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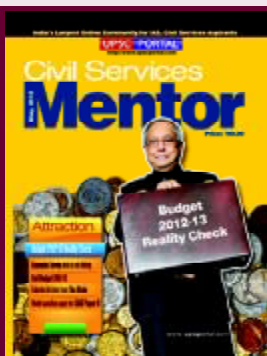
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Rail Budget 2012-13

Selected Articles from The Hindu

Model question paper for CSAT Paper-II

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Editor's Note

Dear Friends/Aspirants

As you all know we at www.upscportal.com are sincerely trying to help the civil service aspirants to achieve their target. In this effort we were publishing a monthly magazine named- Civil Services Mentor, since last one year, but this was available only online, in PDF format. Above 25000 aspirants were downloading this magazine monthly, but they were asking for the hard copy repeatedly. So, we are very happy to inform you that, we have decided to launch print edition of our magazine from this month. Friends, I can assure you for the success once you sincerely follow these simple "Steps of Success" in planning & preparation of civil services.

Avoid negative sources, people, places, things and habits

Believe in yourself

Consider every angle of the fact

Don't give up and don't give in

Energize your thoughts

Family and friends are hidden treasures, seek them and enjoy their riches

Give more efforts than you are supposed to

Hang on to your dreams

Ignore those who try to discourage you

Just focus on your goals

Keep trying to matter how hard it seems, it will get easier

Love your goal first and foremost

Make it happen

Never lie, cheat or deviate from your goal

Open your eyes and understand things from your perspective

Practice hard

Quitters never win and winners never quit

Read, study and learn about everything important

Stop procrastinating

Take control of your own destiny

Understand yourself in order to better understand others

Visualization of task makes it easy

Want it more than anything

Xcellerate your efforts

You are the best

Zero in on your target and go for it!

As we are human, we are error prone, so make us aware of our errors. We will sincerely welcome your suggestions, Please send your suggestions to yagya2007ias@gmail.com

Yagya Nand Jha



The Union Budget 2012-13 presented by the Finance Minister Pranab Mukherjee in Lok Sabha on 16th March, identified five objectives to be addressed effectively in the ensuing fiscal year. They include focus on domestic demand driven growth recovery; create conditions for rapid revival of high growth in private investment; address supply bottlenecks in agriculture, energy and transport sectors particularly in coal, power, national highways, railways and civil aviation; intervene decisively to address the problem of malnutrition especially in the 200 high-burden districts and expedite coordinated implementation of decisions being taken to improve delivery systems, governance, and transparency; and address the problem of black money and corruption in public life.

If the Union Budget was expected to make some special concessions for West Bengal to placate Chief Minister Mamata Banerjee, there was no hint of it in Finance Minister Pranab Mukherjee's speech on Friday.

Indeed, it was a speech singularly short of any political message; nor indeed, did it have a strong social message, as most of the schemes mentioned are already in place, with the government just making additional allocations. Perhaps, the only social sector issue that Mr. Mukherjee highlighted in this fiscal year

was to "intervene decisively to address the problem of malnutrition, especially in the 200 high burden districts."

Interestingly, that message appeared to have got across to the Trinamool Congress. For despite the fact that West Bengal only got a flood management project in Murshidabad, a Congress-controlled district, and Rs. 50 crore to establish a world-class centre to improve water quality in Kolkata, the Trinamool MPs seemed low key, describing the budget as "tolerable." Of course, Trinamool Leader in the Lok Sabha Sudip Bandopadhyay did mention the fact that West Bengal, like Punjab and Kerala, was "in a debt trap" and wanted a three-year moratorium. But government sources told that the Centre had made it clear to all three States that it wanted to see some signs on the part of these State governments that additional funding "would not be like pouring water into a bucket with holes in it." The message that the UPA government, evidently, wants to send out through this budget is that its focus will be on strengthening the economy, stimulating growth and on revenue generating measures. "If India can continue to build on its economic strength, it can be a source of stability for the world economy and provide a safe destination for restless global capital." Probably the message of this budget: that the government intends to govern, and

the allies need to get on board. Mukherjee said that India's GDP growth in 2012-13 is expected to be 7.6 per cent +/-0.25 per cent. He said that in 2011-12, India's GDP is estimated to grow at 6.9 per cent after having grown at the rate of 8.4 per cent in each of the two preceding years. He said though the global crisis had affected India, it still remains among the front runners in economic growth. Mukherjee said the slowdown is primarily due to deceleration in industrial growth. Stating that the headline inflation remained high for most part of the year, the Finance Minister expressed hope that it will moderate further in the next few months and remain stable thereafter. FM laid emphasis on striking a balance between fiscal consolidation and strengthening macroeconomic fundamentals. He announced introduction of amendments to the Fiscal Responsibility and Budget Management Act, 2003 (FRBM Act) as part of the Finance Bill 2012. He said that concept of "Effective Revenue Deficit" and "Medium Term Expenditure Framework" statement are two important features of Amendment to FRBM Act in the direction of expenditure reforms. This statement shall set forth a three year rolling targets for expenditure indicators.

The FM called for a need to have a close look at the growth of revenue expenditure, particularly, on subsidies.

He announced that from 2012-13 while subsidies related to food and for administering the Food Security Act will be fully provided for, all other subsidies would be funded to the extent that they can be borne by the economy without any adverse implications. He said that the Government will endeavor to restrict the expenditure on central subsidies under 2 per cent of GDP in 2012-13 and over the next three years, it would be further brought down to 1.75 per cent of GDP. Finance Minister said that based on recommendations of the Task Force headed by Nandan Nilekani, a mobile-based Fertilizer Management System has been designed to provide end-to-end information on movement of fertilizers and subsidies which will be rolled out nation-wide during 2012. He said that transfer of subsidy to the retailer and eventually to the farmers will be implemented in subsequent phases which will benefit 12 crore farmer families. On the tax reforms, the Finance Minister said that the Direct Taxes Code (DTC) Bill will be enacted at the earliest after expeditious examination of the report of the Parliamentary Standing Committee. He said drafting of model legislation for Centre and State Goods and Services Tax (GST) in concert with States is under progress. He added that the GST network will be set up as a National Information Utility and will become operational by August 2012.

On the disinvestment policy, FM said that the Central Public Sector Enterprises (CPSEs) are being given a level playing field vis-à-vis private sector with regard to practices like buy-backs and listing at stock exchange. Stating that while in 2011-12, the Government will raise about ` 14,000 crore from disinvestment as against a target of ` 40,000 crore, the Finance Minister proposed to raise ` 30,000 crore through

disinvestment in 2012-13. He said at least 51 per cent ownership and management of CPSEs will remain with the government. Calling for strengthening investment environment, FM said that efforts are on to arrive at a broad-based consensus in respect of decision to allow FDI in multi-brand retail up to 51 per cent. He proposed to introduce a new scheme called Rajiv Gandhi Equity Savings Scheme to allow for income tax deduction of 50 per cent to new retail investors who invest up to ` 50,000 directly in equities and whose annual income is below ` 10 lakh. The scheme will have a lock-in period of 3 years. Regarding capital markets, the Finance Minister proposed to allow Qualified Foreign Investors (QFIs) to access Indian Corporate Bond market. He also proposed simplifying the process of Initial Public Offer (IPO).

The FM said that the government is committed to protect the financial health of Public Sector Banks and Financial Institutions. He proposed to provide ` 15,888 crore for capitalization of Public Sector Banks, Regional Rural Banks and other financial institutions including NABARD. He added that a Central Know Your Customer (KYC) depositary will be developed in 2012-13 to avoid multiplicity of registration and data upkeep. The Finance Minister informed that out of 73,000 identified habitations that were to be covered under "Swabhimaan" campaign for providing banking facilities by March 2012, about 70,000 habitations have been covered while the rest are likely to be covered by March 31, 2012. He added that as a next step Ultra Small Branches are being set up at these habitations. In 2012-13, Swabhimaan campaign will be extended to more habitations.

Emphasizing on infrastructure and industrial development, Mukherjee said

that during the 12th Plan, infrastructure investment will go up to ` 50 lakh crore with half of this expected from private sector. Stating that in 2011-12 tax free bonds for ` 30,000 crore were announced for financing infrastructure projects, he proposed to double it to raise ` 60,000 crore in 2012-13. The Minister proposed to allow External Commercial Borrowings (ECB) to part finance Rupee debt of existing power projects. The Finance Minister announced a target of covering 8,800 km. under NHDP next year and increase in allocation of the Road Transport and Highways Ministry by 14 per cent to ` 25,360 crore in 2012-13. He proposed to permit ECB for working capital requirements of the Airline Industry for a period of one year, subject to a total ceiling of US dollar 1 billion to address the immediate financial concerns of the Civil Aviation Sector. He added that a proposal to allow foreign airlines to participate up to 49 per cent in the equity of an air transport undertaking is under active consideration.

Expressing concern over shortage in housing sector, the Finance Minister proposed various measures to address the shortage of housing for low income groups in major cities and towns including ECB for low cost housing projects and setting up of a Credit Guarantee Trust Fund. Regarding textile sector, the Finance Minister announced setting up of two more mega clusters, one to cover Prakasam and Guntur districts in Andhra Pradesh and other for Godda and neighboring districts in Jharkhand in addition to 4 mega handloom clusters already operationalized. He also proposed setting up of three Weavers Service Centres, one each in Mizoram, Nagaland and Jharkhand. The Minister proposed a ` 500 crore pilot scheme in twelfth plan for promotion and application of Geo-textiles in the North

East. A powerloom Mega Cluster will be set up in Ichalkaranji in Maharashtra. FM proposed to set up a ` 5000 crore India Opportunities Venture Fund with SIDBI to enhance availability of equity to micro, small and medium enterprises. Stating that agriculture will continue to be a priority for the government, Mukherjee proposed an increase by 18 per cent to ` 20,208 crore in the total Plan Outlay for the Department of Agriculture and Cooperation in 2012-13. He said that the outlay for Rashtriya Krishi Vikas Yojana (RKVY) is being increased to ` 9217 crore in 2012-13. Underlining importance of timely access to affordable credit for farmers, the Finance Minister proposed to raise the target for agricultural credit to ` 5,75,000 crore, which represents an increase of ` 1,00,000 crore over the target for the current year. He said that a short term RRB Credit Refinance Fund is being set up to enhance the capacity of Regional Rural Banks to disburse short term crop loans to the small and marginal farmers. He added that Kisan Credit Card Scheme will be modified to make it a smart card which can be used at ATMs.

The Finance Minister said that in order to have a better out reach of the food processing sector, a new centrally sponsored scheme titled National Mission on Food Processing will be started in cooperation with the States in 2012-13. Minister proposed an increase of 18 per cent to ` 37,113 crore for Scheduled Castes Sub Plan and an increase of 17.6 per cent to ` 21,710 crore for Tribal Sub Plan during 2012-13. Regarding food security, Mukherjee said that National Food Security Bill 2011 is before Parliamentary Standing Committee. He said a multi-sectoral programme to address maternal and child malnutrition in selected 200 high burdened districts is being rolled out during 2012-13. He further said that an

allocation of ` 15,850 crore has been made for ICDS scheme which is an increase of 58% and ` 11,937 crore for National Programme of Mid-Day Meals in schools for the year 2012-13. He added that an allocation of ` 750 crore is proposed for Rajiv Gandhi Scheme for Empowerment of Adolescent Girls, SABLA.

The allocation for rural drinking water and sanitation is proposed to be increased by over 27 per cent to ` 14,000 crore and for Pradhan Mantri Road Sadak Yojana by 20 per cent to ` 24,000 crore in 2012-13. He proposed to enhance the allocation under Rural Infrastructure Development Fund to ` 20,000 crore with ` 5,000 crore exclusively earmarked for creating warehousing facilities. The Finance Minister proposed an increase in allocation by 21.7 per cent for Right to Education – Sarva Shiksha Abhiyan to ` 25,555 crore and by 29 per cent for Rashtriya Madhyamik Shiksha Abhiyan to ` 3,124 crore. He proposed to set up a Credit Guarantee Fund to ensure better flow of funds to students. Regarding health sector he proposed an increase in allocation for NRHM to ` 20,822 crore in 2012-13. He also said that National Urban Health Mission is being launched.

The Finance Minister said that Mahatma Gandhi National Rural Employment Guarantee Scheme has had a positive impact. He proposed an allocation of ` 3915 crore for National Rural Livelihood Mission (NRLM) which represents an increase of 34 per cent. He proposed to provide ` 200 crore to enlarge the corpus to ` 300 crore of the Women's SHG's Development Fund. He said the fund will also support the objectives of Aajeevika i.e. NRLM and will empower women SHGs to access bank credit. He also proposed to establish a Bharat Livelihoods Foundation of India

through Aajeevika which will support and scale up civil society initiatives and interventions particularly in the tribal regions covering around 170 districts. Allocation under National Social Assistance Programme (NSAP) is proposed to be raised by 37 per cent to ` 8447 crore. Under the Indira Gandhi National Widow Pension Scheme and Indira Gandhi National Disability Pension Scheme for BPL beneficiaries, the monthly pension amount per person is being raised from ` 200 to ` 300.

FM announced a provision of ` 1,93,407 crore for Defence Services including ` 79,579 crore for capital expenditure. He said the allocation is based on present needs and any further requirement would be met. Addressing governance related issues, Mukherjee said adequate funds are proposed to be allocated to complete enrollments of another 40 crore persons under UID Mission. Outlining the steps taken by the Government to address the issue of black money, the Minister proposed to lay a White Paper on Black Money in the current session of Parliament. In the Budget estimates for 2012-13, the Gross Tax Receipts are estimated at ` 10,77,612 crore which is an increase of 15.6 per cent over the Budget Estimates and 19.5 per cent over the revised estimates for 2011-12. After devolution to States, the net tax to the Centre in 2012-13 is estimated at ` 7,71,071 crore.

The Non Tax Revenue Receipts are estimated at ` 1,64,614 crore and Non-debt Capital Receipts at ` 41,650 crore. The total expenditure for 2012-13 is budgeted at ` 14,90,925 crore. Of this ` 5,21,025 crore is the Plan Expenditure while ` 9,69,900 crore is budgeted as Non Plan Expenditure. The tax proposals are guided by the need to move towards the Direct Tax Code (DTC) in the case of direct taxes and Goods & Services Tax

(GST) in the case of indirect taxes. Individual income up to ₹ 2 lakh will be free from income tax; income up to ₹ 1.8 lakh was exempt in 2011-12. Income above ₹ 5 lakh and up to ₹ 10 lakh now carries tax at the rate of 20 per cent; the 20% tax slab was from ₹ 5 lakh to ₹ 8 lakh in 2011-12. A deduction of up to ₹ 10,000 is now available for interest from savings bank accounts. Within the existing limit for deduction allowed for health insurance, a deduction of up to ₹ 5000 is being allowed for preventive health check-up. Senior citizens not having income from business will now not need to pay advance tax.

While no changes have been made in corporate taxes, the budget proposes a number of measures to promote investment in specific sectors. In order to provide low cost funds to some stressed infrastructure sectors, withholding tax on interest payments on external borrowings (ECBs) is being reduced from 20 per cent to 5 per cent for 3 years. These sectors are – power, airlines, roads and bridges, ports and shipyards, affordable housing, fertilizer, and dam. Investment linked deduction of capital expenditure in some businesses is proposed to be provided at 150 per cent as against the current rate of 100 per cent. These sectors include cold chain facility, warehouses for storing foodgrain, hospitals, fertilizers and affordable housing. Bee keeping, container freight and warehousing for storage of sugar will now also be eligible for investment linked deduction. The budget also proposes weighted deduction for R&D expenditure, agri-extension services and expenditure on skill development in the manufacturing sector.

For small and medium enterprises (SMEs) the turnover limit for compulsory tax audit of accounts as well as for presumptive taxation is proposed to be raised from ₹ 60 lakh to ₹ 1 crore. In

order to augment funds for SMEs, sale of residential property will be exempt from capital gains tax, if the proceeds are used for purchase of plant and machinery, etc. A General Anti-Avoidance Rule (GAAR) is being introduced in order to counter aggressive tax avoidance. Securities transaction tax (STT) is being reduced by 20 per cent on cash delivery transactions, from 0.125% to 0.1%. Alternative Minimum Tax is proposed to be levied from all persons, other than companies, claiming profit linked deductions.

The Finance Minister has proposed a series of measures to deter the generation and use of unaccounted money. In the case of assets held abroad, compulsory reporting is being introduced and assessment up to 16 years will now be allowed to be re-opened. Tax will be collected at source on trading in coal, lignite and iron ore; purchase of bullion or jewellery above ₹ 2 lakh in cash; and transfer of immovable property (other than agricultural land) above a specified threshold. Unexplained money, credits, investments, expenditures etc. will be taxed at the highest rate of 30 per cent irrespective of the slab of income. The Finance Minister has made an effort to widen the service tax base, strengthen its enforcement and bring it as close as possible to the central excise. A common simplified registration form and a common return are being introduced for central excise and service tax.

All services will now attract service tax, except those in the negative list. The negative list has 17 heads and includes specified services provided by the government or local authorities, and services in the fields of education, renting of residential dwellings, entertainment and amusement, public transportation, agriculture and animal husbandry. A number of other services including health

care, and services provided by charities, independent journalist, sport persons, performing artists in folk and classical arts, etc are exempt from service tax. Film industry also gets tax exemption on copyrights relating to recording of cinematographic films. Service tax rate is being increased from 10 per cent to 12 per cent, with consequential change in rates for services that have individual tax rates. The standard rate of excise duty for non-petroleum goods is also being raised from 10 per cent to 12 per cent. No change is proposed in peak rate of customs duty of 10 per cent on non-agricultural goods.

The Budget offers relief to different sectors of economy, especially those under stress. Import of equipment for fertilizer projects are being fully exempted from basic customs duty of 5 per cent for 3 years. Basic customs duty is also being lowered for a number of equipment used in agriculture and related areas. In the realm of infrastructure, customs relief is being given to power, coal and railways sectors while steam coal gets full customs duty exemption for 2 years (with the concessional countervailing duty of 1 per cent), natural gas, LNG and certain uranium fuel get full duty exemption this year. Different levels of duty concessions are being provided to help mining, railways, roads, civil aviation, manufacturing, health and nutrition and environment. So as to help modernization of the textile industry, a number of equipment are being fully exempted from basic customs duty, and lower customs duty is being proposed for some other items used by the textile industry.

Customs duty is being raised for gold bars and coins of certain categories, platinum and gold ore. Customs duty is to be imposed on coloured gem stones. Excise duty on certain categories of

cigarettes and bidis, pan masala and chewing tobacco is being increased. Customs duty is being increased on completely built large cars/ SUVs/ MUVs of value exceeding \$40,000. Silver jewellery will now be fully exempt from excise duty. Unbranded precious metal jewellery will attract excise duty on the lines of branded jewellery. Operations are being simplified and measures taken to minimize impact of this provision on small artisans and goldsmiths. While direct tax proposals in the Budget will result in a net revenue loss of ` 4,500 crore, indirect taxes will result in a net revenue gain of ` 45,940 crore. Thus, the tax proposals will lead to a net gain of ` 41,440 crore.

HIGHLIGHTS OF BUDGET :

- ✓ Cars to attract ad valorem rate of 27 per cent.
- ✓ Upper limit raised from ` 8 lakh to ` 10 lakh for 20 per cent bracket
- ✓ Individual income tax payer exemption limit to be raised to ` 200,000 from ` 180,000.
- ✓ Capital gains tax on residential property exempted if sale proceeds used for SMEs.
- ✓ Customs duty on bicycles and parts increased
- ✓ Customs duty on standard gold bar and coins exceeding 99.5 per cent purity, platinum and non-standard gold raised
- ✓ Import duty on large cars, MUVs, SUVs enhanced
- ✓ Gold jewellery not bearing brand name to be included in the one per cent levy on precious metal jewellery
- ✓ Branded silver jewellery fully exempted from excise duty
- ✓ Baggage allowance for people of Indian origin increased from ` 25,000 to ` 35,000 and for children from ` 12,000 to ` 15,000
- ✓ Customs and central excise proposals to net a revenue of ` 27,280 crore
- ✓ Installation of solar plants exempted from CVD.
- ✓ Oil cess on domestic crude raised to ` 4,500 per ton from ` 2,500 per ton.
- ✓ Standard excise duty rate raised from 10 per cent to 12 per cent.
- ✓ Service tax to yield additional revenue of ` 18,650 crore.
- ✓ No change in the peak rate customs duty.
- ✓ Full exemption from basic customs duty on natural gas, LNG, uranium for generation of electricity for two years.
- ✓ Import of equipment for fertilizer plants fully exempt from customs duty for three years
- ✓ Full exemption from basic customs duty for equipment for road and highway construction
- ✓ Customs duty on import of parts of aircraft, tyres and testing equipment fully exempted.
- ✓ Excise duty on handmade and semi-mechanised matches reduced from 10 to 6 per cent
- ✓ Introduction of compulsory reporting of assets held abroad.
- ✓ Securities Transaction Tax (STT) reduced from 0.125 per cent to 0.1 per cent.
- ✓ Withholding tax on power, airlines, road and bridges, ports and shipyard, fertilisers, dams and affordable houses lowered to 5 pc from 20 pc for 3 years.
- ✓ No change in corporate tax rate.
- ✓ The Budget also exempts up to ` 10,000 of interest income from tax.
- ✓ No IT for income up to ` 2,00,000; 10 pc on income between ` 2-5 lakh; 20 pc on income between ` 5-10 lakh and 30 pc on income above ` 10 lakh.
- ✓ Tax exemption of up to ` 5,000 for health insurance for annual preventive health checkup
- ✓ Direct taxes proposals to result in net revenue loss of ` 4,500 crore.
- ✓ All services except 17 in the negative list to be brought under service tax net.
- ✓ Copyright relating to cinematography in film industry exempted from service tax
- ✓ Team to study common tax code for service tax and central excise to be set up
- ✓ No change in the peak rate customs duty
- ✓ Service tax to yield additional revenue of ` 18,650 crore.
- ✓ Standard excise duty rate raised from 10 per cent to 12 per cent.
- ✓ Determined to bring down fiscal deficit to 5.1 per cent of GDP next fiscal
- ✓ Total debt of the Centre will be 45 per cent of GDP
- ✓ Revenue deficit for 2012-13 projected at ` 1,85,752 crore.
- ✓ Non-plan expenditure ` 9,69,900 crore in 2012-13; 8.7 per cent higher than current year
- ✓ Direct tax collection fell short by ` 32,000 crore in current fiscal.
- ✓ Fiscal deficit at 5.9 per cent of GDP in revised estimates for 2011-12.
- ✓ Determined to bring down fiscal deficit to 5.1 per cent of GDP next fiscal.
- ✓ Urban health schemes get higher allocation.
- ✓ 40 crore Aadhar enrollment in year beginning April 2012.
- ✓ White Paper on black money to be tabled in current session of Parliament.

- ✓ Information on blackmoney stashed abroad has started flowing in; prosecution to be executed in some cases.
 - ✓ Net tax receipts of the Centre in 2011-12 stands at ` 7,71,071 crore.
 - ✓ Interest subvention of 7 pc to women self groups for loans up to ` 3 lakh, additional 3 pc for those making timely repayment.
 - ✓ ` 1000 crore to be provided for National Skill Development Corporation in 2012-13.
 - ✓ ` 3,915 crore to be spent on National Rural Livelihood Mission.
 - ✓ ` 193,407 crore provision made for defence services in 2012-13.
 - ✓ National Backward Region Grant scheme outlay raised by 22 per cent to ` 12,040 crore
 - ✓ ` 20,000 cr to be spent on rural infrastructure development, including ` 5,000 cr for creating warehousing facilities.
 - ✓ ` 20,822 crore earmarked for National Rural Health Mission against ` 18,115 crore this year
 - ✓ Govt to create PDS through Adhaar platform by Dec to realise objectives of Food Security Bill
 - ✓ ` 15,850 cr to be allocated to Integrated Child Development Scheme in 2012-13 as against ` 10,000 cr this fiscal.
 - ✓ Allocation for rural drinking water and sanitation scheme increased from ` 11,000 cr in FY 12 to ` 14,000 cr in 2012-13
 - ✓ National Mission on Food Processing to be started in 2012-13.
 - ✓ Govt to allow use of Kisan credit cards in ATMs
 - ✓ FM says computerisation of the Public distribution system will be done
 - ✓ Additional 3 per cent interest subvention to farmers for promptly repaying their dues.
 - ✓ Investment in agriculture will be hiked, says FM
 - ✓ Government to provide ` 10,000 crore to NABARD for refinancing regional rural banks
 - ✓ Farmers will continue to get interest subsidy
 - ✓ Government to set up ` 5000 crore venture fund for MSME sector.
 - ✓ Agriculture credit target to be raised by ` 100,000 cr to ` 5,75,000 cr, says FM
 - ✓ Govt to double tax free bonds for infrastructure financing to ` 60,000 crore in next FY
 - ✓ Proposal to allow foreign airlines to participate direct or indirectly in India being considered actively.
 - ✓ India will become self-sufficient in urea production in five years, says FM
 - ✓ Microfin institution regulation bill, natl housing bank regulation bill, reg bank regulation bill and public debt management bill this session
 - ✓ Income Tax deduction of 50 per cent on investments of up to ` 50,000 in savings scheme named after Rajiv Gandhi which will be introduced
 - ✓ IPO equity offer above ` 10 crore will have to be made electronically in capital market reforms.
 - ✓ ` 15,888 cr to be provided for capitalisation of public sector and regional rural banks and NABARD.
 - ✓ Infrastructure investment in 12th Plan to go up to ` 50 lakh crore; half of it to come from pvt sector
 - ✓ Qualified institutional placement (QIPs) will be allowed to access Indian markets
 - ✓ Government to raise ` 30,000 crore in 2012-13 from disinvestment of stake in PSUs
 - ✓ Efforts to arrive at broadbased consensus with state governments on allowing FDI in multibrand retail up to 51 percent.
 - ✓ FM expects current account deficit to be 3.6%
 - ✓ Govt. will keep FY13 subsidy at under 2% of GDP
 - ✓ Direct Tax Code (DTC) Bill to be enacted at the earliest, says FM, but indicated its deferment.
 - ✓ Govt to fully provide for food subsidy and food security act in 2012-13.
 - ✓ Food Security Act will be fully provided for and subsidy to be 2 per cent of GDP for next two years.
 - ✓ Pilot project for direct transfer of subsidiary for kerosene has been initiated in Alwar, Rajasthan.
 - ✓ Amendments to FRBM Act part of the budget.
 - ✓ Expectations are for economic growth rate of 7.6% next year.
 - ✓ Macro-economic policies must be improved.
 - ✓ RBI's monetary policy which has been tight has impacted both growth and consumption
- Sectoral allocations are as follows:

AGRICULTURE AND ALLIED ACTIVITIES

- ✓ Budgetary allocation for agriculture and allied activities 2012-13 increased by 18%
- ✓ 9217 crore rupees allocated for Rashtriya Krishi Vikas Yojana.
- ✓ 1000 crore rupees for Bringing Green Revolution to Eastern India (BGREI) project
- ✓ 300 crore rupees to Vidarbha Intensified Irrigation Development Programme under RKVY.
- ✓ 200 crore rupees allocated for incentivising research with rewards
- ✓ 14242 crore rupees allocated for Accelerated Irrigation Benefit Programme (AIBP)

- ✓ 500 crore rupees provided to broaden scope of production of fish to coastal aquaculture

RURAL DEVELOPMENT

- ✓ 14,000 crore rupees allocated for rural drinking water and sanitation
- ✓ 24000 crore rupees allocated for Pradhan Mantri Grameen Sadak Yojna
- ✓ 12040 crore rupees provided for Backward Regions Grant Fund scheme
- ✓ 20,000 crore rupees allocated for Rural Infrastructure Development Fund
- ✓ 5000 crore rupees earmarked for creating warehousing facilities

EDUCATION

- ✓ Sarva Siksha Abhiyan-Right to Education- 25555 crore rupees
- ✓ 3124 crore rupees provided for Rashtriya Madhyamik Shiksha Abhiyan (RMSA)

HEALTH

- ✓ 20822 crore rupees National Rural Health Mission

EMPLOYMENT AND SKILL DEVELOPMENT

- ✓ 3915 crore rupees provided for National Rural Livelihood Mission
- ✓ 1276 crore rupees allocated for Prime Minister's Employment Generation Programme
- ✓ 1000 crore rupees allocated for National Skill Development Fund

DEFENCE AND SECURITY

- ✓ 193407 crore rupees allocated for Defence services including 79579 crore rupees for capital expenditure
- ✓ 1185 crore rupees to be allocated for construction of nearly 4000 residential quarters for Central Armed Police Forces
- ✓ 3280 crore rupees proposed to be allocated for construction of office building of Central Armed Police Forces

INFRASTRUCTURE AND INDUSTRIAL DEVELOPMENT

- ✓ 25360 crore rupees allocated for Road Transport and Highways Ministry
- ✓ 3884 crore rupees loan waiver for handloom weavers and their cooperative societies
- ✓ 500 crore rupees pilot scheme announced for promotion and application of Geo-textile in the North Eastern Region
- ✓ 70 crore rupees allocated to set up a powerloom mega cluster in Ichalkaranji in Maharashtra
- ✓ 5000 crore rupees India Opportunities Venture Fund to be set up with SIDBI
- ✓ 15888 crore rupees to be provided for capitalisation of public sector banks and financial institutions

OTHER MAJOR ALLOCATIONS

- ✓ 37113 crore rupees allocated for Scheduled Castes Sub Plan
- ✓ 21710 crore rupees earmarked for Tribal Sub Plan

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Finance Minister Pranab Mukherjee tabled the Economic Survey 2011-12 in Parliament on 15th of March, stating the Gross Domestic Product (GDP) is likely to grow 7.6 percent in FY'13. "The growth rate of real GDP (is expected) to pick up to 7.6 percent (plus or minus 0.25 percent) in 2012-13 and faster beyond that," said Pranab Mukherjee in Parliament. It expects the economic growth to further improve to 8.6 percent in 2013-14. The Survey said fiscal consolidation is likely to get back on track from 2012-13, when savings and capital formation will also begin to improve. "Moreover, with the easing of inflationary pressure in the months to come, there could be reduction in policy rates by the RBI, which would encourage investment that could have a positive impact on growth", it added. Indian economy is likely to slow down to 6.9 percent in 2011-12 from 8.4 percent in the previous two years mainly on account of global slowdown and domestic factors. "There were also the pressures of democratic politics, which slowed reforms," the Survey said while endorsing the Central Statistical Organisation's (CSO) estimate of 6.9 percent growth during 2011-12. India's economic growth slowed to its weakest annual pace in almost three years in the three months to December, as high interest rates and rising input costs

constrained investment and manufacturing, government data released earlier showed. GDP rose 6.1 percent in October to December compared with a year earlier. That marked a sharp pullback from 6.9 percent growth in July to September and was the seventh successive quarterly slowdown.

The slowdown in Indian economy was attributed largely to weakening industrial growth. The industrial sector has performed poorly, retreating to a 27% share of the GDP. The services sector however continued to be a star performer as its share in GDP climbed from 58% in 2010-11 to 59% in 2011-12 with a growth rate of 9.4%. Agriculture and allied sectors were estimated to achieve a growth rate of 2.5% in 2011-12. Agriculture & allied sectors were are estimated to achieve a growth rate of 2.5% in 2011-12 with foodgrains production likely to cross 250.42 million tones as a result of increase in the production of rice in a number of states. Overall growth during April-December 2011 reached 3.6% compared to 8.3% in the corresponding period of the previous year. The fiscal 2011-12 was marked by a sharp depreciation of the Indian rupee. In the current fiscal 2011-12, on month-to-month basis the rupee depreciated by 12.4 per cent from 44.97 per US dollar in March 2011 to 51.34 per US dollar in

January 2012. Rupee reached a peak of 43.94 on 27 July 2011 and lowest at 54.23 per US dollar on 15 December 2011 indicating a depreciation of 19 per cent. The RBI was required to sell dollars twice in the fiscal to help raise the value of the rupee. Also in 2011-12 India's external debt stock increased by US \$ 20.2 billion (6.6 per cent) to US \$ 326.6 billion at end-September 2011 vis-à-vis US \$ 306.4 billion at end-March 2011, primarily due to higher commercial borrowings and short-term debt.

The Labour Bureau conducted twelve quarterly quick employment surveys to assess the impact of the economic slowdown on the employment sector. The surveys indicated an upward trend in employment since July 2009 was maintained. Overall employment in September 2011 over September 2010 increased by 9.11 lakh, with the highest increase recorded in IT/BPO (7.96 lakh) sector. The coverage under the MGNREGA consistently increased from 4.51 crore households during 2008-09 to 5.49 crore households during 2010-11 with averaged employment of 47 persondays per household. Average wage increased from Rs 65 in 2006-07 to Rs. 100 in 2010-11. The Survey stated that to strengthen transparency and accountability in the implementation of the MGNREGA, the Government initiated a service delivery project for

Information and Communication Technology (ICT) and biometrics related works of the MGNREGA on PPP basis.

The real GDP growth is expected to pick up to 7.6% in 2012-13 and 8.6% in 2013-14 as per the survey. Pranab Mukherjee predicted 7.6% GDP growth in 2012-13. As per the survey, given that fiscal consolidation is back on track, savings and capital formation should be likely to start rising. Also the RBI policy rates are expected to be reduced in the back of easing of inflationary pressures. The lowered interest rates will encourage investment activity and have a positive impact on growth.

These projections were all made on the basis of assumptions regarding factors like normal monsoons, reasonably stable international prices, particularly oil prices, and global growth. The progressive deregulation of interest rates on savings accounts is expected to raise financial savings and thus improve transmission of monetary policy.

Sustainable development and climate change were recognized by the survey as central areas of global concern. The Survey suggested need to examine the linkages and trade-offs between policy rate changes and inflation in the Indian context, for better calibration of monetary policy. The Economic Survey 2011-12 stated that it was essential to make lower carbon sustainable growth a central element of our Twelfth Five Year Plan commencing in April 2012.

The Economic Survey in conclusion mentioned that India is more closely integrated with the world economy as its share of trade to GDP of goods and services tripled between 1990-2010. The extent of financial integration, measured by flows of capital as a share of GDP also increased leading to an expansion of India's role in the world economy.

Following are the highlights of Economic Survey 2011-12 :

- ✓ Rate of growth estimated to be 6.9% in FY 12
- ✓ Outlook for growth and stability promising
- ✓ Real GDP growth expected at 7.6% in FY 13
- ✓ GDP pegged at 8.6% in FY 14
- ✓ Agriculture grows at 2.5 % growth in FY 12
- ✓ Services grow at 9.4 %, in FY 12, share in GDP at 59%
- ✓ Industrial growth pegged at 4-5 % in FY 13
- ✓ Industry expected to improve as economic recovery resumes
- ✓ Inflation on WPI was high, but shows signs of moderation
- ✓ Inflation moderation likely to spur investment
- ✓ WPI food inflation dropped from 20.2% in February 2010 to 1.6% in January 2012
- ✓ Calibrated steps initiated to contain inflation
- ✓ India remains among the fastest growing economies of the world
- ✓ India's sovereign credit rating rose by 2.98 percent in 2007-12
- ✓ Fiscal consolidation on track
- ✓ Savings & Capital Formation expected to rise
- ✓ Exports grew at 40.5% in H1
- ✓ Imports grew by 30.4% in H1
- ✓ Foreign trade performance key driver of growth
- ✓ Forex reserves enhanced, cover nearly the entire external debt stock
- ✓ Central spending on social services up at 18.5% in FY 12 Vs 13.4% FY 07
- ✓ MNREGA coverage of 5.49 crore households in FY 11
- ✓ Sustainable development and climate change high priority
- ✓ Tenuous global economic environment turned sharply adverse in September, 2011
- ✓ Euro-zone crisis responsible for international downturn
- ✓ Slowdown of Indian economy due to global, domestic factors
- ✓ Decline in overall investment rate cause for slow recovery
- ✓ Gross capital formation in Q3 of FY 12 as a ratio of GDP at 30%, down from 32% in FY 11
- ✓ Global economy remains fragile; efforts needed through G-20 for stability
- ✓ Progressive deregulation of interest rates on savings accounts recommended
- ✓ Deregulation of interest rates on savings accounts to help raise financial savings and improve transmission of monetary policy
- ✓ Need deepening of domestic financial markets, especially corporate bond market
- ✓ Efforts on to attract dedicated infrastructure funds
- ✓ India's foreign trade performance key driver of growth
- ✓ Balance of Payments widens to USD 32.8 bn in H1 of FY 12 Vs USD 29.6 bn FY 11
- ✓ Forex reserves up from USD 279 bn in March '10 to US USD 305 bn in March '11
- ✓ India now more closely integrated with the world economy
- ✓ India's share of trade to GDP of goods and services in world tripled in 1990-2010
- ✓ India's flows of capital as a share of GDP in word increased dramatically in last two decades
- ✓ Inflation
- ✓ Inflation to moderate further in FY 13
- ✓ Renewed focus on supply side measures essential for price stability

- ✓ Inflation expected to moderate at 6.5-7% by March end
- ✓ Gap between WPI and CPI inflation narrows in FY 12
- ✓ Milk, eggs/meat/fish, gram & edible oils major drivers of food inflation
- ✓ Monetary policy measures taken to contain inflation
- ✓ Substantial Monetary policy challenge to rein-in inflation
- ✓ RBI addressed liquidity concerns
- ✓ Monetary market remained orderly in FY 12 2011-12
- ✓ Need to examine linkages between policy rate changes and inflation
- ✓ Threat from asset price bubbles in real estate and stock markets
- ✓ Scope to further sharpen monetary policy and use macro prudential to deal with above said threats
- ✓ Unexpected shocks such as oil prices remain inflationary threats
- ✓ High level of food stocks to help maintain overall price stability
- ✓ Higher levels of agricultural output augur well
- ✓ Concerns over growth rate in agri sector falling short of target
- ✓ Agriculture grows at 2.5% Vs target of 4% in five yr plan
- ✓ Agriculture, allied activities account for 13.9 % of GDP in FY 12
- ✓ Foodgrains stocks at 55.2 million tonnes
- ✓ Production of foodgrains in FY 12 estimated at 250.42 million tones
- ✓ Speedy improvement in yield through adequate investment in R&D needed
- ✓ Agri infra priority area
- ✓ Agri outlook for next fiscal bright
- ✓ Industrial growth pegged at 4-5% in FY 12
- ✓ Industrial growth less than recent past and far below potential
- ✓ Need to boost business sentiments, encourage investment and identify bottlenecks
- ✓ Industrial sector expected to rebound during next financial year
- ✓ Industry expected to rebound with inflation easing, moderation in commodities prices in international market and revival of manufacturing performance
- ✓ Long term average annual growth of industries comprising mining, manufacturing and electricity remain aligned with overall GDP growth rate
- ✓ Employment in Industry increase from 16.2% in 1999-2000 to 21.9% in 2009-10 largely due to construction sector
- ✓ Contraction in production in the mining sector, particularly in coal and natural gas segments
- ✓ Electricity sector witnessed improvement
- ✓ Basic goods and non-durables goods grew at 6.1%
- ✓ Moderation in growth in other segments of IIP
- ✓ Negative growth observed in capital goods and intermediates segments
- ✓ Gross Capital Formation in industry as percent to the overall GCF moderated to 48.3% in FY 11
- ✓ Manufacturing GCF growth rate declined to 7% in FY 11 Vs 42% in FY 10
- ✓ Moderation in rate of growth of credit in infrastructure and manufacturing sectors
- ✓ Need to address land acquisition and infra issue on priority
- ✓ Services Sector
- ✓ Services sector proves saviour during global crisis
- ✓ Services grow by 9.4% despite slowing GDP growth
- ✓ Share of services in GDP at increased from 55.1% in FY 11 to 56.3% in FY 12
- ✓ Financial & non-financial services, IT, Telecomm, Real Estate constituted 41.9 % of total FDI equity inflows during April 2000-December 2011
- ✓ FDI inflows to the Services Sector slowed down FY 10 & FY 11, dipping to negative zone
- ✓ FDI inflows in FY 12 recovered; increased by 36.8 % to USD 9.3 billion (April-Dec)
- ✓ Slight moderation in services growth no cause of worry
- ✓ Moderation due to the steep fall in growth of public administration and defence services reflecting fiscal consolidation
- ✓ Growth in trade, hotels and restaurants robust at 11.2%
- ✓ Retail-sector growth expected to be even more robust in FY 13
- ✓ Worry areas include real estate ownership of dwellings and business services segment

MEASURES FOR PRICE STABILITY IN FOOD ITEMS

- ✓ Need guidance for farmers on fertilizers, insecticide, alternate cropping patterns
- ✓ Need strategy, regular imports of agriculture commodities in smaller quantities
- ✓ Need to set up special markets for special crops
- ✓ Improve Mandi governance
- ✓ Need to promote interstate trade
- ✓ Perishable food items should be taken out of ambit of the APMC Act
- ✓ FDI in multi brand retail will fill infra gap during harvest period
- ✓ Need to step up creation of modern stores facilities for food grains
- ✓ Agriculture
- ✓ FDI in multi-brand retail recommended

- ✓ Software service exports steady; face threat from Eurozone

TRADE

- ✓ India's exports grew at 23.5% to reach USD 242.8 bn in April 2011 - Jan 2012
- ✓ Exports decelerated in Oct-Nov due to global downturn; recovered in Dec-Jan
- ✓ Key performers in export - petroleum and oil products, gems and jewellery, engineering, cotton fabrics, electronics, readymade garments, drugs
- ✓ Imports up 29.4% during April - Jan 2011-12 at USD 391.5 bn
- ✓ Key import areas -POL (petroleum, oil and lubricant), gold and silver
- ✓ Trade deficit in April-Jan 2011-12 at USD 148.7 bn Vs USD 105.9 billion in last fiscal
- ✓ Diversification of export and import markets a success
- ✓ UAE India's largest trading partner, followed by China
- ✓ India's services exports bounce back after contraction in FY 10
- ✓ India's services exports grew 38.4 % to USD 132.9 bn in FY 11
- ✓ Growth in export of services moderated in H1 FY 12 to 17.1%
- ✓ Software exports may show some sluggishness
- ✓ Trade challenges include global situation, systemic problems
- ✓ Further diversification of India's export basket needed
- ✓ Facilitate trade by removing procedural delays, red tape
- ✓ Infrastructural bottlenecks need to be removed
- ✓ Total investment in SEZs till 31 Dec 2011 at Rs. 2,49,630.80 crore
- ✓ Formal approvals granted for setting up of 583 SEZs of which 380 notified

- ✓ Forex Reserves at USD 293 bn
- ✓ External Debt Stock at USD 326 bn
- ✓ Oil, Gold and Silver prices contribute to modest rise in current account deficit
- ✓ Net capital flows at USD 41.1 billion (4.5% of GDP) in the H1 of FY 12
- ✓ External commercial borrowing at USD 10.6 billion in H1 of FY 12
- ✓ Portfolio investment shows large decrease in inflow to USD 1.3 bn in H1 of FY 12
- ✓ Trade deficit more than 8 % of GDP and current account deficit more than 3 % sign of growing imbalance in BOP
- ✓ High share of volatile FFI flows added external shock
- ✓ Infrastructure
- ✓ Performance of broad sectors and sub sectors in key infrastructure areas presents mixed picture
- ✓ Achievements in certain infrastructure sector 'remarkable'
- ✓ Need to attract large scale investment into infrastructure
- ✓ Public-Private Partnership successful model
- ✓ PPPs expected to augment resource availability, improve efficiency
- ✓ Investment requirement at USD 1 trillion during Twelfth Plan
- ✓ 50% investment to come from private sector as against the 36% anticipated
- ✓ Financing infrastructure a big challenge
- ✓ Improvement in growth in power, petroleum refinery, cement, railway freight traffic, passenger handled
- ✓ Coal, Natural Gas, Fertilizers, handling of Export Cargo at airports and number of cell phone connections show negative growth
- ✓ Steel sector witnesses moderation in growth

- ✓ Core and infrastructure sector still depends on public sector projects
- ✓ Delays increase project risk and cost, and need to be minimized
- ✓ Credit growth to infrastructure sector turned negative in FY 12
- ✓ Incremental credit flow to the infra sector in April-December 2011 nearly 61% in same period year before
- ✓ Reduction in credit flow in power and telecom sectors
- ✓ Total FDI inflows into majors infrastructure sectors during April-December 2011 registered growth of 23.6%
- ✓ Challenges on form plateauing of the domestic savings and macro availability of resources
- ✓ Need for innovative schemes to attract large-scale investment into infrastructure
- ✓ Strengthening domestic financial institutions and development of long-term bonds market critical
- ✓ Rupee
- ✓ Rupee falls by 12.4 % against USD
- ✓ Rupee falls from 44.97 per USD in March 2011 to 51.34 per USD in January 2012
- ✓ Rupee's high volatility impairs investor confidence
- ✓ Aggressive stand to check Rupee volatility recommended

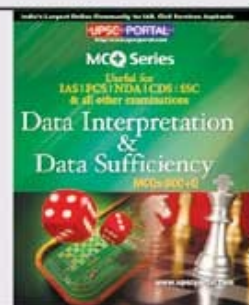
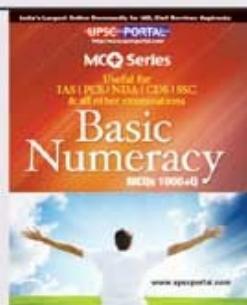
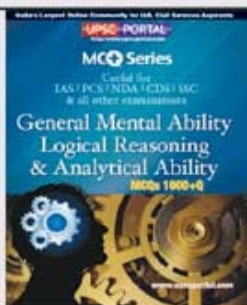
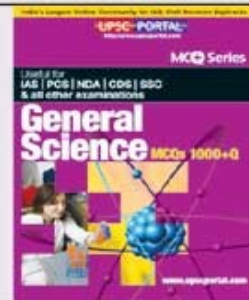
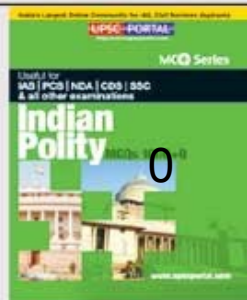
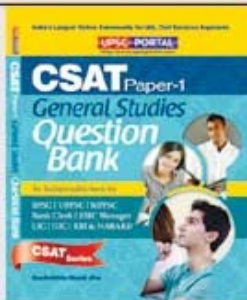
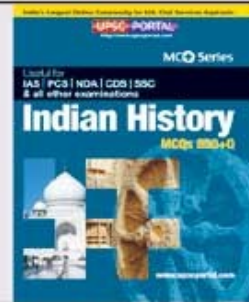
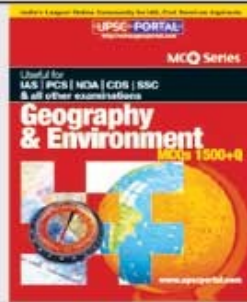
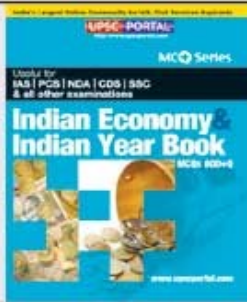
FINANCIAL MARKETS

- ✓ Volatility in global financial markets likely to tighten availability and cost of foreign funding
- ✓ Government measures mitigate liquidity stress
- ✓ Indian banks robust amidst Eurozone crisis
- ✓ Financial infrastructure continues to function without any major disruption
- ✓ Indian financial markets, especially

- currency and equity, performed under pressure in FY 12
- ▼ Global market turmoil caused risk aversion and moderation in capital inflows
 - ▼ Countervailing steps helped mitigate strains
 - ▼ Global situation, rising trade imbalance, pace of reform initiatives to boost capital flows
 - ▼ Domestic growth concerns likely to influence financial markets movements
 - ▼ Concerns over Greece's sovereign debt problem spreading to India
 - ▼ Banking business may become more complex and riskier in future with greater global integration
 - ▼ Risk and liquidity management, skill enhancement necessary
 - ▼ Need to maintain sustainable levels of external debt
 - ▼ Need innovative steps to bring corporate bond market at the centrestage
 - ▼ Infrastructure financing and financing of unorganized micro/small business sector needed
 - ▼ Banking and Micro Finance
 - ▼ Public sector banks show 19 % growth in priority sector lending
 - ▼ Credit Disbursement to agri sector exceeded target by 19 %
 - ▼ Credit Disbursement helped over 12.7 mn new farmers
 - ▼ 98 % public sector bank branches fully computerised
 - ▼ Self Help Group- bank linkage programme major success
 - ▼ Capital in banks essential for balance sheet expansion
 - ▼ Rs 12,000 provided in FY 12 for capital infusion in public sector banks
 - ▼ Growth in bank credit extended by Scheduled Commercial Banks grew at 17.1%
 - ▼ Flow of agricultural credit impressive
 - ▼ Infrastructure Debt Funds to facilitate flow of funds into infrastructure projects
 - ▼ Resource mobilization through primary market shows sharp decline in FY 11
 - ▼ Environment and Climate Change
 - ▼ Lower carbon sustainable growth to be central element of 12th plan
 - ▼ India's per capita CO2 emissions much lower than those of developed countries even if historical emissions are excluded
 - ▼ Need for more sensitivity from developed countries to carbon emissions
 - ▼ Economic pricing of energy, new technologies to be the key
 - ▼ India has taken voluntary actions to pursue sustainable development strategy
 - ▼ Warming planet may cause adverse effects, extreme weather events
 - ▼ India has stepped up protection of its natural environment, forests
 - ▼ Five main challenges include climate change, food security, water security, energy security and managing urbanization
 - ▼ Broad-based economic and social development answer for greater sustainability
 - ▼ Education and Employment
 - ▼ Reform process in education continued IN FY 12
 - ▼ Aakash, low cost computing device launched
 - ▼ Sarva Shiksha Abhiyan norms revised to correspond with the provisions of the RTE Act
 - ▼ National Council for Teacher Education notified as the academic authority for teacher qualifications
 - ▼ Number of out-of-school children down from 134.6 lakh in 2005 to 81.5 lakh in 2009
 - ▼ Need to scale up the successful centres of innovations, create higher technical institutions
 - ▼ Labour Bureau Survey indicates upward trend in employment since July 2009 maintained
 - ▼ Employment in organized sector increased by 1.9 % in 2010
 - ▼ Share of women in organized-sector employment at 20.4% in 2010 March end
 - ▼ MGNREGA: Coverage increases to 5.49 crore households in 2010-11
 - ▼ Government sets up committee for developing index for fixing MGNREGA wage rates

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Coalition Politics is a time tested thing in Modern Democracy. The concept of Coalition Politics basically draws its roots from the times when warring states sometimes used to ally with each other in order to defeat of a common enemies, as in Vedic Civilisation's Dasranya war, Nizams & British coalition verses Marathas . In recent times in India got a taste of Coalition Politics at the state level when the Left front comprising of Communist Party of India (CPI), CPI (Marxist) and others formed the first ever Coalition Government in India at West Bengal with Mr. Jyoti Basu as the Chief Minister (succeeded by Mr. Buddhadeb Bhattacharjee) which till date hasn't been defeated. At the national level the first ever coalition government was formed under the Prime Ministership of Late Shri Morarji Desai Ji which existed from 24th March 1977 to 15th July 1979 headed by now an insignificant Janata Party (who reputation has now been acquired by its breakaway section which formed the Bharatiya Janata Party). Since 1996 Indian Politics has been dominated with Coalition Governments which by far have been stable after a shaky start. The incumbent Prime Minister of India Dr. Manmohan Singh is heading a coalition Government of 15 parties called the United Progressive Alliance (UPA) with Mrs. Sonia Gandhi, being its Chairperson

which is holding a second term in Office.

The term 'coalition' is derived from the Latin word 'coalitio' which is the verbal substantive of coalesce which means to grow together. However, as actually used, it somewhat belies its nominal meaning, 'for the units or the elements brought into combination by a coalition very seldom grow together in any literal sense. According to the dictionary meaning coalition means an act of coalescing, or uniting into one body: a union of persons, states; alliance. In the strict political sense the word coalition is used for 'alliance or temporary union into a single government of distinct parties or members of distinct parties. It is also generally accepted that a coalition can take place only within the contexts of mixed motive in which both conflict and common interest are simultaneously present and must govern the Course. Political coalition or political alliance is an agreement for cooperation between different political parties on common political agenda, often for purposes of contesting an election to mutually benefit by collectively clearing election thresholds or otherwise benefiting from characteristics of the voting system or for government formation after elections. A coalition government is a cabinet of a parliamentary government in which several parties cooperate. The usual reason given for this arrangement is that

no party on its own can achieve a majority in the parliament. In such times, parties have formed all-party coalitions (national unity governments, grand coalitions). If a coalition collapses a confidence vote is held or a motion of no confidence is taken.

Coalition and/or minority governments were rare between 1947 and 1989 when the Congress Party won majorities of seats in the Lok Sabha (Lower House), based on only pluralities of 40 to 48 percent of the vote. These victories were an artifact of the first-past-the-post electoral system's disproportional seat-vote ratio by which the leading party gets disproportionately more seats than votes in percentage terms. As like any other democracy, political parties represent different sections among the Indian society and regions, and their core values play a major role in the politics of India. Both the executive branch and the legislative branch of the government are run by the representatives of the political parties who have been elected through the elections. Through the electoral process, the people of India choose which majority in the lower house; a government can be formed by that party or the coalition. The full-term stability of the NDA and the endurance of the UPA for eight years as of today, has also been due to the fact that coalitions in India since 1996 have

been characterized to a large degree by spatial compatibility, that is, they consist of a patchwork quilt of parties that have state-specific bases and do not compete on each other's turf. This enables even minority coalitions dependent on outside support to last, combined with the fact that in the UPA's case the supporting Left parties, whatever their dissatisfaction with Congress policies do not wish to create an opportunity for the BJP to return to power.

Experts say that Coalition Politics is result of rise of Regional Parties on agendas of National Importance. One of the reasons for the growing importance of Regional Parties has been their success in articulating the interests of the assertive backward castes and Dalits or 'untouchables'. These parties remain 'regional' in terms of geographic location, but are national in terms of issues relevant to the country as a whole. Their role within the national coalition is also indicative of a more competitive and polarised party system. Cabinets based on a coalition with majority in parliament, ideally are more stable and long-lived than minority cabinets while the former are prone to internal struggles, they have less reason to fear votes of no confidence. Sometimes grand coalitions of two large parties also occur, but these are relatively rare and large parties usually prefer to associate with small ones. However, if none of the larger parties can receive enough votes to form their preferred coalition, a grand coalition might be their only choice for forming a government. In many democratic countries, such as Germany, France, India, Israel and Italy, government by a coalition of political parties is considered normal. This debate is closely related to issues of voting reform, as countries with some form of proportional representation tend to have more political parties in parliament than

those that use a first-past-the-post system, and so are more likely to have coalition governments.

The basic essence of federalism is the notion of two or more orders of government combining the elements of 'shared rule' for some purpose and regional 'self rule' for others. It is based on the objective of combining unity and diversity. This means accommodating, preserving and promoting distinct identities within a larger political union. The noted constitutional authority, Durga Das Basu wrote that Constitution of India is basically federal, but of course with striking unitary features. According to Nani Palkivala, Indian Constitution provides for a cooperative federalism among states with a bias in favour of the Centre. He was of the view that if the Constitution is worked in the right spirit, there would be no need to consider any amendment as far as centre-state relation is concerned. He further said that the problem has arisen to-day in an acute form because over a period of years the Centre has acted in a manner in which at best has been contrary to the spirit of the Constitution. Article-1 of the Constitution mentioned that 'India, that is, Bharat shall be Union of States'. If this article is analysed it provides the message that there should be more of cooperation and understanding than the concept of domination and conflict. The conflict that occurred in the Indian Federal process are due to the conflict between party in the power at the Centre and the parties in opposition to it which control some of the states. In all federal system, and, in particular, what are called polyethnic unions there is a conflict of values between those of the nation and the sub-nations which constitute the Union.

In a coalition situation, governments are forced to build consensus amongst the allies. In theory, to the extent that

these efforts at consensus building are debated on the merits of the issues involved, coalition governments are actually healthy. In practice, however, the perception that these negotiations amongst allies sometimes amount to unhealthy and unethical quid-pro-quos, is gaining ground. The recent cash-for-votes issue that erupted in Parliament, and widespread media coverage about the kinds of 'deals' that have been struck with various allies to get support for the India-US nuclear agreement, Rail Budget, FDI in retail, Sri Lanka issue and many more have only reinforced our concerns about tenuous nature of coalition politics. If we as a nation are likely to live with coalition politics, there are some important issues we need to consider. Hollow as it might sound, we need a massive push for enforceable ethics reforms among political parties, how parties raise funds, how they spend them, how much of it needs to be transparent and other related issues. As a country, we cannot wait for a chance discovery of an oasis in the desert to save us. This needs a concerted effort of citizens from across the country to push for higher standards in public life.

Reasons for Coalition Politics in India are as follows:

1. **Growth of Regional Political Parties:** Growth of regional parties has been reason for the emergence of coalition politics in India.
2. **Inability to Represent India's diversity:** Coalition politics also thrives because of the inability of national parties to continue to give a feeling to the diverse population in India that they are able to adequately represent their disparate interests. The BJP's vote share increased from about 11 pc in 1989 to a little below 25 pc in recent elections.

3. **Lose of Trust:** The tendency of the national parties to speak of national level issues, and to force coherence in the politics and views on issues, is at odds with our extremely diverse population. In the initial years, to the extent that the Congress party was able to accommodate regional/local interests and reflect their aspirations, it was possible to maintain a large single party identity. But over the years, regional and caste identities have begun to increasingly assert themselves in the political space.
4. **The moral degeneration in politics:** Combined with regional parties' ability provide credible alternatives to the Congress party in the states, led to a situation, where 'horse trading' became relatively common in unsettling state governments. The brazen manner in which political parties traded MLAs led to the passage of the anti-defection law in 1985.

MERITS & DEMERITS OF COALITION POLITICS

Merits

1. The coalition government addresses the regional disparity more than the single party rule.
2. Coalition government is more democratic, and hence fairer, because it represents a much broader spectrum of public opinion than government by one party alone. In almost all coalitions, a majority of citizens voted for the parties which form the government and so their views and interests are represented in political decision-making.
3. Coalition government creates a more honest and dynamic political system, allowing voters a clearer

choice at election time. It is also easier for parties to split, or new ones to be formed, as new political issues divide opinion, because new parties still have a chance of a share in political power.

4. Coalitions provide good government because their decisions are made in the interests of a majority of the people. A coalition government better reflects the popular opinion of the electorate within a country.
5. Coalition government provides more continuity in administration. A more consensual style of politics also allows for a more gradual and constructive shift of policy between administrations.
6. Such government functions on principle of politics of consensus. Besides, states are given more powers, and the base of concept of federalism is strengthened.
7. Government will be more consensus based: resulting policies will be broadly approved of for the benefit of the nation.
9. Better representation of the electorate's wishes
10. Better quality of policy: enhanced scrutiny and increased attention paid to each policy
11. Increased continuity: election does not lead to dramatic overhaul which can produce fragmented rule
12. Yet instability apart, coalition governments have been effective in enhancing democratic legitimacy, representativeness, and national unity.

Demerits

1. Coalition government is actually less democratic as the balance of power is inevitably held by the small parties who can barter their support

for concessions from the main groups within the coalition.

2. Coalition government is less transparent, Because a party has no real chance of forming a government alone, the manifestos they present to the public become irrelevant and often wildly unrealistic.
3. Coalitions provide bad government because they are unable to take a long term view.
4. Coalition governments are very unstable, often collapsing and reforming at frequent intervals – Italy, for example, averages more than one government per year since 1945. This greatly restricts the ability of governments to deal with major reforms and means that politicians seldom stay in any particular ministerial post for long enough to get to grips with its demands.
5. Coalition governments are definitely far less effective, not durable, and non-dependable as compared to the governments formed by any one party with a definite ideology and principles.
6. In coalition governments, MLAs and MPs from all the parties are given portfolios/ministries and appointed as Ministers. These ministers are appointed on the recommendations of the parent party, without taking the qualification, character and criminal /clean record of the MLAs and MPs.

From above discussion it can be concluded that since India is a diverse country with different ethnic, linguistic, and religious communities, it also has diverse ideologies. Due to this, the benefit that a coalition has is that it leads to more consensus based politics and reflects the

popular opinion of the electorate. In order to have stable coalitions, it is necessary that political parties moderate their ideologies and programmes. They should be more open to take others point of view as well. They must accommodate each other's interests and concerns. In India,

parties do not always agree on the correct path for government policy. Different parties have different interests and beliefs and it is difficult to sustain a consensus on issues when disagreement arises. However, this is not to say that we have never had successful coalitions.

Governments in W. Bengal, Kerala, N.D.A. last ministry as well as present U.P.A. Government led by Congress (twice) at centre have been successful coalition.

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BEYOND THE RAFALE DEAL

India's decision to select Dassault Aviation of France to supply 126 Rafale multi-role fighters caps a process that began in 2007 to replace the Indian Air Force's ageing MiG-21s and augment its fleet of Sukhoi 30MKIs. Given the size of the contract — which, at upwards of \$10 billion, is the largest defence deal struck by India — the acquisition of the Medium Multi-Role Combat Aircraft (MMRCA) was viewed in many quarters as a purchase in which political and strategic considerations would, or even should, play a role. Such a view was bolstered by the fact that each of the six competing aircraft originally short-listed had a lot to offer, the differences between them lying more along the perimeter than in the core. That technical and commercial factors prevailed over extra-contractual considerations became evident when the competition, following a slew of technical tests, was narrowed to two — the Rafale and the Typhoon, produced by a consortium of four European countries. Clearly, the selection process was uninfluenced by the United States administration, which had lobbied hard in favour of Boeing's F/A-18 and Lockheed Martin's F-16, suggesting that the acquisition of either was an important

element in forging a closer strategic relationship. The rejection of the U.S.-manufactured aircraft underlined that we had, as one commentator wryly but wrongly noted, "settled for a plane, not a relationship."

At the same time, it would be naïve to assume that arms purchases, particularly big ticket ones by a large nation such as India, are free from strategic implications or considerations. Indeed, for India, the Rafale acquisition widens its strategic options in a world where multi-polarity is a fact of life. At a more immediate level, the decision to buy the fighters, which has been greeted with unabashed glee in Paris, could provide the leverage for India to hold France to its promise of increasing cooperation across a whole range of areas, but especially in the nuclear and defence fields, including the greater sharing of technology and expertise. Of particular interest to New Delhi, is the question of enrichment and reprocessing (ENR) equipment transfers. The Nuclear Suppliers Group reneged on its 2008 bargain with India last year by banning the sale of ENR items but France — a key member of the nuclear cartel — has said it will not be bound by the new restrictions. The French must now be held to their word. As for the IAF, the

acquisition of the Rafales may stem, in the near- or medium-term, the problem of the reducing number of squadrons. However, the IAF's long-term combat aircraft requirements will need to be met by developing the promised fifth-generation fighter in cooperation with Russia and overcoming the problems that have delayed the induction of the Tejas Light Combat Aircraft.

SYRIA NEEDS DIPLOMACY, NOT INTERVENTION

President Bashar al-Assad's government has used brute force to crush a genuine popular upheaval against his regime. The death toll is nearly 6,000. Human rights have been systematically violated. But the crucial question is how and what steps can international society lawfully take to bring an end to the crisis. Libya is not a model for emulation but a warning to heed; more so, Iraq. Each was a split polity surviving on fragile unity. The Syrian regime, however unpopular, is supported by a significant section of people. Regime change through outside intervention wreaks havoc, violates the United Nations Charter, the rules of international law, and undermines the stability of the world order. These fundamentals must not be overlooked. At the root of Russia and China's veto of

the resolution on Syria in the Security Council on February 4, lies distrust, deep and justified. The world was taken for a ride twice by the Council's resolutions which did not authorise the use of force, but came in handy as fig leaves to cover the nudity of illegal recourse to war.

OBAMA'S FATWA

Statements made in the Council as well as their texts establish that Resolution 1441 of November 8, 2002, did not authorise an attack on Iraq. Nor did Resolution 1973, adopted on March 17, 2011, authorise the use of force against Libya. However, on February 26, President Barack Obama delivered a fatwa on Col. Muammar Qadhafi: "He should go." Now, on February 4, the very day the UNSC was to vote on the resolution on Syria, he peremptorily declared apropos President al-Assad: "He must step aside and allow a democratic transition to proceed immediately." Few would believe Hillary Clinton when she said, on January 31, "there is no intention to seek any authority or to pursue any kind of military intervention".

Suspicious of plans for regime change are justified. "Then you will start telling what King needs to resign and what Prime Minister needs to step down. This is not the business of the Security Council," Russia's Ambassador to the U.N. Vitaly Churkin remarked on January 31. Textually, the resolution is misleading. It "calls for an inclusive Syrian led political process" but adds it "fully supports in this regard the League of Arab States' 22 January 2012 decision to facilitate a Syrian-led political transition to a democratic, plural political system, ... including through commencing a serious political dialogue between the Syrian government and the whole spectrum of the Syrian opposition under the League

of Arab States' auspices, in accordance with the timetable set out by the League of Arab States; Encourages the League of Arab States to continue its efforts in cooperation with all Syrian stakeholders." As Neil Macfarquhar of *The New York Times* reported: "Three clauses that endorsed specific aspects of the Plan — including that Mr. Assad delegate his authority to his vice-president to speed a transition to democracy — were removed. But Arab and Western diplomats said the essential idea remained, even if it was not spelled out."

'DEMANDS, DOES NOT RECOMMEND'

The Resolution, obviously adopted under Chapter VII, "demands," does not "recommend." It says: "Demands that the Syrian government, in accordance with the Plan of Action of the League of Arab States of 2 November 2011 and its decision of 22 January 2012, without delay." Six steps are listed. Finally, the Council "Requests the Secretary General to report on the implementation of this resolution, in consultation with the League of Arab States, within 21 days after its adoption and to report every 30 days thereafter. Decides to review implementation of this resolution within 21 days and, in the event of non-compliance, to consider further measures." Of what avail the disavowal "Nothing in this resolution authorizes measures under Article 42 of the Charter" when the threat is implicit in the text itself? The League's Plan which is endorsed provides for Mr. al-Assad to step down.

Bashar al-Assad is no pushover. Diplomacy should seek his consent to a plan which leaves him in office but ensures a democratic transition. The resolution is not an aid to diplomacy but an instrument of duress. The Arab League

and its Western backers were impatient on regime change. Regime change has furtively acquired certain respectability. Time there was when Gladstone told the House of Commons on April 2, 1880 that "the rights of a Power, the rights of a nation, ought not to be invaded because it happens to have the misfortune of a despotic government." The law was laid down by the International Court of Justice on April 9, 1949, in the *Corfu Channel* case: "The Court can only regard the alleged right of intervention as the manifestation of a policy of force, such as has, in the past, given rise to most serious abuses and such as cannot, whatever the present defects of international organization, find a place in international law. ... from the nature of things it would be reserved for the most powerful States; ..." These words are more relevant now than they were in 1949. This was reaffirmed in the *Nicaragua* case in 1986. The Court rejected intervention at a "request for assistance made by an opposition group in another state."

The collapse of the USSR in 1991 opened new vistas of the play of power. In 1986, a British Foreign Office Policy Paper noted that "the overwhelming majority of contemporary legal opinion comes down against the existence of a right of humanitarian intervention". In 1992, the Foreign Office held: "international law develops to meet new situations; we believe that international intervention without the invitation of the country concerned can be justified in cases of extreme humanitarian need." In this clime came R2P. In an inspired moment in 2000, the Canadian movement picked on the egregious Gareth Evans of Australia, with Mohamed Sahuom of Algeria, doubtless both of undying reason, to co-chair an independent International Commission

on Intervention and State sovereignty. They coined the phrase “responsibility to protect”. The doctrine was not accepted by the U.N. General Assembly on September 14, 2009, after a long debate. On September 24, 1999, Foreign Ministers of the Group of 77 “rejected the so-called right of humanitarian intervention, which has no basis in the UN Charter or international law”. This represents the opinion of 132 states; 33 Asian, 51 African, 22 Latin American, and 13 Arab states.

CRISIS OF LEGITIMACY

Such an intervention inevitably entails regime change. One suspects that change is the main objective; human rights violations are a pretext for it. Witness the deafening silence on outrages by the favourites. Beneath the crisis in the U.N. system lies a deeper crisis of the legitimacy of an order which is devoid of an international consensus. That can be restored only by a wide consensus. We face a genuine humanitarian problem. Remember Biafra, Cambodia, Rwanda and Darfur. Russia's Foreign Minister said on February 4 that the resolution on Syria was not “hopeless” and that “we support the call of the Syrian people for change.” There was ample room for compromise. There is still time for that — a U.N. Mission comprising members of high credentials can go to Syria to bring about a settlement which leaves Mr. al-Assad in office but ensures democratic transition. India's Permanent Representative to the U.N., Hardip Singh Puri, said “the main role of the international community, including this Council, is to facilitate engagement of the Syrian government with all sections of Syrian society.” Nominating its adversary, the Arab League, to accomplish tasks set by the Resolution is no way to secure that “engagement.”

FOR A FAIR, FREE TRADE PACT WITH EUROPE

Since 2007, India and the European Union have been negotiating a comprehensive free trade agreement — officially known as Bilateral Trade and Investment Agreement (BTIA) — covering trade in goods and services besides rules pertaining to cross-border investments, competition policy, government procurement and state aid. This legally binding agreement would cover almost a fifth of the world population and, therefore, its impact and implications (both positive and negative) would be significant.

DIFFERENCES

Despite 14 rounds of formal negotiations, the finalisation of the BTIA has been delayed as differences cropped up between India and the EU over certain issues. Some of the contentious issues holding the BTIA are the EU's demand on India to drastically cut tariffs on automobiles, wines and spirits. The EU is also seeking greater market access in the services sector, particularly banking, retail trade, telecommunications, legal and accounting services. On the other hand, India is seeking a significant relaxation for the movement of its professionals (for short-term assignments) within the 27-nation bloc. India has also expressed its opposition to the inclusion of sustainable development issues related to labour and environment under the proposed agreement.

SUMMIT TOMORROW

Presently, the negotiations have reached a “closing” stage as both trading partners are hoping to finalise the agreement before the India-EU Summit to be held on February 10 in New Delhi. Given the logjam in talks over certain

issues, it is likely that both trading partners may skip negotiations over difficult areas holding the BTIA, and may announce a broad political agreement on the areas acceptable. As bilateral trade and investment agreements are reviewed periodically, it would enable both India and the EU to pursue negotiations over difficult areas once the initial agreement is signed this year. Furthermore, India is unilaterally opening up key sectors of the economy (such as retail trade, banking, pensions, telecommunications) for foreign investments, which would address the key concerns of European investors over market access.

TARIFF REDUCTION

India and the EU have agreed to eliminate tariffs on over 90 per cent of all tradeable goods during the next 10-year period. If not carefully managed, a drastic elimination of tariffs on a wide range of agricultural and industrial products could lead to a decline in domestic output, massive job losses, significant tariff revenue loss and negative implications for the trade balance. The EU is particularly insistent on the reduction of tariffs on wines and spirits, dairy products and cars. The cheaper imports of dairy products from the EU's heavily subsidised and protected dairy sector could result in a significant dislocation of local producers of milk and dairy products in India. The implications of lowering the tariffs on agricultural and dairy products could have a serious and long-lasting impact as the bulk of our rural population is dependent on them for employment and livelihood. It needs to be emphasised that unlike in Europe, most of the unorganised workers in India are self-employed. There is no social security net to take care of people who may lose their traditional livelihoods and jobs due to a lowering of tariffs under the BTIA.

OPENING UP BANKING SERVICES

Car manufacturers in India are concerned about the inclusion of finished cars (called Completely Built Units or CBUs), and are strongly opposed to any lowering of customs duty on CBUs under the proposed agreement. There is a strong fear in the domestic automobile industry that lower tariffs will prompt European car manufacturers to import CBUs instead of assembling them in India. This move could also negatively affect future investments in the domestic automobile industry as well as employment generation. In particular, the EU wants India to open up its banking sector. Some of the key demands emanating from Europe include the removal of all restrictions pertaining to branch licences and foreign ownership (of both public and private banks), besides the removal of priority sector lending on locally incorporated EU-based banks.

If European banks are given greater market access, will they serve 500-million Indians citizens who do not have access to basic banking services? The European banks are not located in rural areas and are not even serving the poor and low-income groups residing in metropolitan and urban areas. There is no regulatory ban on these banks to serve the urban poor. Therefore, it is not regulatory discrimination or the lack of a market which is hindering the delivery of banking services by European banks but their business model which tends to "cherry-pick" the most profitable businesses in India.

EU'S NEW MANDATE

Moreover, the global financial crisis has put a big question mark over the efficiency, "best practices" and state-of-

the-art risk management models of several big banks. The crisis has shown how many big European banks transmitted financial shocks across countries. In contrast, the Indian banking system has remained insulated from global turmoil thanks to a limited presence of foreign banks, enlarged state ownership of the banking system, and a relatively strong regulatory framework. In a post-crisis world, New Delhi should seriously rethink the benefits of opening up banking and financial services under the India-EU BTIA. On September 12, 2011, the General Affairs Council of the EU officially approved the negotiating mandate for investment protection measures under the BTIA with India.

The mandate is highly problematic as it specifically proposes investor-to-state dispute settlement provisions (in addition to state-to-state). These provisions give special rights to investors to completely bypass the domestic legal system and seek redress before a panel of international arbitrators. This is especially worrisome since the new mandate calls for "the highest possible level of legal protection and certainty for European investors in India." At the same time, it does not endorse any qualifications or limitations of investors' right to be protected under the new agreements. Such a lopsided negotiating mandate which puts investors' rights above those of democratically-elected governments should not be accepted by India under the BTIA.

LACK OF CONSULTATION

It is of grave concern that the India-EU BTIA negotiations have been marked by a gross absence of transparency and public consultation in India. Before inking an agreement with the EU, it is important for New Delhi to initiate wider consultations with small and medium

enterprises, farmers' groups, community based organisations, trade unions and trade experts on an equal footing. Even State governments have not been informed about the ongoing negotiations even though it would have been only right to take them on board on important issues such as agriculture, public health and education which falls under the State/Concurrent List of the Constitution.

It is a matter of shame that while the proposed agreement will have to be ratified by national Parliaments in all 27-member-states of the EU, there is no system of parliamentary ratification or supervision of such agreements in the world's largest democracy.

LESSONS FROM THE DURBAN CONFERENCE

You know your negotiating strategy is in trouble when countries ranging as far as Norway in the developed world to partners like South Africa and neighbours like Bangladesh start quoting Gandhi and Nehru back to you. Two months ago, this was the unfortunate situation Environment Minister Jayanthi Natarajan had to face at the Durban conference on climate change.

That she managed, through a passionate last-minute speech, to ensure that all was not lost for India goes to her credit. But the fact that India found itself outwitted and cornered at the endgame of these negotiations, with no option but to resort to an angry ministerial plea, is an indication of how far New Delhi has lost its way on the issue. As the dust from the conference settles, and a new United Nations deadline approaches for countries to submit their formal views on the subject by the month end, it is time to reappraise India's performance at Durban, and see what lessons it can learn from it.

THREE OBJECTIVES

India had gone to Durban with three predominant objectives. First, to secure the continuance of the Kyoto Protocol, whose 'first commitment period' is scheduled to end in 2012. Second, to ensure that its particular concerns on equity, intellectual property rights and unilateral trade measures, neglected in previous negotiating rounds, were substantively integrated in the future climate agenda. And third, to preserve the notion of 'differentiation' between developed and developing countries, recognised through the principle of 'common but differentiated responsibilities' (CBDR) in both the U.N. Framework Convention on Climate Change (UNFCCC) and the 1992 Rio Declaration on Environment and Development.

Notwithstanding the euphoric declarations of victory in some national newspapers that uncritically peddled the government line, the overall results of the conference do not make comfortable reading for India. On the plus side, one may point to the fact that industrialised countries have now agreed to a 'second commitment period' of the Kyoto Protocol, which requires them to reduce their emissions in a legally binding manner, potentially up to 2020. This is something India was anxious to secure, not least given its high investment in, and exposure to, the Clean Development Mechanism of the Protocol. The progress made in operationalising the technology mechanism that India championed might perhaps also be counted as a success. But these apart, there is little else from Durban that it can cheer about.

The continuation of the Kyoto Protocol, important as it may be, offers little more than an ephemeral gain. With the United States refusing to ratify the treaty; Canada blatantly disregarding its

previous ratification; and Japan, Australia and Russia equally disinclined towards it, it is only the European Union's commitment at Durban that has still kept the Protocol alive. But it is unlikely to survive in its current form beyond this extended phase. And, going by past record, its ability to enforce serious emission reductions in developed countries also remains equally dim. What India gave up in return at Durban however holds far more serious consequences. The most important decision that Parties took at Durban was to terminate the ongoing negotiating process on 'Long-term Cooperative Action' (LCA) that had been launched under the Bali Action Plan in 2007, by the end of 2012. Adopted following tough negotiations, this had notably maintained the 'firewall' between developed and developing countries and also the 'linking clause' that had made mitigation by the latter contingent on the level of technological and financial support that they received from the former.

COPENHAGEN & CANCUN

The 2009 Copenhagen Accord and the 2010 Cancun Agreements were both negotiated under this mandate. Even though they diluted the Bali 'firewall', they nevertheless reaffirmed the core UNFCCC norms, that nations would need to combat climate change on the basis of 'equity' and in accordance with the CBDR principle, respecting the various provisions of the Convention. The new decision at Durban that now replaces the LCA negotiating track with the 'Durban Platform for Enhanced Action' remarkably fails to make even a passing reference to these foundational principles. Calling instead for the 'widest possible cooperation by all countries,' a preferred formulation of the West, it launches a new process to develop a

'protocol, another legal instrument or an agreed outcome with legal force' by 2015, which is to be 'applicable to all Parties,' and enter into force from 2020.

Given the uncertainties of what this new mandate might ultimately produce, India did well to 'loosen up' its legally-binding character by insisting on the inclusion of the third option. But the fact that a key decision was adopted for the first time in the entire 20-year history of international climate talks without even a cursory mention of 'equity' and CBDR should give policymakers in New Delhi serious pause. What makes this omission even more striking is that it occurred, not through any oversight, but despite India's persistent and voluble invocation of these norms throughout the two-week long conference, and the months preceding it.

ABSENCE OF BEDROCK PRINCIPLES

Some have argued that since the new process is set to operate 'under the Convention', all its principles and provisions will automatically apply, and hence do not need repetition. While this may hold some force, the absence of these bedrock principles from the Durban Platform text should be seen clearly for what it is: a successful attempt by the developed world to detach the future climate negotiations from their existing normative moorings, and to revise the very basis on which their legal obligations, and the legitimacy of the positions and arguments of countries like India, have so far been based. India also failed in its bid to gain substantive recognition for the issues of intellectual property rights and unilateral trade measures. Even on 'equity', the issue closest to its heart, all that it managed to secure in the end is a 'workshop' on 'equitable access to sustainable

development', itself an ambiguous formulation, under a mandate that is now scheduled to expire. To what extent 'equity' will find any formal operational recognition beyond 2012 remains an open question.

The outcome of the Durban conference — and India's failure to attain most of its stated objectives — should now raise serious questions about the wisdom of its negotiating strategy, and especially its alliance management. It should also raise questions about the capacity that it has brought to bear in these negotiations to date. At Durban, India fielded a delegation of 34 members, as opposed to 96 from the U.S., 101 from the EU, 228 from Brazil, 167 from China, and even 102 from Bangladesh. And insiders well know what the teeth-to-tail ratio even within this small group is.

COMPLEXITY OF CLIMATE NEGOTIATIONS

However capable our top negotiators are, the sheer weight and complexity of climate negotiations today will inevitably lead to more slippages in the future unless this capacity constraint is urgently, and meaningfully, addressed. This overstretch is partly also the reason why key decision makers are left with little time to think more deeply and open-mindedly about the newer challenges that are confronting India today, and to develop effective and imaginative responses to them. In recent years, India's climate foreign policy has undergone considerable oscillation, in not always explicable ways. While climate change is a complex issue, and genuine differences of opinion can exist among our politicians and bureaucrats on how best to approach it, it is far too important and strategic a concern for the country in the long run to be weakened by either individual caprice or collective groupthink. If the

interests of 1.2 billion Indians are to be adequately safeguarded in the coming decade and beyond, it is imperative that India develops both a coherent grand strategy to address climate change that enjoys broad cross-party parliamentary support, and a strong negotiating team to see it through.

GET YOUR ACT TOGETHER

In a few months' time, in June 2012, the international community will reconvene in Brazil to commemorate the 20th anniversary of the historic Rio Earth Summit. The developed world will then no doubt try to use the precedent set at Durban to press for a more general erasure of the principle of 'differentiation' within international environmental law itself. If this is an outcome that India wishes to avoid, it needs to rapidly get its act together on this issue. Durban is a wake-up call that it must not ignore.

GIVING BRICS A NON-WESTERN VISION

India is all set to host the Fourth BRICS Summit in March this year. The journey from Yekaterinburg to New Delhi has demonstrated that the political will amongst member nations to sustain this contemporary multilateral process is strong. Along the way South Africa has been welcomed into the original "group of four." Yet, the challenge for BRICS has always been, and continues to be, the articulation of a common vision. After all, the member nations are at different stages of political and socio-economic development. While some have evolved economically and militarily they are yet to succeed in enabling plural governance structures, while others who represent modern democratic societies are being challenged domestically by inequalities and faultlines created by caste, colour, religion and history. The BRICS nations

do have a historic opportunity — post the global financial crisis and the recent upheavals in various parts of the world — to create or rebuild a new sustainable and relevant multilateral platform, one that seeks to serve the interests of the emerging world as well as manage the great shift from the west to the east.

WAY FORWARD

Indeed, two out of the five economies in BRICS, China and Russia, have already emerged, and are veritable heavyweights in any relevant global political and economic discourse. Why then should BRICS depend on sluggish multilateral channels such as the World Trade Organisation (WTO), or try to imbibe didactic, non-pragmatic western perspectives on issues purely of common interest? It is amusing to be offered solutions to poverty and inequality, bottom of the pyramid health models, low cost housing options, education delivery, energy and water provision, *et al* by the wise men from organisations and institutions of the Atlantic countries. When was the last time they experienced poverty of this scale, had energy deficiency at this level and suffered from health challenges that are as enormous? The responses to the challenges faced by the developing world reside in solutions that have been fashioned organically.

BRICS could systematically create frameworks offering policy and development options for the emerging and developing world and assume the role of a veritable policy think tank for such nations, very similar to the role played by the Organisation for Economic Co-operation and Development (OECD) in the 20th-century world. Thus BRICS must create its own research and policy secretariat (for want of a better term) for addressing specific issues such as trade and market reforms, urbanisation

challenges, regional crises responses, universal healthcare, food security and sustainable development (many of these issues are being discussed year at the BRICS Academic Forum in March).

NON-TRADITIONAL SECURITY

The OECD's stated mission is to "promote policies that will improve the economic and social well-being of people around the world." Although the BRICS nations account for a fourth of global GDP and represent over 40 per cent of the total global population, none of them are OECD members as yet; instead what they have is "enhanced engagement" with the OECD. The BRICS nations have already created a viable platform for "enhanced engagement" with each other through the institutionalisation of the annual Leader's summit, preceded by an Academic Forum of BRICS research institutions and a Financial Forum of development banks (and this year, a newly instituted Economic Research Group will focus on specific economic issues). The dominant discourses within each of the BRICS nations today are centred on non-traditional security, which can be efficiently addressed through collective market based response mechanisms.

Despite intra-BRICS trade volumes rising exponentially over the past decade, there are few instances of actual financial integration within the consortium (aside from the case of Russia and China starting bilateral currency trading last year). A useful first step to enable this would be to institute a code of liberalisation of capital movements across the five countries, as a modern day parallel to the 1961 OECD code with an equivalent mandate. In the current environment of global economic uncertainty, multinational corporations are perhaps the most adaptable and profitable drivers of economic growth. Therefore, at the outset, the creation of

favourable policies for multinationals to conduct business across BRICS would be well justified. Moreover, just as the OECD has a comprehensive set of guidelines that set benchmarks for various economic activities, from testing standards for agricultural goods to corporate governance of state owned enterprises, the BRICS nations could create their own guidelines on the best practices and standards within the consortium.

Finally, within the BRICS nations, there are both import and export centric economies. This provides an excellent template for a realistic multilateral negotiating platform where obdurate self serving bargaining positions are natural starting points. The stalled discussions at the Doha Round of the WTO are an example of the difficulties of consensus building.

Since the BRICS nations are already addressing a plethora of issues covered by the Doha Round, they are well placed to move ahead of it, and resolve mutual positions and common concerns. What started as an investment pitch by Goldman Sachs (BRIC) has evolved into a useful multilateral instrument, for the BRICS nations. BRICS must now move on from being a grouping of individual nations, discussing agendas, to becoming a "go-to" institution for setting regional and global agendas. The essence and ethos of such an institution must in turn, flow from the inorganic prism of stability, security and growth for all. Stability from business cycles and financial governance failures, security from traditional and non-traditional threats posed to humans and the environment, and unbiased growth and prosperity are common aspirations for all BRICS nations, and they must be achieved and delivered from within. The Fourth BRICS Academic Forum will attempt to address these imperatives.

HOW FUKUSHIMA IS RELEVANT TO KUDANKULAM

The nuclear plant accident at Fukushima, Japan, in March 2011 exemplifies the prescient remark of nuclear reactor pioneer, the late Alvin Weinberg, that "a nuclear accident somewhere is a nuclear accident everywhere." After Fukushima, many countries initiated a reconsideration of the role of nuclear power in their current and future energy portfolios and checks of their safety features at operating plants. Public demonstrations for halting ongoing construction of new plants and eliminating nuclear power altogether from energy portfolios also followed. Social demonstrations against the construction of any new nuclear power projects in India and a bringing on stream of the nearly complete Kudankulam plant in Tamil Nadu are parts of this phenomenon.

The Central government's attempts to assure the public of the safety of the Kudankulam plant failed and the demonstrations continued, leading the Tamil Nadu government to appoint an expert panel of four to assess *afresh* the safety of the plant. The committee submitted its report on February 27, 2012 which is as yet not released. A member of the panel, former Chairman M.R. Srinivasan of the Atomic Energy Commission (AEC), is quoted as saying that the Committee was fully satisfied that the plant was safe. It remains to be seen whether the report is convincing and credible in coming to its conclusion, thus addressing public concerns about Kudankulam and also possibly blunting the threat to India's future nuclear power programme from escalating demonstrations. Concerns of risks of nuclear power, both from possible design faults in plants, their inappropriate location and from natural events such as

earthquakes and tsunami have risen since Fukushima. The committee has to address these concerns effectively in a transparent manner in its report for it to serve its purpose of looking at the issues afresh regardless of the prior public positions of any of its members on them. While awaiting the report, we highlight what the Fukushima accident revealed on the previously unknown or underestimated risks and costs of nuclear power for the reason of their possible relevance for evaluating the risks and benefits of the expansion of nuclear power in India and the operation of Kudankulam.

ISSUES FROM FUKUSHIMA

The following is common knowledge about the Fukushima accident and its aftermath. First, it was triggered by a very rare natural event — the occurrence together of an earthquake of magnitude 9 on the Richter scale and a 15-metre tsunami which completely overwhelmed the plant and its safety systems. This raises the issue whether the probability of the event could or should have been anticipated or was ignored as unlikely by the Japanese regulatory authorities when the plant was designed, built and located at Fukushima. Second, the analysts exposed the close ties between public regulators and the private plant operators that could have led them to collude and neglect safety and other features that could have been built into the design of the plant and affected responses to the accident and the timing and transparency of information released.

Third, although the physical structure of the Fukushima plant withstood the earthquake, together with the tsunami, the earthquake led to the loss of offsite and onsite power leaving the plant completely dependent on diesel

generators and batteries of emergency cooling system for reactors. But adequate emergency power was not available at Fukushima. The consequential build-up of temperature resulted in production of steam and hydrogen that exploded rupturing the containment structure within a matter of hours and eventually led to a partial core meltdown. Fourth, radiation leaks from the disabled plant spread far beyond what had been deemed likely, affected rice crops, milk and other products for domestic consumption and exports. The leaks and damages beyond the plant emphasised that containment structures have only a limited time-bound ability to mitigate the consequences of releases of radioactivity into the containment by overheated reactors coolant accidents until emergency cooling systems prevent further heating and a core meltdown. At Fukushima, emergency cooling systems failed and led to a partial core meltdown. Just a few hundred metric tonnes of steam could pose a serious threat to the containment's structural integrity of Kudankulam with its VVER-type reactor. It is therefore essential that cooling systems operate reliably and effectively.

A complete analysis of the Fukushima accident is not available yet. From what is available, it is known that radiation leaks affected crops and population and resulted in loss of output from disruptions in power supply. Kudankulam is located in the rice and milk producing, heavily populated and fast growing southern state of Tamil Nadu near Sri Lanka. The deleterious consequences of the Fukushima accident and the risks of their happening at Kudankulam are real. Obviously potential risks and their costs have to be weighed against potential benefits from the plant in a scientific, social cost/benefit analysis in evaluating whether or not to bring

Kudankulam on stream and institutionalising such analyses in the nuclear decision-making process.

Fifth, emerging information on actions not taken but considered at Fukushima is disturbing: “in the darkest moments of the nuclear accident last year, Japanese leaders did not know the actual extent of the damage at the plant and secretly considered the possibility of evacuating Tokyo [350 km away from Fukushima], even as they played down the risks, an independent investigation into a report has disclosed”. (*International Herald Tribune*, February 29, 2012)

The panel's report should include estimates of the probabilities of earthquakes of magnitude greater than 6 and of tsunamis originating outside India that could threaten the Indian coast. Social cost/benefit analysis of alternative responses to very low probability events, which, were they to occur could inflict large social costs in terms of population loss, damages to structures and long term health consequences is a difficult analytical problem. However, to assure that the Kudankulam plant is “reasonably safe,” the panel should attempt the difficult social cost/benefit analysis and make public its methodology and assumptions. The uncertainties in the data used and in estimation errors induce an “error band” around the average social cost/benefits and these should be made explicit. Superimposition of estimated probabilities of possible reactor accidents with site specific probabilities of earthquakes and tsunamis highlighted by Fukushima would enable the estimation of probabilities of a Fukushima-like event at Kudankulam.

REGULATORY INDEPENDENCE

The Fukushima accident highlighted the need for the independence

of regulators from plant operators. The Atomic Energy Regulatory Board (AERB) has long been criticised for being subservient to DAE, the promoting organisation for nuclear power. After Fukushima, the establishment of a truly independent regulator has been promised. Currently, institutional deficiencies are structurally inbuilt and hard to eliminate. If they remain, the credibility and autonomy of the regulator cannot be ensured. Historically, nuclear policymaking in India was not transparent and involved only a handful of people in the government. The DAE has exploited this arrangement. Unfortunately, the political leadership left the operational aspects of nuclear affairs entirely to DAE without creating any institutional mechanism for independent technical and policy advice on civilian as well as military aspects.

A glaring example of DAE's misuse of the Atomic Energy Act to escape the scrutiny of regulator and courts over public safety concerns came in the wake of the still unpublished 1996 AERB report. The report is believed to have exposed how DAE had turned regulation into a farce because of the cosy arrangement between the regulators and the regulated. In India, all Indian nuclear plants are in the public sector and so are the agencies that exercise regulatory functions and promotional responsibilities. In this situation, conflict of interest between regulation and promotion is inevitable. Their separation and the creation of a statutory body for regulation are essential to win public confidence.

ENERGY PORTFOLIO

Significant shortfalls of India's energy generation relative to estimated energy demand have been longstanding. Many policy failures contributed to the

shortfalls and their consequences. Amongst them, the failure to implement the Electricity Reform Act of 2003 ranks high. Legitimate concerns about global warming and energy security have driven the proposed expansion of nuclear power. As a poor country with a growing population with a need for rapid and sustained economic growth to eradicate poverty, India faces the daunting task of increasing its energy supply by a factor of two to three over the next two decades even after factoring in feasible conservation and efficiency improvements. Every possible source of energy (fossil, renewable, and nuclear) has to be considered without any a priori opposition to the use of any source in any credible social cost/benefit analysis of alternative energy portfolios in meeting development goals without pushing their risks beyond socially tolerable levels.

Understandable public concerns post-Fukushima pose enormous challenges for the planned expansion of nuclear electricity generation in India. Neither technological hubris nor shrill anti-nuclear rhetoric is useful in this context. For this reason the panel has to examine critically what Fukushima revealed that was not known before in terms of risks and social costs of a potential accident over a long term and offer its informed assessment of the extent Kudankulam and other future plants are subject to known and potentially new risks. Its assessment and judgment need to be transparent and explain which risks it considers worth taking and why. We urge that due consideration be given also to issues that human frailties, potential natural disasters like earthquakes and tsunamis and acts of sabotage pose to the potential failure of well designed but complex engineering systems like a nuclear reactor. No humanly designed system can ensure that

it will never fail — thus an option with zero risk does not exist. For this reason, a credible and convincing social cost benefit analysis of risks and benefits of current and available future energy options is essential.

PUNISHING A WHISTLEBLOWER

The United Nations special rapporteur on torture has just submitted his findings on Washington's prolonged and controversial detention of WikiLeaks hero Bradley Manning. Simply put, he has concluded that the punitive conditions imposed on him, before being pronounced guilty, amount to cruel, inhuman and degrading treatment. The former U.S. intelligence analyst has been under incarceration since May 2010 for allegedly having leaked secret State Department cables to the whistleblower website WikiLeaks. Mr. Manning is charged with over 20 offences, of which that of aiding the enemy could even attract the death penalty. The United States government has hampered investigations into his treatment — including solitary confinement for eight months, ostensibly to prevent him from causing harm to himself. Significantly, the U.N. special rapporteur, Juan Mendez, who has concluded his 14-month investigation, was denied a private interview with the detainee. The findings, which form part of his report last week to the U.N. Human Rights Council, is the latest attempt to elicit U.S. cooperation in the investigations into Mr. Manning's incarceration. Earlier, over 50 members of the European Parliament and hundreds of American legal scholars had written to the U.S. Congress noting that 17 months had elapsed in bringing the accused before a pre-trial court.

Mr. Manning's treatment is reminiscent of the Central Intelligence Agency's infamous enhanced

interrogation techniques used with impunity during the Bush era against detainees at Guantanamo. Significantly, the White House today is guilty of supporting the very kind of extra-judicial methods that Barack Obama the candidate pledged to end and even outlaw in the run up to the 2008 elections. While the Bush administration at least allowed the Red Cross to have access to Guantanamo inmates, the current administration has taken a step back in refusing to allow the U.N. rapporteur to meet privately with Mr. Manning. The Manning case is proof yet again of the hypocrisy and double standards that govern Washington's attitude towards human rights and the rule of law. Equally disturbing, from the point of view of international precedent, is the fact that Washington seems intent on making an example of someone who is essentially a whistleblower. The financial targeting of WikiLeaks is of a piece with the same vindictive mindset. States are entitled to protect their secrets and punish those who break the law. But there is a line they must not cross in trying to do so. In the Manning case, the U.S. has crossed that line.

DEALING WITH SRI LANKA

India faces a crucial decision-making moment at the United Nations Human Rights Council on the U.S.-sponsored resolution that urges Sri Lanka to address rights violations alleged against its army in the final phase of the war against the LTTE in 2009. At one level, this decision should be easy to make — New Delhi does not support country-specific resolutions at the HRC in Geneva. Sri Lanka, however, poses a special challenge. All this time, quiet diplomacy rather than grandstanding has been New Delhi's preferred path in prodding Sri Lanka towards

reconciliation with the island's Tamil minority. That this has not produced the desired outcome, especially in the matter of a forward-looking political solution to the Tamil question, is evident. Three years after winning the war against the LTTE, Sri Lanka is yet to cement a peace with the Tamils. Instead, the triumphalism about the military victory, unaddressed human rights violations and the overwhelming presence of the Army in northern Sri Lanka, have deepened the political alienation of the Tamils. But if quiet diplomacy hasn't worked, India must carefully assess whether the HRC resolution will get the Sri Lankan government to move in the right direction. Western powers seem to believe it can shame Sri Lanka into doing this. In fact, the proposed censure might work in exactly the opposite way, by further fuelling Sinhala nationalism and rendering the possibility of political reconciliation even more distant.

As for the "feelings" of the political parties in Tamil Nadu, it should be clear by now that for them, the Sri Lankan Tamil issue is an opportunity for cynical one-upmanship, and nothing more. There was no clearer evidence of this than at the time of the UPA victory in 2009, which coincided with the last stand of the LTTE. After creating a furore over the war in Sri Lanka during the elections, the DMK's only concern after the results was how many and which cabinet positions the party would get in the new government. The Sri Lankan High Commissioner's suggestion that the members of parliament from Tamil Nadu are unwitting propagandists of the LTTE shows poor understanding of the dynamics at play in the State; his comment can only worsen the din. However, it should be clear to all concerned that a decision by India not to support the resolution cannot be seen as

backing for Sri Lanka's record on human rights; Colombo would be mistaken if it interprets it thus. Indeed, an Indian decision to abstain or vote against the resolution would place an even bigger responsibility on New Delhi to ensure — through more effective and even hard-edged diplomacy — that the Rajapaksa government delivers on the commitments it has made on the political and human rights front.

THIS IS NOT FISCAL CONSOLIDATION

Going into Part B of his budget speech in Parliament, Pranab Mukherjee complained that the life of a Finance Minister is not easy. He has everyone's sympathy there. That said, there were a number of features in the fiscal policy of the Government of India for the forthcoming fiscal year (FY13) which generated unease among those listening to him.

The fiscal deficit in the current year was widely expected to exceed the budget estimate of 4.6 per cent of GDP. In the event, it is higher by a good 1.3 per cent, at 5.9 per cent. Off-hand, I am unable to think of any other year in which the disparity between achievement and intent was so wide. What is even more remarkable is that a fiscal deficit for FY13 at 5.1 per cent of GDP is called a return to fiscal consolidation, when it is higher by half a per cent of GDP than what was budgeted for the current year.

NO FOLLOW-UP

The failure to meet targets is blamed on reduced tax collections owing to slowing real growth, and on the rise in the global price of oil from \$ 90 a barrel as projected at the start of FY12, to \$ 115 a barrel. But there is no coherent follow-up on these identified causes with what will be done going forward.

On the rising petroleum subsidy bill, all we have is a promise in paragraph 22 that Central subsidies will be restricted in FY13 to 2 per cent of GDP, which is still a whopping Rs 2 lakh crore. No further details follow on what will be cut and what protected within this overall ceiling. The need of the hour is for a clear link between the retail price of assorted petroleum products and the global price of oil, through an announced, and analytically defended, pattern of subsidies. This has already been successfully done for non-urea fertilizers, although we continue to hold down the price of urea, with terrible consequences for soil fertility.

The longer term challenge is for a concerted nationwide effort at providing effective intra-city public transportation, and at increasing the share of rail traffic in transportation of goods. There is a clear link to the rail budget presented two days earlier. The Union Budget offered a second opportunity to defend the first tentative steps attempted there to generate revenues for expansion of the rail network, but it was allowed to slip.

In the forest of 61 paragraphs dealing with the minutiae of innumerable indirect tax proposals, which felt more like a pre-reform budget speech, there were some that were consistent with the need to contain the petroleum subsidy, such as the switch to a fully ad valorem excise of 27 per cent on large cars. The hike could have been much higher, since these cars clog city roads and substantially increase the oil import bill by slowing traffic all round. What struck a discordant note was the hike in the basic customs duty on bicycles from 10 to 30 per cent, and on bicycle parts from 10 to 20 per cent. The interests of buyers of non-motorised vehicles should surely take precedence over the interests of domestic producers of these vehicles. On measures to tackle slowing growth, the other

identified cause of fiscal failure, there were some good measures scattered through the speech. Even more than the new Direct Tax Code, the Goods and Services Tax (GST) needs to be speedily enacted for economic integration of the country. The move to a negative list of services is in the right direction, but the hike in the standard rate of excise and service taxation to 12 per cent raises the Central stake in the eventual GST rate. What the states will have to say about that remains to be seen. Eventual agreement on the configuration of the GST will take a great deal of patience and political stewardship, but the expected completion of the information technology platform for the dual-track levy by August 2012 is a necessary and welcome first step.

There are a number of measures to deepen the capital market and encourage investment in infrastructure. Amendments to an assortment of financial legislation are listed for passage through Parliament, although it would have helped if the key direction towards which the amendments nudge the legislation in question had been described succinctly in the budget speech.

INFRASTRUCTURE

On infrastructure, the multi-headed hydra which obstructs real growth in India, there is a whole section of 26 paragraphs which seeks to remove key constraints in a number of areas, such as viability gap funding for public private partnership projects, supply of coal and other fuels for power generation, operation of tolled roads, and the high operating costs of airlines. But many of these measures to remove obstacles are distressingly discretionary in nature, thus making the sectors in question hang on the outcome of inter-ministerial groups and other such bodies. This is at variance

with the broad objective of reform, which was to release the economy from the stranglehold of gatekeepers.

Infrastructure bottlenecks are removed not by new initiatives alone, but by persistence with initiatives introduced in previous years. In September 2010, a cess on coal at Rs. 50 per tonne was introduced to fund transmission lines for evacuation of electricity from renewable energy generation points to consumption centres. This has raised the cost of thermal generation, but we know nothing about whether the transmission lines intended came into existence at all.

THE EVERYDAY EMBRACE OF INEQUALITY

The big winner at the Screen Actors Guild Awards on Sunday night was *The Help*, a film about the relationship between African American maids and their employers in 1960s Mississippi. The film, and the book on which it is based, is well-meaning, but both patronising and sentimental. Critics see it as a nostalgic feel good experience ("we were so racist then but we are so much more evolved now") for contemporary white Americans, while ignoring the inequality between employers and domestic workers in the U.S. today. But it raises some important issues for those of us who live in servant-keeping societies. It is a reminder of the peculiar nature of inequality in the intimate environment of the home.

THE DOMESTIC WORKER

Studies show that numbers of domestic workers in any society rise with level of inequality. What this means is that in order for this occupation to flourish, there have to be people desperate enough to do the work that no one else wants to do, and people well off enough to pay them for the work they don't want to do.

Thus domestic workers occupy one of the lowest rungs in the social hierarchy, have little or no dignity of labour, and are exploited in both everyday and egregious ways. But domestic workers are unlike any other kind of worker precisely because they work in other people's homes. The site of their work, in the very heart of the household and family life, erases the usual divide between home and work, and places workers in a position of caring for a home and children that are not theirs. In the home, one person's refuge from labour is another's site of labour, one person's space of privacy is another person's public arena. There is spatial intimacy yet vast social distance.

IN INDIA

Because of the long history of servant employment in India, we often do not reflect upon the institution—or if we do, it is to wish that servants these days were as loyal as servants of the past. We simply assume that we cannot live a middle-class existence without it. But we would do well to reflect on the effect of the institution of paid domestic work on the internal dynamics of middle-class families. What difference does having someone who is paid to look after them make to the lives of children and to that of their parents? In a recent study of paid domestic work in Kolkata, my co-author Seemin Qayum and I suggest that while the institution of paid domestic labour produces cleanliness, meals and childcare, it also produces and reproduces a class, gender and, often, caste unequal home and society.

If the home is the site of socialisation, where children learn the rules of society, then it is also the site where they learn about inequality and hierarchy. It is the site in which they learn, should they have a domestic worker in the house,

that someone (usually a woman who does not look like them) will pick up their socks if they are lying around. They will learn that you can pay people to do things you do not want to do yourself, like making your bed, or cleaning your bathroom, and they will acquire the belief that those tasks require no skills. In other words, they will learn to normalise privilege, value certain kinds of work, and devalue others.

BECOMING AWARE OF HIERARCHY

We learn hierarchy in subtle ways; it is in small gestures and unspoken moments—such as the different tone of voice a mother uses toward workers, or where a domestic worker sits, or that a request made to a domestic worker is really an order—that children learn about the hierarchical order of daily life. One child remembers being told to touch the feet of his elders, and realising, when a hushed silence fell over the room, that “elders” did not include the maid; another distributes sweets to her friends but does not include the domestic worker who is also a child; and another expects his maid to run after and fetch the ball when he is playing with her. Children learn, through the simple act of every day living, to distinguish between domestic worker and employer, and to convert these perceptions and practices into internalised dispositions about what it means to treat a “servant as a servant.”

Having a domestic worker also mediates the relationship of the employing couple to each other. Gender hierarchies are learned through the fact that domestic work is still seen as women's work. The most common reaction when we went to interview employers was that the man would summon his wife and leave the room as if to say that he had no opinion on the matter, he simply lived in the house. A professional woman who

wants to have a serious career learns to use her class advantage (the ability to hire a worker) to minimise her gender disadvantage (the inability to insist that your husband do his share of the housework and childcare). To put it bluntly, men simply won't do housework and women don't feel they can make them. The dominant ideology continues to be indisputably that men are responsible for life outside the home and women for life within the home, even if women work outside the home. The presence of a servant simply mitigates the need to insist that men do their share at home, and because it is the servant that does the housework, it continues to be devalued labour. In this way, the maintenance of the institution of paid domestic work, though usually taken for granted, leads to the reproduction of hierarchies, not just in 1960s Mississippi but in the 21st century in very many societies, and stands in the way of any move towards a genuinely egalitarian one. Indeed, it produces what we have called a culture of servitude through which relations of domination, dependency, and hierarchy are normalised.

MAKING SCIENCE ENJOYABLE

That little children are gifted with sophisticated thinking capabilities and can solve problems like a hard-wired scientist has been documented by many studies. Instead of nurturing these talents and imparting other skills like logical thinking—so very essential for excelling in science—the system ends up blunting or even destroying what they already possess. The systemic problem can be traced to the way science is taught today in schools and colleges: through lecture-oriented, teacher-centric instruction. If this turns the students into passive learners, introducing “difficult concepts too early in the science curriculum”

compels them to become rote learners and excellent reproducers of “boring, incomprehensible facts,” notes a recent editorial in *Science*. The system ensures that the joy of learning science is killed at an early stage. Learning by doing is regarded as one of the best ways of stimulating a child's curiosity and interest in the subject. Unfortunately, the faulty system has corrupted even this avenue. The curriculum has laboratory-based ‘experiments’ that require students to blindly follow certain prescribed procedures to achieve some predetermined results. This is in stark contrast to open-ended experiments where students, like scientists, are required to raise a logical question and go about testing it in a scientific manner. This kind of a system that makes science enjoyable is neither practised nor encouraged in India.

A recent initiative by *Science* provides an ideal opportunity to undertake some vital course correction to inculcate interest in the subject. The journal has started publishing one inquiry-based activity a month (“An inquiry-based curriculum for nonmajors,” by David P. Jackson *et al.*); this will be continued for the next 15 months. The intent of the initiative is to “increase scientific literacy [and] impart a fundamental understanding of the nature of scientific investigation.” Aside from increasing scientific literacy, the modules, if properly used, can surely serve as a starting point for teachers and students to appreciate the power of learning through ‘real’ experiments. In the short term, institutes in India should focus on moving away from the teacher-centric education that is in vogue to a more active student-centric instruction. The merits of such learning have been demonstrated by none other than Nobel Laureate Carl Wieman at the University of British

Columbia. In his study, the active learning group scored nearly double that of the passive group and outperformed it on all counts.

INDIA'S STAKE IN ARCTIC COLD WAR

A retired Rear Admiral of the Chinese PLA Navy, Yin Zhuo, caused a major stir in March 2010, when in a speech to the Chinese Peoples' Political Consultative Conference, he declared: “The Arctic belongs to all the people around the world as no nation has sovereignty over it.” China, he said, must also have a share of the region's resources.

RESOURCES, RESERVES

The five nations which ring the Arctic Ocean, namely the U.S. Canada, Denmark, Norway and Russia, disagree, though they themselves have competing territorial claims. The stakes are enormous: The Arctic Circle encloses 21 million square kilometres of land and 13 million sq.km of mostly ice-bound seas. By way of comparison, India's total land area is 3.3 million sq.km. It is estimated that the region may hold over 40 per cent of the current global reserves of oil and gas. There may also be significant reserves of coal, zinc and silver. As global warming causes the ice to melt, even for limited periods, the commercial exploitation of these resources is becoming feasible. In January 2011, the multinational oil major, BP, concluded a strategic alliance with the Russian State Company, Rosneft, to exploit the hydrocarbon resources in the Russian Arctic.

Arctic shipping has become a reality in the summer months. The Northwest passage, mainly along Canada's Arctic Coast, will link Far East Asia with North America, while the North-East Passage, mainly along Russia's Arctic shoreline, would provide an alternate route between

Asia and North America, but also between Europe and Asia. These Arctic routes, which used to be the stuff of fables in the 18th and 19th centuries, will cut global shipping routes by several thousand kilometres. For example, the Arctic route from Rotterdam (Holland) to San Francisco will be 4,000 km shorter than the existing route. This route has already been used in the past two summers by commercial shipping. As the density of Arctic shipping increases, so will the geopolitical importance of the Northern Tier countries. The Arctic region is now becoming a popular tourist destination. In 2010, over 50,000 tourists sailed the pristine waters of a hitherto forbidden zone.

THE ANTARCTIC

It is, therefore, easy to see why the countries that lie on the Arctic littoral, are keen to monopolise the resources of the region, shutting out any interlopers including China. The sharpening tensions arising out of long-standing territorial disputes among the Arctic countries are also a consequence of the prospects of significant economic and strategic gains that could be made from exploiting the locational advantages and potential resources of this vast frozen expanse. The current scramble one witnesses in the Arctic is in sharp contrast to the relative tranquillity which prevails over the opposite end of the Earth, the Antarctic. In a rare example of cooperation among the major powers, the Antarctica Treaty was concluded in 1959, permitting only research and scientific activity in the vast icy continent, shelving for the time being, any competing territorial claims.

The Antarctica is a continent, unlike the Arctic, which is an ocean, but it is also covers a vast area, approximately 14 million sq.km, covered in a thick layer of ice. The Antarctic, like the Arctic, is also

estimated to hold vast reserves of hydrocarbons and rare minerals. Global warming is also leading to the melting of the permanent ice in the southern summer and there could well be a fraying of the compromise arrived at among the Antarctic Treaty partners. Territorial claims, which have been frozen for the duration of the Treaty, may well be revived. What happens in the Arctic may well trigger a negative change in the Antarctic.

Is the world on the threshold of a new geopolitical contest, centred on the warming waters of the Arctic? If the shipping routes through the Arctic become more dense, the countries that lie astride these routes, will gain in importance. The exploitation of the rich resources of the region will add to the wealth and economic significance of the already affluent U.S., Canada and northern European countries. Russia may be the most prominent beneficiary of this shift, not only because it occupies the largest part of the Arctic, but also because it has the most experience in dealing with the harsh conditions that will continue to prevail in the region. The relative importance of countries that currently dominate global shipping routes will decline; the strategic chokepoints of the Panama Canal, the Suez Canal, the Bosphorous and the Malacca Straits, would lose much of their economic importance. The distribution of the world's critical resources would be drastically rearranged, giving greater leverage to the U.S., Canada, Russia and northern Europe. The geopolitical centre of gravity may well swing back from the Asia-Pacific to the trans-Atlantic.

ELEMENT OF IRONY

It is ironic that while on the one hand the world is grappling with global warming triggered by climate change, the

world's major powers are scrambling to profit from its consequences in the fragile Arctic zone. There is a deliberate effort to minimise the dangers of the melting of Arctic ice, which may affect the chemical composition of the world's oceans, raise sea-levels, affect ocean currents and thereby weather patterns across the globe, including our own monsoons, which are vital to our survival. It is well established that the challenge of global climate change cannot be addressed unless there is a worldwide, accelerated and strategic shift from production and consumption patterns that rely on carbon based fossil fuels to those based on renewable sources of energy such as solar power and clean sources of energy such as nuclear power. And yet, all available evidence points to fossil fuel use not only continuing but being significantly expanded in the coming years.

The British economist, Lord Nicolas Stern recently pointed out (*Financial Times*, December 8, 2011) that the world's largest coal, oil and gas companies are basing their current operations and future plans on the assumption that there will be no barriers to rising emissions from fossil fuel use, despite this being the stated policy of both governments and companies. The unseemly rush for Arctic resources is just the most glaring example of this. The ongoing multilateral negotiations on climate change under the U.N. Framework Convention on Climate Change may soon become irrelevant. The industrialised countries lose no opportunity to preach a low carbon growth strategy to developing countries like India on grounds that this is globally responsible behaviour. And yet their actions, including in the Arctic, demonstrate their intention of intensifying their own carbon intensive life styles.

The depleting rainforests in the Amazon basin in Latin America, Central Africa and the Indonesian archipelago have been declared "global commons," on grounds that their preservation is vital to maintaining the health of the global ecosystem. These ecological resources, it is argued, cannot be treated as exclusive national resources by the countries in which they are located. The rest of the world has a legitimate interest in their being managed in an environmentally sound manner. By the same token, the preservation of the extremely fragile ecology of the Arctic, whose disturbance may adversely affect the survival of peoples across the planet, is of vital concern to the international community. The Arctic Ocean is as much a "global commons" as is the Antarctica. Non-Arctic countries like India need to assert their right to have their say in the management of the Arctic. This cannot be the exclusive privilege of the Arctic littoral countries. India should mobilise international public opinion in favour of declaring the Arctic a common heritage of mankind and sponsoring an international legal regime on the lines of the 1959 Antarctic Treaty.

ROLE FOR INDIA

There may be voices in this country who may argue that India should follow China in seeking a share in the exploitation of Arctic resources to fuel its continuing economic growth. This would be short-sighted. It ignores the much greater damage compared to any possible benefits that India may have to bear if the Arctic continues to be ravaged by unchecked human greed. Further, India possesses neither the financial nor technological capabilities to match the countries in the forefront of the current Arctic scramble. The available pickings may prove to be meagre. India should

consider carefully whether it should pursue its reported application to join the Arctic Council as a permanent observer. The Council was set up in 1996 and has eight members viz. U.S., Canada, Russia, Norway, Denmark, Sweden, Finland and Iceland. There are five permanent observers viz. the U.K., France, the Netherlands, Poland and Italy. Brazil, China, Japan and South Korea have also expressed an interest in becoming permanent members. However, it should be noted that a condition for being granted this status is acceptance of the sovereign rights of the Arctic Council members over the Arctic Ocean. India should instead press for the Antarctic Treaty template where the territorial claims of States have been shelved for the duration of the Treaty. The reasons for which the international community accepted the discipline of the Antarctic Treaty are today even more compelling and urgent with respect to the Arctic. Placing this on the U.N. agenda during India's term in the Security Council and initiating international action on it could be a historic contribution by India in its role as a responsible global power.

FROM FOOD SECURITY TO FOOD JUSTICE

If the malnourished in India formed a country, it would be the world's fifth largest — almost the size of Indonesia. According to Food and Agriculture Organisation (FAO), 237.7 million Indians are currently undernourished (up from 224.6 million in 2008). And it is far worse if we use the minimal calorie intake norms accepted officially in India. By those counts (2200 rural/2100 urban), the number of Indians who cannot afford the daily minimum could equal the entire population of Europe. Yet, the Indian elite shrieks at the prospect of formalising a universal right to food. Notwithstanding

the collective moral deficit this reveals, it also shows that the millions of Indians whose food rights are so flagrantly violated are completely voiceless in the policy space. India's problem is not only to secure food, but to secure food justice.

What can food justice practically mean? First, to prevent situations where grains rot while people die — a very basic principle of distributive justice. But it has to mean a lot more: people must have the right to produce food with dignity, have control over the parameters of production, get just value for their labour and their produce. Mainstream notions of food security ignore this dimension. Food justice must entail both production and distribution. Its fundamental premise must be that governments have a non-negotiable obligation to address food insecurity. They must also address the structural factors that engender that insecurity. Most governments, however, appear neither willing nor able to deliver food justice. It needs therefore the devolution of power and resources to the local level, where millions of protagonists, with their knowledge of local needs and situations, can create a just food economy.

COLLECTIVE STRUGGLE

This is not quite as utopian as it may sound. Something on these lines has been unfolding in Kerala — a collective struggle of close to a quarter million women who are farming nearly 10 million acres of land. The experiment, “Sangha Krishi,” or group farming, is part of Kerala's anti-poverty programme “Kudumbashree.” Initiated in 2007, it was seen as a means to enhance local food production. Kerala's women embraced this vision enthusiastically. As many as 44, 225 collectives of women farmers have sprung up across the State. These collectives lease fallow land, rejuvenate

it, farm it and then either sell the produce or use it for consumption, depending on the needs of members. On an average, Kudumbashree farmers earn Rs.15,000-25,000 per year (sometimes higher, depending on the crops and the number of yields annually).

Kudumbashree is a network of 4 million women, mostly below the poverty line. It is not a mere ‘project’ or a ‘programme’ but a social space where marginalised women can collectively pursue their needs and aspirations. The primary unit of Kudumbashree is the neighbourhood group (NHG). Each NHG consists of 10-20 women; for an overwhelming majority, the NHG is their first ever space outside the home. NHGs are federated into an Area Development Society (ADS) and these are in turn federated into Community Development Societies (CDSs) at the panchayat level. Today, there are 213,000 NHGs all over Kerala. Kudumbashree office-bearers are elected, a crucial process for its members. “We are poor. We don't have money or connections to get elected — only our service,” is a common refrain. These elections bring women into politics. And they bring with them a different set of values that can change politics.

The NHG is very different from a self-help group (SHG) in that it is structurally linked to the State (through the institutions of local self-government). This ensures that local development reflects the needs and aspirations of communities, who are not reduced to mere “executors” of government programmes. What is sought is a synergy between democratisation and poverty reduction; with Kudumbashree, this occurs through the mobilisation of poor women's leadership and solidarity. “Sangha Krishi” or group farming is just one example of how this works. It is transforming the socio-political space

that women inhabit — who in turn transform that space in vital ways.

This experiment is having three major consequences. First, there is a palpable shift in the role of women in Kerala's agriculture. This was earlier limited to daily wage work in plantations — at wages much lower than those earned by men. Thousands of Kudumbashree women — hitherto underpaid agricultural labourers — have abandoned wage work to become independent producers. Many others combine wage work with farming. With independent production comes control over one's time and labour, over crops and production methods and, most significantly, over the produce. Since the farmers are primarily poor women, they often decide to use a part of their produce to meet their own needs, rather than selling it. Every group takes this decision democratically, depending on levels of food insecurity of their members. In Idukki, where the terrain prevents easy market access and food insecurity is higher, farmers take more of their produce home — as opposed to Thiruvananthapuram where market access is better and returns are higher.

SANGHA KRISHI

Second, "Sangha Krishi" has enabled women to salvage their dignity and livelihoods amidst immense adversity. Take the story of Subaida in Malappuram. Once widowed and once deserted, with three young children, she found no means of survival other than cleaning dead bodies. Hardly adequate as a livelihood, it also brought her unbearable social ostracism. Now Subaida is a proud member of a farming collective and wants to enter politics. In the nine districts this writer visited, there was a visible, passionate commitment to social inclusion amongst Kudumbashree

farmers. Our survey of 100 collectives across 14 districts found that 15 per cent of the farmers were Dalits and Adivasis and 32 per cent came from the minority communities. Third, "Sangha Krishi" is producing important consequences for the Mahatma Gandhi National Rural Employment Guarantee Scheme in Kerala.

Because of Kerala's high wages for men, the MGNREGS in Kerala has become predominantly a space for women (93 per cent of the employment generated has gone to women where the national average is 50). From the beginning, synergies were sought between the MGNREGS, the People's Plan and Kudumbashree. Kudumbashree farmers strongly feel this has transformed MGNREGS work.

"We have created life ... and food, which gives life, not just 100 days of manual labour," said a Perambra farmer. In Perambra, Kudumbashree women, working with the panchayat, have rejuvenated 140 acres that lay fallow for 26 years. It now grows rice, vegetables and tapioca. Farmers also receive two special incentives — an 'area incentive' for developing land and a 'production incentive' for achieving certain levels of productivity. These amounted to over Rs.200 million in 2009-10. They were combined with subsidised loans from banks and the State, and seeds, input and equipment from Krishi Bhavan and the panchayats.

CHALLENGES

However, serious challenges remain. Kudumbashree farmers are predominantly landless women working on leased land; there is no certainty of tenure.

Lack of ownership also restricts access to credit, since they cannot offer formal guarantees on the land they farm.

Whenever possible, Kudumbashree collectives have started buying land to overcome this uncertainty. But an alternative institutional solution is clearly needed. It is also difficult for women to access resources and technical know-how — the relevant institutions (such as crop committees) are oriented towards male farmers. There is also no mechanism of risk insurance.

Is this a sustainable, replicable model of food security? It is certainly one worth serious analysis. First, this concerted effort to encourage agriculture is occurring when farmers elsewhere are forced to exit farming — in large numbers. It re-connects food security to livelihoods, as any serious food policy must.

But more importantly, the value of Sangha Krishi lies in that it has become the manifestation of a deep-rooted consciousness about food justice amongst Kerala's women. Kannyama, the president of Idamalakudy, Kerala's first tribal panchayat, says she wants to make her community entirely self-sufficient in food. She wants Sangha Krishi produce to feed every school and anganwadi in her panchayat — to ensure that children get local, chemical-free food. Elsewhere, Kudumbashree farmers plan to protest the commercialisation of land. Even in the tough terrain of Idukki's Vathikudy panchayat, women were taking a census of fallow land in the area that they could cultivate. Some 100,000 women practise organic farming and more wish to. Kudumbashree farmers speak passionately about preventing ecological devastation through alternative farming methods.

In the world of Sangha Krishi, food is a reflection of social relations. And only new social relations of food, not political manoeuvres, can combat the twin violence of hunger and injustice.

DON'T TIE DOWN THE INDIA OF IDEAS

India must rank among the world's oldest centres of ideas. Going by the texts and the inventions that have emerged from India, there must have been a time when it had an effective system of learning and instruction. However, somewhere along the way from a hoary past to a stagnant present, an institutional arrangement has emerged that is completely out of synch with the requirements of India's economy and the aspirations of its people. Perhaps the most significant shock that led to India's educational system veering off course was the introduction by the East India Company of the system of higher education in mid-nineteenth century. The significance of this is usually understood to be that the medium of instruction now became the English language. However, arguably, the medium of instruction *per se* mattered less than what came to be considered knowledge.

CONCENTRATED IN PORTS

The colonial initiative in the field of education led to a system of higher education concentrated in the ports, eluding the vast hinterland, and heavily skewed towards a European idea of the humanities, cutting away the graduates produced from their fellow natives. It cannot be asserted, however, that it was entirely worthless, at least not in the context of colonialism. The system did produce, in modest numbers, doctors, engineers and administrators. But, unsurprisingly, they largely went on to perpetuate colonial rule in India.

There were, of course, exceptions. Thus, there was C.V Raman who won the Nobel Prize working out of his lab in Kolkata. Then there were the scientists Bose and Saha, and in the arts Sarvepalli

Radhakrishnan, one of the first of the global academics from India who attained prominence as an interpreter of Indian texts to the West. But, by and large, what the university system produced was geared mainly to advancing the colonial project in India. It had little to offer on the specific problems of the country, was coy on the topic of democracy, and was wont to privilege English literature over others. Political independence presented us with a unique opportunity to develop a higher education system devoted to creative thinking on India. But close to seven decades later, we have not made much of this opportunity, though the political class might claim that it has increased access.

Education, however, is also about the generation of ideas. In the world of ideas, political boundaries do not just count for nothing, but are mostly viewed with scorn. The adage "No man is a prophet in his own land" is not so much a lament for the prophetic academic as a message to the political establishment that they had better be hospitable to their thinkers. Long before the advent of the WTO, the world of ideas, as opposed to goods, was resolutely global. The one difference is that in the 21st century, information technology lays bare the cupboard, exposing those who only borrow ideas while celebrating those who produce them. We are by now left with the inescapable impression that in today's world, India is a mere consumer of ideas, generating much less in turn. From economics to political theory, not to mention the management *mantrams*, India's higher education archipelago is content to be at the receiving end. The unimaginative way in which higher education is structured is entirely responsible for this.

The central element in any system of institutionalised learning is the teacher,

collectively referred to as the *faculty*. Following the substantial hike in salaries, as recommended by the Sixth Pay Commission, the universities have had to accept a set of rules governing all aspects of the functioning of their faculty. While the principle that earnings must be performance-linked is entirely correct, the question is whether the rules on recruitment and performance appraisal are designed to allow Indians to compete on the global marketplace for ideas, a forum not substantially different from the world of commerce where only the fittest survive.

EXPERIENCE VS. EXCELLENCE

The point about the current rules is that when it comes to performance appraisal, it quantifies activity without sufficient correction for quality. In a similarly misguided vein, recruitment rules are hooked on experience as opposed to proven excellence in research. While quantitative indicators have their place, their use must be confined to those areas where they have an applicability, such as lecture hours, and resolutely kept out of everything else, as they distort the picture. The claim that they provide a 'transparent' index collapses when we recognise that even criteria stated upfront can be transparently poor when they are ill-suited to the task.

Quantitative output targets that ignore the quality of outcomes in the university can be disastrous for a society. Service rules in many Indian universities also restrict professional travel at a time when travelling to conduct and disseminate one's research has become the mark of the successful academic. It cannot have escaped anyone's attention that many overseas Indians are here almost as often as they are in the countries where they hold professorships. Why should India's academics be tied down

by mindless rules, very likely devised by unaccountable bureaucrats who have no idea of how to create knowledge?

Quantitative targets, mindlessly implemented, are no answer to the very serious challenge the Indian university faces today, which is to compete in the global forum for ideas. The rules that govern them tie them down even before the race has started. An argument often made is that these rules are needed to discipline the vast army of college professors who have historically violated all norms even as they draw a salary. Absentee teachers, and underperforming ones, even when they do appear in the workplace, are a very real problem especially in the vast hinterland. There is also the problem of private college managements that have no interest in education except as a profit-making enterprise. While all of this needs seriously to be tackled, the field of education poses a very specific problem. Regulation — interpreted as tethering the faculty or evaluating them loosely — is surely less of an objective than the furtherance of education. We need to recognise that our objective is less to tie the lecturer down than to advance learning, which ultimately revolves around how much the young have learned. This requires something more than merely devising conduct rules for the faculty.

India needs to learn from the experience of the West, whose model currently towers over others in higher education globally. Certainly there are no nationwide rules in the United States, and far greater autonomy is given there to heads of institution when it comes to raising academic standards. In India, heads of institutions, especially in the university system, have become insignificant, in that they have no autonomy nor are they held responsible. Inevitably, the morass of rules and

regulations precipitate self-selection: the brightest academics give a wide berth to administration as it is a professional deathtrap. Even as the rules for faculty appraisal quite shamefully privilege 'foreign' journal publications over 'Indian,' and 'international' conferences over the merely *desi*, they remain entirely out of sync with the best global arrangements in higher education.

KILLING CREATIVITY

Furthermore, among the recognised publications, there is no place for books, considered an important part of an academic's accomplishment globally, and the expected teaching load is outrageous. Summary quantitative indicators, adopted in the name of objectivity, kill creativity and encourage the mediocre. Actually, they are only the thin-edge of the wedge in the progression, and bode ominously for the future of India. Imagine an India without an Amartya Sen, a Romila Thapar or a 'Venky' Ramakrishnan. The current system of governing the production of knowledge in our higher education system has come close to delivering precisely this outcome. It may be claimed that too few among India's academics have protested. But this is proof that the deathly arrangement devised to govern our institutions of higher learning has actually succeeded. The rules on recruitment and appraisal of faculty need to be publicly reviewed by an independent panel of citizens before it can do further harm.

COPING WITH DISASTERS

Nothing tests the political will and administrative efficiency of a government like a natural disaster. More than long-term development projects and poverty-alleviating schemes, it is the response mechanisms activated in times of

emergency that people remember. In Tamil Nadu and Puducherry, a month after cyclone 'Thane' made landfall, the affected communities are still struggling to put their lives back together. Given the magnitude of destruction in the coastal areas, especially Puducherry and the districts of Cuddalore and Villupuram, normality could not have been restored in a matter of days. The All India Anna Dravida Munnetra Kazhagam government in Tamil Nadu led by Chief Minister Jayalalithaa did well in the aftermath of the cyclone, clearing uprooted trees from the roads and reaching food to the victims. But with tens of thousands of electricity poles falling to the fury of the cyclone, power supply has returned only in phases, spread over a month, to the affected areas. More disconcertingly, a lot remains to be done in terms of rehabilitation for the people who lost their homes and means of livelihood. Farmlands have been ravaged, leaving farmers and workers without any means of income during harvest time. Many have resorted to taking loans or withdrawing deposits for day-to-day sustenance.

In this context, the decision of the State government to construct one lakh concrete houses at a cost of Rs.1,000 crore to replace huts damaged in the cyclone is a significant step in easing the misery of the victims. Too often, the enthusiasm shown by officialdom in the days immediately after a disaster dries up in a couple of weeks. As seen in the construction of houses for those affected by the tsunami in 2004, delays can stretch to years. Without the pressure of public opinion, governments tend to underperform and fail to keep promises made at the time of the calamity. And almost inevitably, housing projects for disaster victims, which take a longer time to complete, drop off the priority list of the

authorities. As pointed out by Chief Minister Jayalithaa, 'Thane' caused damage on a scale rarely seen before. Tamil Nadu and Puducherry will need substantial help from the Central government in carrying out long-term rehabilitation measures. The State, which sought Rs.5,248 crore from the National Disaster Response Fund, has so far been given Rs.500 crore. Whatever it takes, the State and Central governments must speedily ensure that the people traumatised by 'Thane' and the North-East monsoon are able to lead a normal life again.

IN THE MALDIVES, A RESIGNATION THAT KEEPS DEMOCRACY AFLOAT

Rather than allowing events to drift towards a political or even military showdown, Maldivian President Mohammed "Anni" Nasheed has shown great fidelity to democratic principles in a country where none existed before him by stepping down from office with grace and poise. The alternative to his sudden and yet unsurprising resignation — when pushed by circumstances, often of his making or that of his aides and followers — could have been political instability at best, and possible street violence at worst.

Under the U.S. executive presidency model, Nasheed has been succeeded by Vice-President Mohammed Waheed Hassan Manik, Maldives' first PhD-holder and an international civil servant in U.N. agencies across the world. Again, as in the U.S. model, Dr. Manik, who was the running-mate of President Nasheed, will complete the five-year term for which he was elected, ensuring that there would be no instability of any kind at the top. That democracy has taken deep-roots in the Indian Ocean archipelago was proved even in the hours immediately following

President Nasheed's resignation, when the People's *Majlis*, or Parliament, met to pass the necessary resolutions to declare the succession.

ROAD AHEAD

The speculation about the new President ordering fresh elections is thus ill-informed. If anything, there could be fresh elections to the *Majlis*. This is also unlikely. Under the prevailing circumstances, no party or group is certain of winning an absolute majority, and therefore, will not push for elections. Instead, as President, Dr. Waheed may consider the feasibility of constituting a national government, where all parties, including President Nasheed's Maldivian Democratic Party (MDP) and the two rival parties founded successively by his predecessor, President Maumoon Abdul Gayoom, have a substantial and meaningful role and responsibility in nation-building, a task that has suffered over the past couple of years for a variety of reasons.

NASHEED'S LEGACY

There are other parties and groups that are now in the Opposition but had sided with the MDP, particularly during the second round run-off elections to the presidency in which Nasheed was elected in October 2008. Included in the list are Islamic fundamentalist groups, who were a part of the informal arrangement of the "December 23 Coalition," named after the day on which they all together staged a protest to "protect Islam" in 2011. At the end of the day, President Nasheed's short tenure, particularly compared to the long innings of his predecessor, will be remembered for the institutionalisation of democracy in the country. However, it will also be simultaneously remembered for the avoidable, and at times acrimonious,

constitutional and political deadlocks. The Nasheed camp blamed the various crises that came in its way on the well-entrenched administrative set-up that the young President had inherited. The new government did not learn, or learn fast enough, to live and work with the old guard. Instead, from day one and until the end, the Nasheed government worked against the system. Unfortunately, that did not yield much in terms of positive results or a positive image for the young inheritors of troubled times.

As President, Nasheed began well. With much help and cooperation from his predecessor, he could ensure a smooth transition when much trouble was feared. Likewise, at his exit, he stepped down without unease and discomfort, rather than indulge in brinkmanship that could have put the young democracy in difficulties. A street-fighter to the core, it remains to be seen how he will shape up in the Opposition — before this, when he and his yet-to-be recognised party were fighting for democracy under President Gayoom, he had no formal role in the political system. Declared a "prisoner of conscience" by Amnesty International, Nasheed spent much of his political career either in Gayoom's prisons, or overseas — he was much influenced by the British Conservatives and by the U.S.' views on global issues. Yet, he also displayed an element of sagacity, in accepting India as a natural ally, as in the past.

THE COMPLAINTS

Today, along with President Gayoom, with whom he did not share much in common, President Nasheed has a substantial role to play in nation-building efforts, both learning as much from their faults as from the other person's strengths while in office. This can be both

a cementing and calming effect on the polity and society, which has felt elated at the birth of democracy and a change of leadership, from the old to the young — and yet could not adjust itself to the changing realities, particularly on the economic front, overnight. Included in the long list of complaints against the Nasheed leadership is the steep increase in the price of daily needs, all of which have to be necessarily imported, the problem further accentuated by the International Monetary Fund (IMF)-induced decision at a “managed float of the rufiyaa,” the Maldivian currency — a devaluation in other words.

Likewise, the IMF-directed slash on salaries and staff-strength in the government also had critics in a country where 10 per cent of the population is employed in the government. Yet, the March 2011 local council elections did go the MDP way mostly, but then that alone has not been enough in this case. From Parliament to the judiciary, and now at the level of the police, the leadership lacked the capacity to handling crisis situations that eventually became its undoing.

CONTRIBUTORY ROLE

The new President and his two predecessors can play a concurrent and contributory role to make a Maldives of their collective dreams — Dr. Waheed, heading the relatively minor Gaumee Iththihaad Party does not have any parliamentary representation, and must depend on Gayoom and Nasheed, as well as the Dhivehi Rayathunge Party (DRP), the parent party of Gayoom's more recent Progressive Party of Maldives (PPM), among others, to get government business through the legislature. Dr. Waheed can be expected to take the lead in this matter.

PUTTING DOWN THE BURDEN OF BORDERS

Dhaka and New Delhi are set to host many important visits soon to review the deals and commitments they made during Bangladesh Prime Minister Sheikh Hasina's trip to New Delhi in January 2010 and her Indian counterpart Manmohan Singh's much hyped visit to Dhaka in September 2011.

While Bangladesh Home Minister Sahara Khatun's February 23-24 visit to meet P. Chidambaram has already been decided, the widely expected Dhaka trip by Finance Minister Pranab Mukherjee to review bilateral ties is yet to be officially announced.

ESCALATING TENSIONS

The Home Minister-level talks will take place at a time when Dhaka is peeved at the repeated incidents of brutal treatment of Bangladeshis by the Border Security Force, escalating tensions on the frontier. The border incidents, including the recent savage treatment of a young cattle trader by the BSF, shown on video, have not only shocked Bangladesh but also caught Indian as well as world attention, prompting New Delhi to take action against the personnel involved.

The Indian media and human rights organisations have reacted sharply to the behaviour of the border guards. *The Hindu*, in an editorial, urged New Delhi to tender an “unreserved apology” to Bangladesh for the “brutal conduct” (“Brutality on the border,” Jan. 24). According to an estimate released by New York-based Human Rights Watch, more than 900 Bangladeshis and 164 Indians were killed along the border by the BSF between 2000 and 2010. The situation improved after the two countries agreed last year to avoid using lethal weapons in dealing with illegal

border activities, and Mr. Chidambaram ordered the BSF not to shoot except in self-defence. Yet, according to media reports, 16 Bangladeshis were shot dead, seven others tortured and three more killed in other methods between April and December 2011. Dhaka has expressed deep concern over the recurring incidents despite repeated assurances by New Delhi that the BSF will exercise maximum restraint.

RENEWED DISCUSSIONS

Understandably, Ms Khatun's visit will allow a renewed discussion on such border incidents, which have all the potential to generate a negative impact on people-to-people relations. The two Home Ministers, as the agenda says, will discuss a wide range of issues that will include border security, smuggling of drugs, review of the implementation of border management agreement signed in July last during Mr. Chidambaram's visit to Dhaka. The border guards of India have all the right to defend their frontier from illegal activities, detrimental to their nation's interest. But the law should be allowed to take its course. Opening fire straightway and indulging in brutal acts take their toll on people's trust. The widespread feeling is that the largest democracy and Bangladesh's big neighbour is doing little to curb such excesses despite repeated assurances.

Since considerable time has passed after great expectations were aroused in 2010 of a shared, forward-looking enhanced connectivity and trade, it is now time to assess the implementation of the accords signed and commitments made. Mr. Mukherjee's likely Dhaka visit this month will be the best opportunity for that. The Finance Minister is visiting on the invitation of his Bangladeshi counterpart, A.M.A. Muhith, extended when they met in January at Petrapirole on

the India-Bangladesh border. That both the sides have felt the need to review the decisions reached so far is praiseworthy. Mr. Mukherjee will review the state of bilateral relations, especially the \$1-billion line of credit India has committed itself to providing for infrastructural development. The loan under an August 2010 agreement remains virtually untapped. Bangladesh says it plans to abandon eight of the 21 projects planned under the Indian loan, due to “tough conditions.”

Those watching the recent positive trend in India-Bangladesh relations may have reasons to be frustrated at the slow pace of implementation of some of the vitals accords, which deserve quick implementation to place the ties on a solid footing. The Teesta water sharing accord has remained unfulfilled till date, thanks to West Bengal Chief Minister Mamata Banerjee, causing acute embarrassment to the Hasina government, while the land boundary protocol signed during Dr. Singh's visit to Dhaka — on exchanging 162 enclaves — has not progressed satisfactorily. New Delhi is facing trouble in clearing the impediments to the implementation of the treaty, which has to be ratified in Parliament. The Bharatiya Janata Party, opposed to the implementation of the 1974 border agreement, has expressed its strong views on the issue and reportedly decried the land swap deal, perhaps to suit its political interests. Many see the BJP's position as a roadblock to the emerging India-Bangladesh ties.

POLITICAL SITUATION IN DHAKA

On the other hand, the political situation in Bangladesh has not developed as smoothly as the ruling alliance, which won a thumping majority in Parliament, expected. As the Hasina government stepped into its fourth

crucial year — elections are scheduled for late 2013 — civil society finds itself increasingly divided on certain issues, which include the scrapping of the caretaker government system through a constitutional amendment. Political tensions are also on the rise on the issue of a new Election Commission. The major complaints against the government are its failure to prevent the recurrent collapse of the share market, rein in inflation and price hike, control economic chaos, stop violence by ruling party cadres, and improve law and order, and the allegation by political rivals that it has failed to gain any advantage from India. The government has been accused of protecting “India's interests” only. However, the Khaleda Zia-led opposition's open stand against the trial of the perpetrators of the worst crimes against humanity during the 1971 War of Liberation has caused more harm than good to it.

Political perceptions may differ but independent observers believe that all major political points being made by the alliance of Islamist-friendly Bangladesh Nationalist Party and the fundamentalist Jamaat-e-Islami against the Hasina government are, covertly or overtly, India-centric. The Opposition is against allowing India transit to connect its northeast, and opposed to taking a hard line against the region's insurgents. Even in the recent abortive coup — foiled, thanks to the army chain of command — India-centric issues, prompted by extremist religious views, dominated the mindset of the plotters.

With the Teesta deal yet to be inked, the land boundary protocol yet to cross a hurdle before implementation, the much-desired transit non-operational, and the Tipaimukh hydro project in Manipur triggering allegations of an impact on Bangladesh's environment and

economy, political adversaries opposing the new found ties will, undoubtedly, have the added advantage of questioning the ultimate outcome of the relations the neighbours fondly embarked upon two years ago. There is no denying that the deals signed and the commitments made so far must reach their logical goals, and their fruits enjoyed by the people on both sides of the border. In an era of globalisation marked by a phenomenal growth of science and technology, Bangladesh and India cannot lag behind — nursing and sustaining mistrust and hostilities. Let us hope the relations put in place by the two countries, after decades of acrimony, will emerge as an example for South Asia. Let them not fail us.

T IS FOR TRADE IN INDIA-PAKISTAN TIES

Commerce Minister Anand Sharma is leading an 80-strong business delegation to Pakistan this week to advance what has been a remarkable turnaround in bilateral economic ties over the last year. In April 2011, both governments agreed on a structured process to promote trade. They intensified senior official contact, consulted experts and chambers of commerce on ways to address sector-specific and non-tariff barriers, encouraged greater business-to-business interaction and set to work on improving the trading infrastructure at Wagah (due to be complete in a couple of months time). A liberal visa regime for businesspersons is reportedly in the works and there have been discussions on petroleum and power trade. Bureaucrats improved trust by making important tradeoffs. India lifted its block on EU concessions for Pakistani textiles. Islamabad reciprocated by agreeing to move (shortly) from a positive to negative

list of tradeable items and to, further on in the year, grant India MFN status. Constant engagement has prompted ambition. Mr. Sharma and his Pakistani counterpart Makhdoom Amin Fahim announced in September plans to double bilateral trade to \$6 billion by 2014, up from the modest \$2.7 billion during 2010-11. The CII declared last week that if obstacles are addressed in time the volume of Indo-Pak trade can reach \$10 billion by 2015.

A GOOD YEAR

All of this was unthinkable a little over a year ago. In the weeks prior to the Foreign Secretaries Nirupama Rao-Salman Bashir meeting at Thimphu last February, it was still unclear if the relationship had recovered from recriminations following Foreign Minister Shah Mehmood Qureshi's outburst at the press conference with S.M. Krishna at Islamabad in July 2010. Mr. Qureshi's criticism of India's former Home Secretary's comments about the ISI's role in the Mumbai attacks had provoked fresh doubts in Delhi about the extent of the Pakistan Army's support for Indo-Pak dialogue.

But a range of factors allowed both sides to get back together and transact more at the table. Prime Ministers Manmohan Singh and Yusuf Raza Gilani tackled the issue of bureaucratic mistrust by instituting regular contact on a range of subjects. Their summit meeting amid the festive exuberance of the World Cup cricket match at Mohali in March and the Indian media's exaggerated attention on Foreign Minister Hina Rabbani Khar during her visit in July improved wider atmospherics. Meanwhile, the Indian middle class acquired a greater familiarity with Pakistan's internal crises, owing to increasing media coverage of the series of terrorist attacks on markets, shrines

and Pakistan Army targets. And sections of the Indian strategic community discerned changes in the Pakistan Army calculus as its relations with Washington deteriorated rapidly after Osama bin Laden's killing in May. Sceptics in Delhi began coming round to the view that Rawalpindi may, out of self-interest, back improvements in relations with India, at least on the trade front. All of this incrementally helped Dr. Singh win the domestic debate on the merits of continuing dialogue despite the lack of movement on the Mumbai trials in Rawalpindi.

AFTER TRADE

Both sides may have reconciled to the significance of enhancing interdependence through trade, but such consonance is, however, unlikely to extend to core political issues, at least in this year. This is largely owing to internal political constraints on both sides, the uncertain endgame in Afghanistan and the bilateral impasse over issues like Kashmir and Siachen. To begin with, discussions on contentious issues cannot proceed till political turbulence in Pakistan subsides. The civilian government's tussles with the Army and the judiciary have already had a procedural impact, delaying elements of the bilateral calendar. The planned Home Secretary talks in December and the Foreign Ministers meeting in January (as announced during the Krishna-Khar talks in July) have been deferred. For now, India is content to watch developments across the border with interest and provide Pakistan's civilian government the space it needs to reset its relationship with the Army which is vital for making further progress with India.

Dr. Singh has his own difficult climate to contend with. The outcry against corruption has not stalled; the

issue is getting a regular refresh either through a spike in civil society activism or judicial injunction. The UPA government's relations with the opposition remain fraught, undermining scope for consensus on key policy issues. And the results of the ongoing Assembly elections will likely affect the government's political authority. A poor result for the Congress will undermine Dr. Singh's ability to take bold steps on his Pakistan policy. The Prime Minister has a history of taking bold steps on foreign policy from a position of apparent political weakness. But under the circumstances that he finds himself in, Dr. Singh may prefer pushing economic reform in an attempt to bolster the Congress' chances in 2014 rather than choose to work towards a grand political entente with Pakistan.

This has largely to do with the shadow of Afghanistan on Indo-Pak relations. Both countries are competing there for influence; they back different sides and do not trust each other's intentions. Islamabad is wary about India training an increasing number of Afghan National Army troops, as agreed under the Strategic Partnership Agreement with Kabul. There are concerns in Islamabad that New Delhi will develop an Afghan army with an "Indian mindset". India fears that Pakistan will ultimately succeed in securing a place for its Taliban and Haqqani network clients in the dispensation that will ultimately emerge at Kabul or push those actors towards confrontation with India's traditional non-Pashtun allies if peace talks fail. India and Pakistan will thus wait for the fog of war (and peacemaking) in Afghanistan to clear before deciding to address other contested issues of Kashmir and Siachen.

The enabling conditions for resolving Jammu and Kashmir are, in any case, not in sight. Delhi and Islamabad

are yet to agree on the starting point of negotiations. India is keen on picking up from informal agreements reached in the Satinder Lambah-Tariq Aziz back channel talks during the Musharraf years, which were based on the principles of soft borders, self-governance, demilitarisation and joint management. But in an effort to distance itself from the Musharraf legacy, the Gilani-led PPP regime disavows the so-called 'four point formula' on grounds that the former President did not secure domestic support for his ideas, which they reckon is key for such a totemic issue in Pakistan. Perhaps wiser by the Indo-Pak back-channel experience, India and China have recently agreed to prepare a "jointly agreed record" of boundary-related talks held over the years between NSA Shivshankar Menon and Chinese State Councillor Dai Bingguo — to serve as the starting point for future talks with the latter's successor.

Equally, Delhi has been unable to make the necessary headway in pacifying Kashmir or using the relative quiet of 2011 to develop a consensus between the regions of Jammu, Kashmir and Ladakh on restoring autonomy provisions for the State — on which the Prime Minister has expressed his openness. The report of the three J&K interlocutors is presumed to have spelt out political options for the Centre, but Union Home Minister P. Chidambaram's plans to initiate a public debate on the report's findings have not seen the light of day, owing to the constraining climate that the Congress finds itself in. Likewise, both sides are unable to agree to a deal on Siachen since Delhi has become risk averse after the Kargil intrusion in 1999 that was partly aimed at choking Indian access to the glacier. As a result, the Indian stand of delineating ground positions as part of a negotiated deal has reportedly become a

sticking point. Indian and Pakistani diplomats are, therefore, likely to focus on consolidating economic links, especially by addressing non-trade barriers, while continuing high-level engagement on other issues this year. The key challenge for both sides will be to insulate economic discussions from wider strategic anxieties. India will rightly continue to insist on the prosecution of Mumbai attackers. Lack of movement on the trial may not in itself derail dialogue but Delhi will need, to use Nirupama Rao's phrase, a "proper closure" to sustain popular support for continued engagement. Needless to say, another major terrorist attack can unravel progress all too quickly.

GIVING BRICS A NON-WESTERN VISION

India is all set to host the Fourth BRICS Summit in March this year. The journey from Yekaterinburg to New Delhi has demonstrated that the political will amongst member nations to sustain this contemporary multilateral process is strong. Along the way South Africa has been welcomed into the original "group of four." Yet, the challenge for BRICS has always been, and continues to be, the articulation of a common vision. After all, the member nations are at different stages of political and socio-economic development. While some have evolved economically and militarily they are yet to succeed in enabling plural governance structures, while others who represent modern democratic societies are being challenged domestically by inequalities and faultlines created by caste, colour, religion and history. The BRICS nations do have a historic opportunity — post the global financial crisis and the recent upheavals in various parts of the world — to create or rebuild a new sustainable and relevant multilateral platform, one

that seeks to serve the interests of the emerging world as well as manage the great shift from the west to the east.

WAY FORWARD

Indeed, two out of the five economies in BRICS, China and Russia, have already emerged, and are veritable heavyweights in any relevant global political and economic discourse. Why then should BRICS depend on sluggish multilateral channels such as the World Trade Organisation (WTO), or try to imbibe didactic, non-pragmatic western perspectives on issues purely of common interest? It is amusing to be offered solutions to poverty and inequality, bottom of the pyramid health models, low cost housing options, education delivery, energy and water provision, *et al* by the wise men from organisations and institutions of the Atlantic countries. When was the last time they experienced poverty of this scale, had energy deficiency at this level and suffered from health challenges that are as enormous? The responses to the challenges faced by the developing world reside in solutions that have been fashioned organically.

BRICS could systematically create frameworks offering policy and development options for the emerging and developing world and assume the role of a veritable policy think tank for such nations, very similar to the role played by the Organisation for Economic Co-operation and Development (OECD) in the 20th-century world. Thus BRICS must create its own research and policy secretariat (for want of a better term) for addressing specific issues such as trade and market reforms, urbanisation challenges, regional crises responses, universal healthcare, food security and sustainable development (many of these issues are being discussed year at the BRICS Academic Forum in March).

NON-TRADITIONAL SECURITY

The OECD's stated mission is to "promote policies that will improve the economic and social well-being of people around the world." Although the BRICS nations account for a fourth of global GDP and represent over 40 per cent of the total global population, none of them are OECD members as yet; instead what they have is "enhanced engagement" with the OECD. The BRICS nations have already created a viable platform for "enhanced engagement" with each other through the institutionalisation of the annual Leader's summit, preceded by an Academic Forum of BRICS research institutions and a Financial Forum of development banks (and this year, a newly instituted Economic Research Group will focus on specific economic issues). The dominant discourses within each of the BRICS nations today are centred on non-traditional security, which can be efficiently addressed through collective market based response mechanisms.

Despite intra-BRICS trade volumes rising exponentially over the past decade, there are few instances of actual financial integration within the consortium (aside from the case of Russia and China starting bilateral currency trading last year). A useful first step to enable this would be to institute a code of liberalisation of capital movements across the five countries, as a modern day parallel to the 1961 OECD code with an equivalent mandate. In the current environment of global economic uncertainty, multinational corporations are perhaps the most adaptable and profitable drivers of economic growth. Therefore, at the outset, the creation of favourable policies for multinationals to conduct business across BRICS would be well justified. Moreover, just as the OECD has a comprehensive set of guidelines that set benchmarks for various economic activities, from testing standards for

agricultural goods to corporate governance of state owned enterprises, the BRICS nations could create their own guidelines on the best practices and standards within the consortium.

Finally, within the BRICS nations, there are both import and export centric economies. This provides an excellent template for a realistic multilateral negotiating platform where obdurate self serving bargaining positions are natural starting points. The stalled discussions at the Doha Round of the WTO are an example of the difficulties of consensus building. Since the BRICS nations are already addressing a plethora of issues covered by the Doha Round, they are well placed to move ahead of it, and resolve mutual positions and common concerns.

What started as an investment pitch by Goldman Sachs (BRIC) has evolved into a useful multilateral instrument, for the BRICS nations. BRICS must now move on from being a grouping of individual nations, discussing agendas, to becoming a "go-to" institution for setting regional and global agendas. The essence and ethos of such an institution must in turn, flow from the inorganic prism of stability, security and growth for all. Stability from business cycles and financial governance failures, security from traditional and non-traditional threats posed to humans and the environment, and unbiased growth and prosperity are common aspirations for all BRICS nations, and they must be achieved and delivered from within. The Fourth BRICS Academic Forum will attempt to address these imperatives.

IRAN ISSUE NEEDS DIPLOMACY, NOT CRUDE WEAPON

By imposing sanctions that aim to throttle Iran's oil industry and exports, the United States and Europe have embarked on a course of action that is likely to

backfire on the West and the immediate region. Oil as a political weapon was last used by oil producing countries in the 1973 Yom Kippur war. With Washington supporting Tel Aviv, the Organisation of the Petroleum Exporting Countries (OPEC) retaliated by imposing an oil embargo on the West to get Israel to back off. This embargo, in turn, had a lasting impact on both oil prices and global inflation.

Saudi Arabia included India in the embargo list because Israel had a consulate in Mumbai, and ordered a halt to oil loadings for India. As the Government of India's petroleum advisor for the Gulf, I was asked to rush to Riyadh from Tehran; I met the oil company executive in charge of exports, explained our position on Israel, persuaded them, in consultation with Jeddah, to lift the embargo, load the two ships nominated by Indian Oil and remove our name from the list of "West." I was then asked to go to all the Gulf capitals to explain our policy on Israel and Palestine so that nobody else would be tempted to embargo oil shipments to India. Since then, India's stake in the Gulf Cooperation Council (GCC) has expanded exponentially, in terms of oil imports, human resource exports and remittances. So has India's vulnerability to any conflict in the Gulf.

AFTER 1973

After the 1973 episode, the OPEC group has, under the influence of Saudi Arabia, never used oil to influence political policy. OPEC Arab members know that if they stop or severely regulate oil supplies to the West, they could influence American policy on Palestine. The U.S. is also acutely aware of this possibility (as well as the dangers of OPEC unexpectedly falling under the political sway of Russia and China) and hence the repeated military interventions by the U.S.

and its allies in oil producing countries. In 2009, when Israel was constantly attacking the Gaza strip, the Saudis were asked to use their oil strength to get Israel to stop the attacks. The Saudi Foreign Minister responded by saying that “oil is not a weapon. You cannot reverse a conflict by using oil.” It was almost a repetition of what the then Saudi foreign policy advisor said in 2002 that “oil is ... not a tank.” Linda Heard, a specialist on Middle East, has noted that “indeed, there seems to be a general consensus among Arab oil producers that as guardians of much of the world's supplies, they have an ethical responsibility not to use oil as a tool of manipulation.”

But this is not just an ethical issue. Any disruption of oil supplies from the Gulf, whether as a result of conscious OPEC policy decision or due to closure of the Strait of Hormuz, will create untold problems not only for Western economies and the Gulf's oil suppliers but also for oil importing developing countries like India. It is sad that the international community, fed by western propaganda, is looking at the Iran crisis as a bilateral issue of controlling Iran's nuclear ambitions, rather than at the larger consequences of the use of oil as a political weapon for the region and world. It is sadder that India has been sucked into thinking along similar lines and is worrying about how to pay for the crude it buys from Iran — some 10 per cent of our import requirement — without falling foul of Western sanctions, instead of opposing the West's use of oil as a political weapon.

What is required today is to stop the implementation of sanction measures the European Union (EU) has rashly announced but not fully implemented. The sanctions have provoked equally unreasonable threats by Iran to suspend exports or close the Strait of Hormuz, to

raise the price of oil or to have a scorched earth policy for some Gulf oil fields. These threats, in turn, are being disingenuously touted as justification by the Israelis for military intervention. There are, of course, wise people on both sides who can be depended upon not to carry out such threats. But oil sanctions have raised the temperature so much that a conflict by miscalculation has become a major threat.

A diplomatic initiative by India, China and Russia is needed to lower the temperature, persuade the EU and the U.S. to freeze and then slowly withdraw the use of oil sanctions while getting Iran and Israel to back off on all their threats. Disengaging the weapon of oil from the dialogue required to deal with Iran's nuclear issue is the need of the hour. There are ways to find an acceptable solution to the nuclear issue. It could involve widening the geographical scope of the negotiating group to include Iran's major neighbours, dealing with the perceived security threat to Iran, refashioning the approach to non-proliferation and dealing with the emerging political puzzle in West Asia. But using the oil weapon against Iran is not one of them.

AN IRANIAN OIL EMBARGO AND A RUSSIAN OIL BOON

For months, the Russian government has opposed the idea of Western petroleum sanctions against Iran. But new threats to Iranian oil flow could have at least one beneficiary: Russia. The Russian oil industry was already reaping the rewards of higher global oil prices from Iranian tensions, even before Tehran raised the stakes Wednesday by threatening to cut off oil to six European nations. Now, whether Iran carries out that threat immediately or Europe proceeds with its previously

planned embargo of Iranian oil this summer, the Russian industry could capitalise more directly. Its pipelines stand ready to serve customers willing to pay a premium price — with a grade of oil closely resembling Iran's.

WINDFALL FOR PUTIN

“It's pretty good for Russia right now,” Jesse Mercer, a senior oil analyst based in Houston with PFC Energy, said in a telephone interview. Russia is now the world's largest oil producer, pumping about 10 million barrels of oil a day, slightly more than Saudi Arabia. Of this, Russia exports seven million barrels a day. Most of it goes to customers in Europe and Asia, although small amounts from Siberia make it as far as the West Coast of the United States.

For Russian oil companies like Rosneft and Lukoil and the Russian-British joint venture TNK-BP, the international tensions that began over Iran's nuclear development programme last autumn have meant a windfall. Analysts estimate that Iran jitters have added \$5 to \$15 a barrel to the global price of oil, which means an extra \$35 million to \$105 million a day for the Russian industry. And the taxes the Russian government has received from those sales have been a political windfall for Prime Minister Vladimir V. Putin as he campaigns to return as Russia's President.

The extra money has helped further subsidise domestic energy consumption, tamping down inflation. “It's good for Putin,” Mr. Mercer said. “In the United States, when oil prices go up, the president's ratings go down. In Russia, it's the opposite.”

Rising prices, of course, are a boon for every oil producer, whether in North Dakota, the North Sea or northern Siberia.

PIPELINE ADVANTAGE

But Russia has a particular advantage: a pipeline system that can supply Iran's traditional customers in both Europe and Asia. Depending on which way the geopolitical winds are blowing, Russia has the ability to direct more or less of its oil either eastward or westward. Some of its oil to Europe travels by pipeline the entire way; other oil is piped to the Black and Baltic Seas and shipped from there. What's more, the grade of Russia's main export oil, Ural Blend crude, is similar to Iran's and has already been in greater demand as an alternative to Iranian oil for European refineries.

That's why the price of Ural Blend has risen even faster than global prices generally. In December, it traded at a \$2 discount to Brent oil from the North Sea. That difference is now gone. Both grades are now trading for about \$119.50 a barrel, energy analysts say. The six nations Iran threatened to cut off on Wednesday were, in descending order of the size of their purchases: Italy, Spain, France, the Netherlands, Greece and Portugal. Tehran did not explain why it selected those countries, while ignoring even bigger oil users like Germany. But all six were already planning to stop buying Iranian oil this summer, anyway, as part of an embargo the 27-nation European Union agreed to last month, to begin in July. At its recent peak, Europe was buying 500,000 to 660,000 barrels of Iranian oil a day, according to PFC Energy.

If the European sanctions do take effect then, oil prices could rise further — by as much as \$7 to \$13 a barrel above where they are now, in the view of Wood Mackenzie, an oil consultancy based in Edinburgh. And even if oil prices later fall, Russia's natural gas monopoly, Gazprom, would continue to benefit for a while. Russian gas prices in Europe, Gazprom's

biggest export customer, are linked to the price of oil under long-term contracts that are adjusted twice annually, based on average oil prices over the previous six months.

G-20 LINKING IMF HIKE TO BIGGER EU 'FIREWALL' FUND

The G-20 nations are conditioning additional money for the International Monetary Fund on the European Union first increasing its financial stabilisation funds to ease concerns about the Euro zone debt crisis, officials said on Sunday. Officials participating in a meeting of G-20 nations' finance ministers and central bank heads said an EU decision to add to the estimated \$675 million in firewall funds already committed to the effort would be essential before the rest of world considers contributing to the stabilisation measures.

"There is broad agreement that the IMF cannot substitute for the absence of a stronger European firewall and that the IMF cannot move forward without more clarity on Europe's own plans," U.S. Treasury Secretary Timothy Geithner said following the close of the meeting, noting the U.S. would not be making any increased contribution. The weekend talks mainly focused on stability for the Euro zone, where debt and economic problems have threatened to destabilise global financial markets. Though no specific amount in firewall funds was discussed, Geithner said the funds "have to be large ... my sense is that they (Europeans) understand that." Other officials said the added funds must be enough to calm market concerns and should be available to countries before they fully carry out promised fiscal reforms.

While the United States, Brazil and the Organisation for Economic Cooperation and Development had

already publicly urged an increase, a senior G-20 official who spoke on condition she not be quoted by name said the consensus that the EU must act was much broader, including big potential lender countries like China and Japan. They feel the IMF can play a back-up role, but the EU's own fund must be the first line of defence, the official said. It appears Germany's reluctance to further fund EU stabilisation funds may be the sticking point, largely because the issue is a sensitive one in German domestic politics. Germany is the EU's strongest economy and would probably be the biggest contributor, and the German Parliament must still approve the current round of support efforts for debt-plagued Greece.

AN ESSENTIAL INPUT

At a news conference, Mexican Treasury Secretary Jose Antonio Meade noted the Euro-zone countries are to assess their stabilisation efforts at a March meeting and said the results of that assessment, and possible changes in the size of the firewall funds, would "be fundamental" to how G-20 nations decide on increasing funding for the IMF. Mexico's central bank head, Agustin Carstens, said the EU decision would be an "essential input" for IMF funding decisions. Geithner noted that "the G-20 is committed to making sure that the IMF has the resources it needs to help its members deal with the risks from Europe."

Geithner also said he had "a series of encouraging conversations with countries planning to significantly reduce imports from Iran," to reinforce sanctions aimed at discouraging Iran's nuclear programme.

Turning to the U.S. economy, Geithner said, "this is an important year for financial reform in the United States."

WITH ALL DUE RESPECT, MY LORDS

In recent times the Supreme Court of India, with a series of remarkable decisions, has earned our admiration, respect and gratitude. Alas, it has now come out with an extraordinary order on the Inter-Linking of Rivers (ILR) Project, which has caused consternation and dismay to many of us. In 2002, in a post-retirement explanation, a defensive Justice Kirpal had said that his order on the river-linking project was not a direction but merely a recommendation. That defensiveness has now been abandoned. In the present order, the Supreme Court explicitly *directs* the Executive Government to implement the project and to set up a Special Committee to carry out that implementation; it lays down that the committee's decisions shall take precedence over all administrative bodies created under the orders of this court or otherwise; it (graciously) authorises the Cabinet to take all final and appropriate decisions, and lays down a time-limit of 30 days for such decision-making (though it has the saving grace to say "preferably"); and it grants "liberty to the learned Amicus Curiae to file contempt petition in this court, in the event of default or non-compliance of the directions contained in this order".

THE NORMAL COURSE

In the normal course, a project goes through certain stages and procedures: formulation; examination from various angles by the appropriate agencies, Committees, and Ministries; statutory clearances under the Environment Protection Act and the Forest Conservation Act; compliance with the procedures prescribed in the National Rehabilitation Policy; acceptance of the project by the Planning Commission from the national planning point of view; and

finally a decision by the Cabinet. The Supreme Court rides roughshod over all this and orders *not* quick consideration and decision-making by the government, but *implementation*.

Are the proposed Special Committee and the Cabinet free to examine the project and come to the conclusion that it is unacceptable and must be rejected? No, they are under the Supreme Court's order to implement the project and may face contempt proceedings if they fail to do so. The project decision has been taken away from the hands of the government; it has been exercised by the Supreme Court; the government and the Planning Commission have been reduced to the position of subordinate offices or implementing agencies of the Supreme Court.

It could be argued that the above is a misrepresentation of what the Supreme Court has done, and that the learned judges are only concerned at the delay in the implementation of an approved project and asking for early implementation. In fact, there is no approved, sanctioned project called "the inter-linking of rivers project". In 2003, when there was a raging controversy about this idea, an important defence by its supporters was that it was not a project but a grand concept; that it will consist of 30 links, each of which will be a project that will go through all the usual examinations and procedures; and that the critics are needlessly raising the bogey of gigantism. If it is a concept, how can it be 'implemented'? It has first to be translated into projects, and each of those projects has to be properly approved or rejected, as the case may be. Thereafter we can talk about implementation.

How many of those 30 projects have been actually approved? None. Three — Ken-Betwa, Damanganga-

Pinjal, Par-Tapi-Narmada — have reached the stage of preparation of Detailed Project Reports, and one (Polavaram), though included in the ILR Project, was separately taken up by the Andhra Pradesh government on somewhat different lines, but is mired in controversy. There is not a single case of a project actually sanctioned and ready for implementation. The learned judges may say that this is precisely what worries them; that by now the projects should have been well under way; that a good project or concept or whatever it was, announced in 2002, is languishing; and that the judiciary has to step into the vacant space created by non-action by the Executive and issue the necessary direction. This is the gap-filling theory. However, there is a fallacy here.

The "delay" is not the result of executive failure or inefficiency, but a deliberate (though unstated) slowing down of action on the project. The NDA had announced the project in 2002 with fanfare and trumpets. The UPA government which followed in 2004 was not very enthusiastic about the project but at the same time did not want to abandon it; its Common Minimum Programme stated that the project would be comprehensively re-assessed in a fully consultative manner. This was a clear indication of reservations about the project. Thereafter the project has been in the doldrums. Unfortunately, the government's attitude towards the project was never made unambiguously clear to either the general public or the Supreme Court.

The Supreme Court was clearly entitled to ask the government to state categorically where it stood in this matter: whether it considered the project to be a good (or the only) answer to the country's needs; if so, whether it intended to proceed with it; or alternatively, whether

it had decided to drop the whole idea, and if so, on what grounds. What the Supreme Court was not entitled to do was to issue a direction to the government to implement the project. Why has it done so? It would be wrong to attribute this to a desire for aggrandisement. The Supreme Court is convinced that the project is good and urgently needed; and that a very important national initiative is getting bogged down because of various reasons and needs to be galvanised. It has come to that conclusion because of a report by the National Council for Applied Economic Research.

TWO PROBLEMS

There are two problems here. First, assuming that there is a serious water scarcity problem, it is not the business of the Supreme Court to deal with it; there is an Executive Government to deal with such matters. True, the citizen's right to water is a fundamental right, and therefore the Supreme Court is concerned with it; but while it may direct the government to ensure that the right is not denied, it is not for it to lay down the manner in which or the source from which that right should be ensured. Moreover, the connection between the right to water and the ILR Project is very tenuous; it is the large demand for irrigation water that generally drives major projects and long-distance water transfers. It is true, again, that there are intractable inter-State river-water disputes, and these are of concern to the Supreme Court; but the Supreme Court can at best direct the Executive Government to find early answers to river water disputes, and not recommend a particular answer such as the ILR project, which may in fact generate new conflicts.

Secondly, and finally, we come to the heart of the matter, namely the view that the country faces a looming water

crisis; that the answer lies in augmenting supplies; that given the magnitude and distribution of India's future water requirements, the ILR project is the best possible answer; and that it is in the national interest to implement it quickly. It is that conviction that provides, in the Supreme Court's view, the justification for its intervention. If that view of India's water crisis and its solution is challenged, the whole basis for the Supreme Court's order collapses. This article will not enter into a discussion of this vital question, but will merely point out that there is a diversity of views on it, which the Supreme Court has failed to consider. The NCAER may have taken one view of the matter, but there are other views. The cogent case against the project has been succinctly stated in the editorial in this paper on 1 March 2012. That knocks the bottom out of the Supreme Court's order.

In 2002, when the NDA government announced the ILR Project, a fierce controversy broke out. There were many who hailed the initiative, but there were many others who deplored it as not only uncalled for but as positively disastrous. Many State governments expressed strong reservations on the project. Articles appeared in newspapers and journals. Books were published on the subject. How much of this vast literature have the learned judges read? How could they rely on the NCAER's report without reading other scholarly work? Even if the learned judges did not have time to read all the available material, should they not at least have heard a dozen scholars representing different disciplines and a few social activists before they decided to issue directions to the government? This article will conclude with an earnest and respectful request to the Supreme Court to withdraw or at least put on hold its order, conduct

further hearings, listen to a wider range of opinions, and reflect on the matter before it comes to firm conclusions.

THE COLD WIND FROM RUSSIA

Prime Minister Vladimir Putin, almost certain to win the Russian presidential elections this Sunday, has laid out a tough foreign policy vision for his third term in the Kremlin that may entail changes in Russia's relations with its main partners East and West. In an article titled "Russia and the Changing World," the last in a series of election manifestos Mr. Putin has published in Russian newspapers in recent weeks, he mounted a scathing attack on the United States and its western allies accusing them of exporting "rocket-bomb democracy" and working to undermine Russia's security and global stability.

Mr. Putin said "certain aspects" of western policies, "based on the stereotypes of bloc mentality," are "impairing our security and upsetting global stability." He hit out at Nato's Eastward expansion in Europe, plans to set up a U.S. missile defence system in Europe, and "ever more frequent cases of crude and even armed outside interference in the domestic affairs of countries." On Afghanistan, he said the Nato operation had "not resolved its set tasks" and "it clearly does not suit us" that "the Americans are creating military bases there and in neighbouring countries," even as they plan a withdrawal.

DENUNCIATION OF U.S. AND NATO

Mr. Putin's article is reminiscent of his hard-hitting denunciation of the U.S. and Nato in the famous 2007 speech in Munich and stands in stark contrast with the Kremlin's friendly tone during the presidency of Dmitry Medvedev. Many analysts say Mr. Putin has ratcheted up

the anti-West rhetoric ahead of the elections to capitalise on the high level of hostility that persists in Russian society towards the U.S. (According to a January poll, 76 per cent of Russians, four percentage points more than a year ago, see the U.S. as an “aggressor bent on imposing its control on all countries.”) However, Russia’s policy on the ground has indeed taken a harder line in recent months.

The veto Russia slapped jointly with China on two United Nations Security Council resolutions that sought the ouster of Syrian President Bashar al-Assad marked the most serious East-West confrontation since the end of the Cold War. It was a u-turn from Moscow’s stand on Libya last year, when it voted for a no-fly zone to protect civilians, which led to the toppling of Muammar Qadhafi. In the case of Syria, Russia has firmly dug its heels in against regime change. Western arguments that Russia is trying to save its last ally in the Middle East and a major customer of its weapons miss the point. Moscow feels its cooperation with the West on Libya was wilfully abused when Nato countries, in Mr. Putin’s words, “did away with the Libyan regime by using air power under the pretext of humanitarian support.” Mr. Putin reiterated Russia’s opposition to the “right to protect” concept of foreign intervention on humanitarian grounds. “A string of armed conflicts under the pretext of humanitarian concerns has undermined the principle of national sovereignty, which has been observed for centuries.”

‘NO REPLAY OF LIBYA’

Mr. Putin said Russia would not allow a replay of the Libya scenario in Syria. “Sadder but wiser, we are against any U.N. Security Council resolutions that could be interpreted as a signal for military interference in Syria’s domestic

processes.” Russia’s intransigence on Syria steps from a clear understanding that the U.S. and the Saudi-led group of Arab countries are out to pull down the Assad regime in order to weaken Iran, change its political regime, and remodel the entire region. The Russian leader warned that a military strike against Iran would have “catastrophic” consequences, whose “real scale is impossible to imagine.”

Mr. Putin’s new anti-Americanism reflects his disappointment with the policy of “reset” in relations with the U.S. that has been the hallmark of Mr. Medvedev’s presidency. The “reset” did bring its dividends in the form of the New START arms reduction treaty and Russia’s membership in the World Trade Organisation but, as Mr. Putin pointed out in his article, Russia and the U.S. “have failed to fundamentally change the matrix of our relations.” The U.S. and Nato “have developed a peculiar understanding of security which is fundamentally different from our view. The Americans are obsessed with the idea of providing themselves with absolute invulnerability,” Mr. Putin said adding that “absolute invulnerability for one means absolute vulnerability for everyone else.”

‘NOT THE 19TH OR 20TH CENTURY’

“We cannot agree to this,” he warned. “A qualitative breakthrough” in Russia-U.S. relations was still possible, but on the condition that “the Americans are guided by the principle of equal and mutually respectful partnership.” In Russia’s view, such partnership has been woefully lacking so far. “The West is too quick to grab the cudgel of sanctions or even military force to ‘punish’ certain countries. Let me remind you that this is not the 19th century or even the 20th century today,” Mr. Putin said. The standoff on Syria may also trigger shifts

in Russia’s relations with its two main strategic partners, India and China. The crisis has strengthened the strategic alliance of Russia and China. The veto the two countries used twice in four months was unprecedented in the recent history of the Security Council. Both refused to join the Friends of Syria meeting in Tunis and denounced attempts by outside forces to impose solutions on Syria. In his foreign policy manifesto Mr. Putin predicted that Russia’s partnership with China will keep going stronger, and welcomed China’s “ever more confident” voice in the world.

By contrast, India and Russia found themselves on different sides of the barricade. India’s decision to side with the West raised eyebrows in the Kremlin. As recently as October, India stood with Russia and China in the U.N. Security Council as they opposed a one-sided censure of the Syrian government. New Delhi reasonably argued that violence in Syria came from two sides and the government was fighting an armed insurgency. However, on February 4, India turned around and voted for a similar resolution that again addressed the demand to end violence to only the Syrian government. At the same time New Delhi said that, like Russia and China, it supported “a Syrian-led inclusive political process.” How can one be in favour of an “inclusive political process,” Russians wondered, while backing a resolution that supports the ouster of President Assad as a precondition for launching such a process?

A day before India sent a high-ranking diplomat to the Friends of Syria meet, senior Indian and Russian diplomats held annual foreign policy consultations in New Delhi. Disagreement over Syria was apparently so serious that a Russian Foreign Ministry

communiqué on the talks did not even mention that the Middle East was discussed.

'INDIA'S STAND SURPRISING'

"India's stand on Syria came as a surprise to the Kremlin," says Prof. Andrei Volodin of the Russian Foreign Ministry's Diplomatic Academy. He thinks it is shortsighted on the part of India to cast its lot with the U.S., whose global power is declining, and with conservative Gulf monarchies, which are historically doomed. But he admits that India's Syria stand falls into a trend. "Some upper echelons in the Ministry of External Affairs, alarmed by China's fast rise and backed by the U.S. Indian community and a corporate lobby, are trying to impose a foreign policy course on the country's leadership that goes against India's long-term interests," the Russian scholar who closely follows India's political scene told *The Hindu*. Prof. Volodin sees this trend as part of an ongoing struggle in the Indian elite between advocates and opponents of the foreign policy tradition of Jawaharlal Nehru and Indira Gandhi, a struggle aggravated by a general decline in the level of strategic thinking in the Indian foreign policy establishment.

"India's stand on Syria betrays the same lack of strategic foresight as its recent decision to buy in a tender a 20th century fighter plane for 21st century tasks at a time when a fifth-generation platform that India is jointly developing with Russia is in the pipeline." Five years ago, Mr. Putin, then President, placed India along with Russia and China in an exclusive club of world powers that "can afford the luxury of genuine sovereignty". As he prepares to reclaim presidency, Mr.

Putin has again invoked the issue of sovereignty in foreign policy. "Everything we do will be based on our own interests and goals, not on decisions other countries impose on us ... Russia has practically always had the privilege of pursuing an independent foreign policy and this is how it will be in the future," Mr. Putin wrote in his election manifesto. "Syria has put to the test the ability of countries to take sovereign decisions," says Prof. Volodin. "Russia and China have passed the test; India, unfortunately, has not."

SPENDING FOR A HEALTHY INDIA

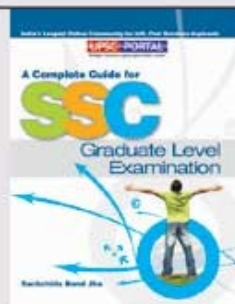
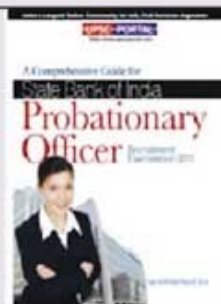
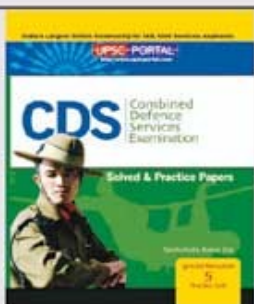
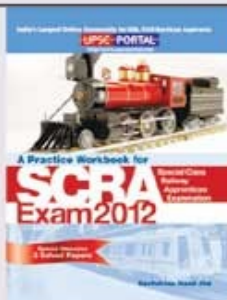
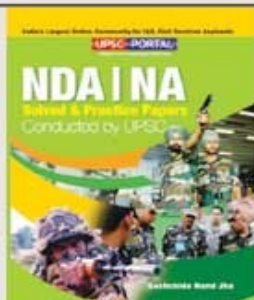
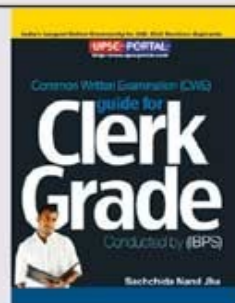
An increase in public expenditure on health from an estimated 1.4 per cent of GDP to 2.5 per cent by the end of the Twelfth Plan can, if it is used wisely, bring about a revolution in health care. Prime Minister Manmohan Singh's resolve to boost government spending can potentially make high quality care accessible to all. Universal health coverage, including cashless treatment, is to be achieved through greater expenditure and a system of strong regulatory oversight outlined by the Planning Commission's High Level Expert Group (HLEG). Arguably, with a significant increase in public funding, India can move towards its own model of Britain's famed National Health Service. There is some scepticism about the country's ability to shift to a good tax-funded plan for universal health coverage, but as the HLEG points out, the trajectory of economic growth makes this the opportune moment. Apprehensions raised by special interests against health reform are, naturally, self-serving and should not cloud the vision. What should

be borne in mind is that the HLEG has not suggested the scrapping of the private health sector but its participation in the UHC plan on a contracted-in basis, with tight monitoring of costs and protocols.

The need for publicly-funded universal health coverage is beyond argument. At present, private out-of-pocket health expenditure constitutes 3.3 per cent of GDP, or around 67 per cent of the total spending. Moving towards universalisation of care can cut it to about 33 per cent by 2022. Clearly, a policy approach that relies primarily on for-profit health insurance and services cannot provide universal cover, as the experience in the United States has demonstrated. The key to universalisation lies in including everyone in the risk pool, through a system of means-tested compulsion and taxation. Making such a plan work requires extensive reform of standards, protocols and oversight bodies for both public and private sectors. Here, the HLEG has provided a road map that envisages setting up of public health cadres for services and management at the national and state levels, standard setting, and a timeline for merger of existing government-led health insurance schemes such as the Rashtriya Swasthya Bima Yojana and those operating at the State level. An increase in outlay on medicines from 0.1 per cent of GDP to 0.5 per cent for public procurement can ensure free universal access to essential drugs. This measure, suggested for implementation through contracted private chemists, among others, is also vital to cut out-of-pocket expenditure. The States, which are increasingly looking towards private health insurance to fund health care for the poor, should find the HLEG recommendations more sound.

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The agreement was signed on January 28, 2005 between Antrix Corporation Ltd., the marketing wing of the Indian Space Research Organisation (ISRO), and Devas Multimedia Pvt. Ltd. based in Bangalore. The agreement laid down that Antrix would provide satellite capacity to enable Devas to launch 'satellite digital multimedia broadcast' (S-DMB) services that would be delivered to fixed, portable and mobile receivers, including mobile phones and vehicle-borne devices. As a result of this deal, ISRO was committed to build, launch and operate two custom-built communication satellites, which came to be called GSAT-6 (also known as Insat 4E) and GSAT-6A. The agreement specified that 90 per cent of the capacity on these two satellites would be leased to Devas "on a 24-hour, seven-day-per-week basis" for 12 years, with a provision to extend the lease by another 12 years. These were not ordinary communication satellites of the sort that ISRO had built and launched before. They involved high-powered spot beams in the S-band requiring a large 6.5 metre antenna (that could be unfurled in space) that was specially developed for these satellites and which ISRO has never flown before.

Antrix (a variation of the Hindi word for space, antariksh) Corporation was set up as the marketing arm of Isro in 1992.

The company hoped to promote commercial exploitation of space products, technical consultancy services and transfer of technologies developed by Isro. And most importantly, as Isro said about the Devas deal: "A major objective is to facilitate development of space-related industrial capabilities in India." Enter Forge Advisors, a US-based strategic consultancy. In March 2003, Antrix inked a memorandum of understanding with Forge for exploring opportunities in digital multimedia services. Forge later established an Indian company called Devas Multimedia, with some former Isro scientists on board. On December 24, 2004, Antrix's board approved the draft agreement between the two sides, and the agreement was signed on January 28, 2005. The agreement provided leasing of 90% of the space segment capacity on two satellites for 12 years to Devas.

But here's how a "scam" was discovered: first, the Cabinet was not "informed" that the two satellites were being built by Isro for Devas. Second, there was no tendering for awarding the contract to Devas. Third, the satellites were leased to Devas at "throwaway" prices. There are powerful counter arguments. First, Devas was bringing in new technology that had a high risk of failure. Second, Antrix-Isro, regularly leases satellite capacity to private firms in

the direct-to-home business without tendering. Third, the estimated loss - media reports said 2 lakh crore - was based on comparing what Devas paid to 3G auction prices. That's a nonsensical comparison because the 3G spectrum and its uses and market are completely different from those of the S-band spectrum and the related technology that Devas would have used. But the damage was done. A hi-tech, high-risk technology venture that was bringing in private and foreign capital to space business in India was killed.

Last year, the government first asked a high-power committee to review the technical, commercial, procedural and financial aspects of the January, 2005 agreement between Antrix Corporation, the marketing wing of the Indian Space Research Organisation (ISRO), and the Bangalore-based private company, Devas Multimedia. This committee, composed of B.K. Chaturvedi, member of the Planning Commission, and Roddam Narasimha, a distinguished academic and a member of the Space Commission, was also asked to suggest corrective action and fix responsibility for lapses, if any. The government subsequently constituted a five-member, high-level team, under the chairmanship of the former Central Vigilance Commissioner, Pratyush Sinha. It was tasked to examine the entire decision-making process followed in the

deal and identify acts of “omission and commission” by officials.

The reports of the two committees were released late by the ISRO. The Sinha committee's report has been particularly scathing. It says: “It is very clear that there have been serious lapses of judgment on the part of a number of officials.” In the case of some, “their actions verged on the point of serious violation of norms and breach of public trust.” Others were just “file-pushers and passive onlookers.” Both committees have noted how the Space Commission and the Union Cabinet were not told about the agreement when their approval was sought for building the GSAT-6 and GSAT- 6A satellites. In the case of the GSAT-6, which came up for approval in 2005, both bodies were given the impression that Antrix and the Department of Space had been approached by several potential customers, but no agreement had yet been reached, according to the Chaturvedi-Narasimha committee's report. When it came to the GSAT-6A satellite in 2009, only “a very vague statement” was made in the note put up to the Space Commission. When the project proposal for the two satellites came up before the Space Commission for approval, it was important to have mentioned that the bulk of the S-band spectrum available with the Department of Space had been committed to one party. Instead, on both occasions, the Space Commission had been left “completely in the dark.”

Moreover, the amount of spectrum allocated for the Devas project seemed “disproportionately large,” compared with what had reportedly been given for similar services in the U.S., Korea and Japan. They also observed that when the agreement was made operational in February 2006, the Department of Space

did not have funds for building the second satellite. “To sign an agreement committing funds and satellite priority without such a commitment from the Ministry of Finance was not correct. Unfortunately, the Antrix agreement never went before the Space Commission, where the Finance Secretary is a Member. It did not even go to the Union Cabinet, where approval would have entailed commitment for expenditure for the second satellite. Thus, this commitment for building a satellite and the expenditure on it was without any financial authorisation.” Further, both committees pointed out that the Insat Coordination Committee (ICC), which was established in 1977 for the overall management of the Insat communication satellites, had not met since 2004, and was bypassed when 90 per cent of the capacity on the two custom-built satellites had been allocated to Devas. Like the Sinha committee, the Chaturvedi-Narasimha committee pointed out that Antrix had signed an agreement with a company whose paid-up capital was Rs. 1 lakh with two shareholders. Antrix and the ISRO had committed an investment of about Rs. 800 crore on two satellites “with a lot of other unusual concessions.” Consequently, “the ISRO was committing large funds for unproven technology and with players who had very little financial stake. Clearly, this was financially weak.” The committee has recommended that the Department of Revenue and the Ministry of Corporate Affairs initiate an investigation, specifically into Devas’ changing ownership pattern, the economic interests of various individuals in the company and the role played by the Mauritius-based firms. Thus, the agreement terms were “heavily loaded in favour of Devas,” the report says. If the satellite failed, the Department of Space would bear the risk, whereas if it

succeeded, that too would put substantial burden of expenditure on the DoS.

But there are at least three points that call for public attention, but haven't been given enough play:

1. There was no spectrum deal. The Antrix-Devas deal, whoever broke the story first, made its first media appearance as an “S-band spectrum scam”. For several months, media reports followed this keyword and said that this was a spectrum scam bigger than the 2G scam. Some even pegged it at Rs 200,000 crores as against the “notional” 2G loss of Rs 170,000 crores. The reports also compared a “space spectrum” (something that a satellite and receivers will use) with terrestrial spectrum that mobile telephony uses. Naturally, these media reports became a convenient weapon for the BJP to attack the PMO since the Department of Space came under it. Now it turns out that it was not a spectrum-scam at all and that space spectrum cannot be compared to terrestrial spectrum. The commission of enquiry by Chaturvedi and Narasimha has categorically said that there was no spectrum-deal at all: “Concerns of cheap selling of spectrum to Devas have no basis whatsoever. Space spectrum is not comparable to terrestrial spectrum. Devas also required to obtain license from DoT/I&B for providing services to customers and would have to pay, apart from transponder leasing charges, other charges which would be determined by TRAI based on their consultation charges.”
2. ISRO-head start in utilising satellite based multimedia and mobile services got wasted. Going by the report, the Antrix-Devas deal,

despite its irregularities, was obviously an attempt to foray into the new frontier of satellite communications by getting into mobile applications using space spectrum. When ISRO initiated the steps, it was among the few countries in the world that was breaking the barriers such as Japan, South Korea and the US. Even China had made some advances.

3. The technical capability of ISRO in launching satellites with S-band capability. In its examination of the complex technology involved, which is now a preserve of an elite club of countries such as Japan, Korea and the US, the committee expressed its doubts if ISRO had the capability to send an unfurlable 5.5 meter antenna into the orbit, which is required for fair S-band coverage. Nobody knows what ISRO's plan was on that. It is highly unlikely to come out in the public given the national security angle.

Anyway, the committee has recommended that "reforms are required in the space commission. ISRO and ANTRIX are to meet the growing requirement of space activities. Space commission must meet at least four times and be fully briefed at least four times a year. It must also be briefed about the new and emerging technologies that ANTRIX/ISRO may negotiate and

develop, the risks inherent in the process, the implications for societal, defence and commercial needs." The committee also mentioned that the costing systems of the organisation are weak. Another recommendation is "peer review of ISRO administrative and scientific cultural practices." "Such cultural audits will bring out inadequacies in existing policies." There are still many grey areas that remain, that Nair himself finds difficult to justify. Acquisition of high-end technology, the processes adopted and the financial implications most often fall in a sensitive national interest realm as in the case of the atomic energy establishment. The legacy of such establishments, which also depend on the expertise and profile of highly celebrated scientists, also will be a barrier to public transparency.

The Antrix controversy has scared off risk-taking entrepreneurs from entering India's space industry. Who'll now bring hi-tech chutzpah to what can be an Indian success story? It's been a rough fortnight for the folks associated with India's space industry. Allegations flew faster than rockets. When the Department of Space barred former chief Madhavan Nair and three other scientists from any future re-employment in any government-related work, battle lines were drawn within India's space research community. Even as Nair described the January 13 order of the government as a

"witch hunt" and squarely blamed current Indian Space Research Organisation (Isro) chief K Radhakrishnan for misleading the government in the much-maligned Antrix-Devas deal, the real question is whether this controversy will hamstring India's efforts in getting private-sector involvement in the fast-growing space industry.

After all, according to the Space Report 2011, the space economy continued to grow for the fifth year in a row, unaffected by the global economic turmoil. The space economy increased by 7.7% in 2010, registering a robust growth rate compared with the average of 5% per annum registered in the previous two years. The space economy itself increased by about \$20 billion to reach an estimated total of \$276.52 billion, the report said. Pertinently, the report said, "Some of this growth came from increases in government spending, but the vast majority occurred in the commercial sector." While sectors such as telecom may be driving some of this, many of the noticeable activities in the sector are coming from private individuals and corporations. From space tourism to next-generation launch vehicles, almost in every sphere private investments are fast emerging. So, India can't afford to scare off entrepreneurs. But that's what the Antrix-Devas deal has done.



An increase in passenger fares across all classes, more than 100 new trains, enhanced frequency or routes for many others, and plans to hire more than one lakh employees were some of the key Rail Budget proposals made on Wednesday. Presenting the annual Rail Budget for the financial year 2012-13 in Parliament 14th March 2012, Railway Minister Dinesh Trivedi made some key proposals. While preparing the budget he drew heavily from the recommendations of Kakodkar committee on railway safety and Pitroda committee on modernization of infrastructure. Based on the recommendations of the two committees, Trivedi zeroed on five focus areas:

1. Track;
2. Bridges;
3. Signaling & Telecommunication;
4. Rolling Stock;
5. Stations & freight Terminals.

The emphasis on the focus areas would eventually lead to strengthening of the basic infrastructure of Indian Railways resulting in safety, decongestion, capacity augmentation and modernization of system, creating more efficient, faster and safer railways.

Indian Railways Stations Development Corp to be set up to re-develop stations and maintain them like airports. Considering the overall parameters set out in Vision 2020

document, the budget stated that a huge sum of ` 14 lakh crore is required in the next ten years. The total union budget outlay for 2012-13 stood at ` 60100 crore. Informing that 40% of the consequential train accidents, involving 60% to 70% of the total casualties occur at unmanned level crossings, he decided to set up a Special Purpose Vehicle (SPV) named Rail-Road Grade Separation Corporation of India with an objective to fast track elimination of level crossings in the next five years. The decision to set up a committee to examine the current standards of safety on Indian Railways and to suggest suitable benchmarks and safety protocols were also announced.

By way of initiating a long term approach to safety and in line with recommendations of the Committee, minister proposed to set up an independent Railway Safety Authority as a statutory regulatory body. The functions of the Authority are to be chalked out in line with international practices. In tune with the recommendations of the Expert Group for Modernisation of Indian Railways which suggested following of a 'Mission Mode' approach, the budget announced the formation of Missions headed by Mission Directors in each of the identified areas for a three year term. Also, a High Level Committee is to be set up to facilitate coordination amongst the

Missions, fast-track implementation, and address bottlenecks. The Union Railway Budget proposed a multi-pronged approach with an objective to build a new, safe and modern, passenger and freight transportation system which would contribute at least 2 to 2.5% to the GDP of the nation as against less than 1% at present. Multi-pronged approach focused on: Safety; Consoliation; Decongestion & Capacity Augmentation; Modernization; to bring down the Operating Ratio from 95% to 84.9% in 2012-13 and to 74% in the terminal year of 12th Plan.

The 12th Plan investment proposed by Railways at ` 7.35 lakh crore up from the investment during XI Plan of ` 1.92 lakh crore. The required resources for the plan are proposed to be met by:-

- i. Gross Budgetary Support of 2.5 lakh crore;
- ii. Government support for national projects of 30,000 crore;
- iii. Ploughing back of dividend of 20,000 crore
- iv. Internal Resources of 1,99,805 crore
- v. Extra Budgetary Resources of 2,18,775 crore
- vi. Railway Safety Fund of 16,842 crore.

The budget put forth a demand for additional funding assistance of about ` 5 lakh crore under the Pradhan Mantri

Rail Vikas Yojana from the government. The Union Railway Budget proposed a progressive shift to flash butt technology for welding of rails, progressive use of 60 kg rails instead of 52 kg, provision of thick web switches at points & crossings, mechanised maintenance with the latest track machines and increased frequency of ultrasonic testing of tracks. Plan to modernize nearly 19000 km track through renewals, upgradation of track, replacement and strengthening of 11,250 bridges to run heavier freight trains of 25 tonne axle load and to achieve passenger train speeds of 160 kmph and over was proposed in the budget. The estimated expenditure of ` 63212 crore was proposed for the same. Signaling system on Indian Railways will be modernized with the provisioning of advanced technological features. Panel/Route Relay Interlocking covering 700 more stations by 2014 was proposed as a part of the modernization of the signaling system. Provisioning of Train Protection & Warning System (TPWS), which ensures automatic application of brakes whenever a driver over-shoots a signal at danger, thereby eliminating chances of collision of trains was also proposed.

The total cost of various signalling and telecom works was estimated to be ` 39,110 crore in the next 5 years. The railway budget proposed to provide ` 200211 crore in 2012-13, which is more than double the allocation of the current year and the highest ever.

Upgradation of coaches including EMU coaches, locomotives and wagons was noted to be one of the key areas of modernization during the next 5 years for improving safety and convenience & comfort of passengers. The highest ever allocation of ` 18,193 crore was proposed for the 12th five year plan for the purpose of upgradation. In the areas of Stations and Freight Terminals, Trivedi

proposed to set up a separate organisation namely Indian Railway Station Development Corporation, which will redevelop the stations and maintain them on the pattern of airports. The Union railway proposed to electrify 6500 route kilometers during the 12th Plan period. This would include electrification of Udhampur-Srinagar-Baramulla line and hence provide pollution free traction to the pristine Kashmir Valley. An allocation of ` 828 crore has been provided in 2012-13. Propulsion System for use in high power electric locomotive was proposed to be introduced.

Initiative to start manufacturing especially designed coaches having earmarked compartments and toilets adapted to the needs of wheel chair borne/differently-abled person was a prime focus of the Union Railway Budget. The Union budget proposed to set up a factory at Shyamnagar in West Bengal on PPP basis for manufacture of next generation technology and also proposed to utilize and augment the electric loco Ancillaries Unit of CLW being set up at Dankuni for fabrication of locomotive shells. Several measures were initiated/proposed to promote clean environment. On the occasion of the 175th Birth Anniversary of Rishi Bankim Chandra Chattopadhyay, propose setting up of a Coaching Terminal to be named after him at Naihati. Also it was decided that a special train would run across the country to disseminate his legacy to the young generation. Institution of a Rail Khel Ratna Award was also proposed to honour 10 sports-persons every year, based on their current performance. The awardees would be provided world class training to hone their skills further.

Salient features of Railway Budget are as follows:

- ▼ To set up an independent Railway Safety Authority as a statutory body.

- ▼ The open discharge toilets on trains to be replaced with green (bio) toilets.
- ▼ All unmanned level crossings to be abolished in next five years; To target zero deaths due to rail accidents.
- ▼ To provide rail connectivity to neighbouring countries, a new line from Agartala to Akura in Bangladesh to be set up.
- ▼ Double-decker container trains to be introduced.
- ▼ Steps to improve cleanliness and hygiene on trains and stations within six months. A special house keeping body to be set up to take care of both stations and trains.
- ▼ New passenger services include escalators at major stations, alternative train accommodation for wait-listed passengers, laundry services, AC lounges, coin/currency operated ticket vending machines.
- ▼ Two new members, one for marketing, and other for safety, to be inducted into Railway Board.
- ▼ On board passenger displays indicating next halt station and expected arrival time to be introduced.
- ▼ Introduction of regional cuisine; Book-a-meal scheme to provide meals through SMS or email.
- ▼ Specially designed coaches for differently-abled persons to be provided in each Mail/Express trains.
- ▼ Railway Tariff Regulatory Authority to be considered.
- ▼ National High Speed Rail Authority to be set up; Pre-feasibility studies on six high speed corridors completed; study on Delhi-Jaipur-Ajmer-Jodhpur to be taken up in 2012-13.

- ✓ Wellness programme for railway staff at work places.
- ✓ Institution of 'Rail Khel Ratna' Award for 10 rail sportspersons every year.
- ✓ A wagon factory at Sitapali, Odisha, rail coach factory at Palakkad, two additional new coach manufacturing units in Kutch (Gujarat) and Kolar (Karnataka); component factory at Shyamnagar (West Bengal); new coaching terminal at Naihati, the birth place of Bankim Chandra Chattopadhyay.
- ✓ Freight loading of 1,025 MT targeted; 55 MT more than 2011—12; Passenger growth targeted at 5.4 per cent.
- ✓ Passenger earnings to increase to ` 36,200 crore.
- ✓ Gross rail traffic targeted to increase by ` 28,635 crore to ` 1,32,552 crore in 2012—13.

Rail Fare Hikes

- ✓ passenger fares by 2 paise per km – suburban and ordinary second class,
- ✓ 3 paise per km for mail/express second class,
- ✓ 5 paise per km for sleeper class,
- ✓ 10 paise per km for AC Chair Car, AC 3 tier and First Class,
- ✓ 15 paise per km for AC 2 tier
- ✓ 30 paise per km for AC I.

Few New plans on Railway Budget 2012 :

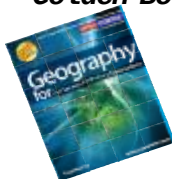
- ✓ Bio-toilets,
- ✓ Special housekeeping body to enhance hygiene and cleanliness,
- ✓ New catering policy,
- ✓ Specially designed coaches earmarked for wheelchair borne and differently-abled passengers,
- ✓ Three centres for training personnel in disaster management and to integrate Railway Protection Force (RPF) helpline with all passenger helplines,
- ✓ Satellite based real time information of trains,
- ✓ Introduction of escalators,
- ✓ Book a meal,
- ✓ AC lounge,
- ✓ Extension of housekeeping,
- ✓ Mobile booking,
- ✓ Alternate train accommodation system for wait listed passengers.

However, in an expected move the controversial hike in rail passenger fares was on 22nd March 2012 rolled back for all classes except AC 2 Tier and First Class by the new Railway Minister Mukul Roy, overturning the decision of his predecessor Dinesh Trivedi, who lost his job on account of his bold proposals. Mukul Roy, who was inducted into the Union Cabinet and the Railway Ministry on 20th March 2012, announced in the Lok Sabha the roll back of the fare

increase for second class suburban and non-suburban, Sleeper, AC Chair Car and AC 3-tier, dubbing it as a “huge drain” on the pocket of masses. He, however, left untouched the increase of 15 paise per km and 30 paise per km respectively in passenger fares in AC 2-tier and AC-I announced by Trivedi in the Railway Budget only last week. The Minister did not give the financial implications of the roll back decision. In his budget, Trivedi had assumed an income of ` 4,000 crore on account of the hike but reversal of the decision could result in a loss of ` 3,000 crore, officials said. Replying to the debate on the Budget, Roy also put on hold Trivedi's proposal of setting up a committee to examine whether there should be an independent tariff regulatory authority and scrapped a move to expand the Railway Board. Roy said the proposal to increase fare by 2 paise per km, 3 paise per km and 5 paise per km in second class suburban and non-suburban and Sleeper class is a huge drain on the pocket of the masses. “Similarly, increase in the fare of AC Chair Car and AC 3-tier, which is now patronised by the middle class, is also quite severe.”

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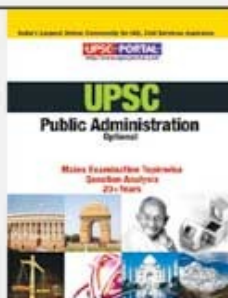
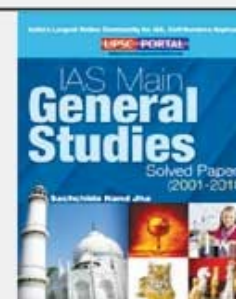
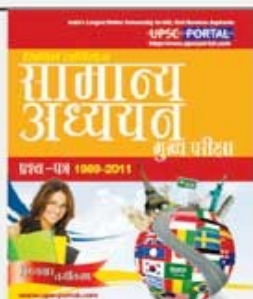
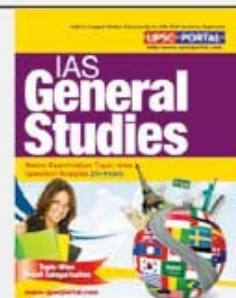
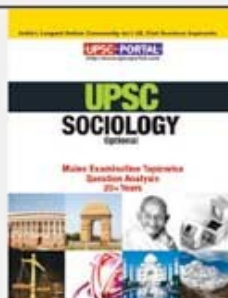
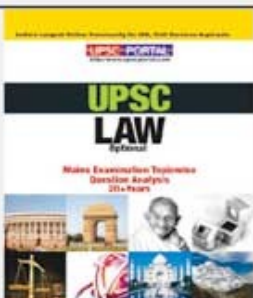
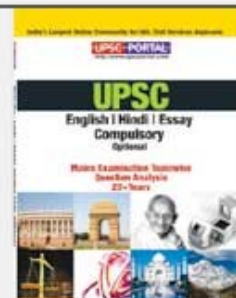
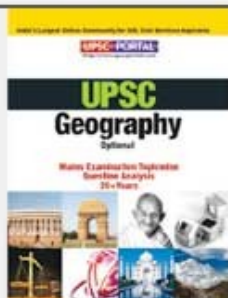
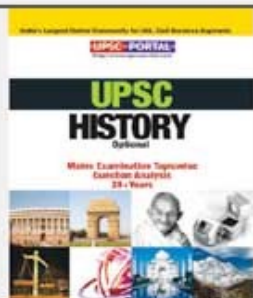
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NATIONAL ISSUES

JUSTICE HS BEDI PANEL

The Supreme Court of India on 2 March 2012 appointed its former judge, Justice H S Bedi as the chairman of the monitoring authority. He will investigate the case of 22 alleged fake encounter killings in Gujarat between 2002 and 2006. It also rejected the plea of government to extend the time till 12 March 2012 to sort out the issue of appointment of chairman. It also directed the Gujarat government to provide full facility and cooperation to Justice Bedi. The monitoring authority will submit its interim report within three months.

AMENDMENTS IN MOTOR VEHICLE ACT 1988 APPROVED

The Union cabinet of India on 1 March 2012 approved the proposed changes in the Motor Vehicle Act 1988, which includes longer jail terms and higher fines for repeat traffic violations. The new act has a provision of 500 rupees fine if one does not wear seat belt and helmet or jumps a red light. Anybody caught using mobile phone while driving will be fined. Repeat

traffic offences like jumping red lights or not using seat belts and helmets will attract fine between 500 rupees to 1500 rupees. Crossing the speed limits could attract a fine of 1000 rupees, if the offence is committed first time. In case the offence is repeated, the penalty could be as much as 5000 rupees.

In case, the same offender violates the traffic rules again, the fines will multiply. The new act also provides that the offence of drunk driving will be awarded with a punishment of a two-year jail term and a fine of 5000 rupees or both. The fines are increased in the new act with the objective of targeting the major causes of accidents on Indian roads which are- speeding, use of cell phones, not wearing seatbelts and helmet and drunk driving. Motor Vehicle Act 1988 governs licensing rules and offences on Indian roads. An expert committee appointed by ministry of road transport and highways suggested the changes.

PORTAL FOR IMPLEMENTATION OF NSIGSE

Human Resource Development (HRD) ministry launched a web portal

for implementation of the National Scheme of Incentive to Girls for Secondary Education (NSIGSE) in New Delhi. Web portal was developed by the Canara Bank to implement the scheme. The portal will facilitate on line submission of data of the beneficiaries and on line disbursement of the amount on the day of the maturity into their accounts directly after certification by the State Nodal Officer on line that the beneficiary is 18 years old and passed class X examination. Now, the proposals under the scheme will be submitted by the State Governments on line. This will eliminate the possibility of feeding incorrect data and bank account numbers which was the major cause for delay in the processing of the proposals and ensure error free entry of data and timely release of funds. The online system will also ensure total transparency and quicker disbursement of benefits to the beneficiary girls and on time submission of proposals by the State Governments. The web portal will make sure that there is transparency and quicker disbursement of advantages to the beneficiary girls. The NSIGSE Scheme was sponsored by

the central government and it was launched in May 2008 with the aim of establishing a conducive environment to reduce the drop-outs and to promote the enrolment of girl child belonging specially to SC/ST communities in secondary schools.

INDIA'S MANGROVE COVER RISES

India recorded a net increase of 23.34 sq. km of mangrove cover between 2009 and 2011, thanks to efforts of one of the most industrialised states, Gujarat, in planting and regenerating the ecosystem rich in biodiversity. The new biennial assessment report by the Forest Survey of India (FSI) has commended Gujarat's contribution in planting and regenerating the mangroves, a salt tolerant plant community, which harbours a number of critically endangered flora and fauna species. "Compared with 2009 assessment, there has been a net increase of 23.34 sq. km in the mangrove cover of the country. This can be attributed to increased plantations particularly in Gujarat state and regeneration of natural mangrove areas," according to the assessment by the FSI, an arm of Union Environment Ministry. Mangroves in India account for about three per cent of the world's mangrove vegetation. The report says mangrove cover in India is 4,662 sq. km, which is 0.14 per cent of the country's total geographical area. Sundarbans in West Bengal accounts for almost half of the total area under mangroves in the country. The very dense mangrove comprises 1,403 sq. km (30.10 per cent of the total mangrove cover), moderately dense mangrove is 1,658.12 sq. km (35.57 per cent) while open mangroves cover an area of 1,600.44 sq. km (33 per cent). Mangrove forests are

regarded as the most productive wetlands in the world on account of the large quantities of organic and inorganic nutrients released in the coastal waters by these ecosystems. They also act as nurseries for fin fish, shell fish, crustaceans and molluscs.

INTERLINKING OF RIVERS PROJECT TO BE IMPLEMENTED

The Supreme Court of India directed the union government of India to implement the ambitious interlinking of rivers project in a time-bound manner. Observing that the project has already been delayed resulting in an increase in its cost, a three-judge bench, headed by S H Kapadia, appointed a high-powered committee to chart out and execute the project.



The committee will comprise of Union Minister of Water Resources, its Secretary, Secretary of Ministry of Environment and Forest (MoEF) and four expert members appointed by Water Resources Ministry, Finance Ministry, Planning Commission and the MoEF. Representatives from state governments, two social activists and senior advocate Ranjit Kumar, who has been assisting the court in the case, will also be members of the committee.

AYUSH TO BE INCLUDED IN NATIONAL HEALTH SCHEMES

The Centre is planning to launch a special scheme for delivery of healthcare services in 100 out of 264 focus districts across the country where

the health indicators are very low, by integrating allopathic and other Indian systems of medicine soon. Under the scheme, joint teams of doctors of allopathy, Ayurveda, yoga and naturopathy, Unani, Siddha and homoeopathy systems of medicine will visit villages frequently to bring about an improvement in the general health condition of people. Modalities were being worked out to include AYUSH systems of medicine in all national health programmes within two years.

WHO REMOVED INDIA FROM POLIO-ENDEMIC COUNTRIES

The World Health Organisation (WHO) has removed India from the list of polio-endemic countries, suggesting that the wild polio virus had been totally eliminated from the environment. The disease paralysed thousands of children every year for several decades. This announcement was made by Health and Family Planning Minister Ghulam Nabi Azad at the Polio Summit 2012 in the presence of Prime Minister Manmohan Singh, amidst a thunderous applause. The feat came after India successfully completed an entire year without an incidence of polio. "WHO has taken India's name off the list of polio endemic countries in view of the remarkable progress that we have made during the past one year." However, India will have to remain polio free for two more years before it is declared polio-free by the WHO. There were only four countries in the WHO endemic list, including Pakistan, Nigeria and Afghanistan.

PMAGY TO BE TRANSFERRED TO MORD

In a major administrative move, the Planning Commission has cleared the transfer of the Pradhan Mantri Adarsh Gram Yojana (PMAGY) to the

Ministry of Rural Development (MoRD) from the Ministry of Social Justice and Empowerment. Planning Commission Deputy Chairman Montek Singh Ahluwalia has conveyed the in principle approval of transfer of the scheme to Rural Development Minister Jairam Ramesh saying that the PMAGY had a synergy with the programmes run by the MoRD and underlined the merit of converging it with the Total Sanitation Campaign.

The PMAGY was announced in 2009-10 for integrated development of all villages with more than 50 percent scheduled caste population. Presently, there are 44,000 such villages. As a pilot project, it has been implemented in 1,000 villages in Assam, Bihar, Himachal Pradesh, Rajasthan and Tamil Nadu with an allocation of Rs. 100 crore with each village to get Rs. 10 lakh per year.

The annual funding was raised to Rs. 20 lakh per village in September and Rs. 194 crore has been spent in these villages.

ADVANCE RESERVATION OF BERTHS EXTENDED

Railway Ministry extended the time period for the advance booking of Railway tickets from 90 days to 120 days. This new reservation policy will come into effect from March 10, 2012. No change has been proposed for daytime trains such as the Taj Express and Gomti Express. The advance reservation periods for these trains are 15 days and it will remain unchanged. There will also be no change in case of the limit of 360 days for foreign tourists.

The Indian Railways carry approximately 30 million passengers everyday and the move of increasing the advance reservation period will help the commuters to plan their journey better.

THE NEW VERSION OF MGNREGA

More than 25 agriculture and allied activities were included in the new version of Mahatma Gandhi National Rural Employment Guarantee Act, MGNREGA, which will be implemented from 1 April 2012. The new version of MGNREGA will lead to better farm output. After receiving a report on revised operational guidelines for MGNREGA. The new version of act was prepared after receiving a report on revised Operational Guidelines for MGNREGA. It will also respond to demands of the states for location specific flexibility in permissible works as valuable suggestions from the states are incorporated in the guidelines. The Report was prepared by a committee headed by Planning Commission Member Mihir Shah.

4TH PHASE OF ITMP BEGINS

The fourth phase of an "Intensive Tiger Monitoring Programme" envisaged by the Tiger Task Force of the Union Government has begun at the Kalakkad - Mundanthurai Tiger Reserve (KMTR) in Tirunelveli (Tamil Nadu).

In the fourth phase now the setting up of 100 cameras in every four sq. km. area has begun. The camera trapping will cover a 400 sq. km. area in the 890 sq. km. spread of KMTR. The 400 sq. km. area has been identified as important tiger habitat. Already the KMTR officials have 20 cameras and the National Tiger Conservation Authority (NTCA) has provided funds to buy 60 cameras.

Besides these, World Wide Fund for Nature – India (WWF-I) has provided another 20 cameras. In the present intensive system movement of every tiger in a reserve can be identified.

KOSI MAHA SETHU INAUGURATED

The fertile and chronically flood-lacerated swathe of the Mithilanchal belt in north Bihar witnessed a watershed moment in its urban ecosystem when Bihar Chief Minister Nitish Kumar inaugurated the 'Kosi Maha Sethu' — a rail-cum-road bridge — in Supaul district. The bridge was destroyed in the 1934 Bihar-Nepal earthquake, dividing Mithilanchal into two halves and reducing the entire townships to rubble and killing tens of thousands of people. The loss of this bridge, known as the 'Lifeline of Mithilanchal,' had hampered traffic and commerce for several decades. The 10.63 km-long bridge, of which 1.87 km is built over water was completed at a cost of more than Rs. 400 crore.

BIGGEST COORDINATED MOCK DRILLS

The biggest coordinated mock drills were carried out on 15 February 2012 in New Delhi, to check the alertness and preparedness of various public agencies, if an earthquake of high magnitude rocks the national capital. The drills were conducted in several places, including six Metro stations, across the national capital by the National Disaster Management Authority and Delhi Disaster Management Authority. Six metro stations were closed for over half-an-hour and road traffic in many areas in Central, South and North Delhi were diverted as part of the exercise.

A number of simulated situations like collapse of flyovers, crack in metro pillars, damage to hospitals and collapse of residential buildings due to an earthquake measuring 7 on the Richter scale were created. Officials from all the

important Emergency Support Functionary departments like police, MCD, DMRC, Health department, Delhi Jal Board and Food and Civil Supplies coordinated with senior officials of all the nine districts to make the drill a success.

INDIA TO BE A YOUNGEST NATION BY 2020

India will be one of the youngest nations by 2020 and this changing demographic condition, while providing great opportunities, could pose some challenges too, the Economic Survey 2011-12 has said. India is passing through a phase of unprecedented demographic changes, wherein the proportion of the working age population (15-59 years) is likely to rise from around 58 per cent in 2001 to over 64 per cent by 2021, according to the Survey. The comparative figures for China and the U.S. are 37 years, while it is 45 for West Europe and 48 Japan. The 'demographic dividend' would pose a challenge, as the average Indian will be only 29 years old in 2020, the Survey notes. In absolute numbers, there will be around 63.5 million new entrants to the working age group between 2011 and 2016. These changes are likely to contribute to a substantially increased labour force. However, it will benefit India only if the population is "healthy, educated, and appropriately skilled." The bulk of this increase is likely to take place in the relatively younger age group of 20-35.

RIVER DIVERSION AND SOIL EROSION THREATEN TURTLE NESTING

Erosion and diversion of Rushikulya river mouth in Odisha's Ganjam district are posing a serious threat to the annual mass nesting of the endangered Olive Ridley sea turtles.

The marine species started sporadic nesting in the area this season along the four-km-long stretch from Purunabandh to Gokharakuda near the Rushikulya river mouth. The entire site is now submerged due to shifting of the river mouth, which is likely to cause problem for the Olive Ridley turtles to lay eggs in mass.

They are likely to choose some other site for their annual nesting off Ganjam coast. There are doubts now over continuity of the mass nesting near the coast, when their traditional nesting site was wiped out. Rapid erosion and shifting of the river mouth was due to the climate change and a natural phenomenon.

NCPCR GUIDELINES FOR SCHOOLS



The National Commission for Protection of Child Rights (NCPCR) released guidelines to eliminate physical punishment and to discipline schools. The NCPCR survey disclosed that the use of physical punishments is common in Indian schools and corporal punishments are often used by teachers as a means to discipline children. Even children in the age group of 3 to five years are not spared. The NCPCR released the Guidelines after a detailed study. The study was conducted in 2009-10 and it involved 6632 children across seven states in India. The guidelines suggested the formation of Corporal Punishment Monitoring Cells (CPMCs) by schools. Besides hearing

grievances related to corporal punishment, child sexual abuse and mental harassment, CPMCs will forward recommendations to district level authorities within 48 hours of the occurrence.

NATIONAL DATA SHARING AND ACCESSIBILITY POLICY APPROVED

Union cabinet of India on 9 February 2012 approved the National Data Sharing and Accessibility Policy (NDSAP-2012) to facilitate access to central government owned shareable data and information. The data can be shared in both human readable and machine readable formats through a network across the country. The NDSAP policy is designed to promote data sharing and enable access to central government owned data for national planning and development. The Union Cabinet also approved the guidelines for establishing Joint Venture Companies by Defence Public Sector Undertakings, DPSUs. The guidelines will provide a streamlined, fair and transparent framework for entering into Joint Ventures with the ultimate objective of better risk-management, greater-efficiency and enhancing self-reliance in the defence sector as a whole. It is expected that the guidelines will foster better and deeper partnerships between the DPSUs and private partners.

CONSERVATION RESERVE STATUS FOR JAWAI FORESTS

Rajasthan will soon accord the bio-diversity rich Jawai Bandh forests in Pali district the status of a conservation reserve. The rich forests and the water bodies along the Jawai dam in Sumerpur tehsil have a large presence of crocodiles. The wildlife

census in 2011 had put their number at 288. The standing committee of the Rajasthan Board for Wildlife, which met here on Wednesday under the chairpersonship of Minister for Environment & Forests Bina Kak, cleared the new conservation reserve under Section 36 of the amended Wildlife Protection Act, 1972. The reserve is fifth in the category in the State. The conservation reserves, a concept introduced in the Act through the amendments, replaces the “closed area” concept. The census report of wild animals for three years from 2009 to 2011 was released by Ms. Kak on the occasion. The existing conservation reserves in the State are Jhodbade in Bikaner district, Bisalpur in Tonk district, Soonda Mata in Jalore district and Gudha Vishnoi in Jodhpur district. Rajasthan has a lone community reserve — also introduced after the 2002 amendment to the Act — in Rotu in Nagaur district.

INDIAN BLACK EAGLE WAS SPOTTED IN THE ARAVALI BIODIVERSITY PARK

The Indian Black Eagle was spotted in the Aravali Biodiversity Park after a gap of 90 years. The bird was last seen in 1920-21 by Basin Edwardes. The Indian Black Eagle is usually found, along the base of the Himalayas from Himachal to Bhutan, northeast peninsula in Odisha, in the south Assam hills to the Lushai hills, in northeast Pakistan, the northeastern and southeastern Ghats and Sri Lanka.

OPPOSITION TO MONSANTO PATENT ON INDIAN MELONS

Activist Vandana Shiva and an Europe-based NGO have jointly opposed a patent awarded to an American company on virus resistance

traits taken from indigenous melon varieties in India. The NGOs — Navdanya and No Patent on Seeds — contend that, armed with this patent, the U.S. company (Monsanto) could block access to all breeding material inheriting the virus resistance derived from the Indian melon. Seeking complete revocation of the patent the NGOs, in their application filed in the European Patent Office in Munich on Friday, said that the patent (EP 1 962 578) on Closterovirus-resistant Melon plants should not have been granted as it was not an invention but a case of “bio-piracy.” Melons have a natural resistance to certain plant viruses. In the case of Cucurbit Yellow Stunting Disorder virus (CYSDV) — which has been spreading through North America, Europe and North Africa for several years — certain melons are known to be naturally resistant to it. Using conventional breeding methods, this type of resistance was introduced from an Indian melon to other melons and has now been patented as a Monsanto “invention.”

DHARMADHIKARI PANEL REPORT SUBMITTED

Former Supreme Court judge Justice D. M. Dharmadhikari, who headed a four-member committee on integration of thousands of employees after the merger of two State-owned carriers — Air India and Indian Airlines — on Tuesday submitted his report to the Civil Aviation Minister, Ajit Singh. The report takes into account the views of the pilots, cabin crew and engineers on integration of about 29,000 employees of Indian Airlines and Air India which were merged five years ago into unified Air India. The employees have been agitating over disparities in their pay scales, promotional avenues

and areas of responsibilities. The report runs into more than 100 pages and there are so many people involved in it — the pilots, the other people in the airline management. The Ministry will examine the report and then do whatever needs to be done.” Though details of the report were not available immediately, the Dharmadhikari Committee is understood to have made several recommendations on critical issues such as career progression, integration across various cadre, rationalisation of their pay scale, allowances and incentives and overall restructuring of the entire staff of the erstwhile Indian Airlines and Air India.

SETTING UP OF A NATIONAL CENTRE FOR COLD CHAIN DEVELOPMENT APPROVED

The government of India approved setting up of a national centre for cold chain development and allocated a one-time grant of 25 crore rupees for its corpus fund. The decision was taken in a Cabinet meeting held in New Delhi under the chairmanship of Prime Minister Manmohan Singh. The move comes in the wake of post harvest losses to the tune of 50000 crore rupees annually in absence of proper storage facilities. The Cabinet gave its ex-post facto approval for registering National Centre for Cold Chain Development, NCCD, as a society under the Societies Registration Act, 1860. The NCCD will be having a Governing Council under the Chairmanship of Secretary with 22 members, covering government officials, Confederation of Indian Industry, Federation of Indian Chambers of Commerce and Industry, FICCI and other stake holders. India is the second largest producer of horticultural commodities in the world. However, a significant portion of the

produce, particularly perishables like fruits, vegetables, flowers go waste due to post harvest losses. A robust cold chain infrastructure will go a long way in reducing the losses of perishables. India, the world's second largest producer of horticulture products after China, accounts for 71.5 million tonnes of fruits, 133.7 million tonnes of vegetables and 17.8 million tonnes of other commodities like flowers, spices, coconut, cashew, mushroom, honey among others. A significant portion of the produce like fruits, vegetables, flowers go waste due to post harvest losses in absence of proper cold storage facilities.

NATIONAL COUNTER TERRORISM CENTRE (NCTC)

The Union government decided to operationalise the ambitious National Counter Terrorism Centre (NCTC) from 1 March 2012. A pet project of Union Home Minister P. Chidambaram, the NCTC got approval from the Cabinet Committee on Security (CCS) in January 2012. The operations division of the counter-terrorism body were powers to arrest and carry out searches under Section 43A of the Unlawful Activities (Prevention) Act, 1967. The NCTC is to be located in the Intelligence Bureau and headed by a Director who will be an officer in the rank of Additional Director, IB. It will have three units — gathering intelligence, analysis of intelligence and carrying out operations. Each of these divisions will be headed by a joint director of the IB.

NATIONAL POLICY ON NARCOTIC DRUGS

The Union government unveiled a comprehensive policy on narcotic drugs and psychotropic substances, as

announced by Finance Minister Pranab Mukherjee during the budget presentation last year. The need for such a policy assumes significance in the light of the fact that trafficking in narcotic drugs also contributes to generation of black money in the country. Unveiling the policy at a function, Mr. Mukherjee said the deleterious effect of black economy, generated in the world through drug trafficking, could well be imagined and the money could finance several other forms of criminal activity, including terror financing and other forms of transnational organised crime. "The released policy, presents evidence of India's strong commitment and its intent to rise to the challenges posed by the drug menace. It also reflects the country's willingness to shoulder the responsibility that is cast upon it because of its strategic position, sandwiched between two major regions of the world producing illicit narcotics, and on account of being a traditional cultivator of illicit opium and a supplier of this raw material for medical and scientific needs of pharmaceutical industry, which makes use of such narcotic drugs and psychotropic substances to make critical medicines. The policy recommends the production of Concentrate of Poppy Straw (CPS) in India by a company or body corporate that would enable the country to retain its status of a traditional supplier of Opiate Raw Material (ORM) to the rest of world, while remaining competitive.

NATIONAL INFANT MORTALITY RATE REDUCED

As per the latest Sample Registration System (SRS) bulletin released by the Registrar General of India (RGI), it is noted that

Infant Mortality Rate (IMR) has dropped further by 3 points from 50 to 47 infants deaths per 1000 live births during 2010. The IMR for rural areas has dropped by 4 points from 55 to 51 infant deaths per 1000 live births while the Urban rate now stands at 31 from the previous 34/1000. State of Goa still has the lowest IMR of 10 infant deaths per 1000 live births (as against 12/1000 in January 2011 figures) – the Urban IMR in Kerala has however reduced to 10 against 11 of previous figures. Madhya Pradesh has the highest IMR of 62/1000 followed by UP and Odisha with 61/1000 IMR. States/UTs of Assam, Bihar, Chandigarh, Haryana, Rajasthan, Meghalaya still have IMRs more than the national average of 47.

The Sample Registration System (SRS) is a large-scale demographic survey for providing reliable annual estimates of birth rate, death rate and other fertility & mortality indicators at the national and sub-national levels. The field investigation consists of continuous enumeration of births and deaths in selected sample units by resident part time enumerators, generally anganwadi workers & teachers, and an independent survey every six months by SRS supervisors. The data obtained by these two independent functionaries are matched. The unmatched and partially matched events are re-verified in the field and thereafter an unduplicated count of births and deaths is obtained.

STAMPEDE AT JUNAGADH IN GUJARAT

A stampede erupted at Junagadh during the Mahashivratri fair on 19 February 2012. The stampede turned deadly as it left at least six people including three women, two children

and a man dead, and 30 injured. The stampede took place in the wake of a heavy traffic jam on Pannchnaka Bridge, the only road to Bhavnath temple at the foothill of Mount Girnar. The annual fair is held every year on the festival of Shivratri. Lakhs of devotees every year visit the Junagadh to pay their obeisance to the famous shrine of Lord Shiva on the occasion of Shivratri festival. Junagadh is the seventh largest city of Gujarat, situated at the foot of the Girnar Hill, 355 km south west of state capital Gandhinagar and Ahmedabad.

NATIONAL COUNCIL FOR SENIOR CITIZENS

The Union Government of India gave the approval for setting up a National Council for Senior Citizens. It will be headed by the Minister of Social Justice and Empowerment. It will advise the Central and State Governments on issues related to welfare of senior citizens. The Council will suggest special policies and programmes for the physical and financial security of the senior citizens in the country. The Council will comprise of 20 members including the Minister of State for Social Justice and Empowerment along

with the oldest members from both the Houses of Parliament and distinguished personalities from different fields.

RUDRASAGAR DEVELOPMENT SCHEME APPROVED

Planning commission of India approved investment clearance for the scheme – *Rudrasagar Drainage Development Scheme, Tripura*. The scheme is an estimated to cost of Rs. 14.8978 Crore (Rs Fourteen crore, Eighty Nine Lakhs and Seventy Eight Thousand Only). The project is to be completed by the financial year 2012-13 and Plan account would be closed by 31st March 2013. The implementation of the scheme will restrict water spread area of the lake during monsoon and maintain water level of 13 m during winter and maintain water level of 11 m for boosting the ecology of the area. An area of 2200 ha with a population of 1000 will benefit from the scheme.

TRIVEDI PROPOSES REGULATORY BODY TO DECIDE RAILWAY FARES

After failing to effect a hike in rail fares as a measure to generate internal resources, Railway Minister Dinesh

Trivedi proposed an independent body to take decisions on rail fares without being influenced by political exigencies. He also favoured the restructuring of the Railway Board.

The Minister was addressing a conference organised by the Federation of Indian Chambers of Commerce and Industry.

Mr. Trivedi called for a national policy for the railways that would set forth a revenue model with stress on safety and customer benefit. His emphasis on need to de-politicise the railways came amid rumours that he failed to get Trinamool Congress leader and West Bengal Chief Minister Mamata Banerjee's approval for fare increase.

He, however, denied that his call for keeping politics at bay was because of any political interference. Instead, he said, his emphasis was on the growth of the railways over the next five decades. He hoped the UPA government and Parliament would give their nod for setting up a regulatory body on fares.

As for the Railway Board, he said now it was oriented to operations; it should focus on customer comfort and safety.

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INTERNATIONAL ISSUES

LAWSUIT FILED AGAINST THE SRI LANKAN PRESIDENT

A US (United States) federal judge dismissed a lawsuit filed against the Sri Lankan President Mahinda Rajapaksa. The lawsuit alleged that the human rights abuses occurred during the civil war in Sri Lanka, and it held President Rajapaksa responsible. The court noted that President is immune from lawsuits as a sitting Head of State. The court added that head of state immunity is a well-established legal principal in the USA.

REPORT ON WORLD BANK'S CRISIS RESPONSE

A phase-two study of the World Bank's crisis response, presented in a report, titled The World Bank's Response to the Global Economic Crisis: Phase II was released.

The report noted that during its response to the worst financial-economic crisis that hit the world economy in 2008, the World Bank failed to adequately modify its lending patterns as per the severity of the downturn across nations. It therefore

currently finds itself with potentially insufficient headroom to respond to a second crisis of similar or greater magnitude to the one in 2008-09. The study report was unveiled by its authors at the Independent Evaluation Group

Salient features of Report

Low resource allocation at the start of the crisis and the assumption that all financing demands could be accommodated from existing patterns



(IEG), which is a member of the World Bank group of institutions but reports to the Bank's Board of Executive Directors rather than its management. Anjali Kumar is a lead author of the report and a Lead Economist with the IEG

of lending had played a role in the Bank's ultimate lending decisions. The report observed that while equity-to-loan ratios of the Bank at the outset of the crisis were around 37.5 per cent, the recent financial figures released by the Bank for quarter closing September 2011 suggested it had

come down to 27 per cent. The lending phenomenon was driven by country demand for Bank lending, and hence countries that were most engaged with the Bank before the crisis such as India and Indonesia – tended to approach the Bank more and in some cases get loans more quickly.

Other factors such as the limited fiscal capacity of certain countries and the fact that some countries went to other lenders such as Russia's engagement with the European Bank for Reconstruction and Development and Ecuador and Venezuela's reliance on the Inter-American Development Banks also affected the bank lending. The IEG also noted that while much of the budget-support lending that the Bank undertook in India had helped signal the strength of public sector banks in the country, yet many of these public sector banks had capital adequacy ratios conforming to Indian government norms at the outset of crisis. This aspect raised the question of Bank lending priorities during the crisis – for example whether it was a priority for the Bank to provide precautionary buffer capital to banks that were adequately capitalised.

NORTH KOREA AGREED TO SUSPEND ITS NUCLEAR PROGRAMME

North Korea agreed to suspend its nuclear and uranium enrichment programme in return for US food aid. USA had promised North Korea 240000 tonnes of nutritional assistance and food aid following breakthrough in talks with the latter. North Korea also agreed to allow UN inspectors to monitor its reactor in Yongbyon so that compliance with the measures could be verified and the disablement of the 5-MW reactor and associated facilities

could be confirmed. This step was taken two months after Kim Jong-un came to power following the death of his father, Kim Jong-il. The move is expected to bring peace in East Asian region and ease the tension between North Korea and South Korea. At the global level, it can prevent the proliferation of nuclear armament.

INDIA AND ADB SIGNED LOAN AGREEMENT

India and ADB (Asian Development Bank) Signed the third and last tranche of loan agreement to support electricity transmission and distribution capacity in Assam under the Assam Power Sector Enhancement Investment Programme. It amounts to 120.6 million US dollars. Tranches 1 and 2 are already given. The objective of the Assam Power Sector Enhancement Investment Programme is to meet increasing demand for electricity in the state, where the large rural population depends mainly on the agriculture and manufacturing sectors for income. The programme will help ASEB add an additional 430 MVA substation capacity and reduce system losses by four percent. Part of the loan will be utilised to increase energy efficiency through renovation and modernization of existing 33/11 kV substations, the introduction of high voltage distribution systems, and conversion to aerial bunched cables for some high voltage and low voltage lines in the urban areas. The programme will help around 1 million households, hospitals, businesses, and schools in the state. The loan has a 20-year term and it includes a five-year grace period with an annual interest rate decided in accordance with ADB's LIBOR-based lending facility. The project will be completed by 30 June, 2014.

INDIA TOOK OVER THE CHAIR OF ASSEMBLY AND GOVERNING BOARD OF ASOSAI

India took over the chair of assembly and governing board of Association of Supreme Audit Institutions (ASOSAI). Vinod Rai, Comptroller and Auditor General of India is the new chairman of the 45-nation strong Asian Organization of the Institutions of the Accountants General. ASOSAI is the largest regional organisation of the government auditors. India took over the post of chairman from Pakistan. The objective of ASOSAI is to promote understanding and cooperation among member institutions through exchange of ideas and experiences in the sector of public audit.

The ASOSAI is not merely an auditor of financial transactions of the Government. It is also the promoter of an organisations' performance and to act as a powerful trustee of public good. Growing demands from stakeholders to know more about performance and results has changed the perception of the role of the Auditors General in most nations.

UNHRC ASKED SYRIA TO HALT THE ATTACKS ON CIVILIANS

The UN Human Rights Council asked Syria to immediately stop the attacks on civilians by the security forces. The death toll in the ongoing violence in Syria has crossed 7500. The UNHRC is likely to approve resolution for indicting the Syrian officials who are responsible for attacks on the civilians.

THE TALKS BETWEEN IAEA AND IRAN FAILED

The second round of talks between the five-member IAEA

(International Atomic Energy Association) team led by its Chief weapons inspector, Herman Naekarts and Iranian government failed. The talks were held in Tehran, capital of Iran. IAEA requested access to the military sites at Parchin, which was refused by Iran. An IAEA report in November 2011 had named Parchin as one of the military sites where Iran was suspected to work on developing an atom bomb. Iran had rejected the allegations as baseless at that time. The IAEA team had gone to Iran to seek clarifications over its dispute nuclear program and its possible military dimensions.

NEW MALDIVIAN CABINET SWORN IN

The former President of the Maldives, Mohamed Nasheed, displayed admirable restraint as new President Waheed Hassan finally got his act together, named a new Cabinet, and embarked on a Himalayan task of making the national unity government work. Even as a “unity” mantra began reverberating in the corridors of power in Male, it was clear that the country has been divided: there is now a pro-Nasheed population and an anti-Nasheed population (which is being seen, by some quarters, as people who are pro-Gayoom). Quite a few from the earlier era are back in power, including a few India baiters.

OBAMA PROPOSES TAX HIKE FOR MILLIONAIRES

In the most unmistakable sign yet that he has thrown down the gauntlet to his Republican challengers in the November presidential election, United States President Barack Obama announced a dramatic increase in the tax rate for the wealthiest Americans,

to about 30 per cent. Though even with the increase the tax rate for Americans earning over \$1 million annually will only fall in line with the standard income tax rate, Mr. Obama struck a defensive note about the increase in a budget speech in Virginia, doubtless anticipating obstructionism in the Republican-controlled House of Representatives.

IRAN LAUNCHED 3 NUCLEAR PROJECTS

Iran launched 3 nuclear projects including a fourth generation Ultra Centrifuge, which is capable of enriching the Uranium faster than its earlier models. The first one was at the Iranian Atomic Organization Research Center in Tehran where Iran's first home-made nuclear fuel rods were loaded into a medical reactor. This would be used for production of isotopes used in treatment of cancer patients. Iran unveiled two other projects in the Natanz plant in central Iran. These include a facility which will enable the plant to enrich uranium to 20 per cent. The fourth generation Ultracentrifuge will enable far higher enrichment speed than previous models. Enriched uranium is a critical component for both civil nuclear power generation and nuclear weapons.

MARINES OF ITALIAN SHIP TO BE PROSECUTED

The marines of Italian ship *Enrica Lexie*, Latore Massimiliano and Salvatore Girone allegedly killed two fishermen Valentine Jalastine and Ajeesh Binki off the coast of Kollam in Kerala. The marines fired at the boat of fishermen causing their death. The arrested Italian marines Latore Massimiliano and Salvatore Girone have been charged with murder

under *Section 302 of IPC*. The Italian authorities, however, argued that the marines fired at the boat, mistaking it to be a pirate vessel.

Syria rejected the Arab League proposal

Syria rejected the Arab League proposal for deployment of a Joint UN-Arab Peacekeeping mission by the UN Security Council to monitor the situation in the country, describing it as a hostile act that targets Syria's stability and security. Arab League suspended Syria's membership in November 2011. The UN General Assembly will take up for discussion the situation in Syria in New York. The focus would be on humanitarian concerns. The General Assembly will discuss a Saudi draft proposal calling for support to Arab League peace plan in Syria. The draft calls for Syrian President to step down. It says those responsible for killings of civilians in Syria should be held accountable.

PAKISTAN, AFGHAN, ISAF COORDINATION RESUMES

The Army resumed border coordination with the International Security Assistance Force (ISAF) stationed in Afghanistan and the Afghan National Army after a two-month freeze in relations following the NATO air strike on Pakistani border outposts. The meeting at the Border Coordination Centre at Torkham was part of the tripartite engagement to discuss and improve various coordination measures along the Pak-Afghan border. Pakistan was represented by the Director-General of Military Operations. Border coordination meetings — aimed at ensuring that terrorists do not cross over to either side of the porus Durand Line whenever operations are being

conducted against them in the two countries — have not been held after the November 26 NATO strike on two border outposts of Pakistan which left 24 soldiers dead.

Soon after the strike, the Army had temporarily recalled personnel attached to some of the coordination posts on the border but officially it was maintained that they had not been withdrawn from the posts in protest as was reported in a section of the press. The resumption of the border coordination meetings comes a week after Foreign Minister Hina Rabbani Khar visited Kabul signalling a thaw in bilateral relations that had turned very bitter in the last quarter of 2011.

PRESIDENT MOHAMMED NASHEED RESIGNED

President of Maldives, Mohamed Nasheed resigned after weeks of protest. The protest was against his decision to sack a judge he had accused of favouring the opposition. Vice President Mohammed Waheed Hassan was sworn in as President, following Nasheed's resignation. It is alleged that police officers sided with anti-government demonstrators. In January 2012, Nasheed ordered the army to arrest Criminal Court Chief Justice Abdulla Mohamed. The government accused the judge of giving politically motivated ruling, which was biased in favour of the opposition.

IRAN-IAEA TALKS FAIL TO ACHIEVE BREAKTHROUGH

Iran and the International Atomic Energy Agency (IAEA) have failed to achieve a breakthrough, after two days of talks, on a roadmap to ease nuclear tensions surrounding Iran's atomic programme. Early, the IAEA issued a statement which said despite intensive

discussions, the two sides could not sign a document which could have clarified whether Tehran's nuclear programme had a military dimension. "Intensive efforts were made to reach agreement on a document facilitating the clarification of unresolved issues in connection with Iran's nuclear programme, particularly those relating to possible military dimensions," said the statement. "Unfortunately, agreement was not reached on this document."



Iran also barred the IAEA team, led by the Agency's deputy director Herman Nackaerts to visit a military site in Parchin, where, there are suspicions that Iran has carried out high explosives testing related to the development of atomic weapons. IAEA chief Yukiya Amano expressed disappointment over the Iran's decision to deny the IAEA team access to the facility.

CHINA'S DEFENCE BUDGET UP TO \$100 BILLION

China has announced it will increase defence spending by 11.2 per cent in 2012, for the first time taking its annual military expenditure beyond \$100 billion as it puts in place plans to modernise its Army against the backdrop of an uncertain regional environment. The planned defence budget was announced in Beijing on Sunday as 670.274 billion yuan (\$106.39 billion), an increase of 67.604 billion

yuan over the expenditure in 2011 and an 11.2 per cent year-on-year rise. The proposed budget is expected to be approved this week when the National People's Congress (NPC), the top legislative body, begins its annual session on Monday.

IRAN READY FOR IAEA INSPECTIONS AT PARCHIN

Iran has announced that it is ready to open up its Parchin military facility for inspections by the International Atomic Energy Agency (IAEA) — a move likely to retard the growing call for military strikes against Iran's nuclear facilities. In Vienna, the office of Ali Asghar Soltanieh, Iran's permanent representative to the IAEA, issued a statement on Tuesday that the agency's inspectors could visit Parchin once an agreement was reached on the modalities for inspections. In a day of fast-paced developments, the five permanent members of the U.N. Security Council and Germany, who are demanding that Iran freeze all uranium enrichment, announced that they have accepted an offer to resume stalled nuclear talks with Tehran.

SYRIAN PRESIDENT SET 7 MAY 2012 AS THE DATE FOR ELECTIONS

In Syria, President Bashar al-Assad set 7 May 2012 as the date for parliamentary elections. This would be the third election for parliament since President Bashar Al Assad became the President of Syria in 2000. The elections would be held as per the new constitution adopted by a referendum in February 2012. As per the new constitution, Baath party will not have monopoly on power. The new charter states that the president can serve only two seven-year terms and a Supreme

Constitutional Court will oversee free and fair elections. The parliamentary elections are being considered as a response from President Assad to UN Special envoy to Syria Kofi Annan's initiative.

6.8-MAGNITUDE EARTHQUAKE IN CENTRAL PHILIPPINES

A 6.8-magnitude earthquake struck off the coast of the central Philippines in the narrow strait between the heavily populated islands of Negros and Cebu. Soil and rocks buried homes in a neighbourhood in Guihulngan City near the quake's epicentre, which had also seen heavy rain in the days before the earthquake. The powerful quake which struck near Tayasan town in the central Philippine island of Negros caused buildings to collapse, resulted in the cracking of roads and bridges, and shut down the power supply.

In Cebu city, a popular tourist destination and city of 2.3 million, hotel guests scrambled to higher floors as unfounded rumours did rounds. The worst-hit area appeared to be Guihulngan, a coastal city in Negros close to the quake's epicentre, with 39 people confirmed killed there. Another effected city Cebu is located 50 kilometres from the epicentre. Hours after the quake struck, a strong 6.2 magnitude aftershock hit the central Philippines, followed by another shock measuring 6.0. Over 200 less-powerful aftershocks were detected throughout the day.

PLASTIC BAG TAX TO BE IMPOSED IN N. IRELAND

A 5p (GBP0.05) plastic bag tax will be imposed in Northern Ireland from next year. Alex Attwood, environment minister, said "we want to demonstrate that the Northern Ireland government is dedicated to the green agenda."

INDONESIA, 157TH COUNTRY TO ADOPT THE CTBT

Indonesia became the 157th country to adopt the Comprehensive Test Ban Treaty. Indonesia formalised ratification of the nuclear test ban treaty on 6 February 2012 at the United Nations. The Association of Southeast Asian Nations (ASEAN) completed its talks on the regional weapons free zone in 2011 and the 10 member states are now completing ratification of that treaty. The Southeast Asia Nuclear Weapon-Free Zone treaty commits ASEAN's 10 member states not to develop, manufacture or otherwise acquire, possess or have control over atomic weapons.

RUSSIA AND CHINA VETOED THE UNSC RESOLUTION

Russia and China on 4 February 2012 vetoed the UN Security Council resolution for the second time in four months. The resolution condemns the Syrian regime's crackdown on public uprising and calls upon President Bashar Al Assad to abide by the Arab League time-frame for political reforms in the country. 13 members of the 15-member Security Council, including India voted in favour of the resolution. The draft resolution was prepared by European Union and Arab nations and revised amidst stiff opposition by Russia. From the original draft several major demands were dropped. The time-frame for implementation of the resolution by Syria was increased from 15 days to 21 days.

U.S. PLANS TO END AFGHAN MISSION IN 2013

NATO allies discussed on Thursday U.S. plans to end combat operations in Afghanistan in 2013 and

shift to a training mission, as the alliance seeks to wind down a war that has dragged on for a decade. U.S. Defence Secretary Leon Panetta set out the goal as he arrived in Brussels for two days of talks with NATO counterparts on the future of the mission, clouded by a leaked document showing the Taliban confident of victory. "Hopefully by the mid-to-latter part of 2013, we'll be able to make a transition from a combat role to a train and advise and assist role," Mr. Panetta told reporters aboard his plane.

CONGO WARLORD CONVICTED IN FIRST ICC VERDICT

The International Criminal Court on Wednesday convicted Congolese militia chief Thomas Lubanga of war crimes for conscripting children into his army, the tribunal's first ever verdict. Lubanga (51) was found guilty in The Hague of enlisting child soldiers as young as 11 to fight during a bloody four-year war in a gold-rich region of the Democratic Republic of Congo (DRC). Rights groups hailed the verdict, saying it sent a strong message to other warlords still using children — including fugitive Ugandan rebel leader Joseph Kony. "The chamber reached its decision unanimously that the prosecution has proved Thomas Lubanga guilty of crimes of conscription and enlisting children under the age of 15 and used them to participate in hostilities," said Judge Adrian Fulford at the ICC, set up in 2002.

GOOGLE TO DO COUNTRY-SPECIFIC CONTENT FILTERING

Less than a week after a similar move by micro-blogging site Twitter, Internet major Google has unveiled plans to make content on its blogger platform selectively available,

depending on the local rules of each country. Google is the latest entity to come out with the option to restrict online content amid a raging debate over moves by many countries, including India, to enforce regulations on the internet.

Google, which launched its blogging service — Blogger — in 1999, said the rules would be applicable in many countries, such as India, Brazil, Honduras, and Germany. It is understood that Google plans to roll it out the new system globally also. The company will now be able to restrict content in individual countries pursuant to requests by the local legal authority. The move will not require blocking worldwide access to a blog. This means, for example, that if a blog breaks an Australian law, Google can now block it in Australia but leave it up in the rest of the world, the company said.

“It will allow us to continue promoting free expression and responsible publishing while providing greater flexibility in complying with valid removal requests pursuant to local law,” the company said. Google said it was deploying a country-specific uniform resource locator (URL) scheme for its blogger platform, which will be redirected to a country-code top-level domain, or ‘ccTLD’, in the coming weeks. By utilising country-specific domain addresses, content-removal can be managed on a per-country basis, which will limit their impact to the smallest number of readers. Content removed due to a specific country’s law will only be removed from the relevant page, the company said. The move

comes after micro-blogging site Twitter last week announced that it had the ability to block content by country.

SOUTH-TO-NORTH WATER DIVERSION PROJECT NEARS COMPLETION

China’s ambitious \$80-billion project to divert waters of southern rivers to the arid north is nearing completion and will begin supplying water next year, officials have said. The project’s eastern and central routes, which will bring waters from the Yangtze river to the Yellow river, will be fully constructed in the next two years, planners told a review of the project conducted over the weekend in eastern Shandong province. Reports of the meeting were silent about long-pending proposals for a controversial western route, which has so far been stalled over environmental and technical concerns. The western route includes a plan to divert the Brahmaputra’s waters to northern China.

The south-to-north water diversion plan is one of the most ambitious construction projects embarked on by Chinese engineers, estimated to cost more than 500 billion yuan (around \$80 billion). It envisages diverting 44.8 billion cubic metres of water every year from Yangtze by 2050. The water-deprived and drought-affected north, home to 35 per cent of the population, has only seven per cent of the country’s water resources. The project will be partially completed this year and “will start supplying water in 2013”, water conservancy officials at meeting were quoted as saying by the State-run Xinhua news agency. Sun

Yifu, deputy water resources chief in Shandong, through which much of the eastern route runs, said the entire route would become operational in the first half of 2013, with 18 water supply units coming online next year and 23 others before 2015. Construction of the eastern route began in 2002, when the whole project was given approval after decades of planning. The project was first proposed in the 1950s and backed by Mao Zedong. The central route began to be built the following year. It will be completed in 2014. Officials said last year more than 440,000 people would be relocated for the eastern and central routes, bringing criticism of project’s costs. Around 100,000 people will be displaced every year until 2014. The project has also been delayed by a number of environmental problems.

Construction has not yet begun on the western route, which plans to divert water from the upper reaches of the Yangtze as well as a number of rivers on the Qinghai-Tibet plateau, including the Brahmaputra and Mekong. This plan has triggered concern among many of China’s neighbours, including India, which lie downstream of these rivers and depend on their waters. Of the western route, the Xinhua report of meeting only said construction had not begun. It, however, remains unclear whether the central government has given the green light to any of the proposed diversions, amid environmental concerns of the project’s impact on the ecologically sensitive Tibetan plateau. Chinese officials have recently ruled out diverting the Brahmaputra, or Yarlung Tsangpo as it is known in Tibet.



INDIA & THE WORLD

INDIA & AUSTRALIA

An integrated approach to supply and demand side water management is the best response to water stress and climate change, experts from Australia and India pointed out at a panel discussion. With the success story of integrated approach in the Murray-Darling basin, the Australian experience in water management is seen as a natural area of collaboration with India. "The ultimate challenge is to make rivers and lakes report card of our civilisation," said Don Blackmore, globally renowned water expert and former CEO of the Murray-Darling Commission. Other areas of cooperation, as India readies its new reforms-oriented National Water Policy, are "best practices" in water reform, setting up of institutions to deliver "managed sustainability," developing models that focus on "climate to hydrology" and in building institutional and human resource capacities. Water being a politically sensitive issue, unless there was consensus on an agreed approach, reforms would not be possible.

INDIA & CHINA

India and China decided to have maritime cooperation to build confidence. This was decided during the talks between the External Affairs Minister S M Krishna and his Chinese counterpart Yang Jiechi in New Delhi. They also discussed other important issues including the boundary dispute. The talks laid emphasis on the preparations for the summit of the five-nation grouping BRICS - Brazil, Russia, India, China and South Africa. The Summit will be held in New Delhi at the end of March.

INDIA & SAUDI ARABIA

India and Saudi Arabia discussed the World Oil Outlook in New Delhi, especially the growing demand for hydrocarbons in Asia and India during the delegation level talks between visiting Assistant Minister for Petroleum Affairs, Saudi Arabia, Abdul Aziz Bin Salman Bin Abdulaziz and RPN Singh, Minister of State for Petroleum and Natural Gas. The talks were held under the India-Saudi Arabia Energy Consultations. R.P.N. Singh

conveyed India's requirement of incremental quantities of Saudi Arabian oil imports in the years ahead considering the ongoing expansion in India's refining capacity. The Indian side also conveyed its growing requirement of LPG (Butane and Propane) considering the accelerated expansion of LPG coverage in the country's rural areas under the Rajiv Gandhi Gramin LPG Vitran Yojana (RGGLVY). India imports nearly 2 million tonnes of LPG from Saudi Arabia. Other related issues such as the imposition of arbitrary cuts imposed by Saudi ARAMCO on supply of Butane and Propane from time to time, MRPL's request for supply of crude oil on the basis of parent company guarantee instead of letter of credit, etc. were taken up with the Saudi side.

India invited Saudi participation in upcoming investment opportunities in its petroleum upstream and downstream sector including OPAL's Petrochemical project at Dahej and OMPL's Petrochemical project at Mangalore. An offer was made to the Saudi side for considering equity participation in these projects as a

strategic investor. Other proposed investment opportunities such as IOC's LNG project at Ennore, BPCL's LNG terminal at Kochi, HPCL's grass-root refinery in Vizag and IOC's petrochemical plant at Paradip were also discussed. Since both Saudi Arabia and India are prominent actors in the International Energy Forum (IEF) comprising 88 countries, which is the world's principal vehicle for the ongoing global energy dialogue, several issues related to the IEF were also discussed. The discussions between Saudi Arabia, a leading producer of crude oil and India, the world's 4th largest oil importer are significant as they come at a time of heightened uncertainty in the international oil markets. Saudi Arabia supplied 27 million metric tonnes of crude oil to India during 2010-11, making it India's largest crude oil supplier.

INDIA & SAUDI ARABIA ON DEFENCE CO-OPERATION

India and Saudi Arabia agreed to set up a Joint Working Group on Defence Co-operation during the visit of Defence Minister A.K Antony to the latter. The focus was on strengthening bilateral co-operation in the defence sector. The two sides held wide ranging talks including those on combating terrorism and piracy and co-operation in regional affairs. India opined that the situation in the Gulf region is a cause of great concern for India. It hoped the crisis will be resolved through peaceful dialogue.

INDIA & MALDIVES

Senior officials here heaved a sigh of relief that the two-month-long political confrontation in the Maldives appeared to be getting peacefully resolved despite belligerent statements

from a section of the Islamists against Mohd. Nasheed, who resigned as the country's chief executive earlier in the day. Having been in touch with all sections of the political spectrum, New Delhi would like mainstream parties to form a national government under Mr. Nasheed's deputy who has now been sworn in as President. For India which has close security and trade links with the Maldives and is now poised to provide greater developmental assistance after Prime Minister Manmohan Singh's visit during the SAARC summit, at least half-a-dozen positives emerged from the sudden turn of events.

THE MALDIVES

- The Maldives is a chain of nearly 1200 islands in the Indian Ocean, fewer than 200 of those islands are inhabited.
- It became a protectorate under the Dutch in the 17th century and then the British in the 19th century. It achieved full independence in 1965.
- President Mohamed Nasheed (below), a former political prisoner and activist, came to power in 2008 election ending 30 years of autocratic rule by Maumoon Abdul Gayoom.
- Nasheed has faced fierce political opposition, as Parliament is dominated by opposition supporters of the former President.
- Tensions escalated last month after the army arrested a senior judge the government accused of political bias, prompting street protests and his resignation.
- Mohamed Waheed Hassan Manik (left), Vice-President, has been sworn in as President. Earlier, he worked at UNICEF.

Capital island	Male
Total islands	1,190
Inhabited islands	200
Resort islands	99
Population	Approx. 350,000
Major industries	Tourism, fishing
Major religion	Islam

They are: Maldivians are themselves managing the problem, the situation is well under control with no incident of prolonged violence, the resolution is taking place under the Constitution, India's advice was considered fair and helpful and there was no repeat of the attempted coup in 1988 when foreign mercenaries tried to overthrow the government. After clashes took place and a posse of

policemen joined the supporters, the Opposition was very categorical that some sort of change in situation must take place, said officials. With India gently nudging the process, talks were held (disrupted at one time by overenthusiastic Nasheed supporters), a general agreement has been reached on the formation of a national government of both the ruling party and opposition legislators.

INDIA & MALDIVES

India handed over 20 million Dollars standby loan to Maldives in view of the difficult financial situation there. Moreover, the 50 million dollar treasury bonds owed to the State Bank of India by Maldives was extended for another year.

INDIA & THAILAND

India signed six agreements with Thailand during the visit of latter's Prime Minister Yingluck Shinawatra. These agreements are as following:

- The MoU on Defence Cooperation between India and Thailand
The MoU would help further streamline and facilitate the ongoing defence cooperation between the two countries.
- Treaty between India and Thailand on the transfer of sentenced prisoners
The treaty will enable Indians, convicted and sentenced in Thailand, to be brought to India to serve the remaining part of their sentence. Similarly, Thai prisoners serving sentence in India can be transferred to their home country.
- Second Protocol to amend the Framework agreement between India and Thailand

Under this protocol, third country invoicing would be allowed for gear boxes made in India and two-door refrigerators would be added to the list of products traded under the Early Harvest Scheme launched under bilateral FTA. This would help boost Indian exports to Thailand as well as our bilateral trade.

- (iv) Programme of Cooperation in the fields of Science & Technology for the year 2012-14
This document is under the framework bilateral agreement on S and T cooperation and covers scientific cooperation in a number of areas for the period 2012-14.

- (v) Cultural Exchange Programme between India and Thailand for the year 2012-14

This document will further deepen age-old cultural and historical ties between the two countries by promoting diverse cultural exchanges.

- (vi) MoU between ICCR and Chulalongkorn University for setting up a Chair at the India Studies Centre

This document will enable setting up a Chair at the India Studies Centre at Chulalongkorn University in Bangkok.

Besides, India and Thailand issued a joint statement. The highlights of this joint statement are as following:

- Both nations agreed to explore possibilities of collaboration between their respective oil and gas companies in Exploration and Production (E&P) opportunities in Thailand and India, as well as in third countries.
- The two leaders unequivocally condemned terrorism in all its forms and manifestations and

stressed that there could be no justification whatsoever for any act of terrorism.

- Both sides expressed their desire to further enhance their valued partnership and cooperation in the context of India - ASEAN relations.
- The two sides agreed to enhance cooperation in the United Nations and other international fora on matters of mutual interest.

INDIA & BANGLADESH

India and Bangladesh will take the first step towards revisiting the proposed Teesta river treaty when officials exchange river flow data at a technical meeting of the inter-governmental Joint Rivers Commission in Kolkata. India had put the treaty on hold after West Bengal Chief Minister Mamata Banerjee, unhappy over the treaty's provisions, pulled out of Prime Minister Manmohan Singh delegation to Dhaka last year. In case of Teesta, both sides are also thinking of involving Sikkim, the uppermost riparian State. While agreeing to put off the signing of the Teesta Treaty, Dhaka had asked New Delhi to ensure that the agreement would be examined after some time. An agreement is expected to pave the way for the signing of a similar agreement on the Feni river and five minor ones — Dudh Kumar, Manu, Khowai, Gomti and Muhuri. The sources said West Bengal or any of the other State through which over 50 rivers flow into Bangladesh will be kept in the loop while signing water sharing agreements. The States were briefed and their advice taken during negotiations on a protocol on land boundary that was signed during Dr. Singh's September 2011 visit to Dhaka. In fact, senior officials from the Foreign Office here had travelled

twice to Kolkata to brief the State government during negotiations on the demarcation of the entire land boundary and the status of enclaves and adversely possessed areas. The Centre had also obtained the written consent of States and kept its negotiating brief within the parameters of their advice, especially from the West Bengal government, on taking "pragmatic steps", which meant retaining the status quo, on enclaves and exclaves.

INDIA & COLOMBIA

India and Colombia signed a *Cultural Exchange Programme (CEP)* in New Delhi for the Years 2012-2016. The CEP was signed in conformity with the provision established in the Cultural Agreement between the Government of India and the Government of Colombia. CEP was signed in Bogota, capital of Columbia on 22 May 1974. The CEP includes areas such as Cultural Heritage, Museums, Archives, Exhibitions, Scenic Arts, Visual Arts, Cinematography, Radio and Television, Music, Libraries, Book and Literature, Creative Industries and Editorial Industry for cooperation.

Both India and Colombia shall contribute to the exchange and cooperation between institutions and organisations that deals with cultural affairs, as well as amongst cultural creators, researchers and cultural agents of the two nations. India and Colombia shall exchange visits of cultural delegations.

Both the nations have agreed to set up a joint working group to look after the implementations of their programme. The joint working group will have a meeting alternately in India and in Colombia when decided by both the nations.

INDIA & PAKISTAN

India and Pakistan agreed to extend the agreement to reduce the risk from accidents related to nuclear weapons for another five years (till 21 February 2017), in accordance with Article 8 of the agreement between the two countries. The agreement had come into force on 21 February 2007 for an initial duration of five years. The agreement on extension

was finalised during the sixth round of bilateral talks on nuclear confidence building measures held in Islamabad.

INDIA & SOMALIA

India asked Somalia to bring in a national anti-piracy legislation for investigation and prosecution of suspected pirates. Addressing the UN Security Council, India urged that

Somalia should itself give a solution to the piracy problem. Any imposition of external solutions will not work in the long run. The piracy off the coast of Somalia continues to be high and the geographic spread of pirate activities has expanded into the Red Sea, the Somali Basin and into the western Indian Ocean.

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ECONOMY

RBI PANEL'S RECOMMENDATION

The Reserve Bank of India (RBI) panel on priority sector lending proposed increment in the target (priority sector) for foreign banks to 40% of net bank credit from the current level of 32 per cent with sub-targets of 15 per cent for exports and 15 per cent for the MSE sector. In the MSE sector 7 per cent of net bank credit is to be earmarked for micro enterprises. The committee, under the chairmanship of M. V. Nair, Chairman, Union Bank of India re-examined the existing classification and suggested revised guidelines with regard to priority sector lending and related issues.

Recommendations

The panel suggested focussed lending to small farmers and micro-enterprises who are excluded from formal financial channels.

Farm Sector

The committee noted that small and marginal farmers constituting more than 80% of total farmer households in the country face exclusion from formal

financial channels. The committee suggested that the sector agriculture and allied activities be made a composite sector within the priority sector, by doing away with the distinction between direct and indirect agriculture.

It suggested fixing of the targets for agriculture and allied activities at 18 per cent. A sub-target for small and marginal farmers within agriculture and allied activities equivalent to 9 per cent is to be achieved in stages by 2015-16.

MSE Sector

The MSE sector may continue to be under the priority sector. The panel recommended a sub-target for micro enterprises within the MSE sector equivalent to 7 per cent, which also is to be achieved in stages by 2013-14. Banks, as per the report should ensure that the number of outstanding beneficiary accounts register a minimum annual growth rate of 15%.

The report called for a sub-target for micro enterprises of 7% of ANBC or CEOBE, whichever is higher to be achieved in stages by 2013-14. This

would be within micro and small enterprises (MSE) covering almost 26 million units across the country.

Housing & education loans

The loans to housing and education may continue to be under the priority sector. It suggested granting of loans for construction or purchase of one dwelling unit per individual up to ` .25 lakh, loans up to ` .2 lakh in rural and semi urban areas and up to ` .5 lakh in other centres for repair of damaged dwelling units under the priority sector.

To encourage construction of dwelling units for economically weaker sections and low income groups, housing loans granted to these individuals may be included in the weaker sections category. All loans to women under the priority sector may also be counted under loans to weaker sections. The limit under the priority sector for loans for studies in India may be increased to ` .15 lakh and ` .25 lakh in case of studies abroad, from the existing limit of ` .10 lakh and ` .20 lakh, respectively. The committee recommended allowing non-tradable

priority sector lending certificates on a pilot basis with domestic scheduled commercial banks, foreign banks and regional rural banks as market players. The panel suggested making food and agro-based processing with an initial investment in plant and machinery up to ₹20 crore eligible for loans under priority sector and that there be no ceiling for loans for units that process perishable agriculture produce.

The measure is expected to boost processing levels in India, which currently is extremely low at around 6% compared with over 30% in most Asian and Latin American developing countries. The committee feels that limit for loans for studies in India should be increased to ₹15 lakh while for studies overseas, it should go up to ₹25 lakh, from the existing limits of ₹10 lakh and ₹20 lakh respectively. According to committee, the Differential Rate of Interest (DRI) scheme has become obsolete and should be scrapped.

Bank Loans to Non-bank Financial Intermediaries

The objective of reaching out to a large number of small and marginal farmer households and micro-enterprises in defined time-frame could be supplemented by allowing bank loans to non-bank financial intermediaries for on-lending to specified segments to be reckoned for classification under priority sector, up to a maximum of 5% of ANBC or CIOBE, whichever is higher. Further, allowing non-tradable Priority Sector Lending Certificates (PSLCs), on a pilot basis, that can be only transacted between domestic scheduled commercial banks, foreign banks and RRBs, may lead to the development of a market for PSLCs, the committee feels.

BALTIC DRY INDEX PLUNGED TO ITS LOWEST LEVEL

The Baltic Dry Index, a measure of shipping costs for dry bulk goods plunged to its lowest level after it touched 647 points on 3 February 2012. The lowest level was nearly 20 points lower than the previous low of 663 points recorded during the 2008 global financial meltdown. In the past 26 years since the Baltic index came into being, the index had never slipped below 650 points. The current fall recorded on 3 February 2012 in the Baltic raised serious concerns among shipping companies. The Baltic dry index was noticed to have fallen even in January 2012 though shipping analysts had predicted a recovery for the shipping sector in 2012. Sea-borne traffic was expected to rise 20-25% in 2012 from the 1500 level in 2011. However, the sea borne traffic that plunged by more than 62% in 2012 left analysts clueless about the much-expected recovery. China had declared a week-long holiday for the lunar new year celebrations starting from 23 to 28 January 2012 and the surplus iron ore inventory in the country further reduced the demand for iron ore, affecting the struggling global shipping sector. In addition, the adverse weather conditions in Brazil and two tropical cyclones in Australia also affected iron ore shipments and port operations.

The Baltic Dry Index which has been in existence since 1744 is issued daily by the UK-based Baltic Exchange. It tracks the worldwide international shipping prices of major raw materials and dry bulk cargoes by sea, including grain, iron ore, coal and other fossil fuels. The BDI measures the shipping costs of these raw materials for four different sizes of merchant vessels on 26 different geographic routes and

averages them into one index. The index's movements are closely tracked because they reflect the demand for dry commodities from industries and consumers around the world. A higher demand for ships to transport dry cargo will obviously reflect in a strong index and vice versa. The index had dropped below 700 points in 2009, at the peak of global economic slowdown, but had since picked up and never dropped below the 1,000-mark in the past three years. In 2009, when the Baltic had slipped to record lows, western economies slipped into recession and growth slowed down in emerging countries like China and India.

FDI POLICY FOR POWER EXCHANGES

Union finance ministry urged the department of industrial policy and promotion to design a FDI policy for power exchanges on the lines of commodity exchanges. The ministry stressed upon the urgent need for clear FDI regime for power exchanges. Since power exchanges are akin to commodity exchanges, a similar structure is to be followed while designing the FDI policy for power exchange. Currently, FDI in power exchanges is not explicitly banned but the rules don't provide for foreign investment on the lines of commodity exchanges. FDI is permitted in power exchanges up to 49%.

Experts opined that a clarification is required to provide certainty and also emphasised on the need to relook at the negative list concept followed in the FDI policy as the foreign exchange management act works on positive list concept.

A recent FDI proposal from Multiples Private Equity, promoted by Renuka Ramnath, to pick up minority

stake in Financial Technologies-promoted Indian Energy Exchange (IEX) prompted the ministry's direction in this respect. The proposal was put on hold. Trading on the exchange is 100% physical delivery based and only 2% of the total generation is traded through any exchange. Currently, India has two power exchanges- Indian Energy Exchange, National Stock Exchange-promoted Power Exchange India. Policymakers are of the view that FDI policy should be rationalised and simplified to encourage overseas investment in sectors as the country needs foreign capital to support a 9% growth. Central Electricity and Regulatory Commission were till date supervising the inflows in the power sector.

TELECOM COMMISSION DECIDED TO ALLOW SHARING OF 2G SPECTRUM ONLY

The apex decision-making body of the communications ministry, the Telecom Commission decided to allow mobile phone companies to share spectrum. The Commission has however limited this facility to 2G airwaves alone. Second generation (2G) spectrum is largely used for offering vanilla voice services. The telecommunication companies cannot therefore share 3G spectrums.

The Commission also decided to introduce slew of riders to govern spectrum sharing. The riders are as follows:

- Two companies can share airwaves only if their combined holdings do not exceed the limits prescribed in the M&A norms. The Telecom Commission had recently approved sector regulator TRAI's recommendation that during mergers, the combined entity be allowed to have up to 25% of the total airwaves in the region.
- Spectrum sharing deals will also have to be renewed every five years.
- When operators share spectrum, both companies will have to pay usage charges on the total airwaves held jointly. Currently, operators share between 2% and 6% of their annual revenues based on the quantity of airwaves they hold.
- The telcos sharing spectrum must pay the government the commercial value of the airwaves it is using. It essentially means, an operator that has 4.4 MHz of airwaves, and is sharing radio frequencies with another telco that has the same amount, must pay current prices for additional 4.4 units of spectrum it is using.

NABARD INTRODUCES NEW SYSTEM FOR FARMERS

The National Bank for Agriculture and Rural Development (NABARD) has introduced a Negotiable Warehouse Receipt (NWR) system to help farmers avoid distress sale of their produces. NABARD chief general manager K.C. Shashidhar said the NWRs would enable small and marginal farmers with Kisan Credit Cards to avail post-harvest loans at concessional interest rates and store their produce in warehouses against warehouse receipts. At present, concessional loan at 7 per cent interest

is available to farmers as pre-harvest loan.

However, in the case of post-harvest loans, the farmers must pay commercial interest rates. The interest subvention being offered now would be released through NABARD for the post-harvest loans granted by cooperative banks and regional rural banks.

SESA GOA ACQUIRED GOA ENERGY PRIVATE LIMITED

Sesa Goa Limited, a majority-owned subsidiary of Vedanta Resources acquired Goa Energy Private Limited from Videocon Industries Limited in a 101 crore Rupees deal. Sesa Goa as per an agreement inked with Videocon Industries on 3 November 2011, had agreed to completely buy out Goa Energy Private Limited for the enterprise value of ` 101 crore on cash-free debt-free basis, including normative working capital of ` 2.75 crore.

Goa Energy Private Limited has under its ownership a 30-MW waste heat recovery power plant in Goa, which utilizes the waste heat and gases from Sesa Goa's coke making and pig iron facilities.

KOMLI MEDIA ACQUIRED ADMAX

Asia Pacific's leading media technology company, *Komli Media* acquired South East Asia's largest digital media network *Admax Network*. The fresh acquisition is set to provide Komli Media with the region's largest and most diverse publisher network of 4,600 local and international websites which includes Admax's exclusive sales partnership with Facebook in Thailand, Indonesia and Philippines and with MSN in Thailand.

**CIL SIGNED AGREEMENT WITH
TRADE UNIONS**

State-run Coal India (CIL) announced its decision to increase wages by 25%, which would put an additional burden of ` 6,500 crore on the public sector unit. The hike is to benefit over 3.7 lakh workers of the world's largest coal producer. An agreement was signed between its trade unions and CIL management for increase in the wages under which minimum guaranteed benefit would be 25% of gross as on 30 June 2011. The National Coal Wage Agreement was signed and will be of five years tenure with effect from 1 July 2011. Increase in basic would be 88 per cent, which will be reflected in all fixed allowances. As per the new pact, the house rent allowance in non-urban areas would be two per cent of basic per month instead of fixed amount of ` 150 a month.

**STERLITE INDUSTRIES MERGED
INTO SESA GOA**

The mining giant Vedanta merged its Indian subsidiaries, Sterlite Industries into sister concern and iron ore miner Sesa Goa. The merger is the part of company's strategy to consolidate and simplify the structure of company and eliminate cross holding. The move would also serve to improve capital structure of the company. Vedanta is a mining major led by Indian origin industrialist Anil Agarwal. Vedanta would hold 58.3 per cent in the new company Sesa Sterlite. Sesa Sterlite would hold 58.9% stake in Cairn India.

**DOMESTIC AIR CARRIERS TO
DIRECTLY IMPORT AVIATION
TURBINE FUEL**

Director General of Foreign Trade [DGFT] issued a formal notification

allowing the domestic airlines to directly import Aviation Turbine Fuel [ATF]. At present only state trading enterprises of the government are allowed to import ATF. The government's decision to allow domestic airlines to import ATF on their own would help the carriers to bring down their operating cost as the tax imposed on ATF itself put a huge economic burden on the Airlines operating in India. The tax levied on ATF by different states varies from 4% to above 32% across the country. This makes the cost of ATF in India 50% more expensive than other developing economies.

**FDI IN INDIA INCREASED BY 31%
IN 2011**

Foreign direct investment (FDI) in India went up by 31 per cent to 27.5 billion US Dollars in 2011 despite uncertain global economic slowdown and uncertainties. FDI inflows in 2010 totalled USD 21 billion. services, telecom, housing and real estate, construction and power were the sectors that attracted maximum FDI in 2011. Mauritius, Singapore, the US, the UK, the Netherlands, Japan, Germany and the UAE were found to be the major investors in India.

**PMEA PANEL PROJECTED 7.5-8%
GROWTH RATE**

The Prime Minister's Economic Advisory Panel (PMEAC) projected 7.5 - 8 per cent growth rate for the fiscal 2012-13. India is also expected to achieve a higher economic expansion if the global environment turns favourable. Indian economy was growing at over nine per cent before the financial meltdown of 2008 pulled down the growth rate to 6.7 per cent in 2008-09. The economy recorded a growth rate of 8.4 per cent in 2010-11,

which according to the CSO estimates is expected to moderate to 6.7 per cent in the current fiscal 2011-12. As per the Review of Economy (2011-12) released, the growth rate in 2011-12 is likely to be 7.1%, marginally higher than 6.9 per cent projected by the Central Statistical Organisation (CSO). Inflation was projected to moderate to 6.5% by March 2012 and 5-6 per cent in 2012-13. While the retail inflation based on Consumer Price Index (CPI) was 7.65 per cent in January, the

Sectoral Projection

- The council pegged farm sector growth at three percent as compared to 2.5 percent growth projected in the advance estimate. The farm sector had grown by seven percent in 2010-11.
- The manufacturing sector was projected to grow by 3.9 percent while construction segment is expected to expand by 6.2 percent.

As per the PMEAC's projection, strong growth in the services sector will continue with overall growth estimated at 9.4 percent for the fiscal ending 31 March 2012.

**RBI CUT THE CRR BY 75 BASIS
POINTS TO 4.75%**

The Reserve Bank of India on 9 March 2012 cut the cash reserve ratio (CRR) by 75 basis points. The CRR was cut to 4.75 per cent of their net demand and time liabilities (NDTL) effective the fortnight beginning 10 March 2012. The RBI action will inject around ` 48,000 crore of primary liquidity into the banking system. The central bank aggressively cut the CRR, the amount of cash that banks need to park with the RBI (or CRR) from 5.50 per cent to 4.75 per cent of deposits to ease the liquidity crunch being faced by banks. The central

bank had reduced the CRR from 6 per cent to 5.50 per cent of deposits in its third quarter review of monetary policy in January 2012.

FIRST NATIONWIDE ANNUAL INDIA CONSUMER PRICE INDEX RELEASED

As per the first nationwide retail inflation data released by the Centre of Statistical Office on 21 February 2012, inflation based on the all India Consumer Price Index stood at 7.65 per cent in January 2012. The annual consumer price index (CPI) data released for the first time measures retail prices in major food groups, fuel, clothing, housing and education across rural and urban India. While food and beverages reported a moderate rate of price rise of 4.11 per cent year-on-year in January, the inflation numbers for fuel and light, and clothing, bedding and footwear segments were in double-digits. Overall retail inflation in rural and urban areas stood at 7.38 per cent and 8.25 per cent in January, respectively. Consumer price inflation for rural India (CPI-R) was recorded at 7.38%, for urban India (CPI-U), it stood at 8.25%. Beginning 21 February 2012, the union government will release the nation-wide Consumer Price Index (CPI) on a monthly basis for better reflection of retail price movement as well as help the Reserve Bank take effective monetary policy steps to tackle inflation. The new CPI will eventually replace the Wholesale Price Index (WPI) for policy actions to deal with the price situation.

IIP REGISTERED GROWTH OF 6.8 %

As per the data released by the ministry of statistics and programme implementation on 12 March 2012, Indian industrial sector registered a

growth of 6.8 per cent in January 2012 on a year-on-year basis. The Index of Industrial Production (IIP) recorded a growth rate of 4 per cent growth for the period April-January 2012. Mining sector witnessed a contracted growth of 2.7 per cent in January 2012. Manufacturing sector, which makes up for the 75% of IIP, recorded an impressive growth of 8.5 per cent. Growth in Power sector and basic goods stood at 3.2 % and 1.6% respectively. Slow growth in the sectors like crude oil, refinery products, steel and cement deterred the overall growth scenario.

RBI CHANGED THE BANK RATE

The Reserve Bank of India (RBI) changed the bank rate, a medium-term signal rate after nine years. The bank rate, a benchmark rate at which RBI buys or re-discounts bills of exchange or other commercial papers eligible for purchase, was hiked with immediate effect to 9.5% from 6%. The bank rate will change whenever there is a change in the repo rate. The rate was raised with the objective to realign it with the marginal standing facility (MSF) rate as a one-time technical adjustment to link it with the main policy repo rate. Under the revised operating procedure, marginal standing facility, instituted at 100 bps above the policy repo rate, has been in operation. MSF is a special facility for banks to access overnight money up to 1% of their deposits. Banks raise this money at 9.5%.

RBI PARTIALLY LIFTED CURBS ON BANKS' FOREIGN EXCHANGE TRANSACTIONS

The Reserve Bank of India partially lifted the curbs on banks' foreign exchange transactions which it had imposed in December 2011. Several

banks, including large lenders such as State Bank of India, ICICI Bank, HDFC Bank and Axis Bank and some public sector institutions were allowed to run higher net overnight open positions (NOP) in foreign exchange. The revised NOP caps are however still way below the earlier limits banks enjoyed before the restrictions were imposed in December 2011. Banks use the open position limits to carry out proprietary trades or buy and sell dollars to meet requirements of corporate clients. The open position limits differ from lender to lender depending on the size and level of treasury activity. Open positions also help banks meet customer needs. Banks usually buy some dollars on a given day to arrange funds for a corporate that has to pay for its imports the next day. The dollar bought captured under NOP lowers the cost and ensure availability of foreign exchange. Similarly, for a corporate looking to convert its dollar external commercial borrowings into rupees, the bank sell some dollars to other banks so the client can be offered a competitive conversion price. When the RBI brought in the curbs, a uniform limit of ` 50 crore was imposed on all banks. It must be noted that though the central bank has selectively raised the NOPs for many banks in the other restrictions on forex transactions have not been lifted.

4.3% GROWTH IN INDIA'S MERCHANDISE EXPORTS IN FEBRUARY 2012

As per data released by the Commerce Ministry on 9 March 2012, India's merchandise exports in February grew only by 4.3 per cent to \$24.6 billion due to poor overseas demand. Exports in February grew at the slowest pace in three months. The poor performance in the export sector was attributed to dip in

demand for electronics, engineering and textiles goods in Europe. Imports outpaced exports and rose 20.6 per cent to \$39.8 billion in February 2012 thereby moving the trade deficit to \$15.2 billion. Imports however declined from \$40.1 billion in January 2012. Meanwhile, exports during April 2011-February 2012 registered a 21.4 per cent growth to reach \$267.4 billion, crossing \$250.46 billion in the last financial year. Imports during this period grew at a faster pace of 29.4 per cent to \$434.2 billion, widening the trade deficit to \$166.8 billion. During April 2011-February 2012 exports recorded a 21.4 per cent growth to reach \$267.4 billion, crossing \$250.46 billion reached in 2010-11. Imports during April 2011-February 2012 period grew at a faster pace of 29.4 per cent to \$434.2 billion, widening the trade deficit to \$166.8 billion during the period. The main drivers of exports during April 2011-February 2012 were engineering, petroleum products and gems and jewellery.

NEW TELECOM POLICY ANNOUNCED

The New Telecom Policy was announced by communications minister Kapil Sibal. The key policy measures are aimed at reassuring incumbent operators who had been seeking clarity in rules at a time when the government is making every possible effort to put the scam-tainted telecom sector back on track.

Salient features of New Telecom Policy

- The government decided to allow sharing of bandwidth and eased rules for mergers and acquisitions (M&As) in the telecom sector. The maximum airwaves that companies can hold, also known as

the prescribed limit, was enhanced to 8 MHz in all regions except Delhi and Mumbai, where the cap is at 10 MHz.

- The new policy favours a unified licence regime and a uniform licence fee of 8% of an operator's adjusted gross revenue (AGR) across all telecom service areas. telcos currently pay 6-10% of their AGR as license fees.
- The policy defined the exit policy permitting mergers between operators, which do not exceed 35% of the market share and 25% of the spectrum available in the sector.
- The policy allows spectrum sharing, too, though the government has refused to allow leasing and left a decision on spectrum trading for a later date. The sharing will initially be allowed for five years and could be renewed for another five on terms to be prescribed.
- Telecom regulator TRAI had recommended that telecom companies could merge their operations if the combined market share of the new entity is less than 60%.
- The department of telecom (DoT) prescribed a limit of 2x8 MHz to be assigned to a GSM service provider and 2x5 MHz for CDMA players while renewing licences for another 10 years.
- Taking into consideration the higher density in the two key metros of Delhi and Mumbai, the limit will be 2x10 MHz and 2x6.25 MHz for GSM and CDMA players, respectively.
- An operator can acquire additional spectrum beyond these prescribed limits through a

market mechanism. Operators keen to extend the licence will have to pay a fee of ` 2 crore for metro and A circles, ` 1 crore for B circles and ` 50 lakh for C circles.

RBI ISSUED CIRCULAR FOR DEPLOYMENT OF WLATMS

The Reserve Bank of India (RBI) issued the 'Draft Circular for Deployment of White Label Automated Teller Machines (WL ATMs) from non-bank entities. The central bank also announced its plans. The central bank's issuance of the draft reflected the bank's intention to accelerate the growth and penetration of ATMs in the country. ATMs rolled out by non-banks will be like White Label ATMs (WLA) and will provide ATM services to customers of all banks. WLA means ATM owned, run and maintained by third parties on a contract basis from a financial institution. The WLA operator can choose the location of the WLA. However, it will have to adhere to annual targets and the ratio of WLA between Tier I & II and Tier III-VI centres that may be stipulated by the RBI. Non-bank entities proposing to set up WLAs have to apply to the RBI seeking authorisation under the Payment and Settlement Systems Act 2007. The non-banking entities should have a minimum net worth of ` . 100 crore at the time of making the application and on a continuing basis after issue of the requisite authorisation. Being non-bank owned ATMs, the guidelines on five free transactions in a month for using other bank ATMs will not be applicable for transactions made on the WLAs. The charges for the transactions have to be displayed on the screen before the customer initiates the transaction. The WLA operator will have

to declare one Sponsor Bank, which will serve as the Settlement Bank for the settlement of all the service transactions at the WLAs. The Sponsor Bank should be a member of one of the ATM networks authorised by the RBI and also be a member of the RTGS. At present only banks are permitted to set up Automated Teller Machines (ATMs) in India. Banks have played a major role in encouraging ATM adoption and modifying behavioral strategies in the domain of personal banking.

VISA ON ARRIVAL SCHEME REGISTERED 72 % INCREASE

The number of foreigners availing Visa on Arrival (VoA) scheme registered 72 per cent increase in January 2012 as against January 2011. There were as many as 1359 foreigners, who availed themselves of the scheme in January compared with 790 in January 2011, registering a growth of 72 per cent.

As a facilitative measure to attract more foreign tourists, the Government had launched Visa on Arrival scheme in January 2010 for citizens of five countries — Finland, Japan, Luxembourg, New Zealand and Singapore. The Government had extended the scheme to four more countries — Cambodia, Indonesia, Vietnam and the Philippines from January 2011. There were total 6.81 lakh foreign tourists in India in January against 6.24 lakh during the same month in 2011, registering a growth of 9.2 per cent. January 2012 also witnessed a growth of about 50 per cent in foreign exchange earnings and 9.2 per cent rise in foreign tourist arrivals in India. Forex earnings during January 2012 were ` 8623 crore compared with ` 5,777 crore in January 2011, a growth of 49.3 per cent.

CEC SUBMITTED FINAL REPORT ON ILLEGAL MINING

The Central Empowered Committee (CEC) set up by the Supreme Court to investigate illegal mining in Karnataka submitted its final report. The committee recommended the cancellation of leases of 49 mines that have violated the terms of their licence. It also recommended the auction of these leases. The report is likely to radically change the manner in which mining is done in the country and jeopardise planned investments in steel plants in the southern state. 45 mines cleared of any wrong doing is to be allowed to mine as soon as the ban is lifted while 72 other mines will resume only after they have paid penalties. The collected fines will be used to establish a Sustainable Mining Development Fund and set up dedicated mining infrastructure for the area. The CEC agreed with a report by the Council for Forest Research and Education that had recommended capping iron ore production in Karnataka's at 30 million tonnes. The report had mentioned that 30 million tonnes was Karnataka's so-called carrying capacity, meaning that production beyond 30 million would cause irreparable damage to the environment.

ADVISORY GROUP ON ARF FAVOURED \$20 BILLION LIMIT FOR INVESTMENTS BY FIIS

A government-appointed advisory group on asset reconstruction firms that submitted its report to Finance Minister Pranab Mukherjee favoured \$20 billion limit for investments by foreign institutional investors in security receipts (SRs) issued by securitisation firms. The report of the advisory group also recommended a subcap of 10%

participation by foreign institutional investors in SRs be removed.

Security receipts are the ones issued by a securitisation company for a period of seven years to qualified institutional buyer or banks as they do not pay cash upfront. The advisory group constituted to look into the condition of ARCs, in its report recommended that reconstruction firms should be allowed to buy performing loans from banks, arrange them in groups, and issue bonds on such groups or securitise in banking parlance.

RBI rejected the proposal to allow ARCs deal with healthy assets. As per the RBI ARCs should only play the role of resolving only NPAs in the system and should not be allowed to deal in healthy assets. The committee however suggested that ARCs can hold these assets through Special Purpose Vehicles (SPVs), which will be regulated according to RBI guidelines. ARCs came into business after the government passed the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The primary purpose of an ARC is to help the banking system get rid of NPAs to avoid crisis in the financial system. The ARCs function by buying non-performing assets (NPAs) from banks and financial institutions at a discount (mutually agreed upon) through a trust following which it recovers the outstanding amount, and earns a fee for managing the trust. The ARCs however did not manage to taken off in India. The pace of new bad loans with banks far exceeded the amount transferred to ARCs. between March 2009 and March 2010, even as bad loans with banks increased by ` 15774 crore, transfers to ARCs stood only at rs 10675 crore. Credit rating agency Crisil's report in September 2011 projected

gross non-performing assets (NPAs)- essentially, bad loans outstanding to touch 3% of assets in March 2012, against 2.3% in March 2011.

TRAI TO ACT LIKE A CIVIL COURT

The apex decision-making body of the communications ministry cleared the proposal to enable the Telecom Regulatory Authority of India (TRAI) to act like a civil court. The communication ministry's decision to approve the proposal resulted in more powers for the watchdog. TRAI was thus put at par with the Securities and

Exchange Board of India and the Competition Commission of India. TRAI had been argued that transferring the spectrum mandate to it would ring in more transparency. With the power to act like a civil court it would be able to carry out regular audits and ensure this scarce national resource is used optimally. TRAI's new powers are mentioned in the upcoming National Telecom Policy 2012. The telecom regulator can thus now summon persons, examine them on oath, demand documents and evidence on affidavits and, in appropriate cases, call

for expert assistance in conducting. The Telecom Commission took a broad decision that the regulator, TRAI must be strengthened and must be empowered to discharge its duties. TRAI had been demanding additional powers since 2006, but its requests were spurned by former telecom ministers A Raja and Dayanidhi Maran.

It was however not clarified whether TRAI would be permitted to penalise operators for non-compliance of the terms and conditions of their licence.

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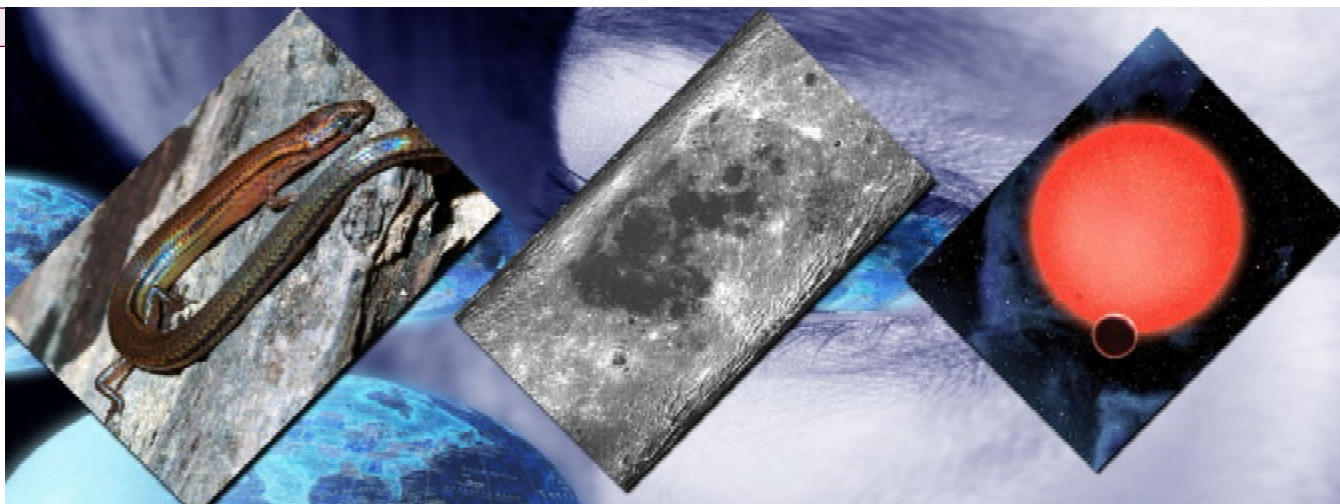
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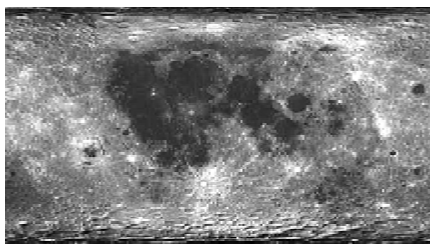
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SCIENCE AND TECHNOLOGY

'WORLD'S HIGHEST RESOLUTION' LUNAR IMAGES RELEASED

China recently released a set of "world's highest resolution" lunar images taken by its second moon orbiter, Chang'e-2, as it braces to launch its next mission to land a rover to explore its surface. China's State Administration of Science, Technology and Industry for National Defence (SASTIND) recently published a set of full coverage map of the Moon and its images with a resolution of seven meters captured by Chang'e-2.



The map and images are the world's highest-resolution lunar images ever published that cover all of the moon, state runs Xinhua news agency quoted Liu Dongkui, deputy chief commander of China's lunar probe project. The images were photographed

by a charge-coupled device (CCD) stereo camera on Chang'e-2 from the heights of 100 km and 15 km over the lunar surface between October 2010 and May 2011, the SASTIND statement said.

EXCESS SUGAR INTAKE, HARMFUL

It may not be providing any nutritional benefits, but added sugar does plenty of harm. There is a great body of scientific evidence that proves the harmful effects of sugar when the intake is in excess. Most importantly, consumption of excess sugar goes beyond increasing body mass or obesity. And obesity is not the only reason why people develop diseases/conditions that constitute the metabolic syndrome — diabetes, hypertension, lipid problems, cardiovascular diseases, and non-alcoholic fatty liver disease. Insulin is the vital hormone required for storing excess sugar as glycogen in the liver, fat in the adipose tissue and in the muscles. Insulin is also required for breaking down the stored glycogen/fat into glucose when a person is hungry or fasting. This two-way conversion stands compromised in individuals with

insulin resistance. The growing scientific evidence, both epidemiological and mechanistic, very clearly shows that excess sugar induces "all of the diseases associated with the metabolic syndrome." Fructose in sugar increases uric acid levels. It can also increase blood pressure in some individuals. Uric acid is a waste product resulting from the metabolism of food. Fructose exerts toxic effects on the liver "similar to those from alcohol."

ANTARCTIC SUBGLACIAL LAKE REACHED

A Russian team has succeeded in drilling through four kilometres (2.5 miles) of ice to the surface of a mythical subglacial Antarctic lake which could hold as yet unknown life forms, reports said Monday.

Lake Vostok is the largest subglacial lake in Antarctica and scientists want to study its eco-system which has been isolated for hundreds of thousands of years under the ice in the hope of finding previously unknown microbiological life forms. Valerie Masson-Delmotte of the climate and environment laboratory at the French Atomic Energy Commission, said Lake

Vostok was of particular interest as it had been formed over the course of 400,000 years. RIA Novosti said that the possibility that the lake existed had first been suggested by a Soviet scientist in 1957.

Scientific research drilling in the area started in 1989 and the lake's existence was confirmed only in 1996.

SALT-LOVING WHEAT COULD EASE FOOD CRISIS

Plant scientists on Sunday said they had bred a strain of wheat that thrives in saline soils, boosting the quest to feed Earth's growing population at a time of water stress and climate change. Durum wheat with a salt-loving gene had yields which were up to 25 per cent greater than ordinary counterparts, according to trials carried out in highly saline fields.

The gene, called TmHKT1;5-A, helps remove sodium from the water that is transported from the plant's roots to the leaves, said a research team led by Matthew Gilliam of the University of Adelaide, southern Australia. Spotted in a scan of ancestral wheat strains, TmHKT1;5-A was inserted into a commercial strain by traditional cross-breeding, not through genetic engineering, which is contested in many countries. Durum wheat — *Triticum turgidum* — is used for making pasta, bulgur and couscous. It is more salt-sensitive than bread wheat (*Triticum aestivum*).

By some estimates, world food requirements will soar by 70 per cent by 2050 as the planet's population rises from seven billion today to nine billion. The challenge will be made even tougher by the impact of climate change on rainfall patterns.

WHITE RICE INTAKE INCREASES RISK OF TYPE II DIABETES

Each serving of polished rice a day increases the risk of Type II diabetes by 11 per cent, according to a study being published today (Friday) in the *British Medical Journal*. Polished rice is commonly called white rice, and one serving refers to nearly 160 grams.



"Higher consumption of white rice is associated with a significantly increased risk of Type 2 diabetes, especially in Asian (China and Japan) populations," wrote the authors from the Harvard School of Public Health, Boston. The conclusion was based on a meta-analysis of 3,52,384 people who were followed up for four to 22 years. The participants were from China, Japan, the United States and Australia.

HOMININ GENOME SEQUENCED

Scientists in Germany said recently they have sequenced nearly all the genome of the Denisova people, an extinct human-like species contemporary with the Neanderthals. The work by the Max Planck Society's Evolutionary Anthropology Institute in Leipzig is the first time that full genetic data has been obtained about any of the archaic hominins which roamed the earth until they were displaced by modern people. Svante Paabo, leader of the team, said, "We hope biologists will use this genome to track down genetic changes that were important in the development of modern humans' culture and technology." The group

worked with less than 10 milligrams of DNA from the finger bone of a female. The bone fragment, found in the Denisova Cave in Siberia in debris 30,000 to 50,000 years old, was the first evidence of the existence of the vanished species.

NIRBHAY LIKELY TO BE TEST-FIRED IN APRIL

The Defence Research and Development Organisation (DRDO) has developed a new sub-sonic cruise missile called Nirbhay (Fearless in Sanskrit), which may be test-fired in April. This is the first time that India has developed a cruise missile that will travel at a sub-sonic speed (less than the speed of sound). India and Russia have jointly developed BrahMos, a supersonic, cruise missile, which travels for 290 km at 2.8 Mach (2.8 times the speed of sound). Nirbhay has many technologies derived from Lakshya. The maximum speed of Lakshya is 0.65 Mach. Nirbhay is India's equivalent of Tomahawk, a long-range, sub-sonic cruise missile, developed by the U.S. Nirbhay is a two-stage, surface-to-surface missile. While a booster engine would "kick the first stage" from the ground, the second stage has a turbo-prop engine, akin to an aircraft's. It can carry multiple payloads and engage several targets. "Even if there are multiple targets, it can pick out a target and attack it. With a range of more than 750 km, Nirbhay can remain in the air for a long time. Capable of flying at the height of a tree (so, it is known as "tree-top missile), it can soar to a minimum of 10 km and a maximum of 50 km.

The DRDO will also soon test-fire Helina, the helicopter-fired version of Nag, the third-generation anti-tank missile. Helina is a portmanteau term, standing for helicopter and Nag (the

cobra). Nag has 'fire and forget' and 'top attack' capability. Carrying an eight-kg warhead, it has an infra-red seeker and can destroy enemy tanks four km away. Based on the information available from the target, Helina will lock on to it midway through its flight and zero in on to it.

A modified version of Arjun-Mark I main battle tank will prove its mettle by firing a LAHAT missile from an Army range this month. The LAHAT (Laser Homing Attack or Laser Homing Anti-Tank missile) is a third-generation semi-active low-weight anti-tank missile. This version was fired from the Arjun tank in 2004. The Combat Vehicles Research and Development Establishment, a DRDO facility at Avadi, designed and developed the Arjun.

NEW TECHNIQUE TO RUN ULTRA-FAST INTERNET

Researchers in the second week of March 2012 invented fibre-optic technology, under a project called Sardana to run ultra-fast Internet. It demonstrated speed of upto 10 Gigabits per second (Gbps), around 2000 times faster than today's fastest Internet speed. The research showed that by using existing fibre infrastructure Internet's speed could be increased. Within next three years, yearly global internet traffic will be measured in Zettabytes(one trillion Gigabytes), which is a four-fold increase from today. You Tube and Netflix will have most of the traffic.

TWO GENES LINKED TO PARKINSON'S IDENTIFIED

Scientists identified at least two genes, NACP and MAPT linked to Parkinson's disease, a finding which may pave the way for better treatments for

the second most prevalent neurological condition after dementia. The two genes are related to protein accumulation in the brains of people with Parkinson's disease and can indicate how quickly the disease will progress in a person. The study showed that these two genes could be used as a surrogate marker to estimate the rate of Parkinson's disease progression, with positive predictive values of 94 to 100 per cent for certain genotypes.

WATER ON THE PLANET CALLED GJ1214B DISCOVERED

Researchers at the Harvard Smithsonian centre for Astrophysics discovered that the planet GJ1214b was largely covered in water. They used Hubble Space Telescope to discover the water on planet. GJ1214b was discovered in 2009 by the ground-based MEarth Project. GJ1214b was described as a super-Earth. It is approximately 2.7 times Earth's diameter and weighs almost 7 times as much.



This presence of water on the planet was confirmed when it crossed in front of its host star. The light of the star, filtered through the planet's atmosphere, provided clues to the mix of gasses, supporting the water vapor theory.

LAKSHYA-1 TEST-FLIGHT

India's indigenously developed micro-light pilotless target aircraft 'Lakshya-1' was successfully test-flown from the Integrated Test Range at

Chandipur, as part of a routine trial. Lakshya-1, fitted with an advanced digitally controlled engine, was once again test-flown at about 1.10 p.m. from a mobile launcher.

DRDO CONDUCTED TEST OF INTERCEPTOR MISSILE SUCCESSFULLY

DRDO conducted a successful test launch of the interceptor missile. DRDO's Air Defence Missile AAD-05 successfully hit the ballistic missile and destroyed it at a height of 15 kms off the Coast of Orissa near the Wheelers Island. A modified Prithvi missile mimicking the ballistic missile was launched at 1010 hrs from ITR Chandipur. Radars located at different locations tracked the incoming ballistic missile. Interceptor missile was ready to take-off at Wheelers Island. Guidance computers continuously computed the trajectory of the ballistic missile and launched AAD-05 Interceptor Missile at a precisely calculated time. With the target trajectory continuously updated by the radar, the onboard guidance computer guided the AAD-05 Interceptor Missile towards the target missile. The onboard radio frequency seeker identified the target missile, guided the AAD-05 Interceptor Missile close to the target missile, hit the target missile directly and destroyed it. Warhead also exploded and destroyed the target missile into pieces. India is the fifth nation to have these ballistic missile defence capabilities in the world.

SCIENTISTS TRANSFORMED SKIN CELLS DIRECTLY INTO BRAIN CELLS

Scientists recently transformed skin cells directly into brain cells. This scientific finding could bypass the need for stem cells. Stem cells can be turned

into any other specialist type of cell ranging from brain to bone. Therefore, these cells are used in a range of treatments. Alternatively, skin cells can be reprogrammed into induced stem cells. These could be made from a patient's own cells and transformed into the required cell type. However, the process can activate cancer-causing genes. Therefore, the scientists are trying to convert a person's own skin cells into specialist cells.

BISONS ADAPTED TO CLIMATE CHANGE

Ancient bison bones discovered at a Canadian goldmine are helping unravel the mystery about how animals adapt to rapid environmental change, a study reveals. The 30,000-year-old bones were unearthed by University of Adelaide researchers, which helped them analyse special genetic modifications (epigenetic changes) that turn genes on and off without altering the DNA sequence itself. Epigenetic changes can occur rapidly between generations, even without going through standard evolutionary processes. Such epigenetic modifications (the effect of environment on genes) could explain how animal species are able to respond to rapid climate change.

POTENTIALLY HABITABLE PLANET DISCOVERED

International astronomers said on Thursday they have found the fourth potentially habitable planet outside our solar system with temperatures that could support water and life about 22 light-years from Earth. The team analysed data from the European Southern Observatory about a star known as GJ 667C, which is known as an M-class dwarf star and puts out

much less heat than our Sun. However, at least three planets are orbiting close to the star, and one of them appears to be close enough that it likely absorbs about as much incoming light and energy as Earth, has similar surface temperatures and perhaps water. The new rocky planet, GJ 667Cc, orbits its star every 28.15 days — meaning its year equals about one Earth month — and has a mass at least 4.5 times that of Earth, according to the research published in *Astrophysical Journal Letters*. Other planets circling the same star could include a gas-giant and an additional super-Earth.

A VACCINE TO TREAT BREAST CANCER

Scientists developed a vaccine to treat breast cancer, using a patient's own cells. The cells were modified in the laboratory in such a way that the immune system could detect the cancerous cells as foreign and attack them. The patients were given four weekly injections of their personalized vaccine. The pre-vaccination samples were compared with post-vaccination samples by the scientists and it was found that five patients almost 20 years old had no disease, which proved that their immune system had wiped out the tumour. The scientific experiment showed that the breast cancer vaccines developed in this way could be effective against breast cancer. The scientific findings were published in the *Journal of Immunotherapy*.

HUMAN SHOCK ABSORBER FOUND

In a pioneering research, scientists claim to have discovered human “shock absorber” which they say performs the same function in people as shock absorbers do in a car. An international

team, led by the University of Sydney, has, in fact, found the molecular structure in the body which functions as human “shock absorber,” the *Proceedings of the National Academy of Sciences* reported. The scientists say the discovery of the molecule can be used on designing improved versions of a human blood vessel and on repairing skin damage, including burns, and can also be applied to treating cardiovascular disease and emphysema, a lung disease which primarily causes shortness of breath. In fact, the team dissected a key part of the molecule in elastin, the protein that keeps tissues such as skin, lungs and blood vessels elastic during normal processes such as body movement, breathing and blood circulation. “This finding will benefit our work on designing artificial blood vessels that use replicas of human elastin, to repair and replace human blood vessels, with implications for the treatment of cardiovascular disease.

NEW IRIDESCENT LIZARD, SEA SNAKE SPECIES DISCOVERED

A new species of lizard with striking iridescent rainbow skin, a long tail and very short legs has been discovered in the rainforest in northeast Cambodia, conservationists announced.



Scientists named the skink *Lygosoma veunsaiensis* to honour the Veun Sai-Siem Pang Conservation Area in Rattanakiri province where it was

found, Conservation International (CI) said in a statement. The lizard was discovered in 2010 in the remote and little-explored rainforest area during biological surveys led by Fauna & Flora International (FFI) in partnership with CI, the group said. The lizard was the third new species in the last two years to be found in Veun Sai, following the discovery of a new type of bat and a gibbon. Scientists have discovered a new species of sea snake in the Gulf of Carpenteria, a shallow sea enclosed on three sides by Australia, which they claim could provide important clues about evolution. The snake, which is unique in having raised scales, has been given the scientific name *Hydrophis donaldii* and the common name “rough-scaled sea snake” to reflect the scalation, says a team at the University of Queensland.

TEST TUBE HAMBURGERS TO BECOME A REALITY

Scientists have claimed they would serve the world's first test tube hamburger this October. A team, led by Prof Mark Post of Maastricht University in the Netherlands, says it has already grown artificial meat in the laboratory, and now aims to create a hamburger, identical to a real stuff, by generating strips of meat from stem cells. The finished product is expected to cost nearly 220,000 pounds, *The Daily Telegraph* reported. Although it is possible to extract a limited number of stem cells from cows without killing them, the scientists say the most efficient way of taking the process forward would still involve slaughter. Each animal will be able to produce about a million times more meat through the lab-based technique than through traditional method of butchery.” According to the scientists,

making a complete burger will require 3,000 strips of muscle tissue, each of which measures about three cm long by 1.5 cm wide, with a thickness of half— a—millimetre and takes six weeks to produce. The meat will then be ground up with 200 strips of fat tissue, produced in the same way, to make a hamburger. To produce the meat, stem cells are placed in a broth containing vital nutrients and serum from a cow foetus which allow them to grow into muscle cells and multiply up to 30 times.

CIRCADIAN RHYTHMS LINKED TO SUDDEN CARDIAC DEATH

A fundamental discovery reported today (February 23) in *Nature* uncovers the first molecular evidence linking the body's natural circadian rhythms to sudden cardiac death. Ventricular arrhythmias, or abnormal heart rhythms, are the most common cause of sudden cardiac death: the primary cause of death from heart disease. They occur most frequently in the morning waking hours, followed by a smaller peak in the evening hours. While scientists have observed this tendency for many years, prior to this breakthrough, the molecular basis for these daily patterns was unknown. The discovery will be the first step towards new diagnostic tools and therapies to prevent or treat the occurrence of this fatal event. The research team led by Case Western Reserve University School of Medicine discovered that a novel genetic factor, Kruppel-like Factor 15 (KLF15), links the body's natural circadian rhythm to, and regulates the heart's electrical activity. A lack or excess of KLF15, causes a loss or disruption in the heart's electrical cycle and greatly increases susceptibility to arrhythmias. A lack of KLF15 is seen

in patients with heart failure, while its excess causes electrocardiography (ECG) changes such as those seen in patients with Brugada syndrome, a genetic heart rhythm disorder. With this understanding, scientists can propose new patient treatments with the goal of reducing incidences of sudden cardiac death. This landmark finding proves that circadian rhythms are an important factor in sudden cardiac death.

In addition, it raises the possibility that additional factors may affect the occurrence of sudden cardiac death.

NOVEL TECHNIQUE USING STEM CELLS REVIVES DAMAGED EYE

Treating blindness caused by burns using limbal stem cells harvested from the undamaged eye of the same patient has now become cheaper, easier and safer. Results of a pilot study of the SLET (simplified technique of limbal transplantation) technique conducted at L.V. Prasad Eye Institute on six patients, and published recently in the *British Journal of Ophthalmology* provides the proof. Blindness arises when burns permanently damage the limbal stem cells found in the eye and causes loss in corneal transparency. In such cases, the stem cells are harvested from the healthy eye and transplanted to the damaged eye. There are currently two ways of using limbal stem cells to cure blindness caused by burns. One is to directly transplant the stem cells to the damaged eye. The other technique — cultivated limbal epithelial transplantation (CLET)— is to remove a smaller portion (2 mm by 2 mm) of the limbus containing the stem cells and increase (expand) the cells in the laboratory and then transplant them to the damaged eye. While both methods are good at restoring vision in the

damaged eye, they have their own disadvantages. In the case of direct transplantation — CLAU (conjunctival limbal autografting), almost 50 per cent of the limbus (6 mm to 8 mm length of the limbus), has to be removed from the healthy eye. Excess removal of stem cells from the healthy eye can permanently damage it.

The new technique (SLET) developed recently by Dr. Sangwan and his team at the Institute and Dr. Sheila MacNeil at the University of Sheffield, UK combines the best of both methods. While only a small portion of the tissue is removed from the healthy eye (as in the case of CLET), the stem cell expansion takes place not in the lab but in the damaged eye itself. This ensures that the healthy eye is never damaged, the procedure is cheaper and there is less risk of contamination (as the expansion does not take place in a lab). “It would cost only half the earlier procedure (CLET),” he stressed. The procedure is quite simple and takes about an hour to perform. In this, the damaged eye is first cleaned and an amniotic membrane is pasted on the cornea using biological glue. The 2 mm by 2 mm limbal tissue harvested from the healthy eye is then cut into eight to nine pieces and placed them on the membrane. Glue is then applied on the cut limbal tissue so that it sticks to the membrane. The eye is then bandaged using soft contact lens.

HUMAN ACTIVITY REVERSES SPECIES DIVERSITY

Plant and animal species diversify to occupy specific environmental niches created by several ecological factors. But can a reduction or elimination of environmental niches force the otherwise diversified species to come together and hence resulted in

a reduction in species diversity? A study published today (February 16) in *Nature* proves that reversal in species diversity can indeed result when different environmental niches in a given system, say lakes, are reduced or removed. The study highlights the case of whitefish species seen in 17 Swiss lakes.

COLD AIR NOT GOOD FOR HEART

People with heart disease may not be able to compensate for their bodies' higher demand for oxygen when inhaling cold air, according to Penn State researchers, making snow shovelling and other activities dangerous for some. “This study can help us understand why cold air is such a trigger for coronary events,” said Lawrence I.



Sinoway, Distinguished Professor of Medicine and director of the Heart and Vascular Institute, Penn State College of Medicine in a press release. Breathing cold air during exercise can cause uneven oxygen distribution throughout the heart. But a healthy body generally corrects for this problem and redistributes blood flow, making sure the heart continues to function properly. In people with heart problems — such as coronary artery disease — this may not be the case, said Sinoway.

SMELLING THE ROSES WITH ONE'S EYES

A new study reveals for the first time that activating the brain's visual cortex with a small amount of electrical stimulation actually improves our sense of smell. The finding was published in the *Journal of Neuroscience*. “In particular we wanted to test the idea that activation of brain regions primarily dedicated to one sense might influence processing in other senses. We found that electrically stimulating the visual cortex improves performance on a task that requires participants to identify the odd odour out of a group of three.” “This study shows that on a basic level the brain structures involved in different senses are really quite interconnected in everyone. This ‘cross-wiring’ of senses is found in people with synesthesia, a condition in which people

see the colour of numbers or smell words, or hear odours for example,” says Dr. Johan Lundstrom at Monell Chemical Senses Center. TMS (transcranial magnetic stimulation) was directed towards the visual cortex to improve visual perception. Since TMS alters brain activity

in a targeted area, it provides a powerful test of the hypothesis that visual cortex activation changes olfactory perception.

LIFE BEGAN ON LAND, NOT SEA

A new study claimed that the theory proposed by Charles Darwin on life's origin was right. Darwin proposed that the life originated on land in a pond and not in the oceans. The study by researchers at the Osnabruck university in Germany found that the first primitive cells might have originated in pools of

condensed vapour. This was caused by underground hot water. The study challenged the prevalent view that life originated in the sea. The study was based on the analysis of key rock chemicals in ancient inland and marine habitats. It was compared with the genetic reconstruction of Earth's first cells. The scientists discovered that the oceans did not contain the best balance of ingredients to support life.

Miller's Grizzled Langur found in Indonesia

Scientists rediscovered a large grey monkey-the Miller's grizzled langur- in the dense jungles of Indonesia. The monkey was believed to be extinct. The monkey has black face framed by a fluffy, Dracula-esque white collar.

It has hooded eyes and a pinkish nose and lips.

The animal one roamed the north-eastern part of Borneo, as well as the islands of Java and Sumatra and the Thai-Malay peninsula.

The area once the habitat of these monkeys had been destroyed by human encroachment, conversion of land for agriculture and mining and fires.

Smart Paint for Structural Safety

An innovative, environment- friendly, low-cost smart paint that, using nano-technology, can detect microscopic faults in wind turbines, mines and bridges before structural damage occurs is being developed.

Livestock, not gazelles, drive FMD outbreaks

There is evidence which supports the view that Mongolian gazelles are not the reservoir of foot-and-mouth disease (FMD), a highly contagious viral disease that threatens wildlife and livestock in Asia, but livestock in Mongolia.

implications for identifying when dune landscapes may reach a tipping point under climate change, going from grazing land to barren desert.

Mouse to elephant in 24 million generations

Scientists have for the first time measured how fast large-scale evolution can occur in mammals, showing it takes 24 million generations for a mouse-sized animal to evolve to the size of an elephant.

Music training impacts the ageing process

Age-related delays in neural timing are not inevitable and can be avoided or offset with musical training, says a study, the first to provide biological evidence of lifelong musical experience's impact on the aging process.

Ant colonies use odour to compete with rivals

A new study has shown that weaver ants share a collective memory for the odour of ants in rival nests, and use the information to identify them and compete, like sports fans knowing each other by their colours.

Testosterone lessens cooperation

Testosterone makes us overvalue our own opinions at the expense of cooperation, new research has found.

Ocean once covered part of Mars

ESA's Mars Express has returned strong evidence for an ocean once covering part of Mars. Using radar, it has detected sediments reminiscent of an ocean floor.

Cuttlefish's most acute polarisation vision

Cuttlefish have the most acute polarisation vision yet found in any animal, researchers at the University of Bristol have found, by showing them movies on a modified LCD computer screen to test their eyesight.

Volcanic eruptions caused Little Ice Age

An unusual, 50-year-long episode of four massive volcanic eruptions led to the Little Ice Age (1275-1300 A.D). The sea ice expanded and the Atlantic currents weakened after the eruptions.

Biological computer deciphers images

Scientists have developed a 'biological computer' made entirely from biomolecules that is capable of deciphering images encrypted on DNA chips.

Easily tracking down misplaced objects

IPURSE is a mobile platform that keeps track of tiny RFID (radio frequency identification) tags stuck to or inserted into personal possessions such as mobile phone, camera, etc and helps locate them if they are misplaced or lost.

Hydrogen molecules

Hydrogen molecules may act as a kind of energy sink that strengthens the magnetic grip that causes sunspots.

Unifying mechanism for dune patterns found

In a study, a unifying mechanism to explain dune patterns was found, holding

Shedding light on the evolution of plants

A crucial step in plant evolution gave rise to the plastid, which is the specialized

compartment where photosynthesis takes place in cells. This happened 2.4 billion years ago.

Rare element detected in three ancient stars

Researchers have detected the element tellurium for the first time in three ancient stars. They found traces of this element — which is very rare on Earth — in stars that are nearly 12 billion years old.

PET for more accurate breast cancer diagnosis

A molecular imaging technique with whole-body positron emission tomography (PET) provides a non-invasive means of capturing estrogen receptor expression in estrogen receptor-positive metastatic breast cancer.

Used water disposal in shale gas extraction

There are environmental concerns in extracting natural gas from shale. Water injected into the shale picks up selenium, arsenic, iron, salt and even radioactive particles. The water has to be disposed of properly.

Satellite reveals sea turtle feeding hotspots

Satellite tracking of threatened loggerhead sea turtles has revealed two previously unknown feeding hotspots in the Gulf of Mexico — important habitats for at least three separate populations of the turtles.

Sugary solution to Alzheimer's disease

Slowing or preventing the development of Alzheimer's disease may be as simple as ensuring a brain protein's sugar levels are maintained.

Dictating human weight, energy levels

Researchers have discovered a key cellular mechanism that may help the brain

control how much we eat, what we weigh, and how much energy we have.

Modified bone drug in fight against malaria

A chemically altered osteoporosis drug may be useful in fighting malaria. The drug readily crosses into the red blood cells of malaria-infected mice and kills the malaria parasite.

Arctic sea ice decline linked to snowy winters

Further evidence found of a relationship between melting Arctic sea ice and widespread cold outbreaks in the Northern Hemisphere could be used to improve seasonal forecasting of snow and temperature anomalies.

Finding explosives from far with laser beams

A new method has now been developed to detect chemicals inside a container over a distance of more than a hundred metres. Using laser light, the contents of a nontransparent container can be analyzed without opening it.

Coral reefs are affected by overfishing

The loss of predatory fish leads to an explosion in sea urchin populations. Excessive grazing by sea urchins damages the reef structure and reduces the extent of crustose coralline algae, which are crucial for reef growth.

Zebrafish

The way zebrafish regenerate damaged retinas after injury suggests new strategies to be used in humans with reversible conditions.

Integrating microbes into climate models

The models used to understand how Earth's climate works include thousands of different variables from many scientific fields. Microbiology is the latest field.

Good aerobic capacity promotes learning

Aerobic fitness has a favourable effect on cognitive functions. An increase in physical activity raises both aerobic capacity and learning ability in both humans and animals.

Foraging bumblebees cued by honeybees

Bumblebees can use cues from their rivals, the honeybees, to learn where the best food resources are, demonstrating that social learning is not a unique process limited to members of the same species, says a study.

Large Hadron Collider's beam energy in 2012

CERN, the European Organization for Nuclear Research, has stated that the Large Hadron Collider will run with a beam energy of 4 TeV this year, 0.5 TeV higher than in 2010 and 2011 to deliver maximum possible amount of data.

First map to show CO over the whole sky

The first map to show carbon monoxide over the whole sky has been made by the Planck mission. Astronomers can use carbon monoxide to identify the cold clouds of hydrogen where stars are born.

Circadian rhythms help plants battle insects

Plants whose clocks were in phase with those of insect pests were relatively resistant, whereas the plants whose clocks were out of phase were decimated by the insects feeding on them, according to a study.

Ferroelectric nanostructures

A 'soft template infiltration' technique fabricates free-standing piezoelectrically active ferroelectric nanotubes and other nanostructures.

How good cholesterol turns bad

How cholesteryl ester transfer protein mediates transfer of cholesterol from 'good' high density to 'bad' low density lipoproteins has been explained.

Paulinella chromatophora

Focusing their research on a type of amoeba called Paulinella chromatophora, scientists have homed in on three of the P. chromatophoratransferred genes, which encode proteins involved in photosynthesis.

Universal Vaccines

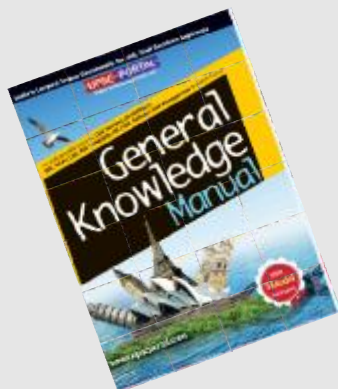
'Universal' vaccines, so named for their effectiveness against several flu strains, could for the first time allow for the effective, wide-scale prevention of flu by limiting the influenza virus' ability to spread and mutate.

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SPORTS

CRICKET

AUSTRALIA WON CB TRIANGULAR SERIES

When it mattered most, the Australians held their nerve in the cauldron. They also played the key moments of the decider better. Defending a modest target of 231, the host finished at the right end of a tense game to triumph 2-1 in the Commonwealth Bank ODI triangular series finals at the Adelaide Oval on Thursday. In the end, only 16 runs separated Sri Lanka from Australia. Prior to this Australia won the 1st final, while Sri Lanka came triumphant in the 2nd. The 3rd team of this tournament was India.

INDIA DROPS TO THIRD

World champion India dropped a place to third in the Reliance ICC ODI Championship cricket table after its dismal performance in the tri-series in Australia. Australia, however, stayed on course to retain the ICC ODI Championship shield after defeating Sri Lanka by 16 runs in the third and last

match of the best-of-three finals in Adelaide on Thursday, while South Africa is second.

PAKISTAN WON ASIA CUP

Pakistan defeated host Bangladesh to lift Asia Cup Cricket Trophy on 22 March 2012. In a closely contested match at Sher-e-Bangla National Stadium Bangladesh fell short by 3 runs while chasing the target of 237. Mushfiqur Rehman led Bangladesh team was for the first time in its cricketing history reached to final of a big tournament. Pakistan squad was led by Mishbah Ul Haq.



The two teams defeated India and Sri Lanka to make it to the final. Asia Cup tournament which started in 1984, is held on every two year. The

tournament sees participation of all four test playing nation in the continent. India who was the winner of maiden Asia Cup Trophy in 1984 has claimed the trophy for five times. Sri Lanka and Pakistan have lifted the trophy for 4 and 2 times respectively.

INDIA GONE PAST 320 IN LESS THAN 40 OVERS

Sent into bat, Sri Lanka scored a huge 320 for the loss of four wickets against India in the penultimate one-dayer of the cricket tri-series in Hobart on Tuesday. Tillakaratne Dishan scored an unbeaten 160, while Kumar Sangakkara made 105. Nobody at the Bellerive Oval gave them a chance of chasing down Sri Lanka's gargantuan 320 for four, let alone doing it in less than 40

overs to earn the bonus point and keep alive their hopes of making it to the finals. However, the Men in Blue did it in style thanks to Virat Kohli, who blasted an unbeaten 133 off 86 balls. With cameos from the other four specialist batsmen, India did the

unthinkable by achieving the target off just 36.4 overs.

PAKISTAN COMPLETES A CLEAN SWEEP

Pakistan's bowlers sealed an emphatic 71-run win in the third and final Test against England, inflicting a 3-0 humiliation on the Englishmen. Pakistan won the first Test here by 10 wickets and the second at Abu Dhabi by 72 runs. Set a daunting 324-run target, England was bowled out for 252 with paceman Umar Gul taking four for 61 and off-spinner Saeed Ajmal (four for 67) to help Pakistan achieve a first-ever Test clean sweep against its opponent. Pakistan has become the first team to win a Test after being bowled out for under 100, since 1907, when England, shot out for 76, beat South Africa at Leeds. It was England's seventh series whitewash and its first at the hands of Pakistan. Pakistan has now recorded five series whitewashes, its last coming against Bangladesh in 2003.

England's last series whitewash came in 2007 when it was routed by Australia 5-0.

RAHUL DRAVID ANNOUNCED RETIREMENT

Indian batting maestro and former captain Rahul Dravid, on 9 March 2012, announced his retirement from international cricket. The 39-year-old has to his credit the second highest aggregate of runs in the test history only after Sachin Tendulkar. Dravid which scored 13,288 runs in 164 Tests, including 36 hundreds has been one of the most successful batsmen India has ever produced. Dravid made his international debut on 20 June 1996 while playing at the Lord's against England. He had announced his

retirement from the ODIs in England in 2011.

RICKY PONTING ANNOUNCED RETIREMENT

Former Australian Cricket Captain Ricky Ponting on 21 February 2012 announced his retirement from the One day cricket. Ricky Ponting, who led the Australian squad twice to world cup victory in 2003 and 2007, announced his retirement after he was dropped from the one day squad. Ponting's record in the one day cricket has been quite impressive as in 275 ODIs he has accumulated 13,704 runs at an average of 42.03. Next only to Sachin Tendulkar, Ponting has 30 centuries and 82 fifties in ODI in her name. Ponting had made his one day debut against South Africa on 15 February 1995. He was made the captain of Australian one day squad in 2002 during the series against South Africa.

LORD WOOLF RECOMMENDED THE RESTRUCTURING OF ICC'S EXECUTIVE BOARD

The International Cricket Council's independent review, conducted by Lord Woolf in its report called for sweeping changes in the administration of cricket. The review recommended the restructuring of the ICC's executive board in order to make it more independent. It also stated that influence of the bigger countries and the full-members must be reduced. The review mentioned that the bigger nations in the ICC look after their own interest rather than that of the game. Lord Woolf's report highlighted the need to reduce the strength of Full Members and the appointment of independent directors. ICC's board currently comprises the heads of all Full

Member nations, three representatives from the Associates and Affiliates and the ICC's president, vice-president and chief executive. Woolf recommended five independent directors, of which three are to be from within the game and two from outside with voting rights. The review also recommended that an ICC director should not concurrently hold any leadership or executive post with their home boards.

Woolf Report Recommendations

- A culture should be established where all potential conflicts of interest are declared, assessed and addressed.
- ICC Directors should neither seek to place undue influence on other Members, nor allow themselves to be influenced inappropriately by other Members to support the interests of individual Members.
- Any side agreements between Members that may affect the interests of the ICC and global cricket should be disclosed so that there is due transparency and their effects are understood.
- Government interference is inappropriate and is not acceptable. A level of government patronage and support of cricket is permissible.
- There should be clear and enforced limits on the value of Gifts and Hospitality (individually and aggregate) that ICC Directors and staff can give or receive. It should be mandatory to log all gifts and hospitality that are given or received.

INDIA REPLACED BOWLING COACH ERIC SIMONS

BCCI decided to sack Indian Team's bowling coach Eric Simons. The

ongoing One day tri-series in Australia will be his last assignment as the bowling coach of Indian Cricket Team. Joe Daves of Queensland will take the charge of new bowling coach. Eric Simons had joined the Indian team in January 2010. He was included in the squad as the support staff to the coach Garry Kirsten. Decision about the removal of Simons came after BCCI's Working Committee Meeting in Chennai on 13 February. Sword was dangling over Simon's head after consistent poor performance of Indian bowlers in England and Australia.

PAKISTAN APPOINTED DAV WHATMORE AS COACH

Pakistan Cricket Board (PCB) appointed Dav Whatmore as its national team coach on 4 March 2012. Whatmore would remain on the position for next two years. Englishman Julian Fountain was slated as the fielding coach of the team. Asia Cup tournament, to be held in the later part of March 2012, would be the first assignment of both the new coaches. Whatmore, played seven tests for Australia, has an impressive record as a coach of different teams. While he led Sri Lanka to world cup victory in 1996, he also led Bangladeshi team to their first test match and subsequent series win in 2005. Prior to Whatmore, three foreigners including Englishmen Richard Pybus and Bob Woolmer and Australian Geoff Lawson have been assigned with the task to coach Pakistani team in the past.

SOUTH AFRICA RECORDED 3-0 VICTORY AGAINST NEW ZEALAND

South Africa made a 3-0 clean sweep against New Zealand with a five-wicket victory in the third and final one-

day international in Auckland on 3 march 2012. The South African squad led by AB Devilliers had recorded six wicket victories in first two matches of the series. Debutant South African pacer Marchant de Lange claimed four wickets in the match.

NEW ZEALAND CRUSHES ZIMBABWE TO COMPLETE 3-0 WIN

New Zealand crushed Zimbabwe by 202 runs in the final One-Day International to complete a 3-0 series whitewash over the outclassed tourists. Zimbabwe again failed to fire as New Zealand, inspired by a man-of-the-match century from skipper Brendon McCullum, plundered 373 for eight in 50 overs and then routed the Africans for 171 with six overs to spare. Captain Brendan Taylor, whose brisk 65 off 62 balls was the high point of the Zimbabwe innings, was left looking for positives from a series in which the gulf between the teams progressively widened. Returning to the ground where it suffered a humiliating defeat by an innings and 301 runs in a one-off Test last month, Zimbabwe let itself down with loose bowling and shoddy fielding on a flat wicket. Zimbabwe's Brian Vitori suffered the indignity of becoming only the fifth player to concede more than 100 runs in an ODI.

SAHARA AGREED TO SPONSOR INDIAN CRICKET TEAM

Sahara Group on 17 February 2012, agreed to reverse its decision of quashing all the commercial ties with Board for Cricket Control in India. The decision was taken after series of meetings held between The BCCI and the Sahara Group to resolve the contentious issues, Sahara had cited as reasons behind voiding the deal. As per the agreement the BCCI extended the

date for buying the players, from 17 February to 29 February. The deal is to provide the Pune Warriors with an opportunity to buy players from other franchises and have also re-activated their auction purse. The board also agreed to address Sahara Group's demand for reduction in franchise fee. It also gave its consent to the company to seek a strategic partner to run the IPL franchise. Existing sponsorship agreement between BCCI and Sahara Group involves ` 3.34 cr. per Test, One-day and T 20 international. The deal is to end on 31 December 2013. Sahara in 2010 had bagged the IPL Pune Franchise in a bid worth ` 1700 cr. Sahara Group has been sponsoring the Indian Cricket Team since 2001. On 4 February 2012 the company had decided to withdraw its sponsorship to all the form of cricket under BCCI, giving the raging disputes between the two parties on variety of issues.

CSK NETS RAVINDRA JADEJA

In the days leading to the auction at the ITC Royal Gardenia Hotel, the IPL committee had turned down the Warriors' request to increase its auction purse beyond the stipulated \$2 million. A miffed Sahara Group and its subsidiary Pune Warriors pulled out of the auction and that remained the sub-text through the day. Even when a triumphant Chennai Super Kings owner Gurunath Meiyappan walked in for a brief press conference after snapping up Jadeja for \$2 million, questions on Sahara's exit were volleyed towards the IPL chairman Rajeev Shukla and CEO Sundar Raman. The Sahara-effect faded slowly and for Jadeja, who made a comeback to the Indian squad during the One-Day Internationals in England, the wheel has come a full circle. Banned from the IPL

during its third edition due to a contractual dispute, Jadeja is now the lodestone for franchises. The former Rajasthan Royals player, who was picked up by Kochi Tuskers Kerala last year for \$950,000, lived up to his blue-chip buzz with Super Kings and the Chargers getting in to a bidding

stalemate after exhausting their purse of \$2 million each. In the tie-breaker, the Chennai team pipped the Chargers by an undisclosed sum. Sri Lankan skipper Mahela Jayawardene proved to be the next biggie and at \$1.4 million, he is a valued buy for the Delhi Daredevils. Former Pakistan player and

current British citizen Azhar Mahmood found an eager buyer in King's XI Punjab (\$200,000) and the West Indies all-rounder Andre Russell added zest to the post-lunch proceedings. Russell was selected by Delhi Daredevils for \$450,000.

The list of players sold in the auction (read as name, nationality, price)

Chennai Super Kings:

Ravindra Jadeja (Ind), \$2 million.

Deccan Chargers:

Parthiv Patel (Ind), \$ 650,000;

Daniel Harris (Aus), \$ 70,000;

Darren Bravo (WI), \$ 100,000.

Delhi Daredevils:

Mahela Jayawardene (SL), \$1.4 million;

Andre Russell (WI), \$450,000;

Doug Bracewell (NZ), \$ 50,000.

Kolkata Knight Riders:

Brendon McCullum (NZ), \$ 900,000;

Sunil Narine (WI), \$ 700,000;

Marchant deLange (SA), \$ 50,000.

King's XI Punjab:

Ramesh Powar (Ind), \$ 160,000;

James Faulkner (Aus), \$ 190,000;

Azhar Mahmood (Eng), \$ 200,000.

Mumbai Indians:

Herschelle Gibbs (SA), \$ 50,000;

Mitchell Johnson (Aus), \$ 300,000;

R.P. Singh (Ind), \$ 600,000;

Robin Peterson (SA), \$ 100,000;

Thisara Perera (SL), \$ 650,000.

Rajasthan Royals:

Brad Hodge (Aus), \$ 475,000;

Dinesh Chandimal (SL), \$ 50,000;

S. Sreesanth (Ind), \$ 400,000;

Brad Hogg (Aus), \$ 180,000;

Kevon Cooper (WI), \$ 50,000.

Royal Challengers Bangalore:

Muttiah Muralitharan (SL), \$ 220,000;

Vinay Kumar (Ind), \$1 million, 100,000.

TENNIS

DUBAI DOUBLES TITLE

Indian Tennis pair of Mahesh Bhupathi and Rohan Bopanna won the doubles title of Dubai Open. The Fourth-seeded duo defeated Polish pair of Poles Mariusz Fyrstenberg and Marcin Matkowski. It was the maiden title for the Indian tennis duo, who

reigned in almost all the department of game and secured a 6-4, 3-6, 10-5 win over the Polish tennis duo to lift the winner's trophy. The Dubai Open doubles title is Bhupathi's 50th career title while first with Bopanna. The title also marked the fourth Dubai title for Bhupathi, as he had claimed the title earlier in 1998 with Leander Paes, in

2004 with Fabrice Santoro and in 2008 with Mark Knowles. The title marked sixth ATP title of Bopanna's career.

DUBAI OPEN SINGLES TITLE

World no. 2 Roger Federer defeated third seeded Andy Murray in the singles final of Dubai Open on 4 March 2012. The 30-year-old Federer,

who lost his number 1 seed to Serbian Tennis star Novak Djokovic, recorded an easy 7-5, 6-4 win over Briton Andy Murray. It is fifth Dubai Title of Federer, who has so far won 72 tour titles. Roger Federer has record 16 grand slam title to his credit. Federer has been the part of a record 23 career Grand Slam tournament finals, including a men's record ten in a row.

MARSEILLE OPEN TITLE

Juan Martin Del Potro of Argentina clinched Marseille Open final by beating Michael Llodra on 26

February 2012. Del Potro who turned a professional tennis player in 2005 has won total ten ATP titles in his career. Del Potro claimed his first Grand Slam title at the 2009 US Open, defeating Nadal in the semifinal, and Roger Federer in the final. Potro's highest ATP ranking was four.

MANISH MALHOTRA PRESENTED WITH TOP IOC AWARD

Former Indian tennis player Manisha Malhotra conferred upon a top International Olympic Committee Award for her contribution in

promoting sport among women. The award was presented by IOC President Jacques Rogge at the fifth World Conference on Women and Sport. Malhotra received the World Trophy for helping disadvantaged girls. She has travelled length and breadth of India to encourage women to participate in different sports. Manisha Malhotra had competed for India in Tennis doubles at the 2000 Sydney Olympics. She was one of six winners at the Women and Sports Awards ceremony held in Los Angeles on 16 February 2012.

ARCHERY/SHOOTING

55TH NATIONAL SHOOTING CHAMPIONSHIPS FOR SHOTGUN

Haryana's Ajay Mittal won the gold medal at the 55th National Shooting Championships for shotgun by defeating stalwarts like Sodhi and Athens Olympics silver medallist Rajyavardhan Singh Rathore in the final. Delhi's Sangram Dahiya finished second, followed by Rathore and Sodhi. Ajay Mittal's younger

brother, Ankur Mittal finished fifth and another Delhi lad, Shayan Masood, sixth. Ankur Mittal also won the juniors' competition, with Masood second and Andhra Pradesh's Asher Noria third. Ajay Mittal's father, Ashok, who combined with his sons to win the bronze medal in the team competition for Haryana too, behind winners Delhi and runners-up Punjab. In the non-

Olympic women's double trap competition, Bihar's Shreyasi Singh won the gold with a score of 92 out of 120, breaking her own national record of 90.

Army shooters Seema and Varsha Tomar won the silver and bronze medals respectively.

Shreyasi also pocketed the juniors' gold ahead of Madhya Pradesh's Varsha Varman and Uttar Pradesh's Malika Wig.

KABADDI

FIRST WORLD CUP KABADDI TITLE

Indian national women Kabaddi team clinched maiden Women World Cup Kabaddi championship title on 4 March 2012.

In a thrilling match held in Patna, capital of Bihar, Indian women team defeated Iran 25-19. Japan secured third rank while Thailand came fourth in the championship. Earlier in the day, India defeated Japan 60-21 to enter the final

while Iran beaten Thailand 46-26 to make it to the final.

The global sports event witnessed the participation of 16 countries. The four day event received a great following in India.

SQUASH

SDAT-WSF UNDER-21 SQUASH WORLD CUP

Egypt defeated India 2-1 in the final of the SDAT-WSF Under-21 Squash World Cup. Marwan El Shorbagy

defeated Ravi Dixit 11-4, 11-7, 7-11, 11-7 while Karim Abdel Gawad bt Ramit Tandon 12-10, 11-4, 6-11, 11-8. However Dipika Pallikal managed to score a point by defeating Nour El Sherbini 11-7, 4-11, 8-11, 14-12, 11-5. England

defeated France 2-0 (Charles Sharpes bt Lucas Serme 14-12, 7-11, 5-11, 11-6, 11-6; Emily Whitlock bt Cyrielle Peltier 11-5, 11-7, 11-7) to finish third. After Ravi Dixit's defeat, Dipika Pallikal fought hard to bring India back into contention

by winning a five-game marathon against Nour el Sherbini.

However, Ramit Tandon's defeat dealt a blow to India. Tandon, who beat

a much higher ranked opponent in the semi final on 4 January had to do it all over again at the Express Avenue Mall against Gawad, who is placed close to 300 places

above him in the world rankings. Gawad finally managed to close the game 11-8 to win the match and the inaugural U-21 World Cup for Egypt.

BADMINTON

ALL ENGLAND CHAMPIONSHIP

India's ace Badminton player *Saina Nehwal* suffered a straight-game defeat in the women's singles quarterfinals of the *All England Championship* at Birmingham on 9 March 2012. The

Fourth seeded Nehwal lost to seventh seeded Li Xuerui of China in a forty-minute match at the National Indoor Arena. Saina on 8 March 2012 had defeated French shuttler Hongyan Pi to make it to the quarter finals of the championship. Saina in 2010 had

reached the semi finals of All England Championship. In 2010 she had won three Super Series titles -Singapore, Indonesia and Hong Kong beside the Commonwealth Games gold medal.

GOLF

EUROPEAN TOUR TITLE

South African Golfer James Barry Kruger won Avantha Masters Golf tournament in New Delhi. Popularly called Jbe Kruger, it was his maiden European Tour title. The 25-year-old Kruger made four birdies and overcame a bogey on the 17th to finish with a 14-under total of 274 in New Delhi. Jorge

Campillo of Spain and Marcel Siem of Germany jointly secured the second position. Campillo and Siem were two shots back in the match. Jose Manuel Lara of Spain and Australian Marcus Fraser finished joint fourth at 11 under. James Barry "Jbe" Kruger is a South African Golfer, who in year 2007 turned to be professional Golfer. He has won twice on

the Sunshine Tour Kruger finished second on the Asian Tour three times in 2010, while his best previous result on the European Tour was third at the Africa Open the same year. Kruger's topmost position in this year's European Tour has been ninth which he had secured at the Joburg Open in South Africa.

HOCKEY

INDIAN WOMEN HOCKEY TEAM LOST THE FINAL OF OLYMPICS QUALIFIER

South African Women Hockey team on 25 February 2012, defeated Indian Women Hockey Team to qualify for the London Olympics 2012. South African squad scored 3 goals while the Indian squad could manage to hit only one goal. Holland, Argentina, Australia, China, Germany, Britain, South Korea, New Zealand and the United States have

already made it to the Olympics. Indian Women Hockey Team had got its maiden and sole Olympics entry in 1980 Moscow Olympics. Since then it has not been able to break the qualifiers round, a gateway to the Olympics.

SAHARA AWARD FOR HOCKEY TEAM

Sahara India on Tuesday announced a cash incentive of ` 1.16 crore to be distributed amongst the players and support staff of the Indian

hockey team for qualifying for the 2012 London Olympics. For their exceptional performance, Sardar Singh and Sandeep Singh have been awarded ` 11 lakh each, while the rest of the players will get ` five lakh each. The support staff will also get an incentive of ` 1 lakh each.

In addition, Sahara will also bear the taxes on the cash awards, taking the total expenditure incurred by the company to around ` 1.29 crore.



AWARD & PRIZES

59TH NATIONAL FILM AWARDS

The Prestigious 59th National Film Awards were announced in New Delhi on 7 March 2012. The awards were

announced by the Chairpersons of the three juries- Rohini Hattangady for feature films, Ramesh Sharma for non-feature films and Vijaya Mulay for Best Writing on Cinema category. The Best

Actor was given to Girish Kulkarni for film Deool (Marathi) and Best Actress to Vidya Balan for the film The Dirty Picture (Hindi).

Feature Films

Best Feature Film	: Shared by Deool (Marathi) and Byari (Byari)
Indira Gandhi Award For Best Debut Film of a Director	: Aaranyakandam (Tamil)

Award for Best Popular Film Providing

Wholesome Entertainment	: AzhagarsamiyinKuthirai (Tamil)
Best Children's Film	: Chillar Party(Hindi)
Best Direction	: GurvinderSingh for Anhe Ghorey Da Daan (Punjabi)
Best Actor	: Girish Kulkarni for Deool (Marathi)
Best Actress	: Vidya Balan for The Dirty Picture (Hindi)
Best Supporting Actor	: Appu Kutty for Azhagarsamiyin Kuthirai (Tamil)
Best Supporting Actress	: Leishangthem Tonthoingambi Devi for Phijigee Mani(Manipuri)
Best Child Artist (Shared)	: Partho Gupte for Stanley ka Dabba (Hindi)
Best Male Playback Singer	: Anand Bhate for Balgandharva(Marathi)
Best Female Playback Singer	: Roopa Ganguly for Abosheyshey (Bengali)
Best Cinematography	: Anhe Ghorey DaDaan (Punjabi)
Cameraman	: Satya RaiNagpaul

Best Screenplay

Screenplay Writer (Original)	: Vikas Behl & Manish Tiwari for Chillar Party(Hindi)
Screenplay Writer (Adapted)	: Avinash Deshpande Nigdi for Shala (Marathi)
Dialogues	: Girish Kulkarni for Deool (Marathi)

Best Audiography

Location Sound Recordist	: Baylon Fonseca for Zindagi Na Milegi Dobara (Hindi)
Best Costume Designer (Shared)	: Neeta Lulla for Balgandharva (Marathi)
Niharika Khan	: The Dirty Picture (Hindi)
Best Make-Up Artist	: Vikram Gayakwad for Balgandharva (Marathi) and The Dirty Picture (Hindi)
Best Music Direction Songs	: Neel Dutt for Ranjana Ami Ar Ashbo Na (Bengali)
Best Lyrics	: Amitabh Bhattacharya for 'Agar Zindagi' in I AM (Hindi)
Special Jury Award	: Anjan Dutt for Ranjana Ami Ar Ashbo Na (Bengali)
Best Choreography	: Bosco and Caesar for 'Senorita' from Zindagi Na Milegi Dobara (Hindi)
Best Debut Film Of A Director	: The Silent Poet (Manipuri)
Best Environment Film	: Tiger Dynasty (English)
Special Jury Award	: Anand Patwardhan for Jai Bhim Comrade (Marathi)
Best Film Critic	: Manoj Barpujari (Assamese and English)
Best Book on Cinema	: R.D. Burman The Man, The Music (English)

BIHARI PURASKAR

The K.K. Birla Foundation has awarded the 21st Bihari Puraskar for 2011 to Arjundeo Charan for his Rajasthani poetry collection "Ghar Tau Ek Nam Hai Bhrosai Rau". The award carries prize money of Rs.1 lakh, a citation and a plaque. The award, installed in the name of the famous Hindi poet Bihari, is given only to Rajasthani writers. Dr. Charan was born in 1954 in Jodhpur district. An outstanding poet, critic, playwright, and translator, the central theme of Dr. Charan's poems is the poor condition and constant struggles faced by women in a stridently feudal society. Dr. Charan

is a Sahitya Akademi award winner and is presently the Head of the Rajasthani Language Department at Jayanarayan University, Jodhpur. His works have been translated into a number of Indian languages. The "Ghar Tau..." anthology explores life's ironies, changing values, and continuing contradictions in Indian social structures.

84TH ACADEMY AWARDS

The 84th Academy Awards ceremony/Oscars was hosted by the Academy of Motion Picture Arts and Sciences (AMPAS). The ceremony which took place at the Hollywood and Highland Center in Hollywood,

California on 26 February 2012 honoured the best films and performances of 2011. The ceremony was hosted by Billy Crystal who marked his ninth time as host, and produced by Brian Grazer. Academy Awards of Merit were presented in 24 standard competitive categories. Christopher Plummer at 82 became the oldest actor ever to win an Academy Award, picking up the Best Supporting Actor trophy for his role as a senior citizen coming out of the closet in The Beginners. Pakistan got its first Oscar as Sharmeen Obaid-Chinoy received the Oscar for Saving face (Best documentary -short subject) along with Daniel Junge.

List of Awardees in the Different Categories

Best Picture	: The Artist
Best Actor	: Jean Dujardin for The Artist
Best Actress	: Meryl Streep for The Iron Lady
Best Director	: Michel Hazanavicius for The Artist
Best Supporting Actor	: Christopher Plummer for Beginners
Best Supporting Actress	: Octavia Spencer for The Help
Best Animated feature film	: Rango
Best foreign language film	: A Separation (Iran)
Best documentary (feature)	: Undeclared
Best art direction	: Hugo
Best cinematography	: Robert Richardson for Hugo
Best costume design	: Mark Bridges for The Artist
Best music (original score)	: The Artist
Best music (original song)	: Man or Muppet from The Muppets

54TH ANNUAL GRAMMY AWARDS

The 54th Annual Grammy Awards were held on 12 February 2012, at the Staples Center in Los Angeles. The death of pop diva Whitney Houston the night before the Grammy awards however cast a sombre mood at the awards. The producers quickly planned a tribute to her in the form of a performance by Jennifer Hudson. Paul McCartney received the MusiCares Person of the Year award on 10 February 2012, at the Los Angeles Convention Center. British singer Adele, with six nominations, won all six awards, tying Beyoncé's record for most wins by a female artist in one night. Foo Fighters and Kanye West followed with five and four awards, respectively. The British songstress, Adele swept the awards winning a staggering six golden gramophones for her Album, *21*.

Adele, who was named best new artist in 2009, is only the second artist in history to take all four major Grammy categories. Christopher Cross attained the feat in 1981 with a four-award sweep. Kanye West was the top nominee with seven nods.

However West once again had to satisfy himself with rap wins. West captured four awards to add to his 14 previous wins, for best rap/sung collaboration and best rap song (for All of the Lights), best rap performance (for Otis, shared with Jay-Z) and best rap album (My Beautiful Dark Twisted Fantasy).

List of Important Winners

Album of the Year: 21 - Adele
Record of the Year: Rolling in the Deep, Adele
Song of the Year: Rolling in the Deep, Adele
Best New Artist: Bon Iver

65TH ANNUAL BRITISH ACADEMY FILM AWARDS

The sixty-fifth annual British Academy Film awards, the BAFTA's was held at the Royal Opera House in London 12 February 2012. Black and white silent movie, *The Artist* topped won six awards, including best film and best director. The Silent movie blockbuster also won the best actor award for its star Jean Dujardin, who beat

British favourite Gary Oldman. *The Artist* directed by Michel Hazanavicius is a French-made romance set in Hollywood in the 1920s and 30s. The film tells the story of a star of silent movies whose career is destroyed by the advent of talkies. It had been nominated for 12 awards and walked away with the prizes for best film, leading actor, director, original screenplay, costumes, cinematography and music.

List of Winners in different categories at the BAFTA

Best Picture: The Artist
Best Actor: Jean Dujardin – The Artist
Best Actress: Meryl Streep – The Iron Lady
Best Director: Michel Hazanavicius – The Artist
Best Supporting actress: Octavia Spencer – The Help
Best Supporting actor: Christopher Plummer – Beginners
Best Animated film: Rango directed by Gore Verbinski
Best Documentary: Senna
Outstanding British film: Tinker Tailor Soldier Spy
Best Film not in the English language: The Skin I Live In (Spanish thriller film written and directed by Pedro Almodóvar)
Outstanding debut: Tyrannosaur
Adapted screenplay: Tinker Tailor Soldier Spy – Bridget O'Connor and Peter Straughan
Best Original screenplay: The Artist – Michel Hazanavicius
Best Original score: The Artist – Ludovic Bource
Rising star award: Adam Deacon
Academy fellowship: Martin Scorsese
Short animation: A Morning Stroll – Grant Orchard and Sue Goffe
Short film: Pitch Black Heist – John Maclean and Geraldine

THE NATIONAL TOURISM AWARD 2010-11

The National Tourism Awards 2010-11 were conferred by the President of India Pratibha Devisingh Patil on 29 February 2012 in New Delhi. A total of 78 awardees from 50 various categories received the award. Three new award categories named; The Best State: Campaign Clean India, Best Heritage City and Best Heritage Walk were also introduced this year. Madhya Pradesh received the National Tourism Award for

its effort in developing tourism related infrastructure and programmes in the state. It also received awards for Best Tourism Film and Best Tourism Promotion Publicity Material category. North-Eastern state Sikkim bagged the award for the best among Northeast states and J&K category. It also got the new award under Campaign Clean India. Hyderabad airport received the award in the Best Airport award category. New Delhi railway station named the most tourist friendly railway station. The Delhi Tourism and Transportation

Development Corporation also received the National Tourism Awards.

The Oberoi Rajvillas emerged the Best Five Star Deluxe hotel while Neemrana Hotel in Alwar bagged the Best Heritage hotel award.

21ST VYAS SAMMAN

Noted Hindi writer Professor Ramdarash Mishra was selected for the 21st Vyas Samman for his poetry collection Aam Ke Patte published in 2004. A selection committee headed by Suryaprasad Dixit, a well-known writer and former chairperson of Lucknow University's Hindi department, selected the collection for the award. The prize money for Vyas Samman is Rs 2.5 lakh.

Professor Mishra, a veteran writer, was born on 15 August 1924, in Uttar Pradesh's Gorakhpur district. He served in Delhi University's Hindi department and retired as professor there. His published works include 16 collections of poetry, 13 novels and 18 short story collections. His notable poetry collections include Pak gai hai dhoop, Path ke Geet, Kandhe par Suraj and Barish mein bheegte bache. His novels-Jal Tootata Hua and Paani ke Prachir received with critical acclaim. The award, instituted by the K.K. Birla Foundation, is given annually for an outstanding literary work in Hindi published during the past 10 years. The award carries a cash purse of Rs. 2.5 lakh. After the Saraswati Samman, which is given for a work chosen from among works in all leading Indian languages, the Vyas Samman is the most prestigious award given by the Foundation.

LATA MANAGESHKAR AWARD

Veteran Hindi film music composer Rajesh Roshan was honoured with the Lata Manageshkar award by the Madhya Pradesh government on 8 February

2012. The Lata Manageshkar award for 2010-11 contained Rs two lakh in cash and a scroll of honour. The award was presented to Roshan by the State Culture Minister Laxmikant Sharma. During his career spanning 36 years, he had never before accepted an award from any state government. The award was instituted by the state government in 1984 and since its inception it has been given away to 27 personalities including legends like late Jagjit Singh, Asha Bhonsle and Naushad.

V. SHANTARAM LIFE TIME ACHIEVEMENT AWARD

Veteran environmental filmmaker Mike Pandey was honoured with the prestigious V. Shantaram Life Time Achievement Award at the Mumbai International Film Festival 2012 on 3 February 2012. The award was presented by Maharashtra Governor K. Sankaranarayanan. He received the award for his documentaries on wildlife conservation and environment. Mike Pandey is one of India's foremost wildlife and environmental filmmakers. He has won over 300 national and international awards. His list of films include Shores of Silence, The Last Migration, Broken Wings and The Timeless Traveller. The award carries a citation, a trophy and a cash prize of Rs.5 lakh. It was instituted in 1996 in memory of the legendary filmmaker V. Shantaram. The award is given with an objective to recognise the multi-faceted contributions of an Indian for the documentary film movement.

GREEN GLOBE AWARD

Bollywood actor Abhishek Bachchan received a Green Globe for Outstanding Efforts by a Celebrity for his efforts toward a greener future at the fourth edition of the Panasonic Green Globe Foundation Awards on 2 February

2012. He received the award from Hollywood actor and former Governor of California Arnold Schwarzenegger. The award is conferred to honour the efforts of organisations and individuals fighting climate change through their work in environment preservation and regeneration.

The Terminator star, Schwarzenegger was the guest of honour at the event.

SKOLL AWARD FOR SOCIAL ENTREPRENEURSHIP

The National Association of Street Vendors of India (NASVI) and Nidan, an organisation that supports unorganised workers, will be honoured with the Skoll Award for Social Entrepreneurship by the Skoll Foundation in Oxford, England, on March 29. The award carries with it a three-year operating support grant. "From the slums of Bihar to the streets of Delhi, Nidan and NASVI give informal workers more than a voice; they give them ownership of their collectives," said Skoll Foundation president and CEO Sally Osberg. The award will be accepted on behalf of the organisations by NASVI coordinator and Nidan executive director Arbind Singh. The Skoll Foundation invests in, connects and celebrates social entrepreneurship and the innovators who help them and was instituted in 1999. "They have shown not just entrepreneurial vision but persistence needed to make a lasting change," said the Skoll Foundation about the award winners.

SCOPUS AWARD

Three IITians are among the eight young scientists who have won the prestigious Scopus award, instituted by the National Academy of Sciences and

Elsevier, a leading provider of scientific, technical and medical information products and services. The winners are Sanjib Senapathi, IIT-Madras; Sagnik Dey, IIT-Delhi; Satyajit Banerjee, IIT-Kanpur; Partha Sarathi Mukherjee, IISc, Bangalore; Prahladh Harsha, Tata Institute of Fundamental Research, Mumbai; Sundergopal Sridhar, Indian Institute of Chemical Technology, Hyderabad; Ritesh Agarwal, P.G. Institute of Medical Education and Research, Chandigarh; and S.B. Shivachandra, Indian Veterinary Research Institute, Mukteshwar, Uttarakhand. The winners were selected from more than 250 applications received from research institutes and universities across the country.

G.D. BIRLA AWARD

Tapas Kumar Kundu of Bangalore-based Jawaharlal Nehru Centre for Advanced Scientific Research has been

selected for the G.D. Birla award for his contribution in biochemistry. The award, instituted by the K.K. Birla Foundation for according recognition to high calibre scientific research undertaken by Indian scientists below the age of 50, carries a purse of Rs 1.5 lakh. Mr. Kundu, who has one US and three Indian patents to his credit, has been selected for his contribution in the area of human gene expression and its links to disease and therapeutics. He not only elucidated the mechanism of transcription regulation through the epigenetic modifications in humans but also used the process to design new generation cancer diagnostics, as well as therapeutics for cancer, AIDS and diabetes. Born in 1962, Mr. Kundu did his Masters in Biochemistry at the University of Agricultural Sciences and PhD from Indian Institute of Science, Bangalore. He did his post-doctoral work at the National Institute of Genetics in Mishima in Japan and Rockefeller University, New York.

SANT GADGE BABA AWARD INITIATED

Union Rural Development Minister Jairam Ramesh announced a national award for sanitation and water in the name of Maharashtrian saint Sant Gadge Baba. The Minister toured several villages in Satara district to inspect the work of the Nirmal Gram Yojana for sanitation. The award was constituted in the name of the Saint who strove to serve the society through cleanliness. The award is to honour villages, individuals or organisations working in the field of sanitation and drinking water. Maharashtra's Sant Gadge Baba Swachta Abhiyan (cleanliness scheme) encourages villages to be open defecation-free. Well performing villages are awarded through the Nirmal Gram Yojana. Out of the 25 lakh villages in India, 25000 are open defecation-free, and out of these, 9000 villages are in Maharashtra alone. Maharashtra has 27900 villages.

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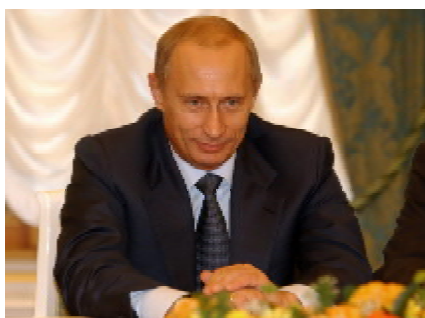
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IN THE NEWS

APPOINTED

VLADIMIR PUTIN



The incumbent Prime Minister Vladimir Putin won the Russian Presidential Election with 63.75 percent of votes as per the result declared by the Russian Central Election Commission (CEC) on 5 March 2012. Communist leader Gennady Zyuganov came second with 17.18 percent of the votes whereas Mikhail Prokhorov secured 7.98 percent. Putin has already served eight years as President (2000-2004 and 2004-2008) and four years as PM (2008-2012). This will be his third term as President, which will last 6 years. Initially, the Presidential term in Russia was four years. In December 2008, a

constitutional amendment was passed to extend the Presidential term to six years. That was to take effect after the following presidential election in Russia. Significantly, Russia's constitution has a provision that no President can serve more than two consecutive terms.

PARKASH SINGH BADAL



Parkash Singh Badal of Shiromani Akali Dal, sworn in as the 31st chief minister of Punjab on 14 March 2012. Badal, 85, became the chief minister of the state for record fifth time. Born on 8 December 1927, Badal made his entry into politics in 1947 and was elected to Punjab Vidhan Sabha for the first time in 1957. He first became the chief minister of Punjab in 1969. At the age

of 42, he was the youngest chief minister of Punjab. Parkash Singh Badal led his party Shiromani Akali Dal along with its alliance partner BJP, to a historical victory in 2012 assembly election as the alliance defeated the rival Congress beating the anti-incumbency factor. The victory is even more important given the fact that never in the history of Punjab the incumbent government came to power for second consecutive term.

VIJAY BAHUGUNA



Vijay Bahuguna of Congress, on 13 March 2012, sworn in as the chief minister of Uttarakhand. Bahuguna, a Congress MP from Tehri Gadhwal, is the seventh chief minister of

Uttarakhand which was carved out of UP in 2000. Born on 28 February 1947, Bahuguna is a former high court justice. He served as the judge of Bombay and Allahabad high court. Bahuguna is first former High Court judge to become a state's chief minister. Hailing from a political background, Bahuguna's father Hemwati Nandan Bahuguna was also a former Chief Minister of Uttar Pradesh. His sister Rita Bahuguna Joshi is UP Congress president.

AKHILESHYADAV



Samajwadi Party leader Akhilesh Yadav was sworn in as the 33rd chief minister of Uttar Pradesh on 15th March. The 38-year-old, the youngest to hold the post in Uttar Pradesh, took oath at the sprawling La Martiniere College grounds in Lucknow. Twenty nine other ministers of state were also sworn in the new government. The son of SP chief Mulayam Singh Yadav, Akhilesh is credited with steering the party to a thumping victory of 224 seats in the 403-member assembly.

MANOHAR PARRIKAR

Manohar Parrikar, who was sworn in as Goa chief minister on 9th March, the third stint in the top post comes with no coalition strings attached following the party's emphatic mandate in the assembly polls. The first IITian

to become Chief Minister, Parrikar's two previous terms — October 2000-02 and February 2002-05 — had been bumpy rides with constant pinpricks from his alliance partners.



This time, BJP enjoys a simple majority — 21 in the 40-member assembly and also has a buffer of three MLAs of ally Maharashtrawadi Gomantak Party and two Independents. An IIT Mumbai graduate in metallurgical engineering and among the first members of BJP in the state, Parrikar has been instrumental in raising the profile of his party from just four members in the state assembly in 1994 to its present status as a ruling party with the highest number of seats in the state assembly.

OKRAM IBOBI SINGH



Okram Ibobi Singh was sworn in as Manipur Chief Minister for the third consecutive term on 14th March. Governor Gurubachand Jagat administered the oath of office and secrecy at a function at Raj Bhavan. No other Minister was sworn in.

ZAHEER-UL ISLAM



Ending weeks of speculation, the government on Friday announced the appointment of Karachi Corps Commander Zaheer-ul Islam as the ISI Director-General. He will replace Ahmad Shuja Pasha who is due to retire on March 18 after a three-and-a-half-year stint at what is regarded as one of the most powerful offices in the country, second only to that of the Chief of Army Staff (COAS).

ABDUL RAHMAN



M. Abdul Rahman, currently Director of Vocational Higher Secondary Education, has been appointed Director of the All India Council for Technical Education (AICTE) under the Union Ministry of Human Resource Development. He will assume charge at the AICTE office in New Delhi next week. The AICTE is an advisory and statutory body, established for accreditation and coordinated development of the technical education system, including the engineering colleges, the Indian Institutes of Technology, and the Indian Institutes of Management.

MAHESH RANGARAJAN

Environmental historian and political commentator Mahesh Rangarajan was selected and appointed as director of the Nehru Memorial Museum and Library, one of the country's top centres for research on modern Indian history. The Delhi High Court had earlier struck down his original appointment on the grounds of

an invalid selection process. Dr. Rangarajan's appointment had been challenged in court by a history professor from Rohtak.

DK MITTAL

Union government nominated DK Mittal on the central board of Reserve Bank of India, the apex Indian bank. Mr D. K. Mittal is the Secretary of Department of Financial Services of Ministry of Finance.

He is the second government nominee on the RBI board. This is for the first time that the Union Government has got two of its nominees on the central board of RBI. Until now the Secretary of Department of Economic Affairs of Ministry of

Finance, used to be the only director on the RBI central board nominated by the government.



Mr. R Gopal, Secretary of Department of Economic Affairs of Ministry of Finance is the other government nominee on the RBI central board. With Mr. DK Mittal being included in the Board of Directors of RBI the total number of RBI directors has reached to 18.

DEATH**O. P. DUTTA**

Veteran Bollywood writer-filmmaker O. P. Dutta has passed away following a bout of pneumonia at Kokilaben Hospital here in suburban Andheri. The end came on 9th March night. The film-maker, who was in his late 80s, began his career as a director with 'Pyaar Ki Jeet' in 1948, followed by 'Surajmukhi' (1950), 'Ek Nazar' (1951), 'Malkin' (1953), 'Aangan' (1959) and others. Later he turned writer for his son J. P. Dutta with films like 'Ghulami' (1985), 'Hathiyar' (1989), 'Border' (1997), 'Refugee' (2000), 'LoC Kargil' (2003) and, his last film as a writer, 'Umrao Jaan' (2006).

ANTHONY SHADID

Anthony Shadid, two-time Pulitzer Prize-winning foreign correspondent who died on Thursday at 43, had long been passionately interested in West Asia, first because of his Lebanese-American heritage and later because of what he saw there firsthand. He was known most recently to *Times* readers for his clear-eyed coverage of the Arab Spring. For his reporting on the sea change sweeping the region which included dispatches from Lebanon and Egypt *The Times* nominated him, along with a team of his colleagues, for the 2012

Pulitzer in international reporting. (The awards are announced in April.) Shadid won two Pulitzer Prizes twice in 2004 and 2010, for his coverage of Iraq for the Washington Post. Shadid's other journalism honors included a George Polk Award in 2003.

AKHLAQ MOHAMMAD KHAN

Shahryar was born June 16, 1936, in a village named Anwala in Bareilly, Uttar Pradesh. He received his early education at Bulandshahr and then studied at Aligarh Muslim University. Shahryar started his career as a literary assistant at Anjuman Tarraqi-e-Urdu. He then went on to join Aligarh Muslim University, as a lecturer in Urdu and

rose to become the chairman of the Urdu Department. His first poetic collection was published in 1965 under the title *Ism-e-Azam* followed *Satwan Dar* which was published in 1969. Shahryar had received the Jnanpith Award, India's highest literary award, in the year 2008. In 1987 he received the Sahitya Akademy Award in Urdu for his poetry collection, *Khwab Ka Dar Band Hai*. He was also honored with various other awards including Bahadur Shah Zafar Award, Iqbal Samman, Gangadhar Puraskar and UP Urdu Academy Award.

JOY MUKHERJEE

Yesteryear actor Joy Mukherjee passed away after prolonged illness at the city's Lilavati hospital. He was 73. Mr. Mukherjee had starred in many Hindi movies of the 1960s such as *Shagird*, *Love In Tokyo*, *Ziddi*, *Phir Wohi Dil Laya Hoon* and *Ek Musafir Ek Hasina*. Mr. Mukherjee was actor Kajol's paternal uncle.

SHAMIM AHMED KHAN



Sitar maestro Shamim Ahmed Khan, one of the finest exponents of Hindustani instrumental music, passed away in a private hospital following a massive heart attack. He was 74. Shamim Ahmed Khan was born in 1938 in Baroda into a musical family of the Agra gharana, which boasts of luminaries like Ustad Faiyaz Khan, Ustad Vilayat Hussain Khan, Ustad Khadim Hussain Khan and Ustad Latafat Hussain Khan. He was initiated

into vocal music at a very young age by his father, Ustad Ghulam Rasool Khan, but his love for sitar led him to become a disciple of Pandit Ravi Shankar in 1955.

RUNAKO MORTON



West Indies cricketer Runako Morton was killed in a car crash. The 33-year-old, one of the few cricketers to emerge from the island of Nevis, lost control of the car he was driving and hit a pole, according to reports. He died on the spot. Morton had played 15 Test matches, 56 One-day internationals and seven Twenty20s for the West Indies since making his international debut in 2002. He last played in February 2010 in a Twenty20 against Australia in Sydney.

R.D. SHARMA

Science communicator R.D. Sharma (73), who was a senior officer in the Indian Council of Agricultural Research, has passed away. A former media consultant at the India office of the International Rice Research Institute, he was known for his insightful writings on different aspects of science for the benefit of the common man. Among other things, he is a winner of the Indian National Science Academy's Indira Gandhi Prize for Popularisation of Science.

WHITNEY ELIZABETH HOUSTON

Singer and actress Whitney Houston died in a Beverly Hills hotel room

in California. Former wife of New Edition singer Bobby Brown Houston is a winner of six Grammy Awards including record of the year for 'I Will Always Love You' and album of the year for 'The Bodyguard'. Houston was the only artist to have seven consecutive No. 1 singles on Billboard magazine's pop chart.

The streak began with "Saving All My Love for You," from her debut album in 1985. She had also reached the top of Billboard's rhythm-and-blues, contemporary and dance charts. Whitney Elizabeth Houston born on 9 August 1963 in New Jersey was an American recording artist, actress, producer, and model. She belonged to a musical family that included an older brother, Michael, and a half-brother, Gary, from her mother's previous marriage. In 2009, the Guinness World Records cited her as the most-awarded female act of all time.

JEFFREY ZASLOW



Best-selling author Jeffrey Zaslow was killed when he lost control of his car on a snowy road after promoting his latest book in the state of Michigan. He was 53.

Mr. Zaslow, co-author of the million-selling inspirational book "The Last Lecture," was also a former columnist for *The Wall Street Journal* and former advice columnist for the *Chicago Sun-Times*.

ACCUSED/RESIGNED/CONTROVERSY

CHRITIAN WULFF



Germany's President resigned in a scandal over favours he allegedly received before becoming head of state, creating a major domestic distraction for Chancellor Angela Merkel as she grapples with Europe's debt crisis. Christian Wulff announced his resignation a day after the slow-burning affair escalated with a request by prosecutors for Parliament to lift his immunity from prosecution over his relationship with a film producer in his previous job as governor of Lower Saxony. Those benefits allegedly included paying for a luxury hotel stay in 2007.

directed his prosecution under the Prevention of Corruption Act for amassing huge benami assets. The court had directed the Police Commissioner to register an FIR against him and his family members, and attach his benami property worth crores of rupees, consisting of movable and immovable assets.

FABIO CAPELLO

Fabio Capello resigned as manager of England following the Football Association's decision to strip John Terry of the captaincy, the FA confirmed. Meanwhile, the English Football Association has appointed Stuart Pearce as the interim coach of the England team following Capello's resignation. The 49-year-old Pearce, a former Manchester City manager, runs the British Olympic and England under-21 teams. Capello quit was angry that he had not been consulted by the FA over its decision to strip John Terry of the captaincy.

submitted the report on behalf of the Union government to the apex court bench of chief justice SH Kapadia and Justice Swatanter Kumar. The bench directed the government to inform it on the further action to be taken on allegations against former CJI, Balakrishnan, who is presently the chairman of National Human Rights Commission (NHRC) within three weeks. The court's direction came during hearing of a Public Interest Litigation filed by civil society Common Cause, which alleged that the ex-CJI and his relative amassed wealth far exceeding their legal income during Balakrishnan's tenure as an apex court's judge. The PIL sought apex court's direction to the government to take proper action against the ex-CJI, who is presently the chairman of National Human Rights Commission (NHRC).

YASIN MALIK



Jammu & Kashmir Liberation Front (JKLF) chief Yasin Malik was charged by a local court under the Prevention of Terrorism Act (Pota) for allegedly raising funds to strengthen armed activity. Additional sessions judge, Sanjay Parihar charged Malik with raising funds to strengthen armed activity in the state and to strike terror among people.

KRIPASHANKAR SINGH



The police on Tuesday filed a First Information Report (FIR) against the former Mumbai Regional Congress president, Kripashankar Singh, on charges of cheating, forgery and corruption. The FIR comes nearly a week after the Bombay High Court

KG BALAKRISHNAN



Report of the probe by the income-tax department into the allegations that relatives of former chief justice KG Balakrishnan had amassed huge wealth during his tenure was submitted on 12 March 2012 to the Supreme Court. Attorney-general GE Vahanvati

HONOUR

SACHIN TENDULKAR



Tendulkar, the leading run scorer in the history of both Test and one-day cricket, achieved the most-coveted ton by taking a single off Shakib Al Hasan against Bangladesh in Asia Cup. Tendulkar's century came off 138 balls and was studded with 10 fours and a six. The master blaster's 99th century had come against South Africa on March 12, 2011, at Nagpur during the World Cup. Friday's century was Tendulkar's 49th in one-dayers; he has 51 Test centuries.

SUNIL MANOHAR GAVASKAR

Former India cricket team captain Sunil Gavaskar was formally inducted into the ICC Cricket Hall of Fame, when he received his commemorative cap from fellow Hall of Famer and teammate Kapil Dev. Gavaskar is one of the initial 55 inductees into the ICC Cricket Hall of Fame, which was launched in January 2009 in association with the Federation of International Cricketers' Associations (FICA) as part of the ICC's centenary year. He now joins a Hall of Fame that includes 72 male and female cricketers. ICC chief executive Haroon Lorgat and former Pakistan captains Aamir Sohail, Ramiz Raja, and Waqar Younis were present at the function.

NARENDRA MODI

Gujarat Chief Minister Narendra Modi figures on the cover of the forthcoming issue of *Time* magazine, which praises him in an article for the development of the State he has been ruling for more than a decade, but wonders if he can become Prime Minister.

NOVAK DJOKOVIC

Serbian tennis star, Novak Djokovic was awarded with the highest Serbian award, the Gold Star of Karadjordje. The award was conferred upon him by the Serbian President Boris Tadic. Novak Djokovic currently holds the number one seed in the world tennis ranking. He has five grand slam titles in his name including two Australian Open title, one Wimbledon and US open title each. Award to Djokovic, also marks the resumption of the highest award which was discontinued by the leadership of Yugoslavia after World War II. The Star of Karadjordje, the topmost award conferred by Serbian government, was first introduced in 1904 by King Peter but was discontinued later in the aftermath of Second World War. It was reintroduced in 2010 by the present government.

AMARTYA SEN

The White House named India's Nobel Prize-winning economist Amartya Sen the recipient of the 2011 US National Humanities Medal. Amartya Sen, who retains his Indian citizenship, is the first Indian to be honored with the medal that is typically awarded to US nationals. While Indian scholars and experts of Indian-origin

had previously won White House recognition in science and engineering in the form of National Medals, this is a first in humanities. Sen was recognised while for his insights into the causes of poverty, famine, and injustice. Amartya Sen had won his Nobel Prize for economics in 1998 for his studies of the roots of poverty. He is currently the Thomas W. Lamont University Professor and Professor of Economics and Philosophy at Harvard University.

RAMÓN SALDÍVAR



In a White House ceremony President Obama awarded a National Humanities Medal to Stanford English and comparative literature Professor Ramón Saldívar. His teaching and research, centering on globalization, transnationalism and Chicano studies, were recognized for "his bold explorations of identity along the border separating the United States and Mexico." The National Humanities Medal came into existence in 1996. It honors individuals or groups whose work has deepened the nation's understanding of the humanities, broadened our citizens' engagement with the humanities, or helped preserve and expand Americans' access to important resources in the humanities. It has been bestowed on 133 individuals since its inception.

MIKE DAVIES

Mike Davies, the former British star who rose to lead the ATP, has been elected to the International Tennis Hall of Fame.

RAJESH ROSHAN

Veteran Hindi film music composer Rajesh Roshan has been decorated with the Lata Mangeshkar award by the Madhya Pradesh Government. This award for 2010-11, containing Rs. 2 lakh in cash and a scroll of honour, was presented to Mr. Roshan

at a function by State Culture Minister Laxmikant Sharma. The 56-year-old composer said that he had never accepted an award from any State government in his 36-year long career, but broke the tradition as it was in the name of a singer whose songs he had listened to since childhood and grew up humming. The award was instituted in 1984.

ANITA RANA

That awards do come to the dedicated came true for Anita Rana, homemaker-turned-versatile social

activist, when she received two recognitions in a single day. Ms. Rana received an award recognising her "Leadership in Community Initiatives for a Green Economy" from United Nations Development Programme Country Director Caitlin Wiesen. Later in the day, she received a certificate of appreciation for her "Valuable Work in Support of Earth Day Network's Campaign —Women and the Green Economy."

This award was presented by Earth Day Network president Kathleen Rogers.

COMMITTEE/COMMISSION/CONFERENCE**44TH SESSION OF INDIAN LABOUR CONFERENCE**

The 44th Session of Indian Labour Conference was held on 14 and 15 February, 2012 under the chairmanship of Shri Mallikarjun Kharge, Union Minister of Labour & Employment. The conference was inaugurated by the Prime Minister Manmohan Singh on 14 February. The conference was attended by senior representatives of Workers and Employers Organisations and State Labour Ministers and Senior Officers from Central Ministries/Departments and State Governments. The Conference deliberated upon very topical and critical issues viz., (i) Minimum Wages, (ii) Social Security and (iii) Employability and Employment.

The brainstorming sessions at the conference is expected to strengthen the institutions of social dialogue already in place and result in better understanding of each other's perspective and convergence of varied ideas and approaches amongst social partners. The first such tripartite consultation at the national level was

held in 1942 as the Tripartite National Labour Conference – subsequently renamed as Indian Labour Conference since 1944.

THE 12TH INDIA-EU SUMMIT

The 12th India-EU Summit was held in New Delhi. The Republic of India was represented by the Prime Minister Manmohan Singh. EU was represented by Herman Van Rompuy, President of the European Council, and Mr. José Manuel Durão Barroso, President of the European Commission. The leaders expressed satisfaction at the deepening comprehensive bilateral relations. India and EU, as long-standing strategic partners, are committed to working together with a balanced and result-oriented approach, bearing in mind each sides' respective development

priorities, based on common shared values, relating to democracy, rule of law, civil liberties, fundamental freedoms and respect for human rights.

FOURTH & FINAL REGIONAL HUB OF THE NSG IN MUMBAI

Union Home Minister P. Chidambaram inaugurated the fourth and final regional hub of the National Security Guard (NSG) in Marol, Mumbai. At the inauguration, Chidambaram the Centre allotted Rs. 1200 crore for the modernisation and development of the National Security Guard during the 12th Five Year plan. The Mumbai regional hub spread across 20.28 acres was constructed at a cost of Rs. 56.10 crore by the National Building Construction Corporation Limited.

The permanent regional hub was an important addition to the fortification of the country's defence against terror, insurgencies and separatist acts of violence. The regional hubs at Kolkata, Hyderabad, Chennai and Mumbai were set up to reduce the response time and reach the area of operation as quickly as possible.

VARIOUS

IIC GOLDEN JUBILEE

President Pratibha Devi Singh Patil released a special commemorative stamp to mark the Golden Jubilee of the India International Centre (IIC) in New Delhi.



IIC plays a major role in promoting awareness and creating public opinion. The Stamp priced at five rupees promotes the nation's image and depicts the rich diverse culture of the country. The Postage stamps highlight the country's achievements in various fields. By bringing out postage stamps the department of post is committed to much of the historical, intellectual and the cultural heritage of a nation.

LAKSHYA-1 SUCCESSFULLY TEST FLOWN

India's indigenously developed micro-light pilot-less target aircraft Lakshya-1 was successfully test flown from the Integrated Test Range at Chandipur near Balasore. Usually, the flight duration of the micro light aircraft is 30 to 35 minutes. But test is conducted for enhancement of the flight duration and to check other parameters. Lakshya, a sub-sonic, reusable aerial target system is remote controlled from the ground and designed to impart training to both air borne and air defence pilots. It is fitted with an advanced digitally controlled engine. Lakshya has been inducted into the Indian Air Force (IAF) since 2000.

The PTA has been developed by India's aeronautic development establishment (ADE), Bangalore to perform discreet aerial reconnaissance of battle field and target acquisition.

LARGEST PINK DIAMOND EVER FOUND IN AUSTRALIA

The largest rough pink diamond ever found in Australia was discovered in a West Australian mine owned by Rio Tinto. The 12.76-carat rough pink diamond was christened the Argyle Pink Jubilee. Natural pink diamonds are considered one of the most valuable types of diamonds. The huge rough stone was found at Rio's pink diamond operations in the Kimberley region of western Australia. According to experts it would take 10 days to cut and polish the rare diamond after two months of immaculate planning. When the Jubilee diamond has been cut and polished it will be graded by international experts and showcased globally before being sold by invitation-only tender. The light pink Argyle Jubilee is a similar colour to the 24-carat Williamson Pink given to Britain's Queen Elizabeth II as a wedding gift which was later set into a Cartier brooch for her coronation. The Williamson was discovered in Tanzania in 1947 and is ranked among the finest pink diamonds in existence.

INDUS VALLEY CIVILIZATION-ERA SEAL FOUND

Pakistani archaeologists discovered a rare Indus Valley civilization-era seal in steatite dating back to 2,500-2,000 BC from the Cholistan area of Punjab province. The discovery is expected to open new dimensions for scholars. The seal was discovered during the Sui-Vihar

Excavations and Archaeological Reconnaissance of Southern Punjab — a project funded by UNESCO to explore sites along the Hakra river. The UNESCO project aimed at learning more about Buddhist influence in this region which has its own distinctive features as opposed to the Gandhara school of art further north. The rare seal was found at Wattoo-wala, located near Derawar Fort and along the ancient bed of the Hakra river. It was discovered by a six-member team of archaeologists led by Punjab University archaeology department chairman Farzand Masih.

YINGLUCK SHINAWATRA VISITED INDIA



Prime Minister of Thailand, Yingluck Shinawatra visited India. She was the chief guest for the 63rd Republic Day Ceremony. This was her first visit to India since assuming office in August 2011. India and Thailand signed 6 agreements during this visit. The visit took place in the backdrop of 65th anniversary of India-Thailand bilateral diplomatic relations as well as 20 years of India's enhanced engagement with the ASEAN (1992-2012).

GRAMMATICA GRANDONICA FOUND

A Sanskrit grammar manuscript of grammarian, lexicographer and philologist Arnos Padre, which had been

lost for over two centuries, was found in an Italian monastery. The manuscript, Grammatica Grandonica was written by the Jesuit missionary Fr. Johann Ernst Hanxleden, popularly known as Arnos Padre three centuries ago. It is considered as one of the earliest missionary grammars in Sanskrit. Toon Van Hal, a Belgian scholar and professor at the Centre for the History of Linguistics, Leuven University, traced the lost manuscript to the Convento di San Silvestro, a Carmelite monastery in Monte Compatri in the Province of Rome.

12TH DEFENCE POLICY MEETING BETWEEN INDIA AND USA

Strengthening their military ties further, India and the USA discussed ways of expanding their growing strategic partnership and cooperation at the 12th Defence Policy Group meeting held in New Delhi. The meeting was co-chaired by Defence Secretary Shashi Kant Sharma and US Acting Under Secretary of Defence for Policy Jim Miller. The next meeting of the Defence Policy Group will be held in 2012 in the USA.

MADHURI DIXIT AT TUSSAUDS

The wax statue of actor Madhuri Dixit will be unveiled in Madame Tussauds, London, in March. "Madame Tussaud's unveiling on March 7th, 2012.

MD. AMIR FREED EARLY FROM JAIL

Young Pakistani fast bowler Mohammed Amir has been released from Portland Young Offenders Institution in Dorset after spending three

months in prison instead of serving a full six-month sentence. Amir was sent to jail on November 3 last year after being convicted in a spot-fixing scandal along with teammates Mohammed Asif and Salman Butt. The 19-year-old was due to be let out of Prison on Friday but the date, according to reports, was brought ahead two days to avoid media attention.

YUVRAJ SINGH IN U.S. FOR CANCER TREATMENT

World Cup hero Yuvraj Singh is trying to relive his role. The crucial difference is, now he is fighting for his life and not for sporting glory. Diagnosed with lung cancer, he is undergoing treatment in the U.S., with the tumour reportedly showing signs of malignancy. There were moments during the World Cup when he woke up at night, gasping for breath, coughing and feeling drained out. He continued playing, ignoring the ailment at great peril to his life. His all-round efforts played the most significant role in India lifting the Cup.

TAMIL-BRAHMI INSCRIPTION IN EDAKAL CAVE

A short inscription engraved in the Brahmi characters has been discovered in the Edakal cave on the Ambukuthi hill in Kerala's Wayanad district. This is the fifth Tamil-Brahmi inscription discovered in the caves. M.R. Raghava Varier, retired Professor of Epigraphy, Calicut University, who made the latest discovery, has read the record as 'Sri Vazhumi.' An estampage of the inscription was made by K. Krishnaraj, designer in the Kerala State Department of Archaeology. In Dr.

Varier's interpretation, the inscription appears to be a label attached to a human figure, engraved exactly in the Edakal style of drawing. The figure is shown as having a big phallus, probably denoting fertility, and suggesting Brahma, the Creator himself.

4.5% QUOTA FOR MINORITIES IN ITS FROM THIS YEAR

There is good news for IIT aspirants from the minority community. The IIT-JEE Admission Committee has decided to implement 4.5 per cent reservation for them within the 27 per cent seats meant for the Other Backward Classes (OBCs) from this year.

INDIAN DIPLOMAT ASKED TO PAY \$1.5 MILLION TO EX-MAID

A New York City Magistrate Judge recommended that an Indian diplomat, Neena Malhotra, and her husband Jogesh be required to pay out nearly \$1.5 million for forcing an Indian girl, Shanti Gurung, at the time said to be underage, to work without pay and meting out "barbaric treatment" to her in their plush East 43rd Street Manhattan apartment. According to reports the Malhotras induced Ms. Gurung to "work without pay by seizing her passport and visa, restricting her ability to leave their apartment, and constantly warning her that if she traveled on her own without their permission, she would be arrested, beaten, raped and sent back to India as 'cargo,'" in the words of Magistrate Judge Frank Maas.

Model Question Paper

PASSAGE 1

It begins the moment you set foot ashore, the moment you step off the boat's gangway. The heart suddenly, yet vaguely, sinks. It is no lurch of fear. Quite the contrary. It is as if the life-urge failed, and the heart dimly sank. You trail past the benevolent policeman and the inoffensive passport officials, through the fussy and somehow foolish customs—we don't really think it matters if somebody smuggles in two pairs of false-silk stockings - and we get into the poky but inoffensive train, with poky but utterly inoffensive people, and we have a cup of inoffensive tea from a nice inoffensive boy, and we run through small, poky but nice and inoffensive country, till we are landed in the big but unexciting station of Victoria, when an inoffensive porter puts us into an inoffensive taxi and we are driven through the crowded yet strangely dull streets of London to the cosy yet strangely poky and dull place where we are going to stay. And the first half-hour in London, after some years abroad, is really a plunge of misery. The strange, the grey and uncanny, almost deathly sense of dullness is overwhelming. Of course, you get over it after a while, and admit that you exaggerated. You get into the rhythm of London again, and you tell yourself that it is not dull. And yet you are haunted, all the time, sleeping or waking, with the uncanny feeling: It is dull! It is all dull! This life here is one vast complex of dullness! I am dull! I am being dulled! My spirit is being dulled! My life is dulling down to London dullness. This is the nightmare that haunts you the first few weeks of London. No doubt if you stay longer you get over it, and find London as thrilling as Paris or Rome or New York. But the climate is against me. I cannot stay long enough. With pinched and wondering gaze, the morning of departure, I look out of the taxi upon the strange dullness of London's arousing; a sort of death; and hope and life only return when. I get my seat in the boat-train, and hear all the Good-byes! Good-bye! Good-bye! Thank God to say Good-bye! (Written by D.H. Lawrence, an English novelist.)

- 'It' in first sentence refers to a feeling of
(a) foreboding (b) fear
(c) depression (d) malaise and relief
- The author of the passage makes his point mainly by the use of
(a) metaphor and simile
(b) repetition and exclamation
(c) accumulation of details
(d) irony and satire
- The extensive use of the pronoun 'you' in the passage indicates that the author
(a) is speaking to one particular person
(b) is describing the experience of someone else
(c) believes that his feelings will be shared by many others
(d) wishes to add variety to his style
- Lawrence apparently believes that the 'nightmare' (last sentence of 2nd paragraph) is
(a) uniquely caused by city life
(b) only over when he leaves the country
(c) made worse by the weather
(d) dispelled by a longer stay in London

PASSAGE 2

The Voice had to be listened to, not only on account of its form but for the matter which it delivered. It gave a message to the country that it needed greatly. It brought to the common people a realization of their duty to concern themselves with their affair; The common people were made to take an interest in the manner in which they were governed in the taxes they paid in the return they got from those taxes. This interest in public affairs-politics as you may call it-was to be the concern no longer of the high) educated few but of the many-the poor, the property-less, the working-men in town and country. Politics was not to be the concern of a small aristocracy of intellect or property of the masses. And with the change in the subjects of politics that voice brought about also a change in the objects of politics. Till then politics had busied itself mainly with

the machinery of Government toward making its personnel more and more native, with proposals for a better distribution of political power, with protests against the sin of omission and of commission of the administration. This voice switched politics on to concern for the needs of the common people. The improvement of the lot of the poor was to be the main concern of politics and the politician.

The improvement, especially of the lives of the people of the neglected villages, was to be placed before Governments and political organizations as the goal of all political endeavour. The raising of the standard of living of the people of the villages, the finding of subsidiary occupations which would give the agricultural poor work for their enforced leisure during the off season and an addition to their exiguous income, the improvement of the housing of the poor, the sanitation of the villages—these to be the objectives to be kept in view.

In the towns, the slums and ghettos we receive special attention. There was especially a class of the poor for which compassionate voice pleaded and protested. This was for the so-called depressed classes, the outcasts of Hindu society. The denial of elementary human rights to this class of people it considered the greatest blot on Hindu society in history. It raised its passionate protest against the age-old wrongs of this class and forced those that listened to it to endeavour to remove the most outrageous of them like untouchability caused a revolution in Hindu religious practice by having Hindu temple thrown, to these people. It made the care of them a religious duty of the Hindus by remaining those Harijans.

5. Why had people to listen to "The Voice" of Mahatma Gandhi
 - (a) To follow him
 - (b) Necessary for revolution
 - (c) On accounts of its form & matter
 - (d) For raising the standard of living of the people.
6. Why had people to take an interest in politics?
 - (i) To know how they governed
 - (ii) What citizens get from the taxes they paid?
 - (iii) To participate in the politics.
 - (iv) For the improvement of the lot of the poor.

Which of the given statement is / are correct?

 - (a) (i) and (iii)
 - (b) (ii) and (iv)
 - (c) (i) and (ii)
 - (d) (i), (ii), (iii) and (iv)
7. What was the change brought about in the objects of politics?
 - (a) Concern for the needs of the common people
 - (b) Improvement of the people of the neglected villages
 - (c) Improvement of the lot of poor
 - (d) All the above
8. What improvements were made for the common man?
 - (i) Standard of living of villagers were raised
 - (ii) Subsidiary occupation for agricultural poor.

- (iii) Housing of the poor was improved
 - (iv) Untouchability was removed
- Which of the given statement is / are correct?
- (a) (i) and (iii)
 - (b) (ii) and (iv)
 - (c) (i) and (ii)
 - (d) (i), (ii), (iii) and (iv)

PASSAGE 3

The Ring at Casterbridge was merely the local name of one of the finest Roman amphitheatres, if not the very finest remaining in Britain.

Casterbridge announced old Rome in every street, alley, and precinct. It looked Roman, bespoke the art of Rome, and concealed dead men of Rome. It was impossible to dig more than a foot or two deep about the town fields and gardens without coming upon some tall soldier or other of the Empire, who had laid there in his silent unobtrusive rest for a space of fifteen hundred years. He was mostly found lying on his side, in an oval scoop in the chalk, like a chicken in its shell; his knees drawn up to his chest; sometimes with the remains of his spear against his arm; a brooch of bronze on his breast or forehead; an urn at his knees, a jar at his throat, a bottle at his mouth; and mystified conjecture pouring down upon him from the eyes of Casterbridge street boys, who had turned a moment to gaze at the familiar spectacle as they passed by. Imaginative inhabitants, who would have felt an unpleasantness at the discovery of a comparatively modern skeleton in their gardens, were quite unmoved by these hoary shapes. They had lived so long ago, their time was so unlike the present, their hopes and motives were so widely removed from ours, that between them and the living there seemed to stretch a gulf too wide for even a spirit to pass.

The Amphitheatre was a huge circular enclosure, with a notch at opposite extremities of its diameter north and south. It was to Casterbridge what the ruined Coliseum is to modern Rome, and was nearly of the same magnitude. The dusk of evening was the proper hour at which a true impression of this suggestive place could be received. Standing in the middle of the arena at that time, there by degrees became apparent its real vastness, which a cursory view from the summit at noon-day was apt to obscure. Melancholy, impressive, lonely, yet accessible from every part of the town, the historic circle was the frequent spot for appointments of a furtive kind. Intrigues were arranged there; tentative meetings were there experimented after divisions and feuds. But one kind of appointment—in itself the most common of any—seldom had place in the Amphitheatre: that of happy lovers.

Why, seeing that it was pre-eminently an airy, accessible, and sequestered spot for interviews, the cheerfulness of those occurrences never took kindly to the soil of the ruin, would he a curious inquiry. Perhaps it

was because its associations had about them something sinister. Its history proved that. Apart from the sanguinary nature of the games originally played therein, such incidents attached to its past as these: that for scores of years the town-gallows had stood at one corner; that in 1705 a woman who had murdered her husband was half-strangled and then burnt there in the presence of ten thousand spectators.

Tradition reports that at a certain stage of the burning her heart burst and leapt out of her body, to the terror of them all, and that not one of those ten thousand people ever cared particularly for hot roast after that. In addition to these old tragedies, pugilistic encounters almost to the death had come off down to recent dates in that secluded arena, entirely invisible to the outside world save by climbing to the top of the enclosure, which few townspeople in the daily round of their lives ever took the trouble to do. So that, though close to the turnpike-road, crimes might be perpetrated there unseen at mid-day. Some boys had latterly tried to impart gaiety to the ruin by using the central arena as a cricket-ground. But the game usually languished for the aforesaid reason - the dismal privacy which the earthen circle enforced, shutting out every appreciative passer's vision, every commendatory remark from outsiders - everything, except the sky; and to play at games in such circumstances was like acting to an empty house.

Possibly, too, the boys were timid, for some old people said that at certain moments in the summer time, in broad daylight, persons sitting with a book or dozing in the arena had, on lifting their eyes, beheld the slopes lined with a gazing legion of Hadrian's soldiery as if watching the gladiatorial combat; and had heard the roar of their excited voices: that the scene would remain but a moment, like a lightning flash, and then disappear. Henchard had chosen this spot as being the safest from observation which he could think of for meeting his long-lost wife, and at the same time as one easily to be found by a stranger after nightfall.

As Mayor of the town, with a reputation to keep up, he could not invite her to come to his house till some definite course had been decided on.

9. The amphitheatre is described as a 'suggestive' (3rd sentence of 4th paragraph) place because
 - (a) its real size could not be appreciated at a glance
 - (b) it was full of historical associations
 - (c) mysterious meetings took place there
 - (d) it was lonely yet accessible
10. The 'curious enquiry' (beginning of 4th paragraph) refers to finding out
 - (a) why happy lovers never met there
 - (b) why interviews never took place there
 - (c) what historical events took place there
 - (d) how the amphitheatre came to have sinister associations
11. The boys had given up cricket in the Amphitheatre in part because
 - (a) it was too dark
 - (b) crimes commonly took place there
 - (c) there were no spectators or passers-by to applaud their efforts
 - (d) they were afraid of being caught
12. The author's primary purpose is to
 - (a) justify his opinion of the Ring
 - (b) attempt to account for the atmosphere of a place
 - (c) chronicle the development of the Amphitheatre
 - (d) describe the location of a Roman relic
13. The attitude of the local residents to the unearthed remains of dead Romans was one of
 - (a) total apathy
 - (b) confusion and unease
 - (c) trepidation
 - (d) momentary interest
14. The incident of the woman who was burnt is mentioned in order to
 - (a) horrify the reader
 - (b) illustrate one reason for the unsavoury reputation of the place
 - (c) show the bloodthirsty nature of former occupants
 - (d) add realistic details to an imaginary plot
15. All of the following are said to have taken place at the Ring except
 - (a) ghostly apparitions
 - (b) boxing matches
 - (c) hangings and secret assignments
 - (d) theatrical performances
16. It can be inferred from the last paragraph that Henchard
 - (a) is afraid of his wife
 - (b) has something to hide from the townspeople
 - (c) is a stranger to the Ring
 - (d) is about to commit a crime
17. It appears that in general the attitude of Casterbridge residents to the Roman past suggests that they
 - (a) appreciated the art of the Romans
 - (b) feared the ghosts of the buried Roman soldiers
 - (c) felt far removed from the concerns of the Romans
 - (d) were awe-struck by their civilization
18. 720 sweets were distributed equally among children, in such a way that number of sweets received by each child is 20% of the total number of children. How many sweets did each child received?
 - (a) 12
 - (b) 14
 - (c) 11
 - (d) 15
19. The income of Rahul is 20% more than the income of Saurav and the income of Saurav is 25% more than the income of Ajay. Find by how much per cent is the

- income of Rahul more the income of Ajay?
 (a) 50% (b) 25%
 (c) 75% (d) 125%
20. A man purchases two clocks A and B at a total cost of ₹ 650. He sells A with 20% profit and B at a loss of 25% and gets the same selling price for both the clocks. What are the purchasing prices of A and B respectively?
 (a) ₹ 550, ₹ 660 (b) ₹ 250, ₹ 400
 (c) ₹ 378, ₹ 375 (d) ₹ 300, ₹ 350
21. A shopkeeper marks his goods at 25% above the cost price. He sells $\frac{3}{5}$ th of his goods at marked price and remaining at 20% discount. Find his gain or loss per cent in the transaction.
 (a) 7% gain (b) 15% gain
 (c) 10% gain (d) 8% gain
22. A tank 9 ft by 5 ft by 2 ft has a supply pipe pouring in 576 ins of water in a minute and an exhaust pipe emptying it in 3 h. If the tank is full and both pipes are open, how many hour will it take to empty it?
 (a) 9h (b) $9\frac{1}{5}$ h (c) $9\frac{1}{7}$ h (d) $9\frac{3}{8}$ h
23. Twelve men working 10 h a days, 8 women working 8 h a day and 10 children working 8 h a days finish of a work in 5 days. Three men complete the same amount of work in 1 day, as would 4 women or 5 children when they work for equal number of hours per day. How many days will 20 children need to complete the job working 6 h a day?
 (a) 15 (b) 18
 (c) 20 (d) None of these
24. A cistern has a leak which would empty it in 10 h. A tap is turned on which admits 4 L a minute into the cistern and it is now emptied in 15 h. How many litres does the cistern hold?
 (a) 7400 L (b) 7200 L
 (c) 7100 L (d) 7500 L
25. Two persons A and B are at two places P and Q respectively. A walks at v km/h and B is 2 km/h faster than A, starting simultaneously from where they stand. If they walk towards each other, they meet in 72 min. If they walk in the same direction, the faster overtakes the slower in 6 h. Find their respective speeds (in km/h).
 (a) 3 and 5 (b) 4 and 6
 (c) $2\frac{1}{2}$ and $4\frac{1}{2}$ (d) $3\frac{1}{2}$ and $5\frac{1}{2}$
26. A man borrowed ₹ 12000 for 4 yr at $7\frac{3}{4}\%$ per annum and a year later he again borrowed another ₹ 11000 for 3 yr at the same rate. How much should he pay at the end to settle the loans?
 (a) ₹ 30510 (b) ₹ 28610
 (c) ₹ 31450 (d) ₹ 29590
27. Sudha borrowed some money at the rate of 6% per annum for the first 2 yr, 8% per annum for the next 4 yr and 12% per annum for the period beyond 6 yr. If the total interest paid by him at the end of 14 yr is ₹ 6300, how much money did she borrow?
 (a) ₹ 4500 (b) ₹ 4800
 (c) ₹ 4200 (d) ₹ 4900
28. The difference between the simple interest on a certain sum at the rate of 10% per annum for 2 years and compound interest which is compounded every 6 months is ₹ 124.05. What is the principal sum?
 (a) ₹ 9000 (b) ₹ 8000
 (c) ₹ 10,000 (d) ₹ 13,000

Directions: Study the following table carefully and answer the questions given below it.

Number of Candidates Appeared and Qualified in a Competitive Examination
from Different States over the Years

Year	1995	1996	1997	1998	1999
State	App.	Qual.	App.	Qual.	App.
A	15250	1800	17800	1750	14500
B	12500	1100	15400	1480	13800
C	14000	1550	16200	1640	15500
D	17600	1640	16500	1560	14800
E	16400	1480	14700	1820	17000
F	14500	1250	16800	1780	17200
G	15000	1400	15200	1650	16400
Total	107250	10220	112600	11680	109200

29. What is the percentage of candidates qualified in 1998 and 1999 together from all the States over the candidates appeared from all the States in these two years (the value upto two decimal points)?
 (a) 10.84 (b) 10.32
 (c) 10.62 (d) 10.34
30. For which of the following States the percentage of candidate qualified over appeared is the lowest in the year 1995?
 (a) A (b) F (c) B (d) D
31. What approximately is the percentage of candidates qualified from States C and D together over the candidates appeared from these two States in 1997?
 (a) 10 (b) 12.5 (c) 15 (d) 20
32. What approximately is the average number of candidates qualified in 1998 from the given States?
 (a) 1630 (b) 1516
 (c) 1615 (d) 1545
33. What is the average number of candidates appeared from State B in the given years?
 (a) 15850 (b) 14550
 (c) 15050 (d) None of these

Directions : These questions are to be answered on the basis of the table below giving the percentage of different factors that employees in a modern organisation want.

<i>Why employees factor like an organisation</i>	<i>Factor</i>	<i>Why employees leave an organisation</i>
71%	Job Content	50%
57%	Opportunities	57%
21%	Training	21%
29%	Compensation	36%
36%	Company Image	7%
29%	Flexibility	0
0	Sense of Purpose	0
7%	Leadership	21%
79%	Work Culture	7%
0	Work Relationships	0
21%	Quality of Work life	0
NA	Higher Studies	42%
NA	Overseas Assignments	64%
NA	Personal Needs	29%

34. The single most popular factor to encourage employees to leave an organisation is:
 (a) Bad work culture (b) Not enough training
 (c) The attraction of foreign assignments
 (d) The desire to pursue higher studies
35. For how many factors listed in the table is the percentage for employees leaving the organisation greater than the percentage for employees liking an organisation:
 (a) 2 (b) 3 (c) 4 (d) 5
36. If the job content and the work culture are right approximately what percentage of the employees would be happy in an organisation?
 (a) 90% (b) 30% (c) 75% (d) 50%
37. Which factor other than work relationships seems to have no significant bearing on the employee liking or leaving an organisation?
 (a) Work culture (b) Flexibility
 (c) Sense of purpose (d) Quality of work life
38. The percentage for all factors contributing to an employee leaving an organisation can be expressed as multiples of 7 (including 0), plus or minus 1. There is only one multiple of 7 which does not occur in the data. What is that?
 (a) 7 (b) 21 (c) 14 (d) 56
39. If the total number of employees in an organisation is 1400 approximately how many of them would leave the organisation on account of the compensation package?
 (a) 700 (b) 420 (c) 98 (d) 504
40. Which factor is twice as important for employees to leave an organisation as the training being provided by the organisation?
 (a) Personal needs (b) Higher studies
 (c) Leadership (d) Job content
41. Of the fourteen factors identified in the problem how many have absolutely no significance as far as influencing an employee's decision to leave the organisation is concerned?
 (a) 3 (b) 5 (c) 6 (d) 4

Directions: Read the statements and then answer the questions, by selecting the best option which follow each question.

- (i) The manager gave vent to his rage when he heard that none of the sales targets that he had set were achieved by his team.
- (ii) Though Surekha was a beautiful woman she did not attract men because she was keen on books and learning.
- (iii) Rohan could not believe that Reena had cheated him, so innocent was her demeanour.
- (iv) After the vacations Suresh was in a distracted, dreamy state of mind in his office for a week.
- (v) Ramesh always got into trouble and it was Stuti's job to bail him every time.
- (vi) The lawyer assured the client that the opposing party's arguments will carry no weight at all, and will get easily demolished.
- (vii) By looking at Ram's high class life style it is difficult to believe that he is concerned about the labour class.
42. Who was a "blue stocking"?
 (a) Surekha (b) Manager
 (c) Stuti (d) None of these
43. Who is a "whited sepulcher"?
 (a) Ramesh (b) Suresh
 (c) Reena (d) None of these

44. Who is in a "brown study"?
 (a) Suresh (b) Lawyer
 (c) Rohan (d) None of these
45. Who always "pulled the chestnuts out of the fire" created by someone else"?
 (a) Surekha (b) Reena
 (c) Ramesh (d) None of these
46. Who made the "air turn blue"?
 (a) Opposing party (b) Layer
 (c) Manager (d) None of these
47. Who is a "champagne socialist"?
 (a) Suresh (b) Surekha
 (c) Reena (d) None of these
48. What will fall like "the wall of Jericho"?
 (a) Opposing party's arguments
 (b) Team's morale (c) Rohan's confidence
 (d) None of the above
49. Emerald is to may as sapphire to
 (a) October (b) July
 (c) September (d) January
50. Flapjack is to Macaroon as Sapphire is to
 (a) Brioche (b) Cornet
 (c) Pretze (d) Tuile
51. Futon is to divan as Bench is to
 (a) Matzo (b) Ratafia
 (c) Baribaldi (d) Creepie
52. They maintain friendly, pleasant relations with you, regardless, whether you agree with them or not. Good communicators command your respond and goodwill. You are willing to work with them again, despite their differences.
 Match the above statement with one of the followings:
 (a) Precision (b) Credibility
 (c) Control (d) Congeniality
53. When the company thinks your audience will be interested in what you have to say or willing to cooperate, it usually opts for
 (a) Indirect approach (b) Direct approach
 (c) Neutral approach (d) Modern approach
54. AIDA plan stands for
 (a) Attention, interest, Desire, Action
 (b) Authority, Interest, Disclose,
 (c) Accuracy Accuracy, Internal Diction.
 (d) Attention Action, Interest, Desire, Authority
55. Leadership roles first emerge in which of the following kinds of communication?
 (a) interpersonal communication
 (b) small group communication
 (c) face-to-face public communication
 (d) media-like cell phones and instant messenger
56. Another name for interpersonal communication is:
 (a) mass communication
 (b) face to face public communication
 (c) dyadic communication
 (d) virtual reality
57. When your text says that interpersonal communication can be thought of as a constellation of behaviors, it means that
 (a) It is important to understand the joint actions people perform when they are together,
 (b) It is important to understand how people label and evaluate relationships.
 (c) It is important to understand the opposing forces that pull communicators in different directions.
 (d) None of the above; interpersonal communication is not a constellation of behaviors.
58. In which set each word is a noun, adjective and verb also?
 (a) delegate, defeat, temporary, tertiary
 (b) chronic, incumbency, parent, proponent
 (c) topic, alacrity, android, auditory
 (d) prelate, precipitate, delegate, irate
59. From the options select the idiom which means: "to lay oneself open to a dangerous counter-attack when attacking an opponent".
 (a) to stick one's achievements"
 (b) to take on the chin
 (c) chin up (d) to lead with one's chin

Directions: In each of the following Questions, there is a certain relationship between two given words on one side of :: and one word is given on another side of :: while another word is to be found from the given alternatives, having the same relation with this word as the words of the given pair bear : choose the correct alternatives.

60. Influenza : Virus :: Typhoid : ?
 (a) Bacillus (b) Parasite
 (c) Protozoa (d) Bacteria
61. Haemoglobin : Iron :: Chlorophyll : ?
 (a) Copper (b) Magnesium
 (c) Cobalt (d) Calcium
62. Radio : Listener :: Film : ?
 (a) Producer (b) Actor
 (c) Viewer (d) Director
63. Milk : Emulsion :: Butter : ?
 (a) Aerosol (b) Suspension
 (c) Sol (d) Gel
64. Spider : Insect :: Crocodile : ?
 (a) Reptile (b) Mammal
 (c) Frog (d) Carnivore
65. Dum Dum : Kolkata :: Palam : ?
 (a) Kerala (b) Delhi
 (c) Chennai (d) Mumbai
66. Foresight : Anticipation :: Insomnia : ?
 (a) Treatment (b) Disease
 (c) Sleeplessness (d) Unrest

67. USA : Congress :: Iran : ?
 (a) Althing (b) Storting
 (c) Majlis (d) Cortes
68. Karnataka : Gold :: Madhya Pradesh : ?
 (a) Diamond (b) Iron
 (c) Copper (d) Gems
69. Carbon : Diamond :: Corundum : ?
 (a) Pearl (b) Pukhraj
 (c) Garnet (d) Ruby

Directions: In this section you find a number of sentences, parts of which are bold. For each bold part, four or five words/phrases are listed below. Choose the word/phrase nearest in meaning to the bold part.

70. The pianist played the tune with verve.
 (a) Enthusiasm (b) Tenderness
 (c) Efficiency (d) Depth
71. It is possible that printed books will soon become obsolete.
 (a) Boring (b) Inaccessible
 (c) Unfashionable (d) Out-of-date
72. We should emulate the examples of our teachers.
 (a) Study (b) Admire
 (c) Follow (d) Imitate
73. He never recovered from the loss of his wife.
 (a) Got by (b) Got over
 (c) Got aside (d) Got rid
74. The poor man stood abashed at the display of wealth.
 (a) Embarrassed (b) Humiliated
 (c) Surprised (d) Elevated

Direction: Sentences given in each question, when properly sequenced form a coherent paragraph. Each sentence is labelled with letter. Choose the most logical order of sentences from among the given choices to construct a coherent paragraph.

75. A. Malignancies were diagnosed in three family members on the basis of this abnormality and then surgically removed.
 B. It appears to be the first instance in which this specific abnormality – in this case an exchange of material between the chromosomes number three and eight in all cells of the person's body – has been traced from generation to generation and thus permitted identification of cancer patients before they had any symptoms.
 C. An inherited genetic abnormality has been linked to a specific type of kidney cancer in a family in which ten members were affected over three generations.
 D. The discovery by scientists at Beth Israel Hospital in Boston, USA, provides a potentially important clue to the origin of at least some cancers.
- (a) DCAB (b) CBDA
 (c) ABCD (d) DABC

76. A. In what has since become the first, legendary tale of computer forensics, Dr. Stoll spent a year of meticulous work tracking and recording the hacker's movements.
 B. This was an intriguing problem for Clifford Stoll.
 C. In August 1986, an astronomer at the University of California, noticed a 75 percent discrepancy in the accounts for a computer in his library.
 D. When he investigated, he found that somebody had broken into his computer and used it for a short time without permission just enough to unbalance the accounts.
- (a) CABD (b) CBDA
 (c) CBAD (d) CDBA
77. A. A curved titanium plate with five tiny screws would hold the bone in place and help reform the damaged margin of the eye.
 B. Deftly, he replaced the wedge of bone in Tenneh's face.
 C. Intravenous antibiotics would take care of any lingering infection.
 D. When he'd eliminated most of the diseased tissue, he stopped.
- (a) ABCD (b) DCAB
 (c) DCBA (d) ACBD
78. A. The finding is surprising, investigators say, because bladder cancer, which has long been linked to smoking, is more common among men.
 B. When it comes to bladder cancer, two things have always seemed clear; smokers and men are at heightened risk.
 C. In a study of more than 3,000 adults, with and without bladder cancer, researchers found that when smoking habits were comparable, women had a higher risk for the disease than men did.
 D. But new research shows that, cigarette for cigarette, female smokers are more likely than males to get the disease.
- (a) BDCA (b) BACD
 (c) BDAC (d) BCDA
79. A. The software will exploit the untapped power of the computer to process information on the molecules and send it back to a central server at Oxford University.
 B. British scientists enlisted the help of thousands of home computer owners in an experiment which they hope will find new treatments for cancer.
 C. Volunteers can download software over the internet which when their personal computer is idle, will get to work screening molecules for anticancer activity which could be used in cancer drugs.

- D. The more the volunteers taking part, the quicker the results will come, according to the scientists behind the project.
- (a) BDCA (b) BACD
(c) BDAC (d) BCAD
80. A. Speaking before a congressional hearing on digital entertainment, Valenti said the industry is moving to meet the demand at a time when piracy of films is growing at an exponential rate.
- B. He said that 35000 movies are being illegally downloaded everyday.
- C. "Within four to six months, several of the major film studios will be online with movies, and the others will be close on their heels." Said Jack Valenti.
- D. The major Hollywood studios will be working online soon, but may ask Congress for help to combat a growing problem of piracy of films over the internet.
- (a) DABC (b) DCAB
(c) BCAD (d) DBCA

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