, from domestic violence, they are not only economically empowered, they also live longer.
- **Benefits to private firms:** In private firms where women had greater representation on boards, those organisations were less likely to be hit by scandals like bribery or fraud.
- **Poverty and gender inequality:** The link between the fight against poverty and gender equality is strong, which is why we work with many countries to tackle gender-based barriers.

In India, inheritance law reform has provided greater economic freedom to women. Women used their increased savings to spend more money on their daughters' education.

3. INTERNAL SECURITY

GUJARAT CONTROL OF TERRORISM AND ORGANIZED CRIME BILL (GCTOC)

The Gujarat Control of Terrorism and Organized Crime (GCTOC) Bill was passed by the Gujarat Legislative Assembly on March 31, 2015. The earlier three versions have been rejected by the President of India in 2004, 2008 and 2009 respectively. The Bill will now be sent for presidential assent.

- Earlier presidential assent was denied mainly because of two provisions in the Bill - **admissibility of confession before police as evidence and police empowerment to carry out phone surveillance**.
- Union Government has diluted the provisions regarding phone surveillance. Now the Union home secretary is final authority on phone-tapping requests while bill proposed that state home secretary should be final authority.
- The other sticking point in the Bill - admissibility of evidence collected through confessions made before an SP rank investigating officer, in a court of law - has been accepted by the Centre as such provisions also exist in the Maharashtra Control of Organized Crime Act (MCOCA) of 1999.

EAVESDROPPING NIXED

The Centre has cleared the controversial Gujarat Terror Bill, 2015, but with certain changes

CONTENTIOUS CLAUSE: Gujarat had sought absolute powers to tap phones which the Centre opposed

DRACONIAN BILL: The Bill, introduced in 2003, had provisions like increasing the period to file a charge sheet from 90 to 180 days



STICKING POINT: The Bill was first rejected by late President A.P.J. Abdul Kalam; he wanted the clause on "interception of communication removed"

CRITICISMS

- Critics say that GCTOC is similar to draconian anti-terror laws such as the TADA and the POTA. Both were considered failed experiments because they led to gross abuse and promoted police tyranny.
- The provision about confessions made to law enforcement by an accused can be grossly abused, as confessions can be extracted by the police under torture.
- It allows the custody of an accused for 180 days rather than the 90 days provided under normal law.
- May lead to abuse of the law in order to settle political scores especially using ruling party-driven law enforcement.
- Authorization of interception of telephonic conversations and their admissibility in evidence. This will promote snooping and can be misused.
- This makes the government immune from any legal action for "anything which is in good faith done or intended to be done in pursuance of this Act." There is anxiety that the Executive will exploit this section and become less accountable to the law for its commissions and omissions.
- The most troubling aspect of MCOCA has been the way that It has been used as a charge in all manner of cases ranging from real estate deals, prostitution and match-fixing, as the police seek to stack the odds in their favour in order to secure a conviction.
- The above practice has repeatedly met with censure from the courts and there is no guarantee that GCTOC won't go down the same path.

Difference between MCOCA and GCTOC

Both have almost similar provisions. The only difference is about bail. The MCOCA allows for the court to grant bail while the GCTOC seems to be inspired from the now repealed Prevention of Terrorism Act (POTA).

CAUSES/NEED OF SUCH ACTS

- The common thread running through all these controversial pieces of legislation is the notion that regular process, as outlined by the Code of Criminal Procedure, is not enough to deal with a changed internal security situation.
- Being situated on the border with Pakistan, Gujarat has every reason to protect itself as well as it can, and the new piece of legislation fits into the scheme of things in the State.
- Organized criminal syndicates make common cause with terrorist gangs and foster macro terrorism, which extends beyond national boundaries. There is a reason to believe that organized criminal syndicates are operating in the state and there is immediate need to curb their activities.

SUGGESTIONS

- To make a claim or take the position that an anti-terror law such as the one Gujarat is now steering will eliminate terror would be dishonest and hypocritical. At the same time, to portray GCTOC as being a tool to serve the ruling dispensation's political ends would also be unfair.
- The long term solution could be to focus on better resources and training for investigators who can continue to work under the existing Code of Criminal Procedure, which is already comprehensive in scope.

Questions:

What, in your opinion, are the causes of terrorism? Suggest suitable measures to deal with the threat of terrorism in India. **UPSC Paper I 2008**

NATIONAL CENTER OF EXCELLENCE IN TECHNOLOGY FOR INTERNAL SECURITY (NCETIS)

Need: Presently India do not have a center with long term and focused approach to develop technologies to meet internal security challenges for Police and Paramilitary forces. The NCETIS will act as national nodal facility, to cater to the requirements of homeland/internal security technology requirements and technologies for disaster management.

FUNCTIONS

- The NCETIS is expected to work in the electronic technology areas, of homeland/internal security, specifically for Police and Paramilitary forces and disaster management, covering the broad areas such as:
 - Communication Systems
 - Video Surveillance and Analysis
 - Ground Penetration Radar (GPR) for Landmine detection
 - Unmanned Vehicles
 - Cyber and Data Security
 - Biometric Applications
 - Handheld Detectors for Explosives, Landmines, Chemical and Biological Warfare
 - Thermal Imaging
- It will focus on handling modern warfare techniques, enhancing intelligence services and improving internal security, in the face of rising terror threats.

- It is working on detectors for land mines, cyber security, cryptology, video surveillance, image processing, monitoring of unmanned vehicles and biometric security.
- It will discuss security gaps with various agencies - such as Mumbai police, CRPF, CISF - and conduct research to provide the required technology.

REGULATION OF EXPLOSIVES IN INDIA

REGULATING ACTS/RULES

- Explosives Act, 1884
- Inflammable Substances Act, 1952
- Explosives Rules, 2008

ISSUES RELATED TO REGULATION

- The sale and transport of explosive materials is regulated by the Petroleum and Explosives Safety Organization (PESO), under the Union Commerce and Industry Ministry.
- This centralized regulation raises question about the ability of a Central agency to monitor all explosive substances everywhere in the country.
- The agency is still to computerize its operation which is very crucial for efficient regulation
- A system is yet to be worked out for a real-time tracing and tracking programme enabling police and district collector to monitor sale and purchase of explosive in their area.

Why in News?

Recently, illegally stored gelatin sticks exploded in Madhya Pradesh, claiming about hundreds of lives and raising questions about regulation of the sale, purchase and subsequent monitoring of explosive materials across the country.

What is Gelatin Sticks?

It is a blasting material invented by Alfred Nobel (who also invented Dynamite). It cannot explode without detonator and thus, it can be stored safely.

WAY FORWARD

There is need of decentralized process of regulation by allowing States to make their own laws to regulate explosives. Also, there should be an Explosives Control Bureau, like the Narcotics Control Bureau for effective monitoring and enforcement of laws.

COLOMBO PLAN DRUG ADVISORY PROGRAMME

- DAP is the only regional intergovernmental programme exclusively aimed at capacity building for drug demand reduction in the Asia and Pacific Region.
- During the last three decades the DAP has assisted member counties in initiating the process of policy evolution, in finding appropriate solutions on a bilateral and/or multi-lateral basis and in encouraging national efforts among member countries towards drug demand reduction.
- Since its inception, DAP has focused on responding to the changing needs of member countries that face multi-faceted problems in regards to illicit drug production, trafficking and abuse. DAP has embarked on several innovative strategies in six arms.
- CPDAP Networks:
 - Prevention
 - Youth Treatment and Rehabilitation
 - Special Services for Children

- Supply Reduction and Law Enforcement
- Curriculum Development and Credentialing
- The services in these networks are also extended to non-member countries, keeping up with the Colombo Plan mandate of self-help and mutual-help in development.

SOUTH ASIAN SUB-REGIONAL DRUG FOCAL POINT MEETING

- The Narcotics Control Bureau is organizing the Sub-Regional Drug Focal Point Meeting and Drug Demand Reduction (DDR) Expert Group Consultation, South Asia under the Colombo Plan Drug Advisory Programme (CPDAP).
- It will have participation of delegates from various participating countries namely Afghanistan, Bangladesh, Bhutan, India, Iran, Maldives, Nepal, Sri Lanka and observer countries namely USA and Myanmar.
- The main objective of the meeting is to review the progress of the Drug Demand and Supply Reduction activities in the region.
- This conference will facilitate exchange of views on technical aspects of the drug cooperation programme and it aims at achieving effectiveness and efficiency.
- It will also address the needs of the member states and help formulate a uniform strategic plan to address drug use and abuse related problems.

GOVERNMENT - INTERNET COMPANIES COOPERATION TO MANAGE SECURITY CRISES

- The effective cooperation between Government and Internet companies could help government in controlling situations of security crisis like communal riots.
- In the absence of cooperation government has to take excessive measures like shutting off mobile data services. It was recently witnessed in Gujarat, J&K and Manipur to maintain law and order situation.
- By these actions, lives of ordinary users and businesses are affected.
- But the main challenge is that Data-mining giants based outside the country — Google, Twitter, Facebook and WhatsApp — do not always cooperate with law enforcement authorities during a security crisis.
- So there is a need that foreign Internet companies cooperate with governments during security crises. The cooperation is in public interests. Without a sustained dialogue between both parties, the government will continue to deploy ham-handed measures (as in Gujarat) to meet its ends.

4. SCIENCE & TECHNOLOGY

SPACE

ASTROSAT

Astrosat is India's first dedicated astronomy observatory to study distant celestial object. ASTROSAT is seen as a smaller version of NASA's Hubble Space Telescope. The Space Observatory will be able to detect objects in multiple wavelengths such as X-rays and UV, but with far lower precision than Hubble.

LAUNCH VEHICLE

- It was launched by PSLV-C30 along with six tiny satellites from foreign countries including US.
- This is the first time that an Indian rocket launched satellites from the US.
- 30th consecutive successful launch of PSLV.

Till now, Indian scientists had to rely on the telescopes and platforms operated by NASA and the European Space Agency to study radiation bands that carry information about neutron stars, newly born or exploding stars and the spiraling hot gases around black holes. Now, Astrosat's telescope can help them in their study and search for answers

Features of ASTROSAT:

- **Uniqueness:** With the help of its six payloads, it enables simultaneous multi-wavelength observations of various astronomical objects with a single satellite.
- **Payloads:** 4 X-ray payloads, 1 UV telescope and charge particle monitor
- 178 cr, 1513 Kg satellite will be placed in 650 kms near equatorial orbit.
- Projected life term: - 5-years.
- Joint collaboration between ISRO, TIFR, BAARC, Indian Institute of Astrophysics, Bengaluru and the Inter - University Centre for Astronomy and Astrophysics, (IUCCA), Pune.

MAIN SCIENTIFIC FOCUS ON

- Understand high energy processes in binary star systems containing neutron stars and black holes.
- Estimate magnetic fields of neutron stars.
- Study star birth regions and high energy processes in star systems lying beyond our galaxy.
- Detect new briefly bright X-ray sources in the sky.
- Perform a limited deep field survey of the Universe in the ultraviolet region.

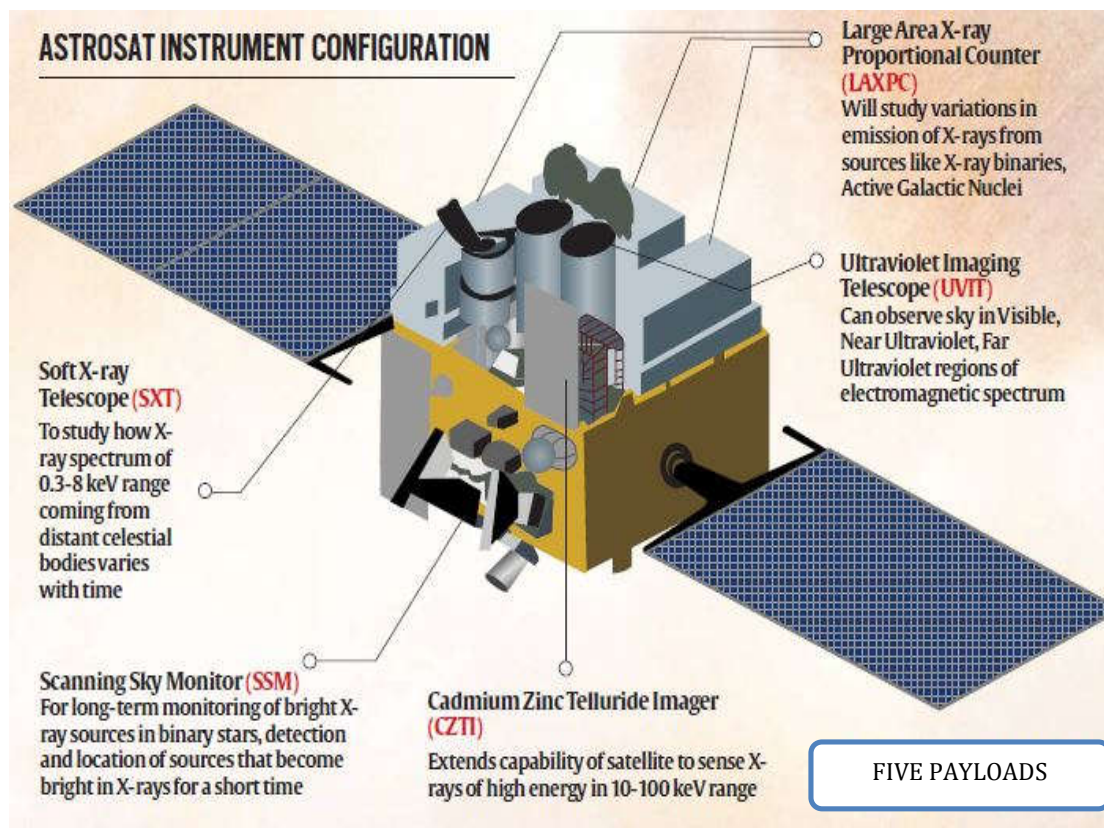
Features of Europa

- Jupiter's icy satellite
- The most likely candidate for hosting life in our solar system after the Blue Marble.
- According to past research this icy world has a huge sub-surface ocean that is twice as deep as the deepest spot in Earth's oceans.

SIGNIFICANCE

- An open observatory (after one year) with proposal driven research approach.
- Will provide useful data and big boost for the country's astronomy community.
- It will put India in an elite orbit with the U.S., Europe, Russia and Japan.

COMPONENTS OF ASTROSAT



LAPAN A2/ORARI

An Indonesian satellite launched by India, along with ASTROSAT onboard PSLV C30.

Functions and Features

- Multi-Spectral remote sensing satellite
- To monitor land-use, natural resource and in disaster mitigation, ship movements, sea resources and fishing explorations.
- Successor to LAPAN A1 (also launched by India in 2007)

NASA'S SERVIR-MEKONG PROJECT

Launched by National Aeronautics and Space Administration (NASA) and the US Agency for International Development (USAID)

Countries that will be benefitted: Cambodia, Laos, Myanmar, Thailand and Vietnam

FUNCTIONS AND SIGNIFICANCE

- It will provide timely weather, climate and other Earth related data.
- It will enable to better address issues of natural resource and disaster management.
- It will strengthen regional environmental monitoring.

- The partnership chiefly is intended to support climate resilience studies, providing early warning of dramatic changes in regional water, food security, weather and climate, and land cover and land use of the entire Mekong River Basin.

ISRO CONFERRED GANDHI PEACE PRIZE 2014

WHY ISRO CHOSEN:

The ISRO has upheld its mission of bringing space to the service of the common man and in the service of the nation.

ISRO through space technology has immensely helped in:

- Improving the mapping of agricultural land and water-shed areas.
- Providing advisories to fishing communities.
- Creating data base of heritage sites.
- Improving disaster management support.
- Policy planning, monitoring and Implementation by gathering relevant data from remote sensing satellites.
- Communication and connectivity.

Who gets this prize?

This is an annual award given to individuals and institutions for their contributions towards social, economic and political transformation through non-violence and other Gandhian methods.

It is open to all persons regardless of nationality, race, creed or sex.

These contributions have led to social, economic and political transformation through non-violence.

EUROPA CLIPPER MISSION

- Nasa is planning to send a lander on the Europa to find signs of life.
- The probe will find Europa's composition, the nature of its sub-surface ocean, as well as its ability to host life.
- The European Space Agency's Jupiter Icy Moon Explorer (JUICE) is a mission to Europa that is due to launch in 2022.

MISSION ON MARS (MANGALYAAN) – A TECHNOLOGY DEMONSTRATOR MISSION

- Marking India's first venture into the interplanetary space, MOM is aimed to explore and observe Mars surface features, morphology, mineralogy and the Martian atmosphere. Further, a specific search for methane in the Martian atmosphere will provide information about the possibility or the past existence of life on the planet.

FEATURES

- It is launched by using a Polar Satellite Launch Vehicle (PSLV) rocket C25.
- It costs 450 crore, weighed 1350 kg, travelled for 300 days covered 65 crore km @ 7Rs/km
- It Carried 5 instruments
 - Lyman-Alpha Photometer (LAP),
 - Methane Sensor for Mars (MSM)),

- Particle environment studies (Mars Exospheric Neutral Composition Analyser (MENCA)),
- Surface imaging studies (Thermal Infrared Imaging Spectrometer (TIS),
- Mars Colour Camera (MCC)

KEY FINDINGS

The data filtering in from the payloads is yet to be fully analyzed and published by scientist involved. Initial outcomes include:

- Water on Mars
- Increasing possibility of life on Mars.
- High quality images published in Mars Atlas.

SIGNIFICANCE OF THE MISSION

- **Cost effectiveness:** Technological benefits: The technology used in this mission has potential application in weather forecast, computer tech, health-medicine etc. in future
- **Success in first attempt:**
- **Economic Benefits:** As ISRO establishes reputation, gets more contracts from foreign countries and more foreign exchange.
- **Effects on foreign policy:** It can be used as a tool to exercise soft power by sending space missions of third world countries and SAARC countries.
- China and India recently signed an agreement on “peaceful uses of outer space.” So, many countries are now wanting to partner in ISRO’s success.
- Above all, such an achievement works as an inspiration and catalyst for innovation in the country and bringing more youth into the field of science.

Why in news:

Completed one year successfully on 24 September.

CRITICISMS

- Wastage of resources, given the socio economic condition of the country.
- Highly elliptical Orbit: Not ideal for clear observation of a planet.
- “Me too” mission: Due to limited payload capability of the PSLV, the mission lacked significantly science mission than one already performed by other Mars probe.

Should money be spent on such ventures?

- Humans are driven to explore the unknown, discover new worlds, push the boundaries of our scientific and technical limits, and then push further. The intangible desire to explore and challenge the boundaries of what we know and where we have been has provided benefits to our society for centuries.

PM'S ADDRESS AT SPECIAL SESSION OF NATIONAL MEET ON PROMOTING SPACE TECHNOLOGY BASED TOOLS AND APPLICATIONS IN GOVERNANCE AND DEVELOPMENT

According to PM possible applications of space technology for the benefit of the common man

- Location of fish catches (places where fish are in abundance) for fishermen
- Irrigation infrastructure for Pradhan Mantri Krishi Sinchai Yojana
- Tracking of illegal mining
- Wild life monitoring and conservation
- To prevent encroachment on highways
- Disaster management

DEFENCE

FLOATING TEST RANGE FOR BALLISTIC MISSILE DEFENCE SYSTEM-BMD PHASE 2

- India is building a unique floating testing range — a huge ship with a designated displacement equivalent to 10,000 tonnes. It will overcome the limitations imposed by the land mass for carrying out missile tests of varying ranges for the two-tier ballistic missile defence (BMD) system.

BUILDING A SHIELD

Missile tests will be carried out from a ship in order to overcome limits of land-based ranges



The missile launch pad at Wheeler Island, off the Odisha coast. — FILE PHOTO

MAIN OBJECTIVE
To carry out missile tests for the two-tiered Ballistic Missile Defence (BMD) system that seeks to protect important cities from external threats

WHAT WILL THE BMD DO?
➔ It seeks to engage and destroy incoming **enemy missiles at different altitudes** in the endo-atmosphere and exo-atmosphere
➔ The first phase envisages annihilating incoming missiles with a range of 2,000 km, while the second phase aims to destroy missiles having a range of more than 2,000 km

LIMITATIONS OF LAND SYSTEMS
➔ At the Wheeler Island range, affected villages **need to be evacuated** every time a trial takes place
➔ Missile range has to be confined to **less than 300 km**

CURRENT STATUS
The construction has just started. It may take **three to four years** for the ship to be ready to conduct the first trial

- The state-of-the-art range would have many facilities such as a launch-pad, a launch control centre and a mission control pad would be ideal.

BMD

- The system seeks to engage and destroy incoming enemy missiles at different altitudes in the
 - Endo atmosphere – (less than 30 Km) – Advanced Air Defence (AAD)/Ashwin Ballistic Missile Interceptor and
 - Exo-atmospheres. (50 - 80 Km) – Prithvi Air Defence (PAD)/ Pradyumna

- **Phase I** - Development of interceptors to destroy incoming missiles with a range of 2,000 km.
- **Phase II** - Aims to build such weapons to destroy missiles with a longer range.
- India has so far conducted 10 interceptor missile tests, eight of them successful. Most of the trials were conducted in the endo-atmosphere, and a few in the exo-atmosphere.
- The first phase of the system is expected to be deployed after some more interceptor trials in deployable configuration.

AMOGHA-I MISSILE

FEATURES

- Indigenously developed
- Second generation anti-tank guided missile.
- 2.8 km range
- Developed by Bharat Heavy Dynamics Limited (BDL)
- Other anti-tank missile: Nag

Why in news:

Amogha-1 was successfully test-fired.

KARWAR - WORLD'S LARGEST NAVAL BASE EAST OF THE SUEZ CANAL

- Together with **INS Vajrakosh** and INS Kadamba (another station 20 km away), the naval base at Karwar is spread out over 1000 acres making it - **the world's largest naval base east of the Suez Canal**.
- It will base two aircraft carriers, 40 submarines, naval air base amongst other armaments.
- Repair Centre - 6,500 ton ship lift capacity to move all our major warships - except the aircraft carriers - to the dry docks for repairs.

INS Vajrakosh is an Indian Navy station located near Karwar in Karnataka, is commissioned recently.

- **INS Vajrakosh** will be the biggest missiles, ammunition and spares dump on the Western Sea Board. It will be a station that will equip all warships and airplanes.

Project Seabird -1985

- A 25000 cr project to build a naval base at Karwar which is to be commissioned progressively from 2005 onwards.
- Phase I – INS Kadamba naval station
- Phase II- INS Vajrakosh naval station.

WHY KARWAR WAS CHOSEN

- The Bombay and Cochin Harbours - the two major Naval stations in the Western Sea Board - are over-crowded with commercial traffic.
- Conceived to be out of range of Pakistan's Airforce. (Not the case now)
- From Karwar, deployment can be done simultaneously in a very short time.

INTEGRATED AIR COMMAND AND CONTROL SYSTEM (IACCS)

Why in news: The government has cleared the proposal for a nearly Rs 8,000-crore project for IAF's Integrated Air Command and Control System (IACCS).

Features

- IACCS is an automated command and control system for Air Defence (AD) planned by the Indian Air Force.

Features of Apache attack choppers

- Most advanced multi-role combat helicopters.
- All-weather and night fighting features.
- Stealth characteristics and advanced sensors.

- It will detect and tackle enemy and terror aerial threats in real-time by putting in place a composite and enhanced surveillance capability.
- With the help of this the air headquarters will get a composite air situation picture since it will be integrating Air Force, Army, Naval and civilian radars.
- It enables the surveillance of national airspace for airspace safety and Air traffic operations.
- It helps in real time transportation of data, voice and images among stations and aircrafts.

Why in news:

India will introduce injectable or inactivated polio vaccine (IPV) in its universal immunisation programme (UIP) in a phased manner from November.

DEFENCE PROCUREMENT

- 10 Heron TP (missile-armed drones from Israel)
- Government approves \$400-million plan to procure armed Heron TP drones from Israel
- It is capable of reconnaissance, combat and support roles.
- It can be used to large terrorist camps or individual targets in hostile territory.
- It will enhance India's cross-border military strike capability

MULTI-BILLION DOLLAR DEFENSE DEAL WITH BOEING

- The Cabinet Committee on Security (CCS) cleared a multi-billion dollar deal with American aviation giant Boeing.
- Items in the deal: 22 Apache attack helicopters and 15 Chinook heavy-lift choppers.
- The deal for Apache is "a hybrid one", with one contract to be signed with Boeing for the helicopter and the other with the US government for its weapons, radars and electronic warfare suites.
- Earlier deals with USA in last decade includes aircraft like P-8I maritime surveillance planes, C-130J 'Super Hercules' and C-17 Globemaster-III in the transport category.

INDIA'S JOINT MILITARY EXERCISES

S. No.	Name	Nations with	Wing	Number
1	MITRA SHAKTI 2015	Sri Lanka	Army	3rd
2	KONKAN 2015	UK	Navy	10th
3	AUSINDEX 15	Australia	Navy	1st
4	KUVERIN 2015	Maldives	Joint Training exercise	6th

Military exercises are generally aimed at:

- Share the best military practices
- Promoting healthy military to military relations by sharing expertise of conducting operations.
- Enhancing confidence, trust and mutual respect between the two militaries
- Enhance future joint operations and interoperability.

Note: Every year the exercises are focused on a particular aspect of warfare, for example AUSINDEX'15 is aimed at anti-submarine warfare. However, it is not very relevant from exam point of view to remember these in detail.

HEALTH AND BIOTECH

INJECTABLE POLIO VACCINE (IPV)

Difference between Oral Polio Vaccine (OPV) and IPV:

OPV is made up of attenuated or weakened poliovirus and there is a risk of vaccine derived polio. IPV is made up of inactivated (killed) polio virus and will provide immunity from all three strains of polio.

Advantages

- As IPV is not a 'live' vaccine, it carries no risk of vaccine-associated polio paralysis.
- IPV triggers an excellent protective immune response in most people.

DISADVANTAGES

- IPV induces very low levels of immunity in the intestine. As a result, when a person immunized with IPV is infected with wild poliovirus, the virus can still multiply inside the intestines and be shed in the faeces, risking continued circulation.
- IPV is over five times more expensive than oral polio vaccine.
- Administering the vaccine requires trained health workers and sterile injection equipment and procedures.

INDIAN SCENARIO

India eliminated wild polio virus infection in January last year, but there are still cases of drug induced polio that needs to be tackled. Further, the risk of importation and continued cycle still persists. The Global Polio Eradication Initiative (GPEI), which coordinates the global fight against polio, wants to stop all use of Trivalent OPV.

From April, 2016 the trivalent polio vaccine that is currently administered will be replaced by the bivalent variety. It will reduce incidence of vaccine-derived polio virus.

- Suggestions to enhance immunization: Drawing up comprehensive micro-plans for routine immunization.
- Intensively training frontline health workers who will carry out vaccinations.
- Putting in place monitoring systems so that corrective measures can be taken when needed.

WORLD'S FIRST MENINGITIS B VACCINATION

Why in News: Britain on became the first country to implement a vaccination programme for all newborn babies against meningitis B, which is fatal in one in 10 cases.

SPREAD

According to the World Health Organization (WHO). Bacterial Meningitis accounts for 170,000 deaths globally every year.

Average 333,000 cases/year in developing countries.

Cause: Commonly caused by bacteria *Neisseria meningitidis*, also called meningococcus. Though it is also caused by virus.

Transmission: Through saliva and occasionally through close, prolonged general contact with an infected person.

Symptoms: General poor feeling, sudden high fever, Severe persistent headache. In severe cases it can cause death or serious complications, such as brain damage, paralysis, gangrene, or deafness.

BRUCELLA

- It is a bacteria
- It is potential bioweapon of low intensity
- It is a causal agent for Malta fever.
- Recently in the Gulf of Mexico, dolphins were found to be infected with these bacteria.

MTDNA

1. Mitochondrial DNA (mtDNA) is the DNA located in organelles called mitochondria. Most other DNA present in eukaryotic organisms is found in the cell nucleus.
2. In humans, mitochondrial DNA (having 16569 base pairs) is solely inherited from mother.
3. Scientists in the Anthropological Survey of India (AnSI) have been studying mitochondrial DNA of various tribal communities in India under National Project "DNA Polymorphism of the Contemporary Indian Populations Phylogeny Studies" to construct the maternal phylogeny and prehistoric population movements of human beings in the Indian sub-continent.

IT

MOOC

What are MOOCs (Massive open online courses)

- A massive open online course is an online course aimed at unlimited participation and open access via the web.

Indian govt. steps regarding MOOCs

- Govt. (HRD ministry) launched the Study Webs of Active-Learning for Young Aspiring Minds (**SWAYAM**), a Web portal where Massive Open On-line Courses (MOOCs) will be available on all kinds of subjects.

NEED OF MOOCS

- Poor learning standards among students
- A report by an online talent assessment company asserts that only 10 per cent of MBA graduated and 17 per cent of engineering graduates in India are employable.
- Poor accessibility: There is lack of quality education at basic levels and accessibility at later levels are the driving forces behind the ill statistics.

India has achieved near universal enrolment at elementary level and enhanced hard and soft infrastructure, the challenge lies in providing access to secondary and higher education to make the youth employable.

OPPORTUNITIES:

Growth of information technology, increased internet user base, greater smart phone penetration and policies of government such as digital India, National optical fibre network provides immense opportunities to provide education and skill development via online platforms.

IMPACTS/SIGNIFICANCE

- Will help in skill development
- People who do not have chance to receive traditional college degrees from top institutions can now earn certificates from MOOCs offered by the world's top institutions.
- Affordable form of education to get a job or improve in the job they have
- It has the potential to unlock a billion more brains to solve the world's biggest problems.
- By providing free online courses on demand, MOOCs enable learners to learn from anywhere irrespective of their situation as long as they have internet access.

CRITICISMS

- Digital literacy is necessary to make use of the online materials as India lags behind in digital literacy.
- Relying on user-generated content can create a chaotic learning environment.
- The time and effort required from participants may exceed what students are willing to commit to a free online course.

PM'S VISIT TO SILICON VALLEY- IMPORTANT TECHNOLOGY RELATED OUTCOMES

- Google to help India set up base for free Wi-Fi at 500 railway stations
- Microsoft to take low-cost broadband tech to 5 lakh villages
- Microsoft to set up cloud computing systems
- Qualcomm to invest \$150 million in India
- Qualcomm innovation lab to be set up in Bengaluru

IMPORTANT ANNOUNCEMENTS BY PM

ON ENHANCING REACH OF INTERNET

- PM announced plans to create more public Wi-Fi spots including at 500 railway stations across India and an aggressive expansion of the National Optical Fibre Network to take broadband to 600,000 villages.
- To connect all schools and colleges with broadband. Building I-ways are as important as highways.

ON GOVERNANCE

- Govt. wants to free citizens from the burden of excessive paper documents in every office.
- Setting up of Ebiz portal has made approvals for businesses and citizens easy and efficient, technology is being used to impart scale and speed to development.
- Technology must be accessible, affordable and value adding.

- To make governance more accountable and transparent while assuring data privacy and security.
- A nation of one billion cell phones, M-Governance or mobile governance has the potential to make development a truly inclusive and comprehensive mass movement. It puts governance within everyone's reach.

FLASHER

What it is: A software which is used to change the IMEI number of the phone after connecting it to a computer.

The software provides the option of allotting one IMEI number to multiple phones, a technique that misguides police during investigation.

Operation mobile hunt

- A campaign of tracking the lost/ stolen mobile phones using all sort of technology started by Delhi police.
- In this operation, police ordered to persistently keep the stolen/lost/robbed mobile phones on tracking and as and when any mobile is traced out, activate the local police station teams to recover the same.
- Initially, while the retailers manage to change all other traces of a phone being stolen, they could never tamper with the IMEI.
- But now the technologies (Flasher software) of tempering with the IMEI have entered the grey market.

HYBRID VACUUM TOILETS

It is combination of vacuum toilets and bio-digester in which the discharge of the vacuum toilets is transferred into biodigester.

The biodigester tank is fitted underneath the coach and contains anaerobic bacteria that converts human fecal matter into water and small amount of gases before discharging the same on the ground/track.

This concept of hybrid vacuum toilet is developed by Indian railways.

Water uses: Appx. 500 ml of water for flushing while conventional toilets consumes 10-15 lt water/flush.

POWERWALL

- The Powerwall is a rechargeable lithium-ion battery product manufactured by Tesla Motors for home use.
- It charges home appliances using electricity generated from solar panels when sun goes down.
- Automated, compact and simple to install, Powerwall offers independence from the utility grid and the security of an emergency backup.
- The **Powerpack** is a bigger variant available for industrial consumers with a storage capacity of 100 kWh.

Prime Minister's visit to Tesla Motors was primarily due to India's interest in the company's solar Powerwall technology.

5. ENVIRONMENT

MEETING OF LIKE-MINDED DEVELOPING COUNTRIES (LMDC)

WHAT IS LMDC?

The Like Minded Group of Developing Countries (LMDC) is a group of developing countries who organize themselves as block negotiators in international organizations such as the United Nations and the World Trade Organization. LMDCs represent more than 50% of the world's population.

India for the first time, hosted the meeting of the Like-Minded Developing Countries (LMDC) on Climate Change.

THE OBJECTIVE OF THIS MEETING

- To prepare strategies and way forward for the negotiations in the run-up to Paris COP 21 Meet. and
- To exchange, coordinate and harmonize views on the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) in Bonn negotiating.

The meeting is significant, as it comes at a crucial juncture in the negotiations, given the limited time available before the CoP-21 in Paris.

KEY CONCERNS OF LMDC

- The Paris Agreement should not be **mitigation-centric** but must address in a **balanced** and comprehensive manner the six elements identified in the Durban mandate –
 - Mitigation – with differentiated responsibility.
 - Adaptation,
 - Finance
 - Capacity-building,
 - Technology development and transfer,
 - Transparency of action and support, as well as loss and damage in a balanced manner.
- There is a need for protecting the long-term interest of developing countries, based on the principles of **equity** and common but differentiated responsibilities and respective capabilities (**CBDR**)
- Concern regarding shifting the financial burden to developing countries.
- Disappointment at the “lack of text-based negotiations” in the last round of negotiations held in Bonn.
- The LMDC expressed strong reservation against any obligatory review mechanism for increasing individual efforts of developing countries.

Membership for the group is changeable.

Current Members

Algeria, Argentina, Bangladesh, Bolivia, China, Cuba, Ecuador, Egypt, El Salvador, India, Jordan, Iraq, Kuwait, Indonesia, Iran, Malaysia, Mali, Nicaragua, Pakistan, Saudi Arabia, Sri Lanka, Sudan, Syria, Venezuela and Vietnam.

NATIONAL GREEN HIGHWAY POLICY

AIM

- Developing a policy framework for the plantation of trees along highways
- Reducing the impact of air pollution and dust

- Providing shade on glaring hot roads during summer
- Reducing the impact of noise pollution and soil erosion
- Preventing the glare from the headlights of incoming vehicles
- Generating employment
- Planting trees along 6,000 km of highways in the first year.

Vision: The vision of the policy is to develop eco-friendly National Highways with the participation of the community, farmers, NGOs, private sector, institutions, government agencies and the Forest Department for economic growth and development in a sustainable manner.

Funding: A Green Highways Fund would be setup from contribution of 1% of the civil work of road project cost. NHAI would serve as fund manager.

The **National Highways Authority of India** was constituted by an act of Parliament, the National Highways Authority of India Act, 1988. It is responsible for the development, maintenance and management of National Highways entrusted to it and for matters connected or incidental thereto. The Authority was operationalized in February, 1995 with the appointment of full time Chairman and other Members. "

SPECIAL PROVISIONS MADE IN POLICY TO ENSURE EFFECTIVE IMPLEMENTATION

- The Policy envisages a strict system of auditing whereby money will be released by the government to the empaneled agencies only if they have achieved a survival rate of 90 per cent the previous year.
- There will be a strong monitoring mechanism in place by using ISRO's Bhuvan and GAGAN satellite systems. Every planted tree will be counted and auditing will be done.

Eco-Sensitive Zones by two reports:

- Western Ghats Ecology Expert Panel headed by Madhav Gadgil: **64%**.
- High Level Working Group headed by K Kasturirangan who reviewed the Gadgil report): **37%**.

SIGNIFICANCE

- This policy includes Plantation, Transplantation, and Beautification & Maintenance.
- Pollution reduction.
- Reducing the number of road accidents in India.
- Achieving forest cover target.

THE PUBLIC LIABILITY INSURANCE (PLI) ACT, 1991

PROVISIONS OF THE ACT

- The act mandates for a compulsory insurance policy for certain industries (handling specified chemical and inflammables). It is to hedge against any accidents and pay for any compensation to those affected people who are not the workers.
- The Act establishes an Environment Relief Fund (ERF), which is subscribed by all such user industries.
- All the State Pollution Control Boards (SPCBs)/Pollution Control Committees (PCCs) for UTs have been advised for including PLI insurance policy as one of the point in the check list before according or renewing NOC to an industry.

Why in news:

The Ministry of Environment, Forest and Climate Change has issued directions to Central Pollution Control Board (CPCB) to ensure better implementation of Public Liability Insurance (PLI) Act, 1991.

WESTERN GHATS

BACKGROUND

- Two government appointed committees in recent past have made recommendations on how to prevent irreversible damage to the area.
- Following these 2 reports, the government had identified 4,156 villages in six states as ecologically sensitive.
- The move faced resistance from the local populations and state governments, which saw a threat to livelihood and development projects.

The Environment Ministry has asked all the six states (Gujarat, Maharashtra, Goa, Karnataka, Kerala and Tamil Nadu) to physically verify the proposed demarcated areas and then submit specific objections.

- Only four states have done this so far.
- Features of notification
- The extent of ESZ and the other provisions stated in the earlier draft notification remain unchanged because proposals from the 2 State Governments of demarcation of Ecologically Sensitive Area by physical verification has not come yet.

ACCORDING TO GOVT. WITH DEMARCATION OF ESZ

- The lives of about 50 million people living in Western Ghats region will not be affected.
- Their agriculture and plantation will not be adversely impacted.
- Their normal businesses and their other activities will also not get adversely affected.

Why in news:

The government has issued a fresh draft notification to demarcate eco-sensitive zones in the Western Ghats.

Objective of ministry while demarcation the ESZ

- To conserve the biodiversity of the Western Ghats region while providing adequate opportunities for livelihood security of the local people.
- Positive promotion of environment-friendly and socially inclusive development.
- Need to conserve Western Ghats (WG)
- **WG is a global biodiversity hotspot**
- It is also the origin of Godavari, Krishna, Cauvery and a number of other rivers of Peninsular India, upon which much of the economy of the region is dependent.

NATIONAL OFFSHORE WIND ENERGY POLICY

BACKGROUND

Worldwide, wind energy is accepted as one of the most developed, cost-effective and proven renewable energy technologies to meet increasing electricity demands in a sustainable manner. India has achieved significant success in the onshore wind power development, with over 23 GW of wind energy capacity already installed and generating power. To help offshore windmill research, development and progress, government has come up with a National Offshore Wind Energy Policy.

FEATURES

- To promote electricity generation from offshore wind mills in the Exclusive Economic Zone (EEZ) of India.
- **Nodal Ministry:** Ministry of New & Renewable Energy (MNRE).
- **Nodal Agency:** National Institute of Wind Energy.

- The policy will provide a level playing field to all investors/beneficiaries, domestic and international. All the processes would be carried out in a transparent manner by NIWE.
- It would help us achieve the target of 60,000 mw of wind energy by 2022.
- **Unique Feature:** Large Power Plants with capacity upto 1000MW could be built and there would be no need for diversion of land.

DRAWBACKS

The cost would be higher and it is technically more challenging to construct and maintain.

ETHICAL CONCERNS REGARDING CLIMATE CHANGE

DISPROPORTIONATE PRODUCTION OF GHGS

- Most GHG emissions come from countries that have become wealthy as a result of industrial development.
- For example, roughly two-thirds of the emissions are from the United States, Europe, and Japan, which have about a seventh of the world's population and half its wealth.
- America, per capita emissions of about 18 metric tonnes/year
- Bangladesh, per capita emissions of about 1/2 metric tonnes/year
- The difference between emissions from profligate lifestyles and those associated with energy uses for subsistence living.
- Limited carbon budget: An upper bound to the amount of GHGs that can be pumped into the atmosphere while still maintaining a stable climate.

All these ethical issues will be considered in Paris at the Conference of Parties (COP-21).

DELAYED EFFECTS

- It will take several decades, if not a century or longer, for impacts from GHGs in the atmosphere to manifest themselves fully: warmer oceans, melting ice, and altered weather systems, which will in turn generate other ecological effects.
- Delayed effects thus points to an intergenerational asymmetry between the emissions and impacts, which raises a range of complex ethical concerns.

ASYMMETRICAL IMPACTS

- The poor, particularly those living in developing countries, will experience far worse consequences from climate change than the wealthy, especially those living in rich countries.
- There is growing evidence that the worst effects of climate change will fall disproportionately on those living in sub-Saharan Africa, small islands in the Pacific and Indian Oceans, and deltaic regions of South and Southeast Asia, Egypt and China.
- They typically do not have the resources to adapt to climate change by such protective measures as seawalls and embankments or by extensive insurance arrangements.
- Indeed, the most vulnerable people will be those who lead subsistence livelihoods in highly risk-prone areas.

FIRST EVER LEOPARD CENSUS IN INDIA

- The population of the leopards is extrapolated to be in the range of 12000-14000 as estimated by the Wildlife Survey of India's latest survey.
- Most of the leopard populations are contiguous, ensuring a healthy genetic exchange. So, leopards do not face the problems of isolated populations that plague Indian tigers.

Various Lacunae in counting methodology

- Actual counting of leopard stand at 1647 from camera traps photos. However, multiple photos exist and this data is extrapolated to a figure of 7910 for the states where census took place
- North East, some regions of other states were excluded from the survey.

YELLOW-THROATED BULBUL

Why in news: Laboratory for the Conservation of Endangered Species (LaCONES), a conservation arm of the Centre for Cellular and Molecular Biology (CCMB) will make efforts to conserve yellow throated bulbul

Features and other details

- Endemic to the southern part of India
- 'Vulnerable' status under the IUCN Red List
- It is not threatened by poaching or capturing, but by habitat destruction over decades, especially owing to granite mining, agricultural expansion and cattle grazing.

6. ECONOMY

TACKLING NPAS

WHAT IS NPA?

- The assets of the banks which don't perform (that is – don't bring any return) are called Non Performing Assets (NPA) or bad loans.
- Bank's assets are the loans and advances given to customers. If customers don't pay either interest or part of principal or both, the loan turns into bad loan.
- According to RBI, terms loans on which interest or installment of principal remain overdue for a period of more than 90 days from the end of a particular quarter is called a Non-performing Asset.

In terms of Agriculture / Farm Loans; the NPA is defined as:

- For short duration crop agriculture loans is not paid for 2 crop seasons.
- For Long Duration Crops, the above would be 1 Crop season from the due date.

REASONS FOR NPA

INTERNAL FACTORS

- **Lack of Funds-** Securitization companies and reconstruction companies (SCs / RCs) need incremental capital to be able to grow and play a useful role in the sector.
- **Pricing of NPAs-** The gap between price expectation of sellers and bid price by securitization and reconstruction companies has increased which is leading to low success rate of auctions.
- Because of lack of monsoon, the asset quality of India's agricultural credit is significantly affected.
- Funds borrowed for a particular purpose but not use for the said purpose.
- Poor recovery of receivables.
- Excess capacities created on non-economic costs.
- In-ability of the corporate to raise capital through the issue of equity or other debt instrument from capital markets.
- Business failures.
- Diversion of funds for expansion/modernization/setting up new projects and helping/promoting sister concerns.
- Willful defaults, siphoning of funds, fraud, disputes, management disputes, misappropriation etc.
- Deficiencies on the part of the banks viz. in credit appraisal, monitoring and follow-ups, delay in settlement of payments/subsidiaries by government bodies etc.

EXTERNAL FACTORS

- Sluggish legal system:
 - Long legal tangles
 - Changes that had taken place in labour laws
 - Lack of sincere effort.
- Shortage of raw material, raw material/input price escalation, power shortage, industrial recession, excess capacity, natural calamities like floods, accidents.
- Failures, non-payment/over dues in other countries, recession in other countries, externalization problems, adverse exchange rates etc.
- Government policies like excise duty changes, Import duty changes etc.

SOLUTIONS

- Form mutually acceptable methodology for reserve price valuation – to discover fair price of NPAs.
- Absence of third party investor money, which is a direct fall-out of a practically non-existent secondary market, the bank that sells NPAs ironically doubles up as investor in the SRs.
- Bankruptcy Code - issue of judicial process - realizing the importance of having a strong bankruptcy framework in improving the ease of doing business, the Centre has constituted a Bankruptcy Law Reforms Committee to study the corporate bankruptcy legal framework in India. Its report is expected in January 2016.

FMC MERGER WITH SEBI

FORWARD MARKET COMMISSION (FMC) MERGER WITH SEBI

- This is the first major case of two regulatory body Forward Markets Commission (FMC) merged with the capital markets watchdog SEBI, as against the relatively more frequent practice worldwide of creating new regulatory authorities.
- The commodity futures market in India will now be supervised by SEBI, making for an integrated regulation of both the securities and commodities markets in India.

BACKGROUND

- India's regulatory architecture has so far been fragmented, with multiple oversight agencies. Such fragmentation has given rise to turf battles between sectoral regulators. Most countries, barring the US and Japan, have a unified securities and commodity market regulator.
- The FMC has been regulating commodities markets since 1953, but lack of powers has led to wild fluctuations and alleged irregularities remaining untamed in this market segment.
- For long, the FMC was forced to function like a subordinate office of the ministry of consumer affairs, without statutory powers. It was handicapped in terms of the regulatory and manpower resources required to police this growing segment.
- The move gathered pace after the commodity market was rocked by the outbreak of a multi-crore scam at National Spot Exchange (NSE) unearthed two years back which involved a payment crisis of more than Rs. 5000 crore. This was considered a regulatory failure by the FMC.

ADVANTAGES

- A merged regulator would enhance the integrity of financial markets,
- It will also boost liquidity and improve the price- discovery process.
- A unified regulator may also have a salutary impact on the spot commodities market, while strengthening it with the transparent systems in place in the securities market.
- It helps that Sebi has evolved as a credible regulator in the last two decades.

CHRONOLOGY

2002: The government withdraws prohibition on derivatives trading in commodities

2003: Sebi-appointed KR Ramamoorthy committee recommends allowing securities brokers in commodity futures market

2003: Wajahat Habibullah committee recommends merging FMC with Sebi

2007: Percy Mistry panel suggests bringing regulation of all securities trading across stocks, bonds, forex and commodities under Sebi

2009: Raghuram Rajan committee reiterates consolidation of all financial sector regulators under one roof

2013: Justice BN Sri Krishna-led FSLRC recommends unified regulation. Sebi to oversee all securities trading across markets

2013: FMC brought under finance ministry following a ₹5,600-crore payment crisis at NSEL

2015: In his Budget speech, finance minister Arun Jaitley announces merger of FMC with Sebi

WHAT THE COMBINED REGULATOR WOULD OVERSEE IN FY15 NUMBERS (OR WHAT SEBI & FMC REGULATED IN FY15)

	
Commodities:	Shares:
6890 lakh tonnes	₹51.84
worth ₹61.68	lakh cr
lakh cr	(BSE and NSE)

CHALLENGES

There is jurisdictional powers of the state government over agricultural marketing and the political sensitivities involved with farm commodities. Price volatility in these cannot be compared to that in stocks or bonds.

CONCLUSION

- The growth of the commodity derivatives market has also been hobbled because of the lack of institutional players to impart greater liquidity in trading. But now, with an empowered regulator for the commodities market, there is a strong case for allowing these organised funds.
- Next, the government should look at merging the insurance and pension regulators, which can then be the precursor to a unified regulator for the financial market as a whole.

DEFLATION IN INDIA

DIFFERENCE BETWEEN INFLATION AND DEFLATION

INFLATION

- Inflation is simply a measure of the extent of increase in prices. If potatoes cost Rs.100 per kg in August 2014, and if they cost Rs.110 per kg in August 2015, then inflation in the price of potatoes was 10 per cent. When this happens across prices of all commodities for a relatively sustained period of time, then one can say the economy is experiencing inflation.

DEFLATION

- Deflation is simply the opposite of inflation. That is, prices fall from one period to the next. So deflation is a decrease in the general price level of goods and services. Deflation occurs when the inflation rate falls below 0% (a negative inflation rate).

ARE WE CLOSE TO DEFLATION?

- After the release of the April-June gross domestic product (GDP) numbers in first week of September, chief economic adviser Arvind Subramanian reportedly warned that Indian economy appears to be on price deflation.

FACTORS WHICH INDICATE DEFLATION

- Government officials focus on input prices, which have indeed corrected sharply, due to global factors. However, RBI correctly **continues to stick to CPI inflation**.
- The gap between input price captured in Wholesale Price Index (WPI) inflation, which is also affected by inflation in tradable, and CPI inflation has been widening. The gap partly reflects the bigger and faster decline in WPI inflation, thanks to the slump in global commodity prices. However, the pace of the pass-through to retail inflation has been slow and the magnitude less than desired.
- Deflation is more than just a case of temporary negative inflation because of, for example- a plunge in commodity prices, the impact of which will be a one-off and spread over several months.
- Deflation captures a significant shift in consumer behaviour, including postponement of spending in anticipation of lower prices. That is hardly the case in India. In fact, the Indian consumer will perk up following the mini-boost from the forthcoming announcement of the Seventh Pay Commission.

- The most important point in this debate is that companies take decisions based on wholesale prices while citizens take decisions based on consumer prices. To put it more clearly, their wage demands are based on their expectations about consumer prices. There are no signs of deflation right now, only of welcome disinflation.

Impact of Deflation:

Deflation can have varying effects both positive and negative impact on an economy depending on other factors.

POSITIVE IMPACT

- Deflation can be treated as a temporary condition that will allow for an improvement in competitiveness and balancing the budget.
- Moderate deflation may benefit savers and investors because the value of their assets is appreciating relative to the rate of deflation.
- In general, when there is slack in the labor force there is downward pressure on wages, which can seem positive for businesses. Business owners can improve margins by paying workers less.

NEGATIVE IMPACT

- Deflation can be detrimental for borrowers since they pay back debts in currency that is in effect more expensive due to deflation.
- However, it is important to remember that workers are consumers. If wages are flat, then growth is likely to be flat.
- In general, **flat wages are something that restrains consumption growth**, and therefore can have a deflationary effect.
- **Low inflation or deflation, therefore, is correlated with high unemployment.**

CONCLUSION

- As a short-term condition, lower prices might give the consumer a break in the face of low wage inflation. Anemic growth in wages can be good for businesses in the short run as margins improve.
- In long term, however, deflation can lead to lower profits and cash flow for these same businesses. For central banks, deflation is an economic situation they want to avoid since deflation and high unemployment tend to go hand in hand.
- It is important that consumers and businesses should have an expectation that prices will rise in the future. Otherwise, there's the potential for businesses to put off hiring and investing in new equipment if there's the expectation that the cost will be comparable, or less, in the future. Likewise, consumers can continue to put off many purchases if there's no concern that the price will rise. In this way, low inflation or deflation acts as a disincentive for investment and expenditure.

PRESENT INDIAN ECONOMIC SITUATION

ISSUES

With reference to present Indian economic situation, following issues deserve immediate attention and consequent policy rectification-

- Despite crude oil prices having crashed and the dollar value of the rupee having dropped in a steep devaluation but still both exports and imports, especially the former in 23 of the 30 commodity groups, declined steadily over the last 14 months.
- Household savings, which were the bulk of national domestic investments, dropped from a high of 34 per cent of GDP in 2005 to 28 per cent of GDP in 2015.
- Non-Performing Assets (NPAs) of the public sector banks risen so sharply, in fact at a rate much higher than the rate of the new advances made by these banks.
- When the economy needs about a \$1 trillion investment in infrastructure to render 'Make in India' a reality, the actual investment in just 75 projects in Financial Year 2015-16 valued at Rs.42,749 crore, less than the amount invested in 2005-06, which was Rs.44,511 crore.
- The manufacturing sector, which provides the bulk of employment to the skilled and semi-skilled labour force, grown at an abysmally low rates of between 2 per cent and 5 per cent.
- When India's agricultural products are among the cheapest in the world despite a low yield per hectare, are we not able to double the production and export the products abroad.

SHORT TERM SOLUTION

- The government must constitute a Crisis Management Team (CMT) of politicians and economists who understand the dynamics of Indian society.
- Lowering the cost of capital,
- Reducing the prime lending interest rates of banks to below 10 per cent,
- Shifting to a fixed exchange rate of Rs.50 per dollar for the financial year 2016,
- Lowering the exchange rate further for subsequent years by abolishing Participatory Notes
- To bring back black money of about \$1 trillion by invoking the U.N. Resolution of 2005
- Printing rupee notes to fully finance basic infrastructure projects.
- The CMT should also initiate steps for transforming agriculture into a globalized sector by providing adequate infrastructure to export food and milk to Europe and the U.S.

LONG TERM SOLUTION

- To tap the advantages we have in our demographic dividend, we should **promote innovation**,
- We must tap our vast Thorium deposits for clean electricity generation and thus end power shortage.
- Set up desalination plants along our long coastline to provide adequate water for coastal States.
- Overcome technological issues and build a water grid by linking major rivers, from Ganga to Cauvery, through canals so that water is available to full fill basic needs in water scarce areas and as well as for irrigation.
- Develop new alternative technologies such as hydrogen fuel cells to provide an environmentally friendly substitute to petroleum products.

CONCLUSION

India has always come out of crises renewed and on a higher growth path. The food crisis of 1965-67 led to Green Revolution self-sufficiency in food, and the foreign exchange crisis of 1990-91 led to economic reforms, enabling the country to move to market system and high growth rates.

Thus, the present imminent economic crash should galvanise the way we do business and make us rise to new heights through innovation and achieve high growth rates with financial stability.

GOLD MONETIZATION SCHEME AND SOVEREIGN GOLD BOND SCHEME

The union cabinet has signed off on two gold schemes to realize the twin objective of monetizing India's massive private holdings of the metal and discouraging its imports.

BACKGROUND

India has spent \$280 billion in gold imports in the last 10 years - more than the inflow from foreign institutional investors in both equity and debt in the same period. Annual investment demand for gold is estimated at 300 tonnes a year and holdings of gold are estimated at 20,000 tonnes, most of which are privately held lying idle in bank lockers and vaults.

OBJECTIVE

This is a step towards making gold an integral part of the larger financial system and a fungible asset class in its own right.

PROVISIONS

<u>Gold monetization scheme</u>	<u>Sovereign gold bond Scheme</u>
<ul style="list-style-type: none">a) The deposits can be short term (1-3 years), medium term (5-7 years) and long term (12-15 years).b) While the interest rates on short-term deposits will be decided by banks and will be denominated in grams of gold, the interest rate on medium- and long-term deposits will be decided by the government in consultation with the Reserve Bank of India from time to time and will be payable in rupees.c) This is not a black money immunity scheme and normal taxation laws would be applicable. Hence, there is no relaxation in know-your customer guidelines to ensure that these schemes do not turn into avenues of converting unaccounted wealth into white money.d) Customers will be exempted from capital gains tax, wealth tax and income tax, which imply that the interest will be tax-free. They can redeem the short-term deposits along with the interest, either in cash or in gold. However, for medium- and long-term deposits, redemption will be only in cash and based on the market price of gold prevalent on the day of redemption.e) Medium and long-term deposits can be used to replenish RBI's gold reserves, auctioning, making coins and lending to jewelers. Short-term deposits will only be used for making coins and lending to jewelers.	<ul style="list-style-type: none">a) The government will create a gold reserve fund to bear risks arising out of variations in gold prices.b) The bonds are to be issued by RBI on behalf of the finance ministry.c) The annual cap for such bonds will be restricted to 500g per person per year and the interest rate would be subject to revision.d) The bonds will be issued in denominations of 5g, 10g, 50g and 100g of gold and other denominations, with a minimum tenor of five-seven years.e) Since the bond will be a part of the sovereign borrowing, these would need to be within the fiscal deficit target from the current fiscal itself.

BENEFITS

- This move will **not only ease pressure on the country's trade balance as** India's imports are dominated by crude oil and gold—but also **convert gold into a productive asset**.
- The gold monetization scheme will **drive orderly recycling and enhance transparency**, benefiting millions of households and the macro economy, as it has the potential to translate gold savings into economic investments.

- Allowing gold bonds as collateral for loans along with tax sops such as making the interest on gold bonds tax-free, exempting them from capital gains tax and providing indexation benefits to long-term capital gains on transfer of the bond, make gold bonds a relatively attractive proposition.
- Sovereign gold bond Scheme will allow savers to sell or trade bonds easily on commodity exchanges and key features, such as the ability to use them as collateral for loans and capital gains tax treatment similar to gold.

CHALLENGES

- Though, the scheme talks about need for proper know-your customer requirements, it was unclear on what will happen to gold depositors who do not have receipts of their gold purchases.
- Gold monetisation scheme has not succeeded in the past. For example, State Bank of India has offered a gold deposit scheme for almost two decades, offering a one per cent interest rate. All that the scheme has yielded is eight tonnes of gold.
- There is also the mindset issue. Not many will be happy to see their ornaments melted down for a relatively small return. Although depositors will have the option of taking back gold after the maturity period, the purpose will not be served, as it will entail a loss in terms of making charges of 5-15 per cent. So if interest on the new gold deposit scheme is low, it will fail an individual's cost-benefit test. However, the government's only recourse seems to be temple trusts over which it has some control.
- Gold purity needs to be assessed from a recognised centre, which are few and far between. For banks, collecting gold from remote places and lending it to jewelers in certain pockets of the country will not be easy.
- But the biggest stumbling block will be the fear of tax scrutiny. There will be considerable apprehension over the likelihood of questions being asked about where the gold came from - a question even many individuals even after complying with the know-your-customer rules may find difficult to answer as the gold in question may have been lying with them for many years as wedding gifts or a legacy from earlier generations.

WAY FORWARD

Hence, for the scheme to succeed, apart from addressing above mentioned concerns the returns must be more attractive; households are unlikely to be enthused just because the minimum threshold is 30 grams compared to 500 grams under the SBI scheme.

TEASER HOME LOAN

WHY IN NEWS

Recently, State Bank of India (SBI) chairperson made a pitch for re-introducing teaser home loans to help boost demand for credit.

WHAT IS TEASER LOAN?

Teaser home loans are offered at a fixed low rate of interest in the initial years and are subsequently adjusted to a higher floating rate for the rest of their tenure. Teaser loans try to entice borrowers by offering an artificially low rate and small down payments, claiming that borrowers should be able to refinance before the increases occur.

BACKGROUND

In 2008, when the economy started slowing down, one of the things that made demand go up was the 8% housing loan or teaser loan that SBI launched. However, SBI and other lenders withdrew the teaser loan offer in 2011 because of concerns at RBI that such loans were riskier and carried a higher probability of default.

Presently, corporate demand for long-term credit is weak with new investments on hold as companies wait for faster economic growth and an upturn in consumer demand.

ADVANTAGES

On the other hand, if we look at overall picture this scheme might have benefits on two accounts:

- First, to give a big boost to GDP growth, which will mean greater activity on the construction front.
- Second, to have the unsold inventory sold off because banking industry do need new buyers into the market. This will lead to fresh infusion of equity into banks as well as perhaps reduction of the government holdings.

ARGUMENT AGAINST

- Teaser loans have been discouraged by RBI keeping in view the global experience with such schemes, especially sub-prime loans in the US.
- RBI also points out that last time, these loans were available to only new customers and existing customers did not get the benefit of lower rates, making such products discriminatory.
- Consumers who took the teaser rate loans in 2009 and 2010 and have blindly continued their loans with SBI are now paying an interest rate of anywhere from 11.70 per cent to 12.95 per cent depending on the month in which the loan was disbursed and the loan amount. This is against the 9.75 per cent SBI charges to its current home loan consumers. The situation is similar for loan consumers of other major lenders who also offered teaser rates at that time. So in the ultimate analysis, the entire 'teaser rate' phenomenon only ended up benefiting lenders and developers at the cost of the loan consumers.

ALSO IN NEWS

SPECTRUM TRADING NORMS TO BE NOTIFIED SOON

- It essentially means sharing of spectrum by operators.
- It is important because these norms will allow telecom companies to pool their spectrum holdings.
- It is expected to address the problem of shortage of spectrum, leading to better quality of services for mobile phone users, including fewer **call drops**.
- The norms are also likely to push consolidation in the telecom sector.

CALL DROP ISSUE

WHAT IS "CALL DROP"?

- According to TRAI, call drop "represents the service provider's inability to maintain a call once it has been correctly established".

Ranking vs Doing Business

Investors don't go by just change in business ranking

Ranking		Projects completed FY15	
	Score (%)	₹ crore	
01 Gujarat	71.14	47,498.3	M'rasht
02 Andhra Pradesh	70.12	47,461.0	Madhya Pradesh
03 Jharkhand	63.09	31,941.7	Karnataka
04 Chhattisgarh	62.45	27,992.9	Gujarat
05 Madhya Pradesh	62.00	24,224.3	Jharkhand

Rajasthan, Odisha, Maharashtra, Karnataka and UP rank from 6 to 10

In FY14 Odisha saw the largest amount of completed investment projects (₹41,700 crore) followed by Maharashtra, Madhya Pradesh, Tamil Nadu and Gujarat

ISSUE

- More than 17 per cent of the calls people make in the national capital are terminated due to technical reasons. In comparison, the highest drop rate for any service provider in Mumbai is 5.56 per cent.
- One of the main reasons for a spike in call drop rates in the capital is the recent crackdown on “illegal” mobile phone towers by the three Municipal Corporations of Delhi.
- The civic bodies and telecom service providers in Delhi have been locked in legal battle since 2011 over the issue of license fee for setting up mobile network towers.
- The court struck down the hike in fee and directed the MCDs to provide a “cost-oriented fee” to cover their administrative costs.
- While the matter remains in court, civic bodies continue to dismantle towers that have come up after 2011. The municipality refers to towers that have come up post 2011 as illegal.

WORLD BANK'S SURVEY: EASE OF DOING BUSINESS

OBJECTIVE OF THE REPORT

- **Aiming to enhance the country's image as a friendly investment destination**, the government along with World Bank has released a state-wise report on the ease of doing business.
- The effort is part of the government's initiatives to improve India's position on the World Bank's 'Ease of Doing Business' ranking. India is 142nd on the list of 189 countries.
- The government wants India to breaking into the top 50 at the earliest. It expects to make it to the top 100 in the next ranking.

SALIENT POINTS OF THE REPORT

- This is the first time that the World Bank has created a sub-regional state-wide report card on the basis of a 98-point action plan for business reforms, drawn up by the Department of Industrial Policy & Promotion and state governments during a Make In India workshop in December last year.
- The eight most important parameters on which states were evaluated were:
 - setting up a business
 - allotment of land and obtaining construction permit
 - complying with environment procedure
 - complying with labour regulations
 - obtaining infrastructure-related utilities
 - registering and complying with tax procedures
 - carrying out inspection
 - enforcing contracts.
- **Gujarat topped the list with a 71.14 per cent score, is followed by Andhra Pradesh (70.12 per cent), Jharkhand (63.09 per cent), Chhattisgarh (62.45 per cent) and Madhya Pradesh (62 per cent).**
- Punjab is the best state in terms of 'setting up a business'. With a single-window online system for registrations and licences.
- The report also said 26 states were yet to introduce reforms along a wide range of labour inspections under various acts, or on inspections related to building permits.

DRAFT FRAMEWORK ON EXTERNAL COMMERCIAL BORROWINGS (ECB)

DRAFT FRAMEWORK ON EXTERNAL COMMERCIAL BORROWINGS (ECB)-

OBJECTIVE

- To supplement domestic capital for creation of capital assets in the country.
- To attract overseas investments, norms would be relaxed keeping in view the overall external position and monetary stability. ECB has implications for monetary stability as it adds to the country's overall external debt and future repayment liability.

PROVISIONS IN PROPOSED ECB FRAMEWORK

- Retention of the existing basic structure of ECB framework for normal foreign currency borrowings with certain liberalizations made based on experience.
- Expansion of the list of recognized lenders to allow domestic firms to borrow from overseas regulated financial entities, pension funds, insurance funds, sovereign wealth funds and other long term investors.
- Prescription of only a negative list of end uses for long term foreign currency borrowings (minimum maturity of 10 years) – stock market operations, real estate, purchase of land.
- Currency risk will lie with lender or investor - hence the modified framework provides for minimal control for these borrowings.
- The RBI has also proposed that Indian banks act as ECB lenders subject to norms.
- REITs (Real Estate Investment Trusts), InvITs (Infrastructure Investment Trusts) will be permitted to raise funds through this route.

CONCLUSION

- Within the overarching stance of calibrated approach to the capital account liberalization, an attempt has now been made **to replace the ECB policy with a more rational and liberal framework, keeping in view the evolving domestic as well as global macroeconomic and financial conditions.**

RBI AND INTEREST RATES

In it's the fourth bi-monthly monetary policy review, Reserve Bank of India, has cut interest rate by 0.50 percent which is double of what broadly expected.

KEY FACTS

- This repo rate cut i.e. 0.50 percent is the biggest in more than three years. The cut brought down repo rate to 6.75 percent, the lowest in four-and-half-years.
- Cash Reserve Ratio is left unchanged.

ANALYSIS

- RBI has clearly underlined the fact that local demand and investment hold the key to sustaining an incipient recovery.
- **Factors which have reinforced this decision includes –**
 - The U.S. Federal Reserve's decision earlier this month to continue to maintain the funds rate near zero in the backdrop of heightened uncertainties in the global economy,
 - The fragility evidenced in the financial markets following the devaluation of the yuan.
 - And slowing inflation.
- **Future Prospects-** Foreign demand will be weak because of the problems in the global economy. Private sector investment activity will be muted because of excess capacity. So, most of the heavy lifting will have to be done by **two drivers of aggregate demand—consumer spending and public investment**. The latter has already been promised in the February budget. **The former—and especially urban demand—should get a boost by this move.**
- **Challenges Ahead-** Indian macro policy is in expansionary mode even as policymakers have been insisting that economic growth is recovering, even though below potential. **That could have inflationary effects later on.**
- **Way Forward-** This cut may help break the negative cycle. But the government must ensure that **two key conditions are met. One, no fiscal slippage that could renew the inflationary spiral and lead to high interest rates. Two, speeding up of reforms that make it easy for people to invest and do business.**

NEW FEATURES INTRODUCED ON CURRENCY NOTES

NEW FEATURES INTRODUCED ON CURRENCY NOTES-

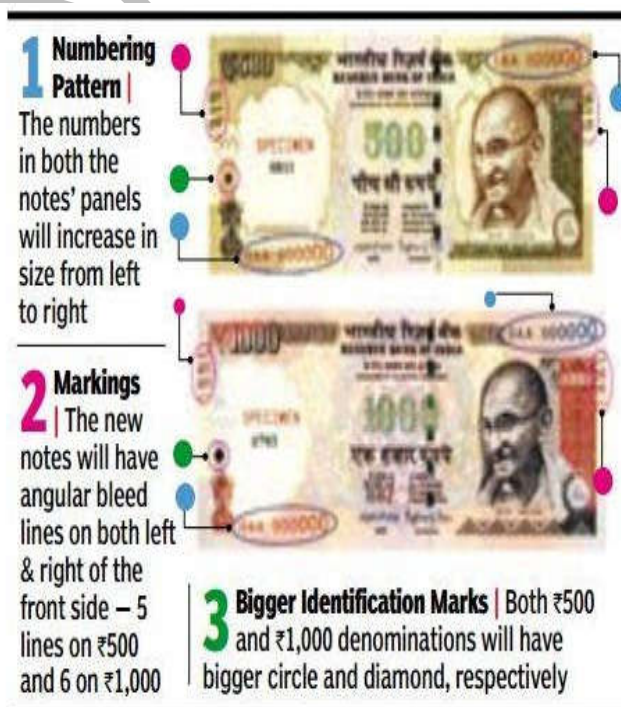
To check the menace of fake Indian currency, new notes, especially the Rs 1,000 and Rs 500 denominations, will have 7 new security features and a new numbering system. The RBI has also asked the banks to stamp notes detected as fake as "Counterfeit Note" and impound them, while banks found not following the procedure will be penalized. **The National Investigation Agency (NIA) has been designated the nodal agency for fake currency cases.**

OBJECTIVES

- To aid visually impaired people in easy identification of banknotes.
- To secure currency notes against counterfeiting

NEW FEATURES

- Braille-like markings on currency notes of Rs 100, Rs 500 and Rs 1,000 denominations.
- Rs 100 notes will have four parallel angular lines printed along the border and just beside the Mahatma Gandhi watermark. The Rs 500 notes will have five lines while the Rs 1,000 notes will have six.
- Numbering with exploding font -the print size of each number on numbering panel on the note ascend in size from left to right.
- Increased the size of the existing identification marks on these currency notes by 50% so that it is easier for visually challenged people to recognize each note.



- State-of-the-art intaglio printing will be used in which the security paper is perforated and printing ink incised into the paper, allowing users to feel the lines.

US FEDERAL RESERVE KEPT BENCHMARK RATES UNCHANGED

For the past nine years, since the global financial crisis broke, in order to stimulate growth, the US Fed (along with other central banks) has injected huge amounts of liquidity into the global financial system via **The bond buyback program and Through near-zero interest rates.**

This excess money moving around in global markets has fueled a number of asset bubbles.

- The commodity super cycle of 2006-2011,
- The eight-year bull run in gold,
- Large flows into emerging market equities

CONCERN

Market players fear that a hike in the Fed funds rate which will signal the official end to the cheap money, will completely deflate these asset prices. IMF and World Bank had come out against a rate hike on the ground that it would roil the markets.

IMPACT ON INDIA

The OECD report this week is clear India will be the fastest growing economy in the world, for at least two years. So the capital could again be upon the Indian shores pricing out domestic money from banks. And this is what creates massive problems. Indian money is costly while the world is awash with cheap capital.

- Capital was costly in India primarily because of the twin deficits—fiscal and current account or the internal and external ones.
- Cost of capital would remain high in India if policies fluctuated.
- Problems will be there for small and micro enterprises which depend only on domestic sources.

THE POSSIBLE NEGATIVE IMPACT ON INDIA

The argument is based on the impact on liquidity or money flow into the markets. Given that India runs a sizeable trade deficit, FPI pullouts can set off a slide in the rupee. It can cause

- India's import bill to swell and current account deficit to widen.
- Increase in energy and material costs and re-fire inflation.
- Trigger to debt-servicing problems for Indian firms who have been on a borrowing binge abroad. 20 per cent of Indian credit is now being financed from abroad.
- Weak rupee also decimates returns for foreign investors, and could prompt them to make an even more concerted dash for the exit door.

ARGUMENTS THAT IT WILL NOT AFFECT INDIA

The argument is based on the fact that global markets are not all about money flows and asset bubbles. Government initiatives that can deal with it:

- Jan Dhan yojana had tapped Rs 22,000 crore of small savings from the poorest at low cost to offer micro enterprises soft loans through MUDRA, etc. The plans for additional insurance cover would allow SME to

take up more risks besides, opening up new markets for the insurance companies can ensure stock markets were not made volatile as capital from abroad swept in and out.

- Give room for pension funds like the Employees Provident Fund Organization to increase investment.
- Indian bond markets have been far more resilient to rate hike jitters than equities.

VARIOUS INITIATIVES TO MAKE INDIA ATTRACTIVE FOR GLOBAL INVESTMENT

- **Stability in taxation regime** (tax disputes with Vodafone, Cairn, Shell).
- Improve **Ease of doing business** (India is ranked 142 out of 189 countries in the World Bank's ease of doing business index).
- Government has made various reforms in different sectors including taxation, labour, land and skill development and power sector among others.
- Reforms in the banking sector, transparent and fair allocation of natural resources, rolling-out GST at the earliest, address the problems of discoms in the power sector.
- Country's infrastructure sector needs huge investments and foreign investments can give great resources.
- Digital India and Make in India (initiatives) are designed to give special boost to manufacturing, India has huge potential in these areas. It would require better integration of Indian economy with global supply chains, markets and trade.
- Strengthening of IPRs - To innovate, attract investment.
- Proposed National Investment and Infrastructure Fund (NIIF) would be a "great enabler" to attract investment, the fund would operate independent of the government just as another investor.

OIL EXPLORATION IN INDIA - REVENUE SHARING MODEL

- The government has initiated a new approach in the licensing and proceeds-sharing mechanisms with respect to the unutilized natural resources locked away in the 69 small and marginal oilfields lying with the state-owned exploration agencies.

NEED

- The recent oil field discoveries could not be monetized for many years due to **various reasons such as isolated locations, small size of reserves, high development costs, technological constraints, fiscal regime etc.** Around 70% of Indian basins remaining largely under-explored. Even response to the new exploration licensing policy (NELP) has been tepid.

NEW PROVISIONS

- This policy is based on **sharing revenue instead of profits** and **giving out unified licences for all hydrocarbons in the field instead of a license for each.**
- The move is consistent with the observation of the Comptroller and Auditor General (CAG) that the PSC "does not provide adequate incentives to private contractors to reduce capital expenditure".
- Under the new regime, the Government will not be concerned with the cost incurred and will receive a share of the gross revenue from the sale of oil, gas etc.
- Another change that the policy brings about is that the license granted to the successful bidder will cover all hydrocarbons found in the field. Earlier, it was limited to one, and a separate license was required if any other hydrocarbon, such as gas, was discovered and exploited.
- The new policy for the marginal fields also allows the successful bidder to sell at the prevailing market price of gas, rather than at an administered price.

BENEFITS

- This is more **transparent and market-oriented regime for hydrocarbon exploration and production.**
- The revenue-sharing approach is simpler, and is likely to earn the government more money.
- Companies will be allowed to sell crude oil or natural gas at market prices, without any interference from the government. The revenue and royalty-sharing mechanism will be pegged at this market rate. If companies are forced to sell at below-market prices, then the government will still get a royalty share pegged at the market rate.
- If, however, the company manages to sell at higher-than-market prices, then the sharing mechanism will be pegged to this higher price. **That's a win-win for the government: less oversight and an assured minimum income.**

RELATED INFORMATION

- **Production Sharing Contract-** Production sharing contract (PSC) framework allows for cost recovery by exploration and production (E&P) companies before they pay the government its share of revenue. It **encouraged investors to take higher exploration risks, and in the event of success, the costs could be recovered.** According to this provision, the government had to audit the various costs incurred by the private companies, which **often led to delays, disputes** and loss of revenue for government.

Questions:

1. Discuss the important features of recently launched Indradhanush plan for the revival of public sector banks. Also highlight the lacunas in this plan and suggest some measures.
2. Critically analyze the recently launched gold monetisation and Sovereign gold bond scheme by government of India.
3. What is teaser loan? What role it can play in boosting the GDP growth?
4. Recently, government of India has merged Forward market commission with SEBI. Discuss its implications; will it be useful in tackling the problems of commodity markets?
5. Is Indian Economy heading towards deflation? What steps can be taken to control deflation?
6. What are the main differences between production-sharing and revenue sharing contracts in the context of energy sector in India? Which will be better for achieving long term energy security in India?
7. Discuss the reasons of Non-performing assets in India and also suggest some alternatives to tackle it.

7. INDIA & WORLD / INTERNATIONAL AFFAIRS

COMPREHENSIVE NUCLEAR TEST BAN TREATY

The **Comprehensive Nuclear-Test-Ban Treaty (CTBT)** is a multilateral treaty by which states agree to ban all nuclear explosions in all environments, for military or civilian purposes. It was adopted by the United Nations General Assembly on 10 September 1996 but it has not entered into force due to the non-ratification of eight specific states.

- The CTBT with its 183 signatories and 163 ratifications is one of the most widely supported arms-control treaties.
- The CTBT has yet to become global law due to its demanding entry into force clause, which requires the **signature and ratification of all 44 countries** listed as nuclear technology capable.
- At present, eight of those countries are yet to join: India, Pakistan and North Korea are the only non-signatories from this list.

INDIA'S OBJECTIONS TO CTBT

- India's objection to the CTBT is that as with the earlier nuclear treaties, it divides the world permanently into **nuclear "haves and have-nots"**.
- CTBT only deal with horizontal proliferation not vertical proliferation (refers to the upgrading and further development of more sophisticated weapons by the existing nuclear powers by simulation). India called for a treaty that banned **all types of nuclear weapons tests**.
- Nuclear weapon states have already acquired sophistication before signing treaty that is discriminatory against India.
- India's security concerns are not addressed.
- **No time frame mentioned to dismantle existing nuclear weapons.**
- CTBT is silent on **complete nuclear disarmament**. India is "committed to working towards a CTBT that will promote the goal of total nuclear disarmament".

IF INDIA SIGNS CTBT

Following advantage India can drive by signing CTBT:

- India can gain admission into the institutions governing the global nuclear order, which essentially means membership of strategic export control cartels such as **Nuclear Suppliers Group (NSG) and the Missile Technology Control Regime (MTCR)**, **Australia Group and the Wassenaar Arrangement**.
- Signing the CTBT would also make India's claim for a **UNSC seat stronger**.
- Once India signs the CTBT, some of the other hold-out states are likely to follow, such as Pakistan, China and USA.
- It may **end nuclear race in Asia**.
- To respond to global developments in **nuclear disarmament and arms control** as a responsible stakeholder in the non-proliferation regime.
- India will get information from **International Monitoring System (IMS)** of the Comprehensive Nuclear-Test-Ban Treaty Organisation's (CTBTO).

INDIA' ROLE IN NUCLEAR DISARMAMENT

India position is very clear and consistent about complete nuclear disarmament,

- Prime Minister Jawaharlal Nehru's famous initiative in 1954 for a "standstill agreement" on nuclear testing.
- Nehru played an important role in building international momentum for the 1963 Limited Test Ban Treaty, which India joined.
- Rajiv Gandhi's impassioned plea to the U.N. General Assembly in 1988 for phased nuclear disarmament.
- India played a key role in the negotiations to establish the International Atomic Energy Agency (IAEA) and actively participated in the negotiations on the NPT, but decided not to sign when it became clear that it would become an unequal treaty.

UNSC REFORM

- The UN General Assembly unanimously adopted a negotiating text for the Security Council reforms.
- This is the first time in the history of the intergovernmental negotiation process that a decision on UNSC reform has been adopted by means of an official document.

NECESSITY OF UNSC REFORM

- The UNSC, created in the post-War context, doesn't actually reflect the changes that have occurred in the **international system after the end of the Cold War**.
- In the past quarter century, the global order has seen massive changes, from American **unilateralism** to the rise of **multilateral institutions such as BRICS**.
- In a quarter century, the global economic architecture has undergone massive changes. The developing nations, including India, now play a **bigger role in international affairs**. But within the UN, the five permanent veto-wielding members still effectively take all the crucial decisions.
- The Indian position is that this **"democracy deficit in the UN prevents effective multilateralism"** in the global arena.
- The **geopolitical rivalry** among the permanent members has prevented the UNSC from coming up with effective mechanisms to deal with global crises.
- The way the **UNSC handled – or failed to handle** – some of the recent crises would underscore the soundness of the Indian position. Take the examples of Libya and Syria. While the western nations are accused of distorting the UNSC mandate in Libya, the Security Council failed to reach a consensus on how the Syrian crisis may be resolved. This clearly points to a **worsening institutional crisis** within the UNSC.

INDIA'S ARGUMENT FOR UNSC SEAT

- India is among the **founding members of United Nations**.
- It is the **world's largest democracy and Asia's third largest economy**.
- The Indian Army is the largest contributor to the **UN peacekeeping mission** since the inception of the mission.
- More important, India's foreign policy has historically been aligned with world peace, and not with conflicts.
- It has been a member of UNSC for 7 terms and a member of G-77 and G-4, so permanent membership is a logical extension.

THE GROUP OF FOUR

- The Group of Four, or G4, Summit, took place after a decade, was hosted by Prime Minister Narendra Modi.
- Leaders of **Brazil, Germany, India and Japan** called for urgent reforms of the United Nations “in a fixed time frame”.

OPPOSITION TO THE EXPANSION

- **Uniting for Consensus (UfC)** is a movement, nicknamed the Coffee Club, that developed in the 1990s in opposition to the possible expansion of the United Nations Security Council.
 - Under the leadership of Italy, it aims to counter the bids for permanent seats proposed by G4 nations (Brazil, Germany, India, and Japan) and is calling for a consensus before any decision is reached on the form and size of the Security Council.
 - The UFC demands a **25-member Security Council with more non-permanent members** instead of a few more permanent members.
- Three powerful members of the UNSC — Russia, China, and the U.S. — are opposed to any major restructuring of the Council.
- The U.S. favours only a “**modest expansion**” of the UNSC, while Russia doesn’t want any change in the veto arrangement.
- Even if the General Assembly members reach a consensus on reform, it could be shot down by the permanent members.

CONCLUSION

- Meaningful reform of the Council to make it **more representative and democratic** would strengthen the UN to address the challenges of a changing world more effectively.
- India, Japan, Germany and Brazil, or the G4 — should continue their multilateral diplomacy to build a democratically evolved global consensus on restructuring the UNSC.
- The permanent members should realise that a more democratic and representative Security Council would be **better-equipped to address global challenges**.
- If the UN still shies away from reforming the Security Council, the possibility of the institution being **sidelined by emerging powers cannot be ruled out**.

INDIA - AUSTRALIA

INDIA- AUSTRALIA NUCLEAR DEAL

- India and Australia signed the civil nuclear deal in September 2014, but Australia is unable to supply uranium to India because treaty has not been ratified by Australian parliament.
- Recently the parliamentary committee (Joint Standing committee on Treaties (JSCOT)) has released report about India- Australia nuclear deal.
- The parliamentary committee has “**in principle**” approved the nuclear deal.

RECOMMENDATIONS OF COMMITTEE

- It recommended that India be encouraged to sign the **Nuclear Non Proliferation Treaty (NPT)**,
- To separate its **civilian and military nuclear** facilities further, and
- Appoint an “**independent national regulator**” to oversee the movement of Uranium, also called **Australia-Obligated Nuclear Material (AONM)**.

MAJOR ISSUE WITH DEAL

- Under Section 51(2) of the Australian safeguards law, it is mandatory for the government to account for all **Australia-Obligated Nuclear Material (AONM)**, in terms of “**location, quantities and intended use,**” verified on an annual basis.
- India's position is that all imported nuclear material is subject to safeguards under the guidelines of the International Atomic Energy Agency and further bilateral intrusions are unnecessary.

TRADE

- The bilateral trade between India and Australia, **estimated at \$15 billion.**
- To strengthen bilateral trade and investment, both countries Prime Ministers agreed to conclude a **Comprehensive Economic Cooperation Agreement (CEPA)** by the end of the year.
- India –Australia both borders the Indian Ocean and has a shared interest in the maintenance of **freedom of navigation and trade.**

INDIA-CAMBODIA:

India and Cambodia signed two Memorandums of Understanding during the visit of Vice-President Hamid Ansari.

- **Tourism:** The tourism MoU was aimed at boosting tourist movement between the two countries.
- **Mekong Cooperation Initiative -Ganga**
 - The Mekong-Ganga MoU related to five ‘quick impact projects’, one of which was a \$50,000-grant to Cambodia for the upgradation of an Entrepreneurship Development Centre.
 - The other four projects included two in healthcare, especially to do with malaria, one on agriculture and one on women’s empowerment.

TO BOOST TRADE AND INVESTMENT IN CLMV

- India seeks to invest in the **CLMV (Cambodia, Laos, Myanmar and Vietnam)** countries (which are part of the 10-member ASEAN group) to **take advantage of the free trade agreements** they have with various countries such as China.
- The government seeks to put in place a **project development company, special purpose vehicles and a project development fund** with a corpus of rupees 500 crore to help Indian businesses explore opportunities in the CLMV region.
- India’s exports to CLMV countries grew 38% to \$6.4 billion in 2013-14, while its imports increased 4.2% to \$4 billion during the same year.
- The CLMV countries cover 32% of geographical area of the ASEAN region, and account for around 9% of ASEAN’s gross domestic product. CLMV nations, considered among the fastest growing economies in the region.

INDIA- SRI LANKA:

Sri Lankan Prime Minister Ranil Wickremesinghe visited India. List of Agreements/MoUs signed during his visit.

- Bilateral Agreement between India and Sri Lanka on Orbit Frequency Coordination of Satellite for SAARC Region

- Renewal of MoU regarding Indian grant assistance for implementation of Small Developmental Projects (SDP) through local bodies, non-governmental organizations, charitable trusts and education and vocational institutions.
- MoU regarding supply of Medical Equipment to 200 bed ward complex at District General Hospital, Vavuniya
- Exchange of Letters on Establishment of Emergency Ambulance Services in Sri Lanka

CONTENTIOUS ISSUES BETWEEN INDIA- SRI LANKA

- The historic waters between India and Sri Lanka have become a battleground between the Tamil fishermen on both sides. A negotiated solution needs to be found on this issue.
- Another issue is the implementation of the 13th amendment which calls for devolution of powers to provinces.
- The UNHRC resolution on war crimes is another important issue on which both the countries have to reach an understanding.
- **Pro-China tilt:** During the presidency of Mahinda Rajapaksa Sri Lanka was seen as tilting toward china. Indian apprehensions in this regard were further heightened when Chinese submarines twice docked in Sri Lanka. On the other hand, his successor President Maithripala Sirisena has assured that the pro-China tilt would be corrected.

INDIA'S 'LOOK WEST' POLICY

India adopted look west policy in 2005. However, the policy did not get much attention since 2005. Prime Minister Narendra Modi's visit to the United Arab Emirates (UAE) has the potential to transform our engagement with West Asia.

The foundation for PM successful outreach to West Asia was in fact laid by his predecessor when India invited the King of Saudi Arabia to be the chief guest at the Republic Day Parade, in 2006. This was followed by Prime Minister Manmohan Singh's visit to Riyadh and the **India-Saudi defence cooperation agreement** signed in 2014.

TRANSFORMATIONAL VISIT

- The Joint Statement between the United Arab Emirates and India is an important articulation of a significant shift in the **Arab world's view of India**.
- It talks of historic ties of **"commerce, culture and kinship"**, drawing attention to the unique history of Arab interaction with Indian communities of the west coast, from Gujarat to Kerala.
- The joint statement, outlining **closer government-to-government (G2G)** relations, draws attention to the **vibrant business-to-business (B2B) and people-to-people (P2P)** relationships and commits the UAE to a sharp increase in its investment in India.

GULF COOPERATION COUNCIL (GCC) LOOKS WEST

The new strategic partnership outlined by the UAE and India is not just defined by India's **"Look West" policy** but that it is equally defined by the **GCC's "Look East" policy**.

Several factors have contributed to this fundamental shift in West Asian strategic thinking.

- First, the **structural change in the global energy market** with West Asian oil and gas increasingly heading to South and East Asian markets rather than to the Trans-Atlantic markets.
- Second, partly as a consequence of this change in flows and partly owing to the fiscal stress faced by the trans-Atlantic economies, **West Asia is looking to India and other Asian powers to step in and offer security guarantees to the region**. Many GCC states have welcomed defence cooperation agreements with India.

- Third, in the wake of the Arab Spring and the mess in Egypt and Iraq, the **Gulf states find India and China to be more reliable interlocutors** than many western states.
- Fourth, under pressure from radical and extremist political forces within West Asia, most states in the region have come to value the **Indian principle of seeking and securing regional stability** as an over-riding principle of regional security.

CONCLUSION

- “Look East” Policy succeeded because South-East Asia began to “look West” to India, seeking a balancer to China.
- “Look West” Policy will succeed because West Asia is “looking East” worried about the emerging strategic instability in its own neighbourhood and the structural shift in the global energy market.
- India-West Asia relations is the assertion of not just a “shared” past but of shared challenges in the present and a shared future.

INDIA - IRAN

MOU : CHABAHAR PORT

- Iran and India have signed an agreement to develop the Chabahar port. This will provide an alternative route for India to trade with **Afghanistan and Central Asia, bypassing Pakistan.**
- Under the Memorandum of Understanding, Chabahar port will be used to ship crude oil and urea, greatly reducing transportation costs for importing these two commodities.
- The port is to be developed via a **special purpose vehicle**, which will be owned by the two sides with an investment of around \$85 million.
- A multi-purpose cargo and container terminal is to be developed at the port.

STRATEGIC SIGNIFICANCE

- Ties with Iran are vital for **India’s economic and strategic interests.**
- Iran has one of the largest gas reserves, and these are expected to be opened up soon for global investments.
- Oil and Natural Gas Corporation already has interests in the Farzad-B gas field, and Iranian gas will help India’s fuel-starved power stations.
- More important, New Delhi and Iran share an interest in **stabilising Afghanistan.** Both realise that a return of the Taliban to Kabul would affect their key interests.
- India’s presence in **Chabahar will offset the Chinese presence in the Pakistani port of Gwadar.** It also takes advantage of the centuries-old connection with Iran.

BRIDGING THE GAP

Indian presence in Chabahar is expected to offset Chinese presence in Pakistani port of Gwadar

🔴 **COST CUTTER** The port will be used to ship crude oil and urea, greatly reducing India’s transportation costs

🔴 **AFGHAN CONNECT** A railway line, to be built by Ircon International, will connect Chabahar port to Zahedan on Afghan border

🔴 **BIGGER LINK** The port will link to International North-South Transport Corridor that will connect India with Azerbaijan, Turkmenistan and other Central Asian trading partners



CONCLUSION

- For the success of these projects India needs to have a **consistent policy towards Iran** that is defined by mutual interest and not by global pressures.
- The period of tepid engagement with Iran has delayed the Chabahar port project and affected India's energy security. Now New Delhi has to make up for lost time by accelerating bilateral diplomacy.
- India has to seize the momentum provided by the **nuclear deal to step up energy trade with Iran**. Imports from Iran are relatively cheap because of the geographical proximity and the extended credit period it offers.

MYANMAR ELECTION

National election in Myanmar is going to be held in November. Myanmar opposition leader Aung San Suu Kyi said her party would contest a national election.

- The **National League for Democracy (NLD)** won Myanmar's last free and fair election in 1990 in a landslide, but the result was ignored by the then ruling military. The NLD boycotted a 2010 poll held under military rule.
- The **Union Solidarity and Development Party (USDP)**, which is dominated by military and civil servants, will be the NLD's biggest opponent.
- Ms. Suu Kyi's own presidential aspirations are curtailed by a clause in the constitution that bars **individuals with children holding foreign citizenship from becoming head of state**.

First multiparty general elections

1990: Suu Kyi's NLD won, Military rejected verdict

1990-2010: Suu Kyi under house arrest, released, re-arrested

2010: Elections won by Thein Sein's USDP, NLD boycotts

2012: By-polls for 44 seats, NLD wins 43 of 44, Suu Kyi enters parliament

2015: November 8 to see first multiparty general elections for 664 Parliament seats

Myanmar Parliament Hluttaw for presidential election

664

Number of seats in Upper House+ Lower House

166 (25%)

Seats nominated by military

333 (>50%)

Seats needed for majority

498 (75%)

Seats needed for constitutional amendment to allow Suu Kyi to be President

Why Myanmar matters to India

- Key to India's "Look East, Act East Policy"
- Geopolitical value: borders India and China
- Partner in fighting terror groups like NSCN(K) along India-Myanmar border
- Emerging market for Indian investment
- Important supplier of lentils, vegetable, timber
- Exploration target for offshore oil and gas blocks

POLITICAL REFORMS IN MYANMAR

A process of reform has been under way in Myanmar since November 2010, when military rule was replaced by a new military-backed civilian government.

- Release of Aung San Suu Kyi from house arrest.
- The release of political prisoners.
- Free and fair by-poll elections in 2012 that saw Aung San Suu Kyi enter Parliament.
- The lifting of censorship on media houses.

Based on the above reforms USA and EU have lifted most of the sanctions against Myanmar.

MILITARY HOLDS ON PARLIAMENT

- As per 2008 constitution, **25 per cent of the seats** in the Upper and Lower houses of Hluttaw (House of Representatives) will be nominated by the military.

- In order to form the government, the NLD will **require at least 333 seats out of a total 664**, which means it needs not 51 per cent of the vote but a whopping 67 per cent.
- On the other hand, the currently ruling **Union Solidarity and Development Party (USDP)** of President Thein Sein would need **just 26 per cent or 173** seats to form a government, as it would automatically get the support of the military-nominated members.
- The all-important **Defence and Home portfolios remain with the Tatmadaw** (The Myanmar Armed Forces), regardless of who comes to power.

NEPAL ADOPTS FIRST DEMOCRATIC CONSTITUTION

Nepal adopted its first democratic Constitution, a historic step for a nation that has seen war, a palace massacre and devastating earthquakes since a campaign to create a modern state began more than 65 years ago.

IMPORTANT FEATURES OF CONSTITUTION

- The constitution defines Nepal as a secular country, despite widespread protests for it to be declared a Hindu state.
- **Federal system: It creates seven states in a secular, federal system.**
- Nepal's constitution divided the country **into seven provinces**.
 - Kathmandu, the capital district, lies in province No. 2 and except this all other provinces have three geographical divisions, mountain region, hilly region and southern plains.
- **"Entitlement approach" to rights**
 - Nepal's new constitution has been based on the "entitlement approach" to rights.
 - It guarantees fundamental rights as well as the right to food, right to education and right to protection from environmental degradation. In a move loaded with meaning, the constitution gives right of protection from human trafficking.
- The needs of marginalised communities, including the Dalits, the disabled and those from the LGBT community, are addressed.
- Confirming social and economic rights as fundamental
- Rejecting the death penalty
- Amendments can be adopted with relative ease over the next two years and four months, as the Constituent Assembly enjoys a kind of afterlife as a Parliament.

Nepal's draft provincial boundaries



Note: Colours show the proposed boundaries for seven federal provinces

DISCONTENT OVER THE NEW CONSTITUTION:

- The promulgation happened even as violent protests raged in the Terai against "injustice" meted out to the Madhesis.
- The protestors were upset that the federal restructuring of Nepal into seven provinces left the Madhesis divided among five provinces, with only one of them having a majority of plains-origin people.

- Delineation of electoral constituencies in the Terai (where more than 50 per cent of Nepal's people live) which has not been done on the basis of the population in the plains; this creates a grievance about gerrymandering.
- Other complaints relate to citizenship norms that disallow children of Nepali mothers married to foreigners from inheriting Nepali citizenship.

INDIA GOVERNMENT RESPONSE

According to the government, there are three major problems with the Constitution which prevents India from warmly welcoming the document.

- The federal-provincial demarcation is perceived to be unfair to the people of the Terai region;
- Secondly, the constituency delimitation is skewed against the Madhes population as half the population, that is the Pahadi (Hill) community gets 100 seats but the other half consisting of the Madhesi and the Janjatis get only 65 seats.
- Finally the 'proportional inclusion' clause, for reservation includes many forward castes of the Pahadi region, which negates the principle of affirmative action.
- India also feels let down that many of the commitments given by Nepal during the framing of the 2007 interim Constitution have been forgotten.

SRI LANKAN WAR CRIMES

A U.N. report has identified patterns of grave violations in Sri Lanka between 2002 and 2011, strongly indicating that war crimes and crimes against humanity were most likely committed by both sides to the conflict.

KEY FINDINGS

- The U.N. report accuses government forces and LTTE of sub-human atrocities during war.
- **Unlawful killings:** Sri Lankan forces targeted Tamil politicians, aid workers, journalists while LTTE eliminated Muslims and Sinhalese.
- **Deprivation of Liberty:** forces used arbitrary arrest, enforced disappearances and extrajudicial killings as a norm
- **Gender violence:** Lankan forces used rape and sexual violence against men and women as a instrument of torture.
- It concludes that many of the instances established may amount to war crimes or crimes against humanity.
- It also records the killing of civilians by the Liberation Tigers of Tamil Eelam, its forced recruitment of adults and children, and preventing civilians from leaving the conflict zone.

RECOMMENDATIONS

The report recommends the establishment of a **hybrid special court**, integrating international judges, prosecutors, lawyers and investigators, as an essential step towards justice.

SRI LANKAN GOVERNMENT RESPONSE:

Sri Lankan government have committed to form domestic judicial mechanism to probe alleged war crimes .

UNHRC RESOLUTION

- The United Nations Human Rights Council adopted a resolution on alleged human rights violations during the Eelam War in Sri Lanka.

- The resolution envisages the establishment of a **Sri Lankan judicial mechanism** to investigate allegations of violations and abuses of human rights and violations of international humanitarian law.
- The proposed mechanism will include Commonwealth and other foreign judges, defence lawyers and authorised prosecutors and investigators.
- Sri Lanka has co-sponsored the resolution.
- The Tamil National Alliance (TNA) described the suggestion of involving the foreign and Commonwealth jurists as a **“significant victory for justice”**.

ASEAN TRADE CORRIDOR

China called for the fuller economic integration with the Association of South East Asian Nations (ASEAN), steered by the Nanning - Singapore Economic Corridor under the framework of the Maritime Silk Road (MSR).

“NANNING - SINGAPORE ECONOMIC CORRIDOR”

- **“Nanning Consensus”** to build the Nanning-Singapore Economic Corridor, more formally dubbed as the China-Indo-China Peninsula International Corridor.
- The core initiative aimed at economic integration, would connect eight major cities—Singapore, Kuala Lumpur, Bangkok, Phnom Penh, Ho Chi Minh City, Vientiane, Hanoi and Nanning.
- The Nanjing- Singapore corridor will cover two related trajectories. While one line will head towards Vietnam, the other would be expended to the less developed Laos, Cambodia and Myanmar.
- "The China-Singapore Economic Corridor is a transnational land route economic belt which runs through countries in Indo-China Peninsula.
- The Corridor is an important part of the Maritime Silk Road in the 21st Century.

ANALYSIS

- Once the corridor enters implementation phase **“labour-intensive and resource-intensive industries”** would cascade in the direction of Laos, Cambodia and Myanmar.
- Economic integration with ASEAN **could ease the tension in South China Sea.**
- The corridor is being structured to help China to shift its excess manufacturing capacity to the less developed zones in the ASEAN.
- It also aims to reduce the influence of USA that is proposing economic integration through The **Trans-Pacific Partnership, or TPP.**

EUROPE’S REFUGEE CRISIS

According to the International Organization for Migration (IOM), more than 3,50,000 migrants and refugees have tried to cross the Mediterranean sea into Europe.

The U.N. says 2,500 people have died on the seas so far

NEW GROWTH ENGINE SHAPES UP

The corridor is aimed at the economic integration of eight major cities in southeast Asian countries

➤ The project was proposed by China's Guangxi province as a blueprint for **China-ASEAN economic integration in 2006**

➤ It is estimated to be 5,000 km long with **198 km in Chinese territory**

➤ The corridor will spur capital flow into less developed nations and stimulate growth of **China-ASEAN free trade area**

➤ Nanning is well positioned to link up through a waterway the **prosperous Pearl River Delta** region of Guangdong, Hong Kong and Macao



➤ Singapore can operate as the **corridor's gateway to the global economy** through its well-established sea and air linkages

this year. Most of them are from West Asia, particularly from the war-ravaged countries of Syria, Iraq and Libya; many are also from the disturbed areas of Africa.

A substantial number of refugees are also from Afghanistan and Pakistan

THE ROLE OF THE EURO-ATLANTIC POWERS TO DESTABILIZE WEST ASIA

West Asia in the past was not like this; despite **illusive democracy**, there was **political stability** and **economic activities** flowed quite smoothly. West Asia was and is **geo-economically** extremely relevant for the U.S. and its allies due to having **an abundance of energy resources**.

It was in pursuance of **narrow political objectives** that Western powers entered West Asian territories and destabilised them.

- **Iraq:** Iraq is in ruins, even though it does not possess any weapons of mass destruction.
- **Libya:** Libya was bombed by NATO in 2011 after getting sanctions through the United Nations Security Council Resolution, 1973, and is currently a battleground for different ethnic groups fighting to capture political power.
- **Syria:** There is enough evidence to prove that on the pretext of supporting pro-democratic forces in Syria, western powers ended up helping the radical groups, providing necessary fodder for the birth of the deadly Islamic State.
- **Yemen:** western power supporting the Saudi Arabia led coalition forces that are bombing and destroying Yemen.
- **Afghanistan:** Afghanistan, also one of the known battlefields of the Cold War, was deserted by the West after the disintegration of the Soviet Union. But it was revisited post-9/11 by the Euro-Atlantic powers to destroy Al-Qaeda's terror network. Yet, even after the death of Osama bin Laden, political instability continues in Afghanistan.
- Afghanistan is caught in an unending civil conflict and Pakistan's socio-economic condition is continuously deteriorating.

WHY MIGRATION

- Endless conflict has ruined the **social, political and economical structures** of some countries in West Asia, making it impossible for people to have a secure livelihood. This is what makes people flee their own countries to other parts of the world, in search of **peace, employment and stability**.
- **Freedom from conflict** is important reason for large scale migration.

WHY EUROPE

- Europe is the closest wealthy, safe and accessible region from the Mideast and Africa.
- Also, some European countries are known for welcoming asylum seekers and providing benefits to help them get started in their new homes.
- Europe is the most preferred destination for the people from these fragile regions as it is economically prosperous, socially secure and has better immigration laws.
- Europe is experiencing one of the most significant influxes of migrants and refugees in its history.

HOW IS EUROPE RESPONDING

- Faced with a situation of a heavy influx of refugees, Europe is unwilling to welcome people into its territory.
- European countries disagree about how to handle the crisis. Southern countries like Greece and Italy want other countries to take them in. European Union rules say migrants should be settled where they first land, but now enforcement of those rules is becoming impossible.

- The European Union has unveiled a refugee quota plan to address the crisis, but is already facing opposition from eastern members

ANALYSIS

- Their irresponsible acts for achieving narrow political objectives have destabilised West Asia, and now European countries cannot turn their backs to the problems of the refugees.
- In this regard, it is also crucial for the EU to involve the U.S. Similarly, the stable countries of West Asia should be contacted to provide some respite to these refugees.
- If the goal is to stop the migration, that would require ending the conflicts in Syria, Iraq and elsewhere.

ATTACKS ON BLOGGERS IN BANGLADESH:

Many bloggers have been attacked by intolerant Islamic fundamentalists affiliated to various militant groups.

WHY BLOGGERS

- Radicals groups have targeted bloggers for their “**atheistic**” and “**secular**” views over the last few years.
- The bloggers are among those who would want to hold on to the ideal of **a secular state** that was conceived after the historic war of liberation against the then West Pakistan in 1971.
- The bloggers were supporters of the **war crimes trial**.
- Bloggers are instrumental in shaping public opinion in cyber space **against communalism**.
- Bloggers have criticized militant/ radical groups.

FALL OUT OF WAR TRIAL

- Ever since the **Sheikh Hasina-led Awami League** government in 2010 started the long-pending process of **indictment of Jamaat-e-Islami** leaders for the brutal war crimes during the liberation war, the contradictions have become sharper.
- The main opposition, the **Bangladesh Nationalist Party**, has joined hands with the **Jamaat-e-Islami** to unleash violent protests against the government, particularly against the war trial in which several Jamaat leaders have been indicted.
- When one of the leaders, Abdul Quader Mollah, was convicted, spontaneous agitations erupted in Dhaka culminating in the **Shahbag protests in 2013** demanding capital punishment for those convicted for the war crimes of 1971.

The killing of the bloggers comes against this background.

ANALYSIS

- Killing of secular bloggers also raises questions about the **commitment and capability of the Bangladesh government** in protecting its citizens from organised violence.
- By means of the murders the **Islamists are sending a message to the government and the public** that anyone who criticises them would face a similar fate.
- Government should initiate credible steps to ensure the safety of citizens, particularly the secular bloggers. Failing to do that would only send a message to the assailants that the authorities tend to tolerate such attacks.

U.K.'S LABOUR PARTY

In a historic moment for the Labour Party and for British politics as a whole, **Jeremy Corbyn**, the socialist candidate in the Labour Party's leadership elections.

POLICIES ADVOCATED BY HIM

- Steadfastly opposed to the **austerity programme**.
- Intends to introduce a "**people's quantitative easing**", which would allow the bank of England to print money to invest in large-scale housing, energy, transport etc.
- **Re-nationalisation of the railways and the energy sector**
- Corbyn is a staunch pacifist and has long been involved with organization such as the **stop the war coalition and campaign for nuclear disarmament**.
- Withdrawal of the **U.K. from NATO**.
- Opposition to military intervention in Syria.
- The proposal to dismantle **the Trident nuclear missile programme**.
- Corbyn has pledged to do more to **address discrimination against women**.
- Has called for an end to the cuts to public services and welfare that drive women and families into poverty.

CRITICISM OF JEREMY CORBYN

- Since being elected leader he has been called a threat to national security by David Cameron.
- Critics say he'll make the party unelectable for decade.
- Critics within party: Despite a 60 per cent mandate from his party, Mr. Corbyn now faces his real test – maintaining his radical agenda. His popularity among Labour MPs is very low, Only 20 of them voted for him, and several shadow Ministers resigned after he was elected.

PART OF A WIDER TREND

- Mr. Corbyn's victory needs to be viewed in the context of a broader phenomenon — the leftward shift of the masses that is happening across the world, especially in Europe.
- The powerful showing of the **Scottish National Party (SNP)** in the recent U.K. elections, the rise of **Syriza in Greece and Podemos in Spain**, and the surging popularity of **Bernard Sanders** in the U.S. are all part of this wider trend.
- The immediate trigger for this shift in Europe is, of course, the **austerity imposed in the wake of the 2008 financial crisis**.
- The other factor is the widespread **disenchantment with the choices offered by the political mainstream**.

GREEK ELECTION

Alexis Tsipras received the formal mandate to form a government for the second time this year, after his **left-wing Syriza party** won Greece's early national elections.

REASONS FOR EARLY ELECTION

- Left-wing Syriza party won the election on the plank of anti-austerity measures. After winning elections in January, Tsipras' left-wing Syriza party promised to end tough austerity measures.
- **Conditional bail out:** Creditor from euro-zone agree to help Greek to tide over economic crisis but it has to impose certain conditions like
 - Impose austerity measures

- Economic reforms
- However these conditions were rejected by Greek voters in referendum. But acceptance of bail out terms by Alexis Tsipras led to split in Syriza party. Alexis Tsipras resigned and called for early election.

ECONOMIC REFORM

In return bailout, his government will have to impose further austerity as well as undertake a series of economic reforms.

CONFLICT IN KOREAN PENINSULA

The latest crisis started with a landmine blast in the **demilitarised zone (DMZ)** in which two South Korean soldiers were injured. Seoul retaliated **by resuming anti-North propaganda**, which led to shelling from the North and counter-artillery fire from the South. But the ultimatum given **by North Korea to the South** to either stop its **propaganda broadcasts across the demilitarised zone (DMZ)** or **face war** has raised them to their highest level in many years.

DIPLOMATIC ENGAGEMENT

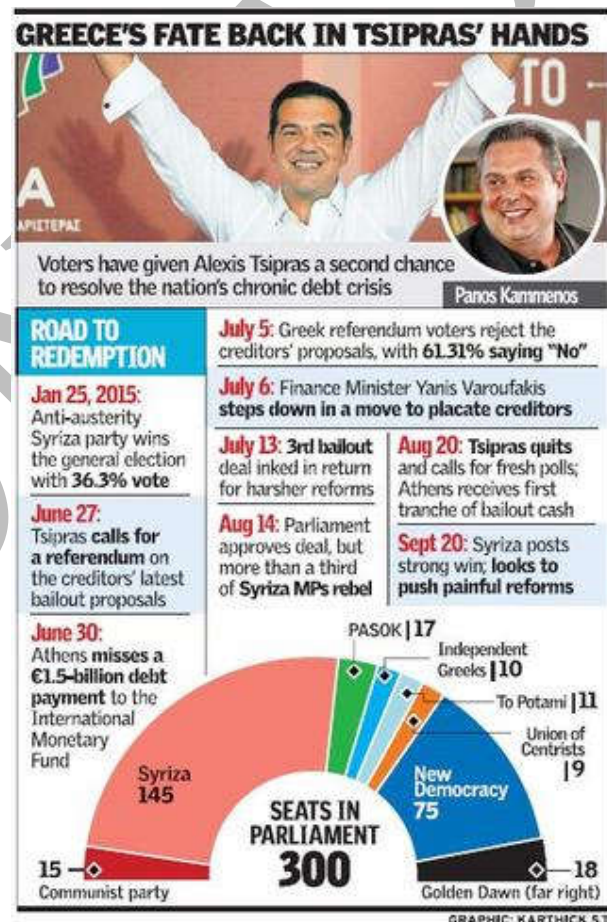
After hectic diplomatic engagement both side have agreed to defuse the present crisis.

- Pyongyang expressed **“regret”** that two South Korean soldiers were maimed in a recent landmine blast.
- South Korea, for its part, agreed **to halt anti-Pyongyang propaganda** broadcasts on the border.

INTERNAL CRISIS IN NORTH KOREA

The North is going through several internal challenges.

- At least 70 top-level government officials, including the Vice-Premier, were reportedly executed since Mr. Kim took power in 2011, indicating that the regime is **using brute force to sustain itself and silence dissent**.
- The North Korean state media have confirmed that the country is facing the **“worst drought”** in a century. This spells a major economic crisis.
- Western sanctions have crippled the North Korea economy.
- Whipping up tensions with the South could be a **deliberate strategy on the part of Mr. Kim** in order to divert attention from crucial internal problems.



HISTORICAL ISSUES BETWEEN NORTH AND SOUTH KOREA

- The Koreas are still technically at war, as the 1950-53 Korean War ended with an **armistice agreement and not a proper ceasefire**. Since then there have been several incidents of border violence.
- While the two countries have not had a full-scale armed conflict since 1953, tensions on the peninsula have remained high, particularly after the **North went nuclear in 2006**.
- The border is the world's most heavily armed and there has never been a formal peace agreement ending the Korean War, so the area is always essentially in a **"quasi-state of war"**.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations officially adopted a new set of global goals to **combat poverty, inequality and climate change** over the next 15 years in the most comprehensive international effort ever to tackle the world's ills.

WHAT ARE THE SDGS AND HOW WILL THEY BE MEASURED?

- The SDGs are a set of **17 goals and 169 targets** aimed at resolving global social, economic and environmental problems.
- To be met over the next 15 years, beginning on Jan. 1, 2016, the SDGs replace the Millennium Development Goals (MDGs) which were adopted in 2000 and expire this year.
- Implementation of the new goals, requiring trillions of dollars in investment, will be monitored and reviewed using a set of global indicators to be agreed by March 2016.

WHO DECIDED THE SDGS?

- Governments came up with the idea at the **Rio+20 conference on sustainable development** in Brazil 2012.

WHAT'S NEW AND DIFFERENT ABOUT THE SDGS?

- The United Nations says the SDGs go much further than the previous goals, because they address **the root causes of poverty** and pledge to leave no one behind, including vulnerable groups.
- They also emphasise the need **to tackle climate change** urgently and protect the environment through a shift to sustainable consumption and production, and wiser management of natural resources.
- The SDGs are intended **to be universal**, applying to all countries rather than just the developing world.
- They recognise the key role of the **private sector in pursuing and financing sustainable** development, in partnership with governments and civil society..

THE GLOBAL GOALS

For Sustainable Development



1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5. Achieve gender equality and empower all women and girls
6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all
9. Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation, and halt biodiversity loss
16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

INDIA AND SDGS

India has not fulfilled the MDGs targets of universal primary school enrolment, empowering women through wage employment and political participation, reducing child and infant mortality and improving sanitation to end open defecation as per a UN assessment. So, there are a lot of apprehensions among experts about India's

capability to achieve SDGs. There are certain specific issues that may act as major impediment in achieving these development goals.

- **Lack of data:** India does not have adequate data to frame relevant policy.
- **Financial resources:** India does not have enough financial resources to meet these global development targets. India currently has only 5 per cent of funds required to implement the SDGs.
- **Human resources:** To achieve the targets require trained/ skilled man power in which India is lacking.
- India's record in policy implementation is not very encouraging. To achieve intended targets require not only sound policy formulation but effective implementation mechanism

ALSO IN NEWS

CITIZENSHIP FOR RELIGIOUS PERSECUTED PEOPLES

The Union Home Ministry will amend the Citizenship Act, 1955, to grant citizenship to undocumented migrants who fled religious persecution in **Pakistan and Bangladesh**. The migrants include not just Hindus but also **Buddhists, Christians, Zoroastrians, Sikhs and Jains**.

- The Bill will make changes to some provisions in the Foreigners Act, 1946, the Passport (Entry into India) Act, 1920, and the Passport (Entry into India) Rules, 1950.
- The cut-off date proposed for victims of religious persecution from Pakistan and Bangladesh who can apply for citizenship is December 31, 2014. Citizenship by registration (a minimum stay of seven years) and naturalisation (a minimum of 12 years) will be the two routes.

IMPLICATIONS

- The External Affairs Ministry has cautioned the Home Ministry that the move could hurt India's relations with its neighbours.
- Worries about the impact this would have **on relations with Bangladesh** at a time when a friendly government is in place are misplaced.
- It will have far-reaching implications in **Assam and some parts of north-west India**.
- Not only Hindus but also various **sects of Muslims (Ahmadiyya)** also faced religious persecution in Pakistan and Bangladesh so not providing them citizenship will be seen as **anti-Muslim stand of Indian government**.

ANALYSIS

- The real difficulty, however, would be to distinguish between **illegal migrants** who came to India seeking work opportunities and a better life, and those who fled Pakistan or Bangladesh fearing persecution
- India must remain open to all those seeking refuge, and not just those fleeing religious persecution.
- Although not a signatory to the **1951 UN Refugee Convention**, under which it would have been obliged not to send refugees back to a territory against their will if they fear threats to life or freedom.
- India cannot escape its responsibilities under the **Universal Declaration of Human Rights** to respect the rights and freedoms of all people in its territories. Article 14(1) is categorical in stating that "everyone has the right to seek and to enjoy in other countries asylum from persecution."

SAFE HARBOR

Safe Harbor is the name of a policy agreement established between **the United States Department of Commerce and the European Union (E.U.)** in November 2000 to regulate the way that U.S. companies export and handle the personal data (such as names and addresses) of European citizens.

UNESCO AWARD

India has won the top UNESCO prize 'Award of Excellence' 2015 for the remarkable conservation efforts of the majestic **Sree Vadakkunnathan Temple in Kerala**.

G-20

Economic supremos from the world's top 20 economies say **global growth is falling short of expectations**. They pledged to **act decisively to shore up stuttering global growth** and to refrain from unsettling currency moves after China's controversial devaluation.

The group vowed to

- To "Carefully calibrate and clearly communicate our actions... to minimise negative **spillovers, mitigate uncertainty and promote transparency**".
- To "**Refrain from competitive devaluations and resist all forms of protectionism**".

WOMEN-20

- The world's 20 leading economies have launched a new grouping (W20) aimed at boosting the role of **women in global economic growth**.
- The group (W20) aims to work toward **empowering women and ensuring their participation in economic growth**.

WHITE HOUSE MEDAL

US President Barack Obama has presented the **prestigious National Humanities Medal** to Pulitzer Prize winner, **Jhumpa Lahiri**, in recognition of her "**beautifully wrought narratives of estrangement and belonging**" which highlight the "Indian-American experience".

PARADE TO COMMEMORATE WW II VICTORY

- China held a massive military parade to commemorate the **70th anniversary** of the victory **against Japan in the World War II** at the sprawling **Tiananmen Square** here.
- China's first military parade aimed at highlighting the excesses committed by Japanese troops against Chinese in the WW II.
- India was represented by Minister of state for External Affairs. India had played a sterling role in defeating Japanese militarism, by contributing forces and keeping supply lines open to the Chinese resistance through the **Assam-Burma Stilwell road** during World War II.

TIBET AUTONOMOUS REPUBLIC (TAR)

- China celebrated the 50th anniversary of the formation of the Tibet Autonomous Republic (TAR) by sending a powerful message of unity, along with an advocacy **of fusing religious and socialist values**.
- China has been focusing on a **cultural renaissance** based on the revival of Buddhism, Confucianism and Taoism.
- Chinese President has advocated for promotion of Marxist **values** to shape people's views on ethnicity, religion and culture.
- China says Tibet became a part of the country by "**peaceful liberation**" when Chinese troops invaded the Himalayan plateau in 1950 establishing Beijing's control over it
- The **Tibet Autonomous Region** was founded on September 1, 1965, after the establishment of the regional People's Congress, the local legislature.

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