**Insights Daily Current Affairs, 16 January 2017**

**Market regulator tightens merger norms[link to corporate governance- weakness of independent directors to protect shareholders interests]**

The Securities and Exchange Board of India has tightened the rules for mergers and amalgamations by Indian companies in an effort to make listing process more transparent and give public shareholders a bigger say in consolidations of companies.

New norms are as follows:

* In case of merger of an unlisted company with a listed company, the unlisted company will have to disclose all the material information in the form of an abridged prospectus, similar to what companies file before launching initial public offering (IPO).
* The resultant public shareholding holding post such mergers or amalgamations between an unlisted entity and a listed entity cannot be less than 25%, which is similar to what all listed entities need to follow at present.
* The effective total of the public shareholding of the listed entity plus the qualified institutional buyers (QIBs) of the unlisted company has to be at least 25% after the two companies merge and the unlisted entity gets automatically listed.
* An approval of public shareholders will be mandatory for any merger between a listed and an unlisted entity if such a merger results in reducing the voting share percentage of pre-scheme public shareholders by more than 5% in the total capital of the merged entity.

Why these norms were necessary?

Sebi is concerned because in recent times there were instances where-

* route of Scheme of Arrangements or Merger was being used to get an indirect listing for an unlisted company.
* securities were being issued to promoter related persons only.
* issue on electronic voting requirement as well.

**India’s rising income inequality: Richest 1% own 58% of total wealth**

According to a study by rights group Oxfam, India’s richest 1% now hold a huge 58% of the country’s total wealth — higher than the global figure of about 50%. In the report titled ‘An economy for the 99 per cent’, Oxfam said it is time to build a human economy that benefits everyone, not just the privileged few.

Highlights of the study:

Indian scenario:

* Just 57 billionaires in India now have same wealth ($ 216 billion) as that of the bottom 70% population of the country.
* The richest 1% has owned more wealth than the rest of the planet. Globally, just 8 billionaires have the same amount of wealth as the poorest 50% of the world population.
* Referring to the Global Wage Report 2016-17 of the International Labour Organisation (ILO), the study said India suffers from huge gender pay gap and has among the worst levels of gender wage disparity — men earning more than women in similar jobs — with the gap exceeding 30%.
* In India, women form 60% of the lowest paid wage labour, but only 15% of the highest wage-earners. It means that in India women are not only poorly represented in the top bracket of wage-earners, but also experience wide gender pay gap at the bottom.
* The study also said that more than 40% of the 400 million women who live in rural India are involved in agriculture and related activities. However, as women are not recognised as farmers and do not own land, they have limited access to government schemes and credit, restricting their agricultural productivity.
* The study also said that the CEO of India’s top information technology firm earns 416 times the salary of a typical employee in his company. In the US, by contrast, billionaires have frequently chosen to cash out of their businesses, and their wealth has not lasted so long.
* The report asks the Indian government to end the extreme concentration of wealth to end poverty, introduce inheritance tax and increase the wealth tax as the proportion of this tax in total tax revenue is one of the lowest in India.

Global scenario:

* Over the next 20 years, 500 people will hand over $2.1 trillion to their heirs — a sum larger than the GDP of India, a country of 1.3 billion people.
* The study findings showed that the poorest half of the world has less wealth than had been previously thought while over the last two decades, the richest 10% of the population in China, Indonesia, Laos, India, Bangladesh and Sri Lanka have seen their share of income increase by more than 15%.
* On the other hand, the poorest 10 per cent have seen their share of income fall by more than 15 %.
* In Asia, Singapore and India have a high number of multi-generational billionaires and a lot many people across the globe, including India, will transfer wealth to their heirs in the next 20 years, the study said, while pushing for a need to establish a system of inheritance tax.

**Cabinet approves India’s accession to the Customs Convention on International Transport of Goods under cover of TIR Carnets (TIR Convention)**

-The Union Cabinet has given its approval for India’s accession to the Customs Convention on International Transport of Goods under cover of TIR Carnets (TIR Convention) and for completion of necessary procedures for ratification, for its entry into force.

- TIR= Transports Internationaux Routiers ;

How will this help India?

* The Convention will help Indian traders to have access to fast, easy, reliable and hassle free international system for movement of goods by road or multi- modal means across the territories of other contracting parties.
* No need for inspection of goods at intermediate borders as well as physical escorts en route.
* Customs clearance can take place at internal Customs locations thereby avoiding clearances at Border Crossing Points and ports that may often be congested.
* Movement under the TIR can be allowed by checking only the seals and the external conditions of the load compartment or the container thereby reducing border delays, transport and transaction costs thereby leading to-
  + Increased competitiveness and growth for the trade and transport sectors.
  + Enhanced security in the supply chain as only approved transporters and vehicles are allowed to operate in terms of the Convention.
* The TIR carnet also serves as a Customs declaration, and hence it precludes the need to file multiple declarations satisfying national laws of the different transiting countries.
* The TIR Convention can be an instrument for movement of goods along the International “North-South” Transport (INSTC) Corridor ;
* The proposal does not result in any direct financial implication for the Government of India as it pertains to India’s accession to an international convention.

Background:

The Customs Convention on International Transport of Goods under cover of TIR Carnets, 1975 (TIR Convention), is an international transit system under the auspices of the United Nations Economic Commission for Europe (UNECE) to facilitate the seamless movement of goods within and amongst the Parties to the Convention. At present there are 70 parties to the Convention, including the European Union.

* The TIR system not only covers customs transit by road but a combination is possible with other modes of transport (e.g., rail, inland waterway, and even maritime transport), as long as at least one part of the total transport is made by road.

Significance of this convention:

* TIR is the only global customs transit system that provides easy and smooth movement of goods across borders in sealed compartments or containers under customs control from the customs office of departure to the customs office of destination.
* It plays an important role in boosting regional connectivity and facilitating cross-border trade flows, according to connectivity experts.
* The TIR system has a globally accepted electronic control system for integrated transit operations.

Benefits for India:

* This will allow India to take full benefit of International North South Transportation Corridor or INSTC, which enables access to Eurasian region via Iran, and Bangladesh-Bhutan-India-Nepal Motor Vehicles Agreement.
* Aligning with the TIR system will also enable India to take full advantage of the Eurasian Economic Union (EEU). EEU, comprising Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan, have an integrated single market of 183 million people and GDP of more than $4 trillion in purchasing power parity.
* The TIR system can also make Bangladesh-Bhutan-India-Nepal Motor Vehicles Agreement efficient for sub-regional cooperation on India’s eastern flank.

**Why can’t FM stations broadcast news, asks SC**

The Supreme Court has sought the central government’s response on a plea seeking direction for allowing private FM radio stations, including community radio to broadcast news.

* At present, the government has kept news out of the purview of FM channels, which are only allowed to carry All India Radio news bulletins in exactly the same format.

Background:

The court is hearing a public interest litigation (PIL) filed by the NGO Common Cause in 2013, seeking directions from the Centre on the possibility of allowing private radio stations and community radios to broadcast news, arguing that radio is a more accessible medium for the masses, particularly the poor. The apex court had also issued a notice to the Centre on the PIL back in October 2013.

* The NGO’s petition had also submitted that the Telecom Regulatory Authority of India (Trai), which took over the regulatory duties for broadcasting in January 2004, has recommended to the government that rules restricting private and community radio channels from broadcasting news and current affairs programmes be removed.
* The NGO has challenged the validity of the policy guidelines and permission agreements framed by the Centre, saying that while these norms allow broadcast of information, including news on sports, traffic or weather, what is not allowed is the broadcast of political news.

**Facts for Prelims**

**Saksham – 2017:**

* Saksham – 2017 (Sanrakshan Kshamta Mahotsav) is aimed to create awareness amongst masses towards judicious utilization and conservation of petroleum products along with use of energy efficient appliances and switching to cleaner fuels.

**Insights Daily Current Affairs, 17 January 2017**

**MoWCD plans to form National Alliance against online Child sexual abuse and exploitation**

**Aim of the alliance:** The alliance aims to develop a comprehensive outreach system to engage parents, schools, communities, NGO partners and local governments (PRIs and ULBs) as well as police and lawyers to ensure better implementation of the legal framework, policies, national strategies and standards in relation to child protection and child rights.

The National Alliance on Child Sexual Abuse and Exploitation has the following broad objectives:

* Definition - Bring a common definition of child pornography including amendment of acts (Information technology Act, POCSO Act).
* Hotline - Set up a multi-member secretariat based in MWCD with a portal inclusive of a hotline for reporting and strengthening existing service delivery systems.
* Info exchange- Provide a platform for Government/ NGOs and other child rights activists for networking and information sharing.
* Share best practices- Document and showcases success stories and best practices in terms of prevention of online abuse and exploitation of children.
* Awareness generation - Inform and educate member organisations, parents, teachers, front line service providers and children on the rights of the children and various issues related to online child abuse and exploitation.
* Policy inputs- Provide a forum for advocacy for child rights and policy inputs based on research and studies.

Background:

* Even though India has a comprehensive legal framework for protection of child rights in the form of
  + Juvenile Justice (Care and Protection of Children) Act 2015,
  + POCSO Act, 2012
  + RTE Act 2009
  + recently amended Child Labour (Prohibition and Regulation) Amendment Act, 2106;
* There is limited awareness of online risks for children, both among parents and guardian and children themselves.

**About Child Sexual Abuse:**

* Child sexual abuse = multi-layered problem ;
* It negatively impacts children’s safety, health and wellbeing. Research from world-wide indicates that children’s exposure to violence and abuse is associated with long-term physical, psychological, and emotional harm.
* Child abuse is finding new forms and channels through mobile and digital technologies.
* Online child abuse and exploitation –
  + Amplifies existing forms of offline bullying, stalking and harassment.
  + facilitates the sexual exploitation of children through the
    - production and dissemination of child sexual abuse materials
    - by facilitating the sexual exploitation and trafficking of children;

**Financing Agreement with World Bank for US$ 48 Million for “Nagaland Health Project”**

A financing agreement for IDA credit of US$ 48 million for the ‘Nagaland Health Project’ was recently signed between India and the World Bank. A Project Agreement was also signed.

Nagaland Health Project:

The Objectives of the project are to improve health services and increase their utilization by communities in targeted locations in Nagaland.

* Communities in targeted locations will benefit from project activities at the community and health facility levels while the population of the state as a whole will benefit from improvements in higher-level facilities as well as system-wide investments.
* The project will directly benefit about 600,000 people. It will support and complement existing systems and mechanisms involving communities under the National Health Mission.

**Ministry of Earth Sciences Commissions Higher Resolution Weather Prediction Model[link-DmT]**

To track severe cyclonic storms, such as Vardah, the Ministry of Earth Sciences has commissioned a very high resolution (12 km) global deterministic weather prediction model for generating operational weather forecasts.

Key facts:

* The model has been on trial since September 2016. It has shown significant improvements in skill of daily weather forecasts.
* The latest model replaces the earlier version that had a horizontal resolution of 25 km. It was very helpful, especially in predicting the track and the intensity of the recent Very Severe Cyclonic Storm Vardah and the cold wave over the northern parts of India.
* The Ministry’s operational Ensemble Prediction System (EPS) will also be upgraded to 12 km. The EPS was adopted to overcome the problem of uncertainties in the forecasts and involves the generation of multiple forecasts using slightly varying initial conditions.

**GST: Centre, States reach consensus over dual control, roll out likely from July 1**

The Goods and Services Tax (GST) Council has arrived at a consensus on contentious issues such as administrative control over tax payers in the new indirect tax regime, thus paving the way for GST to be introduced this year, although three months after the Centre’s original rollout deadline of April 1, 2017.

* The consensus was reached after the Centre agreed to the demand of states to go in for horizontal split with regard to tax payers based on annual turnover.

Background:

This division of tax administration had been holding up the finalisation GST tax laws, making it difficult for the government to stick with the April 1 deadline. The delay in expected to help trade and industry better prepare themselves.

Key facts:

* Under the proposed tax regime, 90% of all assessees with a turnover of Rs 1.5 crore or less will be assessed for scrutiny and audit by state authorities, the remaining 10% by the Centre. Above that limit, Centre and states will assess in a 50:50 ratio.
* The entire taxation base will be shared between the assessment machinery of the Centre and the states. Both will have intelligence based assessment powers.
* The Centre has also given leeway to states on integrated GST (I-GST), which deals with inter-state sales. The power to levy and collect the I-GST lies with the central government but states will also be cross-empowered in the same ratio as above through a special provision in law. Any IGST disputes among states will be resolved by the Centre.
* The Centre has also ceded ground on taxation rights over the sea. Territorial waters extending to 12 nautical miles fall under control of the union government but as per convention, states will be empowered to collect tax on any economic activity in this zone.

About GST council:

As per Article 279A (1) of the Constitution, the GST Council has to be constituted by the **PRESIDENT** within 60 days of the commencement of Article 279A. The notification for bringing into force Article 279A was issued in September 2016.

* GST Council will decide on the tax rate, exempted goods and the threshold under the new taxation regime.
* Members-
* Chair = Union Finance Minister
* Members-
  + Minister in charge of Finance or Taxation or any other Minister nominated by each State Government
  + MoS-in charge of Revenue or Finance at the Centre.

**India most trusted nation in terms of institutions: Report**

-2017 Edelman Trust Barometer annual trust and credibility survey findings[among 28 nation survey]-

* In terms of –
  + most trusted nation in terms of institutions , India=1st ; 72% Indians have reposed faith in instns;
  + The Indian government – India =2nd ; China=1st ;
* This year’s barometer showed the largest-ever drop in trust across the institutions of government, business, media and NGOs.
* Trust in media (43%) fell precipitously and is at all-time lows in 17 countries,
* Trust levels in government (41%); govt is the least trusted institution in half of the 28 countries surveyed.
* The credibility of leaders also is in peril:-
  + CEO credibility dropped 12 points globally to an all-time low of 37%, plummeting in every country studied,
  + government leaders (29%) remain least credible.

**India slips to 92nd rank on global talent competitiveness**

India has slipped 3 places to 92nd rank on the global index of talent competitiveness that measures how countries grow, attract and retain talent, a list topped by Switzerland. Last year, India came in at 89th on the index.

* The index was released by INSEAD Produced in partnership with The Adecco Group and the Human Capital Leadership Institute of Singapore (HCLI).

Key facts:

* India’s ranking is worst among the five BRICS countries. While China was ranked at the 54th place, Russian Federation was placed at 56th, followed by South Africa at 67th and Brazil 81st.
* Switzerland topped the overall index, followed by Singapore and the United Kingdom in second and third places respectively.
* Others in the top 10 include the United States (4th), Sweden (5th), Australia (6th), Luxembourg (7th), Denmark (8th), Finland (9th) and Norway (10th).
* In terms of retaining and attracting talent, India was ranked at a lowly 104th and 114th, respectively.

Ranking of cities:

* The index has also released the first-ever global ranking of cities on the basis of their reputation and growing footprint in attracting, growing, and retaining global talent.
* Mumbai was the only Indian city that has made it to this coveted list, topped by Copenhagen.
* The top 10 global cities in terms of talent competitiveness include Zurich, Helsinki, San Francisco, Gothenburg, Madrid, Paris, Los Angeles, Eindhoven and Dublin.

Sources: et.

*Paper 3 Topic: Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security; money-laundering and its prevention.*

**Privacy concerns over data-sharing policy: Supreme Court notices to WhatsApp, Facebook**

The Supreme Court has issued notices to WhatsApp, Facebook and the Telecom Regulatory Authority of India to explain their legal positions over privacy concerns raised in a petition on the instant messaging application’s data-sharing policy.

* It is alleged that privacy of citizens has been infringed by the social networking sites, which amounted to infringment of Articles 19 (Freedom of Speech and Expression) and 21 (Right to Life) of the Constitution.

What’s the issue?

The issue raised in the petition concern the new privacy policy of WhatsApp under which the app can share data with the parent organisation Facebook. This, petition alleges, may amount to invasion of privacy of individuals. Delhi HC had earlier denied any relief and refuse to interfere with the policy of Facebook and WhatsApp.

Facebook and WhatsApp are also facing trouble in Germany over this data-sharing, with the German privacy watchdog ordering Facebook to delete whatever data it has received from WhatsApp. Unlike India, where there are no specific privacy laws to deal with user data and how it is shared and stored, Germany has strict data privacy laws.

Sources: the hindu.

**Facts for Prelims**

**World Government Summit:**

* The fifth edition of the World Government Summit (WGS) will get underway soon in UAE as yet another initiative to generate ideas for global governance.
* There will be 10 new developments in the upcoming edition, held under the patronage of Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, from February 12-14 in Dubai.
* The leading global event will feature the first international gathering of experts on happiness under the title Global Dialogue for Happiness, as well as the Forum on Climate Change and Food Security, and an Arab Youth Forum.
* The summit will continue its efforts to partner with various foreign governments and international organizations.
* During the summit, the UN will discuss the potential of achieving its sustainable development goals (SDGs), while the World Bank will highlight the future of governments and education. For its part, IMF will debate the future of blockchain. OECD will focus on the future of innovation in governments.

**Insights Daily Current Affairs, 18 January 2017**

*Paper 3 Topic: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*

**Finance Ministry suspends Dec. 21 tax circular on indirect transfers**

In a move that will provide a respite to foreign portfolio investors (FPIs), venture capital and private equity investors, the central board of direct taxes (CBDT) has decided to put on hold its recent circular on taxation of indirect transfers.

What’s the issue?

In December 2016, the tax department issued a clarification on the scope of indirect transfer provisions that sought to even apply these provisions to FPIs. This would have taxed any profits made by funds with underlying assets (including equities) in India.

* This would have subjected FPIs, especially those with India-focused funds, to greater scrutiny by the income-tax (I-T) department and led to double taxation in many cases.
* It was estimated that 181 publicly traded funds whose India exposure is more than half of total assets could be affected by this move. These funds managed $39 billion of assets.
* This had forced many foreign investors to make representations to the finance ministry asking the latter to reconsider the circular. They had pointed out that applying these provisions on offshore investors investing in these foreign funds or FPIs would lead to double taxation as they already pay securities transaction tax and tax on capital gains from selling of shares.

Background:

Indirect transfer provisions deal with taxation of transactions wherein even though the transfer of shares took place overseas, the underlying assets were in India.

* Indirect transfer provisions were introduced in the I-T act in 2012 with retrospective effect, as the government sought to bring Vodafone Group Plc.’s $11 billion acquisition of Hutchison Essar Ltd in 2007 (by acquiring a Cayman subsidiary owned by Hutchison International) and other such transactions under the tax net in India.
* To remove the sting from the retrospective amendment to the tax laws by the previous government, the government had subsequently clarified that only those indirect transfer transactions wherein more than 50% of the underlying assets are in India will be subject to a levy of capital gains tax in India. But the clarifications also extended the tax to funds, including those outside India.

**LIGO India, Meant to Study Gravitational Waves, To Be Ready By 2024**

The LIGO India project is likely to be commissioned in 2024. The LIGO India centre, which will study cosmic gravitational waves, will only be the third one in the world. However, this would require Indian universities to churn out young researchers trained in the science, according to the announcement made by LIGO Laboratory.

About LIGO India:

The LIGO (Laser Interferometer Gravitational-wave Observatory) is a massive observatory for detecting cosmic gravitational waves and for carrying out experiments. The objective is to use gravitational-wave observations in astronomical studies.

* The project operates three gravitational-wave (GW) detectors. Two are at Hanford in the state of Washington, north-western US, and one is at Livingston in Louisiana, south-eastern US. The proposed LIGO India project aims to move one advanced LIGO detector from Hanford to India.
* LIGO research is carried out by the international LIGO Scientific Collaboration (which includes the GEO Collaboration and the Australian Consortium for Interferometric Gravitational Astronomy) and the Virgo Collaboration in Europe.
* LIGO India will be set up as a joint scientific collaboration between LIGO laboratories of the California Institute of Technology (Caltech), Massachusetts Institute of Technology (MIT), the US, and three lead Indian institutions, namely, the Inter-University Centre for Astronomy and Astrophysics (IUCAA), Pune, Institute for Plasma Research (IPR), Gandhinagar, and Raja Ramanna Centre for Advanced Technology (RRCAT), Indore.

What are Gravitational Waves?

Gravitational waves are the ripples in the pond of spacetime.

The gravity of large objects warps space and time, or “spacetime” as physicists call it, the way a bowling ball changes the shape of a trampoline as it rolls around on it.

Smaller objects will move differently as a result – like marbles spiraling toward a bowling-ball-sized dent in a trampoline instead of sitting on a flat surface.

Why they are useful?

These waves will be particularly useful for studying black holes (the existence of which was first implied by Einstein’s theory) and other dark objects, because they’ll give scientists a bright beacon to search for even when objects don’t emit actual light.

* With this, mapping the abundance of black holes and frequency of their mergers could get a lot easier.
* Since they pass through matter without interacting with it, gravitational waves would come to Earth carrying undistorted information about their origin.
* They could also improve methods for estimating the distances to other galaxies.

Why it is difficult to detect these waves?

The reason that gravitational waves have been so difficult to detect is that their effects are tinier than tiny. In fact, the signals they produce are so small that scientists struggle to remove enough background noise to confirm them.

**India becomes Associate member of CERN**

India has officially become an Associate member of CERN with the Indian government completing its internal approval procedures in respect of the agreement it had signed with CERN on November 21, 2016.

Background:

An Agreement was signed in November 2016 to admit India to CERN as an Associate member. But India had to “notify CERN of its final approval for the Agreement to enter into force” and become an Associate member.

Key facts:

* As an Associate member India will have full access to all data generated at CERN. As there are many experiments in CERN, there will be plenty of information available.
* As an Associate member, India can participate in all experiments.
* Also, whenever any CERN facilities get upgraded and go through maintenance, it will provide opportunities for Indian industries to participate. Indian industry will be entitled to bid for CERN contracts, which will allow it to work in areas of advanced technology.
* Since Indian scientists will become eligible for staff appointments, it will also enhance the participation of young scientists and engineers in operation and maintenance of various CERN projects.

About CERN:

CERN is the world’s largest nuclear and particle physics laboratory, where scientists and engineers are probing the fundamental structure of the Universe by using the most sophisticated scientific instruments and advanced computing systems.

* CERN is based in Geneva on the French-Swiss border. The CERN convention was signed in 1953 by the 12 founding state.

India and CERN:

India was granted Observer status to the CERN Council in 2002.

**Industry seeks foreign partners for trade pact**

India’s top industry bodies are attempting to build a coalition with counterparts in other nations with similar interests to give a fillip to the country’s proposal for a Trade Facilitation in Services (TFS) Agreement at the World Trade Organisation (WTO)-level.

Why?

The proposed TFS pact, among other things, aims to –

make it easier for professionals and skilled workers to move across borders for short-term work,

ensure portability of their social security contributions.

Background:

India is making the case for this pact in line with the Trade Facilitation Agreement (TFA) in goods, signed by WTO in 2014. It aims at expediting movement, release and clearance of goods as well as co-operation on customs compliance issues.

* Pitching for a trade facilitation agreement in services in WTO, India had floated a concept note in September 2016 saying the pact will reduce transaction costs by doing away with unnecessary regulatory and administrative burden on trade in services.
* India had proposed simplification of procedures and clarity in work permits and visas for smooth movement of professionals.
* It said the TFS Agreement will address the key issues that are pertinent to facilitating trade in services, such as transparency, streamlining procedures, and eliminating bottlenecks.

**Silicon identified as ‘missing element’ in Earth’s core**

Earth’s core is made up of Iron and nickel, but there is a third element which has eluded identification till now. However, now scientists have been able to identify the third and elusive element as silicon. Researchers have identified silicon as the missing element deep in the core of the planet.

**Facts for Prelims**

**Mission 41k:**

* It is a mission launched by Indian Railways to save Rs 41,000 crore on the Indian Railways’ expenditure on energy consumption over the next 10 years.
* This target will be achieved by –
  + moving 90% of traffic to electric traction over diesel. Presently, this is at 50 %of the total rail traffic. The Railways ministry plans to achieve this target by doubling the current pace of electrification.
  + The railways also aim to procure more and more electricity at cheaper rates through open market instead of sourcing it through DISCOMs and thereby hopes to save as much as 25% on its energy expenses.
  + New technologies are also being explored to bring down electric consumption

**Insights Daily Current Affairs, 19 January 2017**

**MoU between India and the United Arab Emirates on the Mutual Recognition of Certificates of Competency**

The Union Cabinet has approved the Memorandum of Understanding (MoU) between India and the United Arab Emirates on the Mutual Recognition of Certificates of Competency.

Key facts:

* The proposed MoU will pave way for recognition of maritime education and training, certificates of competency, endorsements, training documentary evidence and medical fitness certificates for seafarers issued by the Government of the other country in accordance with the provisions of Regulation 1/10 of the Standards of Training, Certification and Watchkeeping (STCW) Convention, and cooperation between the two countries in training and management of seafarers.
* The MoU will ensure that the education, training and assessment of seafarers, as required by the STCW Convention, are administered and monitored in accordance with of the STCW Code for each type and level of training assessment involved.

**Cabinet approves the repealing of the obsolete and redundant laws**

The Union Cabinet has given its nod to a Law Ministry proposal to bring the Repealing and Amending Bill, 2017 to scrap 105 redundant laws which have been clogging the statute books.

Background:

The two-member committee constituted by the PMO, the Law Commission and the Legislative Department had identified 1824 redundant and obsolete Central Acts for repeal. Four Acts have so far been enacted to repeal 1175 Central Acts between May, 2014 and August, 2016 by the Parliament.

Key facts:

* The 105 laws, which would be repealed once the bill is passed, include the 2008 amendments to the Unlawful Activities (Prevention) Act, The President’s Emoluments and Pension Act and the Vice-President’s Pension Act.

**Cabinet approves India’s Membership in the International Vaccine Institute (IVI), South Korea**

The Union Cabinet has given its approval to the proposal for India’s taking full membership of the International Vaccine Institute (IVI) Governing Council.

About IVI:

International Vaccine Institute (IVI), Seoul, South Korea, established in 1997 on the initiatives of the UNDP, is an international organization devoted to developing and introducing new and improved vaccines to protect the people, especially children, against deadly infectious diseases.

* Created initially as an initiative of the UN Development Programme (UNDP);
* It began formal operations as an independent international organization in 1997.
* Currently, IVI has 40 countries and the World Health Organization (WHO) as signatories to its Establishment Agreement.
* The Institute has a unique mandate to work exclusively on vaccine development and introduction specifically for people in developing countries, with a focus on neglected diseases affecting these regions.

**‘ShaGun’ – a web-portal for Sarva Shiksha Abhiyan**

 = dedicated web portal ‘ShaGun’ for the SSA; so focus is ELEMENTARY EDUCATION;

- ShaGun, which has been coined from the words ‘Shala’ meaning Schools and ‘Gunvatta’ meaning Quality;

-based on Twin Track approach-

a. to capture and showcase innovations and progress in Elementary Education sector of India;

It is the Repository with an engaging interface that focuses on positive stories and developments in the field of School Education. In this repository, best practices will be documented in the form of videos, testimonials, case studies, and images, which will display state-level innovations and success stories that are driving improvements in performance under SSA. This repository has a decentralized management structure that enables State governments to choose, upload and manage their own content

b. continuous monitoring of SSA;

It has an online monitoring module to measure state-level performance and progress against key educational indicators.

It has been developed to collect and report data which will enable the government and administrators to track the efficiency with which SSA funds are being utilized and the results that this is delivering.

Link- expenditure being linked to outcomes; outcome budget;

About SSA:

It is Government of India’s flagship programme for achievement of Universalization of Elementary Education (UEE) in a time bound manner, as mandated by 86th amendment to the Constitution of India making free and compulsory Education to the Children of 6-14 years age group, a Fundamental Right.

* It is being implemented in partnership with State Governments to cover the entire country and address the needs of 192 million children in 1.1 million habitations.
* It seeks to open new schools in those habitations which do not have schooling facilities and strengthen existing school infrastructure through provision of additional class rooms, toilets, drinking water, maintenance grant and school improvement grants.
* Existing schools with inadequate teacher strength are provided with additional teachers, while the capacity of existing teachers is being strengthened by extensive training, grants for developing teaching-learning materials and strengthening of the academic support structure at a cluster, block and district level.
* It also seeks to provide quality elementary education including life skills. SSA has a special focus on girl’s education and children with special needs. SSA also seeks to provide computer education to bridge the digital divide.

**Cabinet approves amendment in Modified Special Incentive Package Scheme**

The Union Cabinet has given its approval for amendment in the Modified Special Incentive Package Scheme (M-SIPS) to further incentivize investments in Electronic Sector and moving towards the goal of ‘Net Zero imports’ in electronics by 2020.

* Besides expediting investments into the Electronics System Design and Manufacturing (ESDM) sector in India, the amendments in M-SIPS are expected to create employment opportunities and reduce dependence on imports.
* The Policy covers all States and Districts and provides them an opportunity to attract investments in electronics manufacturing.

The salient features of the amendment are:

* The applications will be received under the scheme upto 31st December 2018 or till such time that an incentive commitment of Rs 10,000 crore is reached, whichever is earlier. In case the incentive commitment of Rs 10,000 crore is reached, a review will be held to decide further financial commitments.
* For new approvals, the incentive under the scheme will be available from the date of approval of a project and not from the date of receipt of application.
* The incentives will be available for investments made within 5 years from the date of approval of the project.
* Approvals will normally be accorded to eligible applications within 120 days of submission of the complete application.
* A unit receiving incentives under the scheme, will provide an undertaking to remain in commercial production for a period of at least 3 years.
* The Appraisal Committee recommending approval of project will be chaired by Secretary, MeITy (Ministry of Electronics and IT);
* A separate Committee headed by Cabinet Secretary and comprising of CEO, NITI Aayog, Secretary Expenditure and Secretary, MeitY will be set up in respect of mega projects, envisaging more than Rs. 6850 crore (approx. USD 1 Billion) investments.

About M-SIPS:

The Cabinet had, in July, 2012 approved the M-SIPS to provide a special incentive package to promote large scale manufacturing in the Electronic System Design and Manufacturing (ESDM) sector.

* The scheme provides subsidy for capital expenditure – 20% for investments in Special Economic Zones (SEZs) and 25% in non-SEZs.
* The Scheme was amended in August, 2015 for scope enhancement and simplification of procedure.
* The Scheme has attracted investments in the ESDM sector to the tune of Rs. 1,26,838 crore, of which investments of around Rs. 17,997 crore have been approved by the MeitY. The M-SIPS has been able to create positive impact on investment in electronics sector.

**Government school students move up the learning curve**

The eleventh [Annual Survey of Education Report (ASER](http://www.asercentre.org/)), released recently, has given a glimmer of hope by acknowledging improvements in learning levels, largely driven by government schools.

Highlights of the survey:

* This year there is an improvement in children’s reading ability and arithmetic understanding — especially in early grades in government schools. This is the first year since 2010 that there is an upward trend in arithmetic figures.
* In almost all states there is some improvement in the arithmetic levels of children enrolled in government schools in Class III.
* Enrolment levels continue to increase and there is also a significant increase in the number of useable toilets for school goers —an improvement that may possibly be attributed to government’s flagship Swachh Bharat Abhiyan. Out of school children, however, have increased in certain states including Uttar Pradesh.
* Nationally, no change in the availability of computers in schools since 2014. However, some states stand out in terms of high provision of computers- Kerala, 89% of schools visited had computers; 75.2% in Gujarat, 55.1% in Maharashtra and 57.3% in Tamil Nadu.

**Insights Daily Current Affairs, 20 January 2017**

**Centre sets up a negotiation panel on river Mahanadi and its tributaries**

Ministry of Water Resources, River Development and Ganga Rejuvenation has constituted a negotiations committee to assess availability and utilisation of waters of Mahanadi and its tributaries.

Background:

The committee has been set up with reference to complaint of State of Odisha under section 3 of the ISRWD Act, 1956 regarding utilisation of waters of Mahandi Basin.

Key facts:

* The committee will also examine existing water sharing agreements on river Mahanadi and will consider claims of Odisha, Chhattisgarh, Madhya Pradesh, Maharashtra and Jharkhand regarding availability and utilisation of waters of these rivers.
* The committee has been asked to submit its report within three months.

What’s the dispute?

The 850km length of the Mahanadi river is divided almost equally between Chhattisgarh, where it is born, and downstream Odisha. Last year Odisha government opposed barrages that Chhattisgarh has been constructing.

Odisha government alleges that these barrages are meant to feed industrial projects and will block the flow of water into Odisha whose dependence on the river is greater.

Chhattisgarh has denied this allegation pointing out that much of the river in Odisha flows untapped and straight into the sea.

**Workshop on MSME Cooperation amongst Indian Ocean Rim Association (IORA) Member Countries**

Workshop on MSME Cooperation amongst Indian Ocean Rim Association (IORA) Member countries was recently held in India. This workshop aims to strengthen economic relationship amongst the member countries in the field of trade and investment facilitation especially in MSME sector.

* This Workshop will facilitate exchange of ideas, concerns and experiences of IORA member states and would help evolve a common MoU to address the emerging challenges in the region in MSME sector.

Background:

Workshop on MSME Cooperation amongst IORA member countries was organized in pursuance of the commitment made by India in the Economic Business Conference – II (EBC- II) held in Dubai in April, 2016.

Indian Ocean Rim Association (IORA):

It is an international organisation consisting of coastal states bordering the Indian Ocean. IORA was established in 1997 to promote cooperation in the Indian Ocean region. It was formerly known as the Indian Ocean Rim Initiative and Indian Ocean Rim Association for Regional Cooperation (IOR-ARC).

* The IORA is a regional forum, tripartite in nature, bringing together representatives of Government, Business and Academia, for promoting co-operation and closer interaction among them.
* It is based on the principles of Open Regionalism for strengthening Economic Cooperation particularly on Trade Facilitation and Investment, Promotion as well as Social Development of the region.
* It seeks to expand mutually beneficial cooperation through a consensus-based, evolutionary and non-intrusive approach.
* IORA is the only regional forum linking most countries on the Indian Ocean rim through an annual Foreign Ministers’ meeting.
* The Coordinating Secretariat of IORA is located at Ebene, Mauritius.
* The Association comprises 20 member states and 7 dialogue partners;
* the Indian Ocean Tourism Organisation and the Indian Ocean Research Group has observer status.

**CCI imposes penalty on bidders for cartelisation in tenders of Indian Railways**

The Competition Commission of India (CCI) has imposed penalties on three firms for bid rigging of tenders floated by Indian Railways for procurement of Brushless DC fans in the year 2013.

* CCI has held that the firms had shared the market by way of allocation of tenders of Indian Railways for Brushless DC fans amongst themselves under an agreement/ arrangement and indulged in bid rigging/ collusive bidding in contravention of the provisions of Section 3(3)(c) and 3(3)(d) read with Section 3(1) of the Act.

Background:

The anti-competitive conduct of the firms has been established based on exchange of rates to be quoted in upcoming tenders amongst the errant firms, numerous calls amongst the key persons of these firms before and during the period of the tenders and admission by one of the firms which confirmed and revealed the existence and modus operandi of the cartel.

About CCI:

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

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

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

**India Innovation Index to measure performance of Indian states**

The World Economic Forum, NITI Aayog, the World Intellectual Property Organization and the Cornell University are working together to develop an India Innovation Index that will provide impetus to Indian states to drive the innovative spirit.

Key facts:

* This index will encourage states to compete with each other and, in turn, lead to better policies for inclusive growth.
* Each partnering organisation will nominate a working group member to work on the index. The first ranking is expected to be released at the India Economic Summit in New Delhi in October 2017.
* The index will be based on key pillars of innovation and sub-indices that together will assist in tailoring policies that promote inclusive growth. The pillars include the strength of institutions, capacity of human capital and research, supporting infrastructure and the level of business sophistication, among others.
* The index will measure and rank the innovation performance of all Indian states with the aim of moving India towards an innovation-driven economy.
* The index will spur competition and ensure progress towards innovation at the local level in India.

**FIPB clears 6 FDI proposals worth Rs 1,187 crore**

Inter-ministerial body FIPB has approved six investment proposals, including that of Sanofi Synthelabo India, Star Den Media Services and Idea Cellular Infrastructure Services, envisaging foreign investments of Rs 1,186.5 crore.

Background:

India allows FDI in most sectors through the automatic route, but in certain segments considered sensitive for the economy and security, the proposals have to be first cleared by FIPB.

About FIPB:

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

Main tasks:

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

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

* Secretary to Government, DEA, Ministry of Finance – Chairperson
* Secretary to Government, DIPP, Ministry of Commerce & Industry
* Secretary to Government, Department of Commerce, Ministry of Commerce & Industry
* Secretary to Government, Economic Relations, Ministry of External Affairs
* Secretary to Government, Ministry of Overseas Indian Affairs.

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

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

**NASA aims to send spacecraft to giant ‘metal’ asteroid: Mission PSYCHE**

NASA is preparing to send a spacecraft to a giant “metal” asteroid that may tell scientists the secret of how our solar system was formed.

Key facts:

* The mission is called “Psyche”. It is focused to know whether the asteroid, called “16 Psyche” and thought to be made of iron and nickel, could be part of what was an earlier planet perhaps as large as Mars.
* Psyche robotic mission will launch in October 2023 and will arrive at the asteroid in 2030, following an Earth gravity assist spacecraft manoeuver in 2024 and a Mars flyby in 2025.

About 16 Psyche:

* ’16 Psyche’ is the only known object of its kind in the solar system.
* It is nearly three times farther away from the sun than is the Earth. The asteroid measures about 210 kilometres in diameter.
* Scientists believe that the asteroid might have lost its outer core through a series of collisions and the mission could shed light on how planets and other masses broke up into cores, mantles and crusts years ago.

**Insights Daily Current Affairs, 21 January 2017**

**Government to support Tangaliya weavers in purchasing looms**

Government of India has decided to facilitate Tangaliya weavers in purchase of looms, by providing them an assistance amounting to 90% of the price of looms.

* The government has also announced the formation of a special association of Tangaliya workers, which will work for their interest.

What is Tangaliya?

Tangaliya is a 700-year-old indigenous weave of Gujarat which employs an exquisite technique of weaving, using raw wool yarn.

* Tangaliya is a dotted woven textile of Surendranagar district, Saurashtra. It is found only in Gujarat.
* It is usually worn as a wraparound skirt by the women of the Bharwad shephered community.
* Tangalia designs are used for preparing Shawl, Dupatta, Dress material and products of Home décor & accessories such as bedsheets, pillow covers etc.
* The patterns formed during weaving process to create design in dots for floral and geometrical motifs by using cotton or woollen yarn.

**Draft steel policy to enable Rs.10 lakh crore investments**

The new draft National Steel Policy of 2017 has been released. The Ministry of steel has invited comments on the policy from all the stakeholders and the public.

Background:

* In 2015, India was the only large economy in the world where steel demand continued to demonstrate positive growth at 5.3%, as against negative growth in China, and Japan.
* India’s growing urban infrastructure and manufacturing sectors indicate that demand is likely to remain robust in the years ahead.
* Industry still has significant potential for growth, underscored by the fact that the per capita steel consumption in the country at 61 kg is much lower than the global average of 208 kg
* impediments like –
  + high input cost,
  + availability of raw materials,
  + dependency on imports,
  + financial stress etc.

Highlights of the policy:

* Under the policy, the Steel Ministry has proposed setting up greenfield steel plants along India’s coastline to
  + tap cheap imported raw materials such as coking coal
  + export the output in a more cost-effective manner.
* The policy, which envisages by 2030 to more than double India’s domestic steel production capacity to 300 million tonnes;
* It anticipates a requirement of ₹10 lakh crore of fresh investments to meet that goal and expects at least 11 lakh new jobs being created in the process.
* The draft policy also aims at increasing per Capita Steel Consumption to 160 kg by 2030-31 and encouraging industry to be a world leader on energy and raw material efficient steel production by 2030-31, in a safe and sustainable manner.
* The draft policy lays out two alternatives of its vision —
  + to create a globally competitive steel industry that promotes inter-sectoral growth or
  + to create a self-sufficient steel industry that is technologically advanced, globally competitive and promotes inclusive growth.
* To cut down reliance on expensive imports of coking coal, the policy has mooted –
  + gas-based steel plants
  + technologies such as electric furnaces to bring down the use of coking coal in blast furnaces.

**India participates in JITSIC meeting on ‘Panama Papers’**

India participated in the Joint International Taskforce on Shared Intelligence and Collaboration (JITSIC) meeting held recently in Paris where 30 Revenue Authorities shared their findings on investigations arising from the Panama Papers.

* The meeting included sharing of best practices and information between participating member countries based on legal instruments under the tax treaties and OECD and Council of Europe Multilateral Convention.
* The sharing of this information within a group of this size is unique and sets the basis for greater cooperation amongst tax administrations.

Background:

Since the last JITSIC meeting of this group, significant achievements have been made including the development of uniform approaches to requesting information between treaty partners, clearer understanding of the evasion typologies adapted by intermediaries, and new techniques for collating intelligence.

Panama papers:

The ‘Panama Papers’ leaks contain an unprecedented amount of information running into more than 11 million documents covering 2,10,000 companies in 21 offshore jurisdictions. The names were released by the International Consortium of Investigative Journalists (ICIJ).

* About 500 Indians figure in the list which includes prominent businessmen, film celebrities and those belonging to lucrative professions.
* The government has created a Multi-Agency Group (MAG) of probe agencies, comprising the I-T department, the RBI, Financial Intelligence Unit and the Enforcement Directorate, to go into these cases.

About Joint International Task force on Shared Intelligence and Collaboration:

The JITSIC brings together 36 of the world’s national tax administrations that have committed to more effective and efficient ways to deal with tax avoidance. It offers a platform to enable its members to actively collaborate within the legal framework of effective bilateral and multilateral conventions and tax information exchange agreements – sharing their experience, resources and expertise to tackle the issues they face in common.

* Open to all members of the OECD’s Forum on Tax Administration (FTA), the JITSIC operates through a Single Point of Contact (SPOC) in each country. It is supported by the FTA Secretariat based at the OECD.
* JITSIC was originally established in 2004 as the Joint International Tax Shelter Information Centre to combat cross-border tax avoidance. Building on its initial achievements, the JITSIC was re-established in 2014 with many new members from across the FTA.

**Ministry of AYUSH and Advertising Standards Council of India sign MoU**

In order to curtail malpractices in the advertisement of AYUSH drugs, the Ministry of AYUSH has signed a MoU with the Advertising Standards Council of India (ASCI).

Key facts:

* Addressing the cases of misleading advertisements with respect to Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy drugs, treatments and related services, ASCI will comprehensively monitor these advertisements across print and electronic media.
* ASCI has been given a self-monitoring mandate by the Ministry of AYUSH to identify potentially misleading advertisement in the AYUSH sector and process complaints through its Consumer Complaints Council (CCC).
* The Ministry of AYUSH will also redirect complaints against misleading advertisements they receive, to the ASCI, which will be reviewed using ASCI’s code and guidelines.
* The MoU also requires ASCI to report to the Ministry of AYUSH, all advertisements in potential violation of the Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 and Rules thereunder as well as non-compliance of ASCI’s CCC recommendations for the Ministry of AYUSH to take further action.

About ASCI:

The Advertising Standards Council of India (ASCI), established in 1985, is committed to the cause of Self-Regulation in Advertising, ensuring the protection of the interests of consumers.

* ASCI was formed with the support of all four sectors connected with Advertising — Advertisers, Advertising Agencies, Media (including Broadcasters and the Press) and others like PR Agencies and Market Research Companies.
* ASCI is not a Government body, nor does it formulate rules for the public or for the relevant industries.

ASCI’s goals include monitoring, administering and promoting standards of advertising practices in India with a view to:

* Ensuring truthfulness and honesty of representations and claims made through advertising and safeguarding against misleading advertising.
* Ensuring that advertising is not offensive to generally accepted norms and standards of public decency.
* Safeguarding against indiscriminate use of advertising for promotion of products or services which are generally regarded as hazardous to society or to individuals or which are unacceptable to society as a whole.
* Ensuring that advertisements observe fairness in competition and the canons of generally accepted competitive behavior.

About CCC:

ASCI encourages the public to complain against advertisements which they consider to be false, misleading, offensive or unfair.

All of these complaints are evaluated by an independent Consumer Complaints Council (CCC).

* The Board of Governors of ASCI shall appoint Consumer Complaints Council, the number of members of which is not more than twenty one. Out of these 21 members, 12 are from civil society and nine from advertising practitioners. The CCC decides upon the complaints within a period of 4 to 6 weeks.
* The Consumer Complaints Council examines and investigates the complaints received from the consumers and the general public, including the members of the Company, regarding any breach of the Code of Conduct and/or advertising ethics and recommend the action to be taken in that regards.

**Global partnership launched to prevent epidemics with new vaccines**

A global coalition to create new vaccines for emerging infectious diseases, designed to help give the world an insurance policy against epidemics was recently launched at the World Economic Forum in Davos, Switzerland. The coalition is named- Coalition for Epidemic Preparedness Innovations.

About CEPI:

CEPI, Coalition for Epidemic Preparedness Innovations, is a “public-private coalition that aims to derail epidemics by speeding development of vaccines”.

* With an initial investment of US$460m, CEPI – the Coalition for Epidemic Preparedness Innovations will seek to outsmart epidemics by developing safe and effective vaccines against known infectious disease threats that could be deployed rapidly to contain outbreaks, before they become global health emergencies.
* CEPI will initially target the MERS-CoV, Lassa and Nipah viruses, which have known potential to cause serious epidemics. It aims to develop two promising vaccine candidates against each of these diseases before any epidemic, so these are available without delay if and when an outbreak begins. CEPI will also scope out potential support for vaccines against multiple strains of the Ebola and Marburg viruses, and Zika.
* To achieve all these goals, CEPI will need significant additional investment, and the initial CEPI funders are calling for other governments and philanthropic organisations to join them in helping to protect the world against future epidemics. CEPI is looking to complete its fundraising by the end of 2017.
* CEPI also hopes to shorten the time it takes to develop new vaccines to protect against viruses that emerge suddenly as public health threats, as Zika did recently, by capitalising on exciting developments in adaptable vaccine technology and investing in facilities that could respond quickly to previously unknown pathogens.

**Insights Daily Current Affairs, 23 January 2017**

*Paper 2 Topic: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

**Bihar supports prohibition with ‘the world’s longest human chain’**

Bihar has claimed to have formed the **world’s largest human chain** to reaffirm commitment towards liquor ban. The chain was billed as a social message against addiction, and specifically in favour of prohibition.

* Over three crore people participated in the chain, stretching 11,400 km in all the 38 districts of the State.

Background:

Bihar government had implemented the new Bihar Prohibition and Excise Act 2016 from October 2. Many people had termed the legal provisions of the new act as stringent and questioned. Some provisions in the new act were seen as impractical and draconian.

Over 18,000 people have been sent to jail so far for violating prohibition laws since and several lakh litres of liquor have been seized.

About Bihar prohibition and excise act, 2016:

This is a new and more stringent liquor-ban law with provisions such as arrest of all adults in the family if anyone consumes or stores alcohol.

* It aims to ensure that the ban on sale and consumption of alcohol, including Indian-made foreign liquor (IMFL), continues in Bihar.
* Those flouting the ban face up to 10 years in jail, a fine of up to Rs 10 lakh and there is also a provision to confiscate the house or premises where liquor is stored or drunk.
* Though in a rare case, it also prescribes death penalty if people die after consuming hooch.
* Enforcement of the new law, calculated to impose prohibition in a holistic manner, would repeal the previous excise laws in the state.

Sources: the hindu.

*Paper 2 Topic: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

**After jallikattu, it is kambala’s turn**

With an Ordinance promulgated to lift the ban on jallikattu in Tamil Nadu, the demand for lifting the ban on kambala — buffalo racing — is gaining momentum in coastal Karnataka.

* Netizens on various social media sites have, meanwhile, started campaigns in support of the traditional practice.

Background:

Karnataka government in November last informed the High Court, during the hearing of a PIL petition filed by PETA, that it had withdrawn the permission given to hold kambala based on the Supreme Court’s order on jallikattu.

Kambala:

Kambala is an annual Buffalo Race held traditionally under the auspices of local land lords and households or Patel of village, in coastal Karnataka, India. The Kambala season generally starts in November and lasts until March.

Salient features:

* The contest generally takes place between two pairs of buffaloes, each pair raced in wet rice fields, controlled by a whip-lashing farmer.
* The ‘track’ used for Kambala is a paddy field filled with slush and mud.
* The “Kambala Committee” is formed and it usually arranges Kambala in several categories.
* People place massive bets on the buffaloes to win and one can witness more than 20,000 spectators in a well-organised Kambala, egging on and cheering the buffaloes to complete the race.
* In traditional form of Kambala, racing is non-competitive, and buffalo pairs run one by one in paddy fields.
* A ritualistic approach is also there, as some agriculturists race their buffaloes for thanks giving (to god) for protecting their animals from diseases.
* The buffaloes developed for the race are carefully fed and some owners of the buffaloes have even built separate swimming pool for competing buffaloes.

Sources: the hindu.

*Paper 3 Topic: Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology and issues relating to intellectual property rights.*

**A sunspot with centre twice the size of Earth**

A new view of the dark, contorted centre of a sunspot that is nearly twice the diameter of the Earth, along with other invisible details of our Sun, has been unveiled by scientists. The results are an important expansion of the range of observations that can be used to probe the physics of our nearest star.

Key facts:

* The Atacama Large Millimetre/submillimetre Array (ALMA) antennas had been carefully designed so they could image the Sun without being damaged by the intense heat of the focused light.
* Astronomers have harnessed ALMA’s capabilities to image the millimetre-wavelength light emitted by the Sun’s chromosphere – the region that lies just above the photosphere, which forms the visible surface of the Sun.
* Researchers including those from European Southern Observatory (ESO), produced the images as a demonstration of ALMA’s ability to study solar activity at longer wavelengths of light than are typically available to solar observatories on Earth.

What are sunspots?

Sunspots are darker, cooler areas on the surface of the sun in a region called the photosphere.

The photosphere has a temperature of 5,800 degrees Kelvin. Sunspots have temperatures of about 3,800 degrees K. They look dark only in comparison with the brighter and hotter regions of the photosphere around them. Sunspots can be very large, up to 50,000 kilometers in diameter.

About ALMA telescope:

The Atacama Large Millimeter/submillimeter Array (ALMA) is an international partnership of the European Southern Observatory (ESO), the U.S. National Science Foundation (NSF) and the National Institutes of Natural Sciences (NINS) of Japan, together with NRC (Canada), NSC and ASIAA (Taiwan), and KASI (Republic of Korea), in cooperation with the Republic of Chile.

* ALMA -the largest astronomical project in existence- is a single telescope of revolutionary design, composed of 66 high precision antennas located on the Chajnantor plateau, 5000 meters altitude in northern Chile.
* ALMA allows scientists to unravel longstanding and important astronomical mysteries, in search of our Cosmic Origins.

Sources: the hindu.

*Paper 2 Topic: Effect of policies and politics of developed and developing countries on India’s interests, Indian diaspora.*

**Japan threatens to drag India to WTO on steel**

Japan is threatening to take India to the WTO over restrictions that nearly halved its steel exports to the South Asian nation over the past year, a step that could trigger more trade spats as global tensions over steel and other commodities run high.

What’s the issue?

India imposed duties of up to 20% on some hot-rolled flat steel products in September 2015, and set a floor price in February 2016 for steel product imports to deter countries such as China, Japan and South Korea from undercutting local mills.

Tokyo says India’s actions are inconsistent with WTO rules and contributed to the plunge in its steel exports to India, which dropped to 11th-largest on Japan’s buyer list in 2016 through November, down from sixth-largest in 2015.

Why is Japan so much concerned?

With global trade friction increasing, Japan’s defence of an industry that sells nearly half of its products overseas is getting more vigorous.

Besides concern over India’s protection of its domestic steel industry, Japan is also worried about the more rough and tumble climate for global trade being engendered by incoming U.S. President Donald Trump, and feels it must make a strong stand for open and fair international markets.

Way ahead:

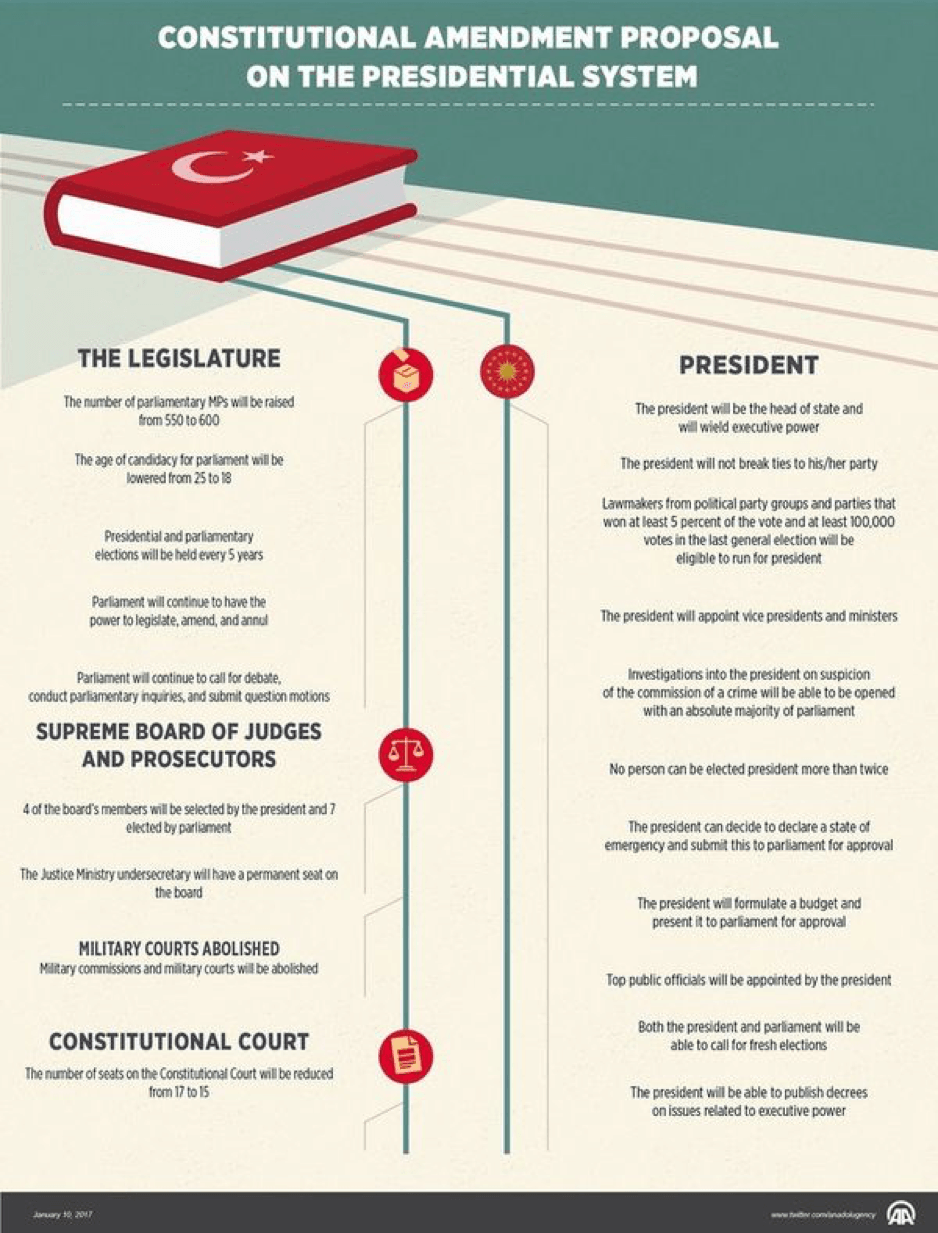
Th two countries will shortly discuss over this issue. But, if consultations fail to resolve the dispute, Japan may ask adjudication by a WTO panel.

Sources: the hindu.

*Paper 2 Topic: Effect of policies and politics of developed and developing countries on India’s interests, Indian diaspora.*

**Turkey’s constitutional reform**

The Turkish parliament has approved a constitutional reform bill that includes strengthening the powers of the presidency, a move that paves the way for a referendum this year that could see President Recep Tayyip Erdogan in office until 2029.

[](https://i0.wp.com/www.insightsonindia.com/wp-content/uploads/2017/01/SC.png)

Key facts:

* The constitutional reform bill was approved overnight with 339 votes in the 550-member assembly, parliament said on its official Twitter account on Saturday. The legislation needed at least 330 deputies to support it in order to go to a public vote.
* Referred to as the ‘Turkish-style presidency,’ the constitutional change will bring about a number of reforms, and replace the current parliamentary system in which the president serves only as a ceremonial figurehead alongside a prime minister, with a presidential system, which will allow the president to become the sole executive head of state in the country.
* More importantly, the office of the prime minister and the cabinet will be abolished and the president will become the head of the executive branch.
* The reform would enable the president to issue decrees, declare emergency rule, appoint ministers and top state officials and dissolve parliament – powers that the two main opposition parties say strip away balances to Erdogan’s power.
* With the reforms, the president will be allowed to retain ties to a political party, potentially allowing Erdogan to resume his leadership of the AK Party, in a move that opposition parties say will abolish any chance of impartiality.
* The plans also envisage presidential and general elections to be held together in 2019 with a president eligible to serve a maximum two five-year terms.

Sources: the hindu.

*Paper 2 Topic: Effect of policies and politics of developed and developing countries on India’s interests, Indian diaspora.*

**Curbs on outsourcing may hit U.S. economy: Nasscom**

India’s IT industry has warned about the adverse impact that curbs on outsourcing will have on the U.S. economy, which lacks high-skilled workers.

How curbs on outsourcing will impact the economy?

The critical thing for IT industry is high-skilled workers and the fact of the matter is that the US lacks high-skilled workers.

* According to December 2015 projections by the U.S. Labour Department, employment of computer and information technology occupations will grow 12% from 2014 to 2024 (faster than the average for all other occupations).
* However, due to shortfalls in college graduates in science, technology, engineering and mathematics (STEM), entering the STEM workforce, there could be 2.4 million unfilled STEM jobs in the U.S. by 2018 — with more than half of these vacancies in computer and IT-related skills.

Background:

Currently, Indian IT industry provide services to American companies, which help them to be competitive in the global market. More than 60% of the Indian IT industry’s $108-billion export revenue comes from the U.S.

Sources: the hindu.

Facts for Prelims:

**SBI teams up with INS Vikramaditya:**

* A one of its kind, ATM machine has been installed onboard INS Vikramaditya by SBI. This is the first time that a warship will have an operational ATM even on the high seas.
* The facilities offered by the State Bank of India to the ship include cash withdrawals, generation of mini-statements, access to bank balance details and change of PIN numbers.
* This joint venture between India’s largest warship and largest banking network is a significant step towards cementing the partnership between the Navy and the bank further, underlines the mutually supportive relations the two organisations share.
* INS Vikramaditya is India’s largest warship.

**China commissions 31st stealth warship:**

* China has commissioned its 31st stealth warship. The CNS Ezhou with a hull number of 513 was delivered to the East Sea Fleet in a naval base in East China’s Fujian province.
* With a maximum speed of 52 km/h, the ship features good manoeuvrability, a high-level of automation and stealth capability, and is capable of hitting aircraft, ships and submarines.
* The ship will perform coastal patrol, fishery escort, anti-submarine and anti-ship operations.
* It is the second ship that has been commissioned to the PLA Navy since the start of 2017, following the CNS Kaiyangxing, a Type—815A class electronic reconnaissance ship, which now belongs to the North Sea Fleet.

**Guinness record:**

* Over 3.5 lakh people have set a new world record by singing the national anthem at an event at Kagvad in Rajkot, Gujarat.
* The occasion was the installation of the idol of goddess Khodiyar at the newly-built Khodal Dham temple in the town.

**Insights Daily Current Affairs, 24 January 2017**

*Paper 2 Topic: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

**N.K. Singh panel submits report on FRBM Act**

A committee constituted by the government last year to set a new fiscal consolidation roadmap has submitted its report. The panel has submitted its report on revising the Fiscal Responsibility and Budget Management Act to the finance minister.

Background:

The five-member committee was constituted in May 2016 following Mr. Jaitley’s announcement, in Budget 2016-17, of the creation of a panel to review the Fiscal Responsibility and Budget Management Act.

The government had mandated the committee to explore whether it should adopt a flexible fiscal deficit target instead of a fixed number every year.

Highlights of the report:

* The committee has recommended major changes in the 13-year-old Fiscal Responsibility and Budget Management (FRBM) Act and suggested ways to ensure responsible and higher growth, sources said.
* The committee says, “a new FRBM Act is critical to create better conditions for co-ordination between monetary and fiscal policy and also usher in a low interest rate regime.”
* There is also a suggestion that fiscal expansion or contraction should be aligned with credit contraction or expansion respectively in the economy.

FRBM act:

The Fiscal Responsibility and Budget Management Act, 2003 (FRBMA) is an Act of the Parliament of India to institutionalize financial discipline, reduce India’s fiscal deficit, improve macroeconomic management and the overall management of the public funds by moving towards a balanced budget.

Need for review of FRBM act:

Since its introduction, the Fiscal Responsibility and Budget Management Act has been facing a rocky road in terms of implementation. Paused four times since its enactment in August 2003, including for a reset of the fiscal deficit target in 2008-09 following the global financial crisis, the FRBM Act has become a subject of animated debate.

Sources: pib.

*Paper 3 Topic: Major crops cropping patterns in various parts of the country, different types of irrigation and irrigation systems storage, transport and marketing of agricultural produce and issues and related constraints; e-technology in the aid of farmers.*

**Rubber Soil Information System (RubSIS) for Rubber Growers**

The government recently launched Rubber Soil Information System (RubSIS).

What is it?

It is an online system for recommending application of appropriate mix of fertilizers to the specific plantations of rubber growers depending upon their soil nature.

Key facts:

* RubSIS is developed by Rubber Research Institute of India (RRII) under the Rubber Board in collaboration with three agencies viz Indian Institute of Information Technology and Management, Kerala, National Bureau of Soil Survey and Land Use Planning, ICAR and National Remote Sensing Center, ISRO
* It brings soil data to the fingerprints of rubber growers and recommends the optimum mix and quantities of chemical fertilizers that his holding requires.
* It is a cost effective tool for sustainable &scientific management of rubber growing soils.
* Apart from preventing indiscriminate use of chemical fertilizers and soil degradation, adoption of RubSIS will lead to reduction in the cost of production of rubber, increase in productivity and reduction in environmental pollution.

Sources: pib.

*Paper 2 Topic: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

**Budget before polls gets green light from SC**

Noting that there is “nothing concrete” to back the notion that presentation of the annual budget can sway the minds of people during the State Assembly polls, the Supreme Court has dismissed a petition seeking the postponement of the Central budget till the Assembly elections in five States.

Background:

A petition was filed in the Supreme Court contending that policies like giving homes to the economically-deprived in States introduced in the annual budget influence people to vote in a particular fashion.

“They present schemes like these in the budget to control the minds of the citizens. These schemes declared during election time are against the Model Code of Conduct,” the petitioner had argued.

Budget on February 1:

The government last year decided to advance the presentation of budget. The objective behind this move is to have the Budget constitutionally approved by Parliament and assented to by the President, and all allocations at different tiers disseminated to budget-holders, before the financial year begins on April 1. The proposal for a change in the budget presentation date was first mooted by some of the government’s senior most bureaucrats as part of a ‘Transforming India’ initiative in January 2016.

Sources: the hindu.

*Paper 2 Topic: Effect of policies and politics of developed and developing countries on India’s interests, Indian diaspora.*

**India rejects attempts by EU, Canada for global investment agreement**

India, along with Brazil, Argentina and some other nations, has rejected an informal attempt by the European Union (EU) and Canada to work towards a global investment agreement at the World Trade Organisation (WTO)-level that would incorporate a contentious Investor-State Dispute Settlement (ISDS) mechanism.

Why is it being opposed?

The ISDS mechanism has become contentious as it permits companies to drag governments to international arbitration without exhausting the local remedies and claim huge amounts as compensation citing losses they suffered due to reasons, including policy changes.

What’s the demand now?

Countries opposing this move say, “Only after all local options have been exhausted for settling disputes between a corporate and a government, do we want to permit issues to be taken up in international arbitration tribunals.”

Also, they want such provisions to be a part of bilateral agreements only and not be allowed in a multilateral agreement.

Sources: the hindu.

*Paper 2 Topic: Role of civil services in a democracy.*

**Graft probe against babus must conclude in 90 days: Government**

The Ministry of Personnel has come out with fresh rules for enquiries against officers of all India services– Indian Administrative Service (IAS), Indian Police Service (IPS) and Indian Forest Service (IFoS)– to provide for stage-wise specific time-lines for completion of the enquiries.

* The rules have been amended to bring in more accountability and time-bound completion of every exercise in the course of governance.

Key facts:

* As per the new rules, all departmental enquiries against IAS and IPS officers to probe corruption charges and other irregularities need to be concluded within a maximum period of 90 days.
* A time limit of six months has been fixed for completion of departmental enquiry and submission of report. In case it is not possible to complete the enquiry within six months for justifiable reasons to be recorded in writing, additional time limit not exceeding six months at one time can be granted by the Disciplinary Authority, thereby ensuring accountability for completion of enquiry.
* 30 days’ time-line has been fixed for delinquent officers to give their representation to the charge sheet which can be extended to not more than 30 days by the Disciplinary Authority and, in any case, no extension will be provided beyond 90 days.
* In order to check delay in completion of probe, the new rules have made it mandatory for an inquiry officer to submit its report within six months time. However, the time-limit can be extended for a further period not exceeding six months at a time for any good and sufficient reasons.
* Similarly, a period of 15 days has been provided to send a representation on the advice of Union Public Service Commission (UPSC), which is the recruiting agency, regarding the penalty to be imposed on the delinquent officer and for such representation also, no extension will be provided beyond 45 days.

Significance of this move:

The change is to ensure that the guilty is punished swiftly. This will also send a message to all employees that they need to perform up to expectation and without any acts of omission and commission.

The change in rules will also serve as stimulant for officers to perform and will certainly strengthen the culture of working within deadlines and time-lines without showing any slackness.

Sources: et.

*Paper 2 Topic: Structure, organization and functioning of the Executive and the Judiciary Ministries and Departments of the Government; pressure groups and formal/informal associations and their role in the Polity.*

**Supreme Court suggests invoking Art 224-A to resolve Tripura HC problem**

Faced with a unique problem of recusal by judges at the Tripura High Court, the Supreme Court has asked the Centre to explore the possibility of using an article of the Constitution on appointment of judges of other High Courts as sitting judges to address the issue of recusal.

Which provision of the constitution?

The court has asked the government to consider invoking Article 224-A by which a judge could be appointed.

Article 224-A of Constitution says “the Chief Justice of a High Court for any State may at any time, with the previous consent of the President, request any person who has held the office of a Judge of that Court or of any other High Court to sit and act as a Judge of the High Court for that State.”

What’s the issue?

The issue came up after Tripura High Court Chief Justice T Vaiphei wrote a letter to Chief Justice of India J S Khehar that due to shortage of judges, it became difficult to set up a separate bench if a judge recused himself from hearing a particular case on grounds of conflict of interest.

Background:

The Tripura High Court at Agartala, which was established on March 23, 2013, has a sanctioned strength of four judges including the Chief Justice, and currently there are three serving judges. There are at least 26 cases in which recusal has been sought by the judges there.

Sources: et.

**Facts for Prelims**

**National Bravery Awards:**

* National Bravery Awards for the year 2016 were recently presented by the Prime Minister.
* The awards were first introduced in 1957. Since then, the Indian Council for Child Welfare (ICCW) has been giving the National Awards for Bravery every year to children from various parts of the country.
* The main objective of the awards is to give due recognition to children who perform acts of bravery and inspire other children to follow their example.
* The national bravery awards to children are given in 5 different categories: Bharat Award, Geeta Chopra Award, Sanjay Chopra Award, Bapu Gaidhani Awards and General Awards.
* Eligible awardees will be granted financial assistance until they complete their schooling. Some State Governments also provide financial assistance to them. In addition, ICCW provides financial assistance under its Indira Gandhi Scholarship Scheme to those undertaking professional courses such as engineering and medicine.
* For the others, this assistance is provided till they complete their graduation. The Government of India has reserved some seats for the awardees in medical and engineering colleges and polytechnics.

**Insights Daily Current Affairs, 25 January 2017**

*Paper 2 Topic: Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential; citizens charters, transparency & accountability and institutional and other measures.*

**CMs Committee on Digital Payments presents interim report to the Prime Minister**

The CMs Committee on Digital Payments led by the convener and Andhra Pradesh Chief Minister, Shri Chandra Babu Naidu has submitted the interim report on Digital Payments to the Prime Minister.

Important recommendations made by the committee:

* The panel has recommended a ban on cash transactions beyond a threshold and a tax on payments beyond Rs 50,000.
* It has recommended a subsidy of up to Rs 1,000 for smartphones purchased by those who do not pay income tax as well as small merchants in addition to lowering or doing away with the merchant discount rate or the fee paid on card and online transactions.
* The committee also said there was a need to strengthen security , expand infrastructure and increase awareness for greater adoption of digital payments.
* The panel has also proposed tax sops for domestic production of micro ATMs and biometric sensors, along with a subsidy of 50% to merchant points using Aadhaar Pay , which will use fingerprint or iris scan.
* The panel has also suggested that all 1.5 lakh post offices should have infrastructure to deal with Aadhaar-enabled micro ATMs and there should be inter-operability for banking correspondent via Aadhaar-enabled payment system.

Way ahead:

Some proposals related to disincentivising cash may find traction as the Supreme Court-appointed SIT on black money, too, had suggested a cap on cash transactions as well as a limit on how much an entity could hold in physical form. Although the proposal to levy a cash transaction tax has found support, a section within the government is not in favour of this as it believes incentives will yield better results.

Sources: pib.

*Paper 2 Topic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections.*

**National Action Plan for Children, 2016**

National Action Plan for Children, 2016 (NPAC) was recently launched at a special function held to celebrate the National Girl Child Day in Delhi. The NPAC has been developed by the Ministry of Women & Child Development.

It seeks to ensure the following:

* The Action Plan has four key priority areas; survival, health and nutrition; education and development; protection and participation.
* The NPAC defines objectives, sub-objectives, strategies, action points and indicators for measuring progress under the four key priority areas and also identifies key stakeholders for the implementation of different strategies.
* The plan also puts focus on new and emerging concerns for children such as online child abuse, children affected by natural and man-made disasters and climate change, etc.
* The strategies and action points largely draw upon the existing programmes and schemes of various Ministries/Departments. However, for new and emerging issues related to children; it also suggests formulation of new programmes and strategies, as required.
* The plan takes into account the Sustainable Development Goals (SDGs) and provides a roadmap towards achieving them though co-ordination and convergence with different stakeholders.

Sources: pib.

*Paper 2 Topic: Statutory, regulatory and various quasi-judicial bodies.*

**NPCC in Namami Gange Programme**

Union Minister of Water Resources, River Development and Ganga Rejuvenation Shri Uma Bharti has called for active involvement of NPCC into Namami Gange programme.

* Complimenting NPCC, the Minister said that NPCC successfully carried out projects in such far flung areas where no one dares to enter.

About NPCC:

NPCC was established on January 09, 1957 as a premier construction company to create necessary infrastructure for economic development of the country in the core sectors of irrigation and water resources, power and heavy industries under Ministry Water Resources, River Development and Ganga Rejuvenation.

* NPCC comply with quality management requirements of ISO 9001-2008 for execution of civil works for Thermal & Hydro Electric Projects’, River valley projects, Industrial structures, Project Management consultancy services for buildings, Housings, Roads, Bridges and Infrastructure projects.

Sources: pib.

*Paper 2 Topic: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources, issues relating to poverty and hunger.*

**Prime Minister’s Shram Awards for the year 2015 Announced**

The Government has announced the Prime Minister’s Shram Awards for the year 2015 to be awarded to 56 workers employed in the Departmental Undertakings & Public Sector Undertakings of the Central and State Governments and Private Sector Units employing 500 or more workers.

* The awards are given in recognition of their distinguished performances, innovative abilities, outstanding contribution in the field of productivity and exhibition of exceptional courage and presence of mind.

About Shram Awards:

The Prime Minister’s Shram Awards were instituted in 1985 by the Government of India. This national award is conferred on workers for outstanding contributions that improve productivity, innovation, and indigenization, resulting in saving foreign exchange. The award is also given for long-term exceptional dedicated work.

The objective of the Prime Ministers Shram Awards is to recognize the outstanding contributions made by workmen as defined in the Industrial Dispute Act, 1947 in organizations both in public and private sector and who have distinguished record of performance, devotion to duty of a high order, specific contribution in the field of productivity and proven innovative abilities among others.

They are four types of awards:

1. Shram Ratna: Rs. Two lakhs and recognition of their contribution to their field (a Sanad).
2. Shram Bhushan: RS. 100000 and a Sanad.
3. Shram Vir / Shram Veerangana: RS. 60000 and a Sanad.
4. Shram Devi / Shram Shree: RS. 40000 and a Sanad.

Sources: pib.

*Paper 2 Topic: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.*

**Cabinet approves Indian Institute of Management Bill, 2017**

The Union Cabinet has approved the Indian Institute of Management(IIM) Bill, 2017, under which the IIMs would be declared as Institutions of National Importance which will enable them to grant degrees to their students.

Following are the salient features of the Bill:

* IIMs can grant degrees to their students.
* The Bill provides for complete autonomy to the Institutions, combined with adequate accountability.
* Management of these Institutions would be Board driven, with the Chairperson and Director of an Institution which will be selected by the Board.
* A greater participation of experts and alumni in the Board is amongst other important features of the Bill.
* Provision has also been made for inclusion of women and members from Scheduled Castes/Tribes in the Board.
* The Bill also provides for periodic review of the performance of Institutions by independent agencies, and placing the results of the same on public domain.
* The Annual Report of the Institutions will be placed in the Parliament and CAG will be auditing their accounts.
* There is also a provision of Coordination Forum of IIMs as an advisory body.

Background:

Indian Institutes of Management are the country’s premier institutions imparting best quality education in management on globally benchmarked processes of education and training in management. IIMs are recognized as world-class management Institutions and Centers of Excellence and have brought laurels to the country. All IIMs are separate autonomous bodies registered under the Societies Act.

Being societies, IIMs are not authorized to award degrees and, hence, they have been awarding Post Graduate Diploma and Fellow Programme in Management. While these awards are treated as equivalent to MBAs and Ph.D, respectively, the equivalence is not universally acceptable, especially for the Fellow Programme.

Sources: pib.

*Paper 2 Topic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections.*

**Govt launches Varishtha Pension Bima Yojana**

The Union Cabinet has given its post-facto approval for the launch of the Varishtha Pension Bima Yojana 2017.

Key facts:

* The scheme will be implemented through Life Insurance Corporation of India (LIC) during the current financial year.
* It aims to provide social security during old age and protect elderly persons aged 60 years and above against a future fall in their interest income due to uncertain market conditions.
* The scheme is meant to provide an assured pension based on a guaranteed rate of return of 8% per annum for ten years, with an option to opt for pension on a monthly/quarterly/half-yearly or annual basis.
* The difference between the return generated by LIC and the assured return of 8% per annum would be borne by Government of India as subsidy on an annual basis.
* VPBY-2017 is proposed to be open for subscription for a period of one year from the date of launch.

Sources: the hindu.

*Paper 2 Topic: Bilateral, regional and global groupings and agreements involving India and/or affecting India’s interests.*

**Cabinet approves ratification of the Second Commitment Period of Kyoto Protocol**

The Union Cabinet has given its approval to ratify the Second Commitment Period of the Kyoto Protocol on containing the emission of Green House Gases (GHGs).

Significance of this decision:

* This decision underlines India’s leadership in the comity of nations committed to global cause of environmental protection and climate justice.
* Ratification of the Kyoto Protocol by India will encourage other developing countries also to undertake this exercise.
* Implementation of Clean Development Mechanism (CDM) projects under this commitment period in accordance with Suslainable Development priorities will attract some investments in India as well.

About Kyoto protocol:

The Kyoto Protocol was adopted in 1997 and the 1st commitment period was from 2008-2012. The detailed rules for the implementation of the Protocol were adopted at COP 7 in Marrakesh, Morocco, in 2001, and are referred to as the “Marrakesh Accords.”

* At Doha in 2012, the amendments to Kyoto Protocol for the 2nd commitment period (the Doha Amendment) were successfully adopted for the period 2013- 2020. Developed countries have already started implementing their commitments under the ‘opt-in’ provisions of the Doha Amendment. So far, 75 countries have ratified the Second Commitment Period.
* Recognizing that developed countries are principally responsible for the current high levels of Greenhouse Gas (GHGs) in the atmosphere, the Kyoto Protocol places commitments on developed nations to undertake mitigation targets and to provide financial resources and transfer of technology to the developing nations.
* Developing countries like India have no mandatory mitigation obligations or targets under the Kyoto Protocol.

Sources: the hindu.

*Paper 3 Topic: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*

**Tax guidelines to target shell companies notified**

The Central Board of Direct Taxes (CBDT) has issued guidelines on the ‘place of effective management’, or POEM, of a company to determine its tax liability. POEM rules target companies that were set up abroad to retain income outside India but are controlled from India.

What is POEM?

The Place of Effective Management is defined in the Income Tax Act to mean “a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made.”

Key facts:

* According to the guidelines, a company will be deemed to be engaged in active business outside India if the passive income is not more than 50% of its total income and less than 50% of its total assets are situated in India, less than 50% of the total number of employees are situated in India or are resident in India, and the payroll expenses on such employees is less than 50% of the total payroll expenditure.
* These rules will not be applicable to firms with annual turnover of less than RS 50 crore. Under these guidelines, Active Business Outside India test has been provided so as not to cover companies outside India which are engaged in active business.
* Adequate administrative safeguards have been incorporated in the guidelines by mandating that the assessing officer (AO), before initiating an inquiry for POEM in a case of a taxpayer, will seek approval from Principal Commissioner or Commissioner of Income-Tax. The AO shall also obtain approval from a Collegium of Principal Commissioners of Income-Tax before holding that POEM of a non-resident company is in India.
* In cases of “companies other than those that are engaged in active business outside India”, the determination of POEM will be a two-stage process. The first stage would be identification or ascertaining the persons who actually make the key management and commercial decision for conduct of the company’s business as a whole. The second stage would be determination of place where these decisions are in fact being made.

Background:

The concept of POEM to decide the residential status of a company was introduced by the Finance Act, 2015. The modification to the existing norms was necessary as several companies skip tax liability by misusing the guidelines. This will protect the business interests of both global companies having business connection with India or presence here, and Indian multinationals having active business abroad.

Sources: the hindu.

*Paper 2 Topic: Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential; citizens charters, transparency & accountability and institutional and other measures.*

**‘69% of political funds from unknown sources’**

The report of an analysis done by the Association for Democratic Reforms (ADR) on the income of national parties was recently released.

Highlights of the report:

* The total income of national and regional political parties between 2004-05 and 2014-15 stood at ₹11,367 crore, with the highest of ₹3,982 crore being the Congress’s share. However, 69% of the income of these parties was from unknown sources.
* The income of national parties from unknown sources increased by 313% during the decade; for the regional parties, it went up by 652%. The BSP is the only party which has got 100% of its income through donations from unknown sources. Its total income increased by 2,057%, from ₹5.19 crore during 2004-05 to ₹111.96 crore during 2014-15.
* The total donations above ₹20,000 per entry, for which the national parties are to declare the sources, was about ₹1405.19 crore and the BJP topped the list for declaring the maximum of ₹918 crore voluntary contributions in the category. The donations declared by the BJP are more than twice the donations declared by the Congress during the same period.
* According to the ADR, the Income-Tax returns of 42 of the 51 regional parties analysed were unavailable for at least one financial year. The total declared income of regional parties during the period stood at ₹2,089 crore, the highest being that of the Samajwadi Party at ₹819 crore.

Way ahead:

Based on the findings, the ADR has recommended that full details of all donors be made available for public scrutiny under the RTI. Some countries where this is done include Bhutan, Nepal, Germany, France, Italy, Brazil, Bulgaria, the United States and Japan.

The report also mentioned that any organisation that receives foreign funding should not be allowed to support or campaign for any candidate or political party.

Sources: the hindu.

**Facts for Prelims**

**Child vulnerability map:**

* A district-wise map depicting problems facing children across the country was recently released by the ministry of women and child development as a part of the National Plan of Action for Children.
* Prepared by NGO Childline India Foundation, the ‘Child Vulnerability Map’ covers 409 of total 678 districts in the country.
* It highlights vulnerabilities like child marriage, child trafficking, missing and runway children, child labour, children affected by civil unrest, child sexual abuse, dropouts and low literacy rate, malnutrition, foeticide, HIV and AIDS affected children.
* Odisha, West Bengal, Bihar, Jharkhand and Maharashtra have been highlighted on the map as child trafficking-prone states, while are Maharashtra, Madhya Pradesh, Uttar Pradesh and Chhattisgarh as worst-affected by malnutrition.
* Northeastern states, including Arunachal Pradesh, Assam, Manipur, Nagaland and Mizoram, have fared poorly in tackling child malnutrition.

**Nepal recognises employment in India as foreign:**

* Nepal has formally recognised migration of its countrymen to India for employment purpose as “foreign employment” and bring them under the insurance coverage for the first time.
* After the government’s recognition, Nepali migrant workers in India will be entitled to receive insurance coverage up to $12,812 for critical illness and life insurance.

**Insights Daily Current Affairs, 26 January 2017**

*Paper -2 : Indian polity*

**Republic Day 2017**

India is celebrating its 68th Republic Day this year. Republic day in India is celebrated every year on 26th of January to honour the Constitution of India as it came into force on the same day in the year 1950.

* The **chief guest** on Republic Day of India 2017 will be Crown Prince of Abu Dhabi Sheikh Mohamed bin Zayed Al Nahyan.

Why January 26th?

The Constituent Assembly adopted the Constitution on January 26, 1950, a date specially chosen to coincide with the anniversary of ‘Purna Swaraj Diwas’. January 26, 1930 was marked as ‘Purna Swaraj Diwas’, or the day the nation would attain complete freedom from its colonisers by the Congress.

* The members of the drafting committee felt that the birth of the constitution should be observed on a day that held some significance in their fight for independence. When India was ultimately granted freedom by the British in 1947, but on August 15 and not January 26, the date was instead assigned to celebrating India’s Republic Day.
* This was the day the Indian Independence Act was consequently repealed and India was established as a democratic republic, no longer a dominion of the British Crown.

*Paper 2 Topic: Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential; citizens charters, transparency & accountability and institutional and other measures.*

**Transparency puts India on list for failing to curb corruption**

The annual index of Transparency International for the year 2016 has been released.

Background:

Transparency International, the Berlin-based anti-graft organisation has used World Bank data, the World Economic Forum and other institutions to rank 176 countries by perceived levels of corruption in public sector. The score runs from zero, which is highly corrupt, to 100, which is very clean.

Key facts:

* The index has placed India on the watch list for its inability to curb mega corruption scandals and petty bribery.
* The index has placed India with Brazil and China in the 40th position. The index notes that India’s condition showed growth with inequality.
* India’s score has improved by two points from 38 in 2015.
* As per the report, the impact of corruption on poverty, illiteracy and policy brutality showed that not only was the economy growing but so was inequality.

Performance of other countries:

* Latest rankings put New Zealand and Denmark in joint first place with a score of 90, followed by Finland, Sweden, Switzerland, Norway, Singapore, Netherlands and Canada.
* At the bottom of the index, Somalia was ranked the most corrupt country.
* South Asia has performed poorly. Bangladesh at 27th and Nepal at 29th positions were slotted in the highly corrupt section.
* Pakistan, at 32, also came in the red zone. Afghanistan ranked 15th was in the “highly corrupt” list with South Sudan, North Korea and Libya.

Sources: the hindu.

*Paper 3 Topic: Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security; money-laundering and its prevention.*

**RBI stops investments to ‘non-cooperative countries’**

Reserve Bank has prohibited Indian entities from making direct investments in any entity located in ‘non co-operative countries and territories’, as identified by the inter-governmental body FATF.

Background:

The prohibition on investment is “in order to align” instructions under FEMA with the objectives of the FATF. At present, there is no restriction on an Indian entity with regard to the countries where it can undertake Overseas Direct Investment.

What are non-cooperative countries?

The principal objective of the Non-Cooperative Countries and Territories (NCCT) Initiative was to reduce the vulnerability of the financial system to money laundering by ensuring that all financial centres adopt and implement measures for the prevention, detection and punishment of money laundering according to internationally recognised standards.

About FATF:

FATF was established in 1989. Its objectives are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

The Financial Action Task Force (FATF) currently comprises two regional organisations and 35 member jurisdictions, including India, US, UK, China and the European Commission.

Sources: the hindu.

*Paper 3 Topic: Science and Technology- developments and their applications and effects in everyday life Achievements of Indians in science & technology; indigenization of technology and developing new technology.*

**World’s first stable semi-synthetic organism created**

Researchers have made a new ‘alien’ life-form with an expanded genetic code. The modified E.coli bacteria was made by scientists who introduced DNA molecules not found in nature to a common bacterium.

* The E. coli bugs are able to grow and reproduce as normal despite containing two extra letters in their genetic code, paving the way for entirely new artificial life forms to be created.
* The newly created bacteria now holds on to its human-created X and Y bases while it grows and divides, much like the natural A, C, G and T bases. The key, researchers say, was to tweak existing techniques.

Background:

Life’s genetic code has only ever contained four natural bases-A, T, C and G. These bases pair up to form two base pairs – the rungs of the DNA ladder – and they have simply been rearranged to create all life as we know it, from bacteria to humans.

How was the new bacterium created?

At first, they fine-tuned a nucleotide transporter (which carries the materials needed to copy artificial base pairs across the cell membrane) so that it wouldn’t make the bacteria “sick” while using the new letters. They also made their Y letter easier to copy. And as a sort of insurance, the scientists used CRISPR gene editing to make their organism reject genetic sequences that don’t have X and Y.

Way ahead:

The researchers describe the modified microbes as an opportunity to ‘create organisms with wholly unnatural attributes and traits not found elsewhere in nature.’

In future, the research could lead to the creation of microbes capable of manufacturing entirely new proteins, which could provide leads to new medicines and nanotechnology breakthroughs.

Sources: ie.

*Paper 3 Topic: Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology and issues relating to intellectual property rights.*

**GM mosquito trials to control dengue, chikungunya launched**

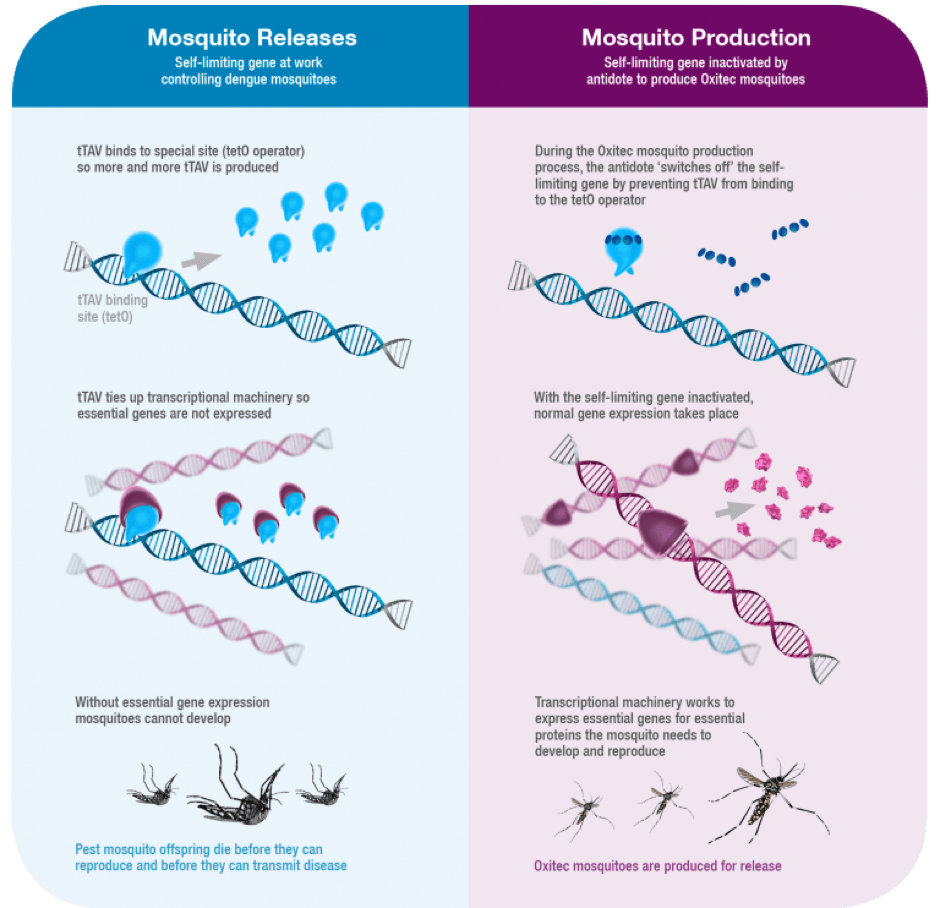
Outdoor caged trials by Oxitec to demonstrate the efficiency of genetically modified mosquitoes to suppress wild female Aedes aegypti mosquito populations that transmit dengue, chikungunya and Zika were launched on January 23 in Dawalwadi, Badnapur, in Maharashtra’s Jalna district.

Background:

Dengue is estimated to infect 5.8 million people in India every year, costing the country over $1B annually. Outbreaks of chikungunya, a viral disease for which no treatment is available, have been increasingly reported in India. Both diseases are transmitted by local populations of Aedes aegypti mosquitoes.

Key facts:

* Oxitec’s technology uses genetically modified male Aedes aegypti mosquitoes that carry a dominant lethal gene. When male GM mosquitoes mate with wild female mosquitoes the lethal gene is passed on to offspring. The lethal gene in the offspring kills the larvae before they reach adulthood.
* Since male mosquitoes do not bite humans, the release of GM males will not increase the risk of dengue, chikungunya and Zika.
* First released in Brazil, Oxitec’s mosquitoes have demonstrated to reduce the local populations by more than 90%, whereas insecticides only affect 30%. In addition, this strategy only targets a specific mosquito strain and does not produce any toxic compounds that could affect their predators, making Oxitec’s the most eco-friendly solution so far to control the spread of infectious diseases.
* The World Health Organization (WHO) itself backed the engineered mosquitoes during last year’s Zika outbreak. The company released 10,000 of them in one of the Cayman Islands, drastically reducing the local mosquito population.

[](https://i2.wp.com/www.insightsonindia.com/wp-content/uploads/2017/01/gm-mosquito.png)

Sources: the hindu.

**Facts for Prelims**

**Jeevan Raksha Padak Awards – 2016:**

* The President of India has approved the conferment of Jeevan Raksha Padak Series of Awards for the year 2016.
* Jeevan Raksha Padak series of awards are given to a person for meritorious act of humane nature in saving the life of a person.
* The award is given in three categories, namely, Sarvottam Jeevan Raksha Padak, Uttam Jeevan Raksha Padak and Jeevan Raksha Padak.
* Persons of either sex in all walks of life are eligible for these awards. The award can also be conferred posthumously.
* The decoration of the award (medal, certificate signed by the Home Minister and demand draft for lump sum monetary allowance) is presented to the awardee in due course by the respective State Government to which the awardee belongs.

**Padma Awards 2017:**

* On the eve of Republic Day, government has announced the list for the Padma Awards 2017.
* The list comprises 7 Padma Vibhushan, 7 Padma Bhushan and 75 Padma Shri awardees.
* The Padma awards are conferred by the President at a function in Rashtrapati Bhawan in March/April every year.
* Padma Awards – one of the highest civilian Awards of the country, are conferred in three categories, namely, Padma Vibhushan, Padma Bhushan and Padma Shri.
* The Awards are given in various disciplines/ fields of activities, viz.- art, social work, public affairs, science and engineering, trade and industry, medicine, literature and education, sports, civil service, etc.
* ‘Padma Vibhushan’ is awarded for exceptional and distinguished service; ‘Padma Bhushan’ for distinguished service of high order and ‘Padma Shri’ for distinguished service in any field.

**National Voter’s Day:**

* The Election Commission of India celebrated 7th National Voters’ Day (NVD) across the country on 25th January.
* Theme: Empowering Young and Future Voters.
* On this day in 1950, the Election Commission of India was founded. The ECI observes National Voters Day to create awareness on voting and voter rights.

**Insights Daily Current Affairs, 27 January 2017**

**After Centre, Apple may also have to cross States’ hurdles to set up plant in India**

After Centre, Apple may have to face a fresh round of hurdles from states in setting of its company in India.

What is it?

For Apple to set up its manufacturing facilities in the country, even the states will have to come on board. Apple’s key demand — predictability and certainty of countervailing duty (CVD) exemption — will require the support of states as the country adopts goods and services tax (GST) in the next financial year.

* Since exemptions under GST council have to be offered by the GST council, it will be difficult for the Centre to offer assurances on this score.
* Apple wants an assurance on CVD exemption as the government removed it for the three components last year and the company is concerned that this list may further expand in coming years.
* Also, the company is keen on clarity in CVD exemption as its component makers may not immediately set up shop in India and it may have to rely on imports for some time.

What is CVD?

These are duties that are imposed in order to counter the negative impact of import subsidies to protect domestic producers are called countervailing duties.

CVD is levied as part of import duty, but states have made clear that as it’s in lieu of excise duty they want a say in what will be taxed and what will be exempt.

Other demands by Apple:

* Apple has sought the government’s assurance on continuing the CVD exemption for 15 years.
* It has also sought relaxations under the modified special incentive package scheme (M-SIPS) that allows second-hand capital goods imports of up to 20 per cent of total investment.
* Besides, it wants changes to the definition of manufacturing under excise duty, which recognises a mere change in label as manufacturing
* changes to labelling provisions under the Indian Metrology Act.

Way ahead:

A committee of central and state officials has been tasked by the GST Council to decide on the brackets goods will be placed in and those that will be exempted. The GST Council will take a final call on the committee’s recommendations. The Centre will have to convince states to continue with the exemptions that it may deem imperative in the larger interest of the country.

**Eight great powers for the year 2017**

American foreign policy magazine has selected eight countries for the list of eight great powers for the year 2017.

Key facts:

* India is ranked at the sixth spot, behind China and Japan.
* The list is topped by the USA.
* China and Japan are at tie for being on the second spot.
* Russia (fourth) and Germany (fifth) are the other two countries ahead of India.
* Iran is ranked seventh and Israel is on the eighth spot.

Important observations made on India by the Magazine:

* India is the world’s largest democracy, home to the second-largest English-speaking population in the world and boasting a diversified and rapidly growing economy. However, it is often overlooked in the list of world’s great superpowers.
* On the geopolitical front, India has many suitors: China, Japan and the United States are all seeking to incorporate India into their preferred Asian security architecture, while the EU and Russia court New Delhi for lucrative trade and defence agreements.
* Under the leadership of Prime Minister Narendra Modi, India has deftly steered its way among these competing powers while seeking to unleash its potential with modernising economic reforms.
* According to the magazine, despite internal problems in the aftermath of demonetisation, and the Pakistan scare, India found its footing elsewhere in 2016.
* India took several clear steps this year to deter a rising and aggressive China, announcing that it would fast-track its defence infrastructure projects in the Indian Ocean, amid fears that China was trying to encircle India with a ‘string of pearls’.
* In the recent past, new naval cooperation with both the US and Japan were also explored, and a host of defence deals with Russia, France and Israel to modernise the Indian military were also signed.
* From the Middle East and East Africa to Southeast Asia, India is making its presence felt in both economics and security policy in ways that traditional great powers like Britain and France only wish they could match.

**India-UAE strategic oil reserves deal**

India has signed a deal with the United Arab Emirates that allows the Gulf OPEC country to fill half of an underground crude oil storage facility at Mangalore, Karnataka.

Key facts:

* The deal is part of New Delhi’s strategic petroleum reserve system, an emergency underground storage of 36.87 million barrels of crude oil which can supply about 10 days of the country’s average daily oil demand.

Background:

-Strategic petroleum reserves have become indispensable to safeguard the economy and to help maintain national security in the event of an energy crisis.

-These crude oil inventories (or stockpiles) can be held by the government of a particular country, as well as by private industry.

-Current strategic reserves are at-

* KN- Mangalore and Paduran;
* AP-Vizag

**Japan’s Military Launches First Communications Satellite**

Japan has successfully launched its first military communications satellite that is designed to upgrade its network in the face of China’s increasingly assertive maritime activity and North Korea’s missile threat.

Key facts:

* The Kirameki-2 satellite was launched on board H-2A rocket.
* It is the first of three satellites that will replace three civilian ones currently used by Japan’s military.
* The new satellites will allow military units to communicate on a high-speed and high-capacity network.
* The new satellites are also aimed at stepping up Japan’s emergency response capability in case of natural disaster, China’s maritime activity from southern Japanese waters to the South China Sea, as well as missile threats from North Korea.
* The satellites are also planned for use for Japanese troops operating overseas as part of international peacekeeping operations, including those in South Sudan and off the Somali coast, Kyodo News reported.

**Yettinahole project: activists threaten to go on hunger strike**

 Activists opposing the Yettinahole diversion project in Karnataka have threatened to go on an indefinite hunger strike from February 11 if the State government did not take a decision to stop the project during the upcoming legislature session.

About Yettinahole project:

The Yettinahole project envisages to pump about 24 tmc ft of water from Yettinahole, a tributary of River Netravathi.

* The project envisages diverting the water to drought prone Chikkaballapur, Kolur, Tumkur and Bangalore rural districts.

Criticisms:

The Yettinahole Project has come in for very strong opposition from environmental groups, who argue that the diversion of river basins from their natural course of opposite direction is fundamentally unscientific and would greatly disturb the very pattern of landscape ecology.

This will result in problems like uneven percolation pattern, seepage problems, opening up of ground water sources in higher altitudes etc.

**Facts for Prelims**

**Bharat Parv:**

* Bharat Parv is a national festival showcasing the country’s diverse culture, cuisines, handicrafts and catch glimpses of a progressive India.
* Bharat Parv event is being organized by the Government of India at the Red Fort, Delhi from 26th to 31st January 2017, as part of the Republic Day 2017 Celebrations.
* The prime objective of organizing the event is to generate a patriotic mood, promote the rich cultural diversity of the country, ensure wider participation of the general public and to popularise the idea of “Ek Bharat Shreshta Bharat”.
* The Ministry of Tourism has been designated as the nodal Ministry for the event.
* The Cultural Performances include choreographed Folk / Tribal Dances and Music from across the country arranged through the North Zonal Cultural Centre.

**Insights Daily Current Affairs, 28 January 2017**

**CWC Signs MoU with IIT Madras and IIS Bengaluru [link – Dmt; disaster mgmt.]**

The Ministry of Water Resources has taken on board selected premier academic and research institutes, for capacity building in the areas of dam safety through World Bank assisted Dam Rehabilitation and Improvement Project (DRIP).

As part of this, Central Water Commission (CWC) under the Ministry of Water has signed two separate MoUs with IIT Madras and IIS Bengaluru.

This will help them for the procurement of specified equipment and software for enhancing their c

**Centre says GAAR effective April 1, industry demurs**

The Centre has reiterated that the General Anti Avoidance Rules – aimed at curbing tax avoidance – will come into force on April 1, ignoring industry’s suggestion to defer the rules on account of uncertainty over their applicability and to provide adequate time to prepare for the new regime.

Background:  
Stakeholders and industry associations had requested for clarifications on implementation of GAAR provisions and a Working Group was constituted by Central Board of Direct Taxes (CBDT) to examine the issues raised.

Clarifications made by the government:

GAAR wont apply in following cases-

* Where investments are routed through tax treaties that have a sufficient limitation of benefit (LOB) clause to address tax avoidance. *An LOB clause in tax treaties generally requires investors to meet certain spending and employment criteria to avail the benefits of the treaty, to ensure that only genuine resident companies benefit from the pact.*
* Where transactions or arrangements that have been approved by courts and quasi-judicial authorities like the Authority for Advance Ruling and that specifically address the issue of tax avoidance.
* Compulsorily convertible instruments, bonus issuances or split/consolidation of holdings in respect of investments made prior to 1 April 2017 in the hands of the same investor.
* If the jurisdiction of a foreign portfolio investor is finalized based on non-tax commercial considerations and the main purpose of the arrangement is not to obtain tax benefits.

About GAAR:

The General Anti-Avoidance Rule was introduced by Finance Minister Pranab Mukherjee in his Budget with the objective to “counter aggressive tax avoidance schemes.”

* It empowers officials to deny the tax benefits on transactions or arrangements which do not have any commercial substance or consideration other than achieving tax benefit.
* It contains a provision allowing the government to retroactively tax overseas deals involving local assets.
* It could also be used by the government to target participatory notes (P-Notes).

**Loss making Indian Railways to rent out hill trains to private players**

The Indian Railways is planning to start leasing out its standalone passenger corridors and branch lines to private companies for operations and maintenance, marking the beginning of corporate participation in the running of the world’s fourth largest railroad network.

Why this is necessary?

1. Minimize losses by inviting pvt sector – losses from passenger segment for FY17(2916-17) is 10% more than last yr;
2. Promote tourism and attract private companies, particularly those from the hospitality and infrastructure industries.

Key facts:

* Narrow and metre-gauge tracks linking the colonial era hill stations are set to be the first of the 108,000-kilometer rail network to be run privately.
* Largely unprofitable routes linking Kalka and Shimla, Siliguri and Darjeeling, the NilgiriBSE 0.00 % mountains with the plains, Neral and Matheran, and the Kangra Valley railways would be among the first the government will likely choose to bid out to private operators.
* Winning bidders will be offered long-term concession agreements, making the leases more viable. The ministry has worked on both upfront-payment and revenue sharing models for leasing standalone passenger corridors and branch lines.
* Companies will also have the flexibility to own and maintain the stations. The companies will also be free to set fares on these lines after the approval from the upcoming Rail Development Authority of India.

Way ahead:

If the experiment meets specified benchmarks for success, these leases could be the future templates for enhanced private participation.

Sources: et.

*Paper 2 Topic: Bilateral, regional and global groupings and agreements involving India and/or affecting India’s interests.*

**Seven new countries join BEPS agreement**

Seven jurisdictions – Lithuania, Gabon, Hungary, Indonesia, Malta, Mauritius and the Russian Federation – have signed a tax co-operation agreement, the Multilateral Competent Authority Agreement for Country-by-Country Reporting (CbC MCAA), to enable automatic sharing of country-by-country information. Now, the total number of signatories has increased to 57.

About CbC MCAA:

The CbC MCAA, which aims to boost transparency by multinational enterprises (MNEs), allows signatories to bilaterally and automatically exchange country-by-country reports, as part of Action 13 of the base erosion and profit shifting (BEPS) Action Plan.

The agreement helps ensure that tax administrations obtain a better understanding of how MNEs structure their operations, while also ensuring that the confidentiality and appropriate use of such information is safeguarded.

Sources: et.

*Paper 2 Topic: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

**99% of Indians over 18 now have Aadhaar cards**

Over 99% of Indians aged 18 and above now have Aadhaar cards as more than 111 crore residents have enrolled themselves for the unique identification number.

* The increase in enrolments will come as a boost to the government’s drive to make India a less-cash society as it is encouraging the use of AadhaarPay, a merchant version of Aadhaar-enabled payment system (AEPS).

Way ahead:

Backed by the Aadhaar Act and 91.7% coverage of the total population, the government is set to accelerate the use of unique identification numbers in its social welfare schemes for disbursing entitlements and subsidies as it will help check duplication and pilferage.

About Aadhaar:

Aadhaar is a 12 digit individual identification number which will serve as a proof of identity and address, anywhere in India.

* The Unique Identification Authority of India (UIDAI) assigns Unique Identification Number “Aadhaar” to residents of India on voluntary basis.
* Aadhaar-platform is aimed at providing social security benefits / subsidies based on eligibility through direct benefit transfer. It also helps bring transparency and eliminate corruption, leakage and inefficiency.
* It was conceived as an initiative that would provide identification for each resident across the country and would be used primarily as the basis for efficient delivery of welfare services.
* It would also act as a tool for effective monitoring of various programs and schemes of the Government.

Sources: the hindu.

*Paper 3 Topic: Science and Technology- developments and their applications and effects in everyday life Achievements of Indians in science & technology; indigenization of technology and developing new technology.*

**GSLV’s cryogenic upper stage tested successfully**

The Indian Space Research Organisation’s Propulsion Research Complex has successfully conducted the stage level test of GSLV MK III’s cryogenic upper stage C-25.

* The cryogenic upper stage of the GSLV is the large C-25, the most difficult component of the launch vehicle to be developed. It will be powered by the indigenously developed CE-20 engine.

Background:

Cryogenics is the study of substances at very low temperature – at minus 150 degrees Celsius and less, in which gases like oxygen, hydrogen and nitrogen turn liquid. Cryogenic engines are called so because they use liquid oxygen and liquid hydrogen as fuel. The extremely cold temperatures make these liquids tricky to operate.

Key facts:

* The GSLV-III or Geosynchronous Satellite Launch Vehicle Mark III, is a launch vehicle developed by the Indian Space Research Organization.
* GSLV Mk III is conceived and designed to make ISRO fully self reliant in launching heavier communication satellites of INSAT-4 class, which weigh 4500 to 5000 kg.
* It would also enhance the capability of the country to be a competitive player in the multimillion dollar commercial launch market. The vehicle envisages multi-mission launch capability for GTO, LEO, Polar and intermediate circular orbits.
* GSLV-Mk III is designed to be a three stage vehicle, with 42.4 m tall with a lift off weight of 630 tonnes. First stage comprises two identical S200 Large Solid Booster (LSB) with 200 tonne solid propellant, that are strapped on to the second stage, the L110 re-startable liquid stage. The third stage is the C25 LOX/LH2 cryo stage. The large payload fairing measures 5 m in diameter and can accommodate a payload volume of 100 cu m.

Sources: the hindu.

**Facts for Prelims**

**TROPEX 17:**

* The Indian Navy’s Annual Theatre Readiness Operational Exercise (TROPEX) has begun off the Western Seaboard.
* The exercise will have ships and aircraft of both the Western and Eastern Naval Commands, as also assets from the Indian Air Force, Indian Army and the Indian Coast Guard exercising together.
* The exercise is aimed at testing combat readiness of the combined fleets of the Indian Navy, and the assets of the Indian Air Force, Indian Army and the Indian Coast Guard.
* It will also strengthen inter-operability and joint operations in a complex environment.

**Insights Daily Current Affairs, 30 January 2017**

*Paper 3 Topic: Infrastructure: Energy, Ports, Roads, Airports, Railways etc.*

**FinMin may aid rail safety fund**

The Finance Ministry has agreed to contribute partially to a new dedicated railway safety fund in the upcoming Budget to be presented on February 1.

Background:

The Railway Ministry had requested the Finance Ministry to create a ‘non-lapsable’ safety fund named ‘Rashtriya Rail Sanraksha Kosh’ over five years. However, the Finance Ministry is likely to grant a fresh infusion of only Rs. 5,000 crore in the upcoming financial year out of the initial proposed corpus of Rs. 20,000 crore.

About the fund:

The Railways had asked for ‘Rashtriya Rail Sanraksha Kosh’ to be set up based on the recommendations of a high-level safety review committee under former chairman Atomic Energy Commission Dr. Anil Kakodkar.

* The fund is proposed to be utilised for track improvement, bridge rehabilitation, rolling stock replacement, human resource development, improved inspection system, and safety work at level crossing, among other things.

Way ahead:

Railways may now be asked to fund the remaining Rs. 5,000 crore for the initial corpus from its own resources. It may either have to bring back a cess on rail tickets to finance its share of Rail Safety Fund or look to fund it from non-budgetary resources.

Sources: the hindu.

*Paper 2 Topic: Effect of policies and politics of developed and developing countries on India’s interests, Indian diaspora.*

**Court stops deportations under Trump travel ban**

The New York Court has stayed the deportation of people from seven Muslim-majority countries who arrived in the U.S after President Donald Trump barred their entry into the country through an executive order.

* The New York court order extends to all of America and provides relief to people in similar situations.

What happened?

President Trump recently signed an executive order to keep refugees from entering the country for 120 days and immigrants from seven predominantly Muslim nations out for three months. The countries affected are Iran, Iraq, Syria, Sudan, Libya, Yemen and Somalia.

The ban snared green card holders and people with valid visas alike. Some travelers who were in the air when Trump signed the order weren’t able to enter the country when they landed. Some were detained. Others were sent back to where they flew in from.

Why those seven countries?

White House officials said the seven countries targeted in the executive order had already been deemed “countries of concern” for terrorism by the Obama administration. In December 2015 Obama signed into law a measure placing some restrictions on certain travelers from Iran, Iraq, Sudan or Syria. A couple of months later, Libya, Somalia and Yemen were added.

Sources: the hindu.

*Paper 3 Topic: Inclusive growth and issues arising from it.*

**India Post gets payments bank licence to start services**

India Post has received payments bank licence from the Reserve Bank of India to start rollout of banking operations commercially under the permit.

[](https://i0.wp.com/www.insightsonindia.com/wp-content/uploads/2017/01/India-post-payment-bank.jpg)

Background:

In 2015, RBI had granted ‘in-principle’ approval to 11 entities, including Department of Posts, to set up payments banks and proposed to give such licences ‘on tap’ basis in future.

What are payment banks?

Payment banks are non-full service banks, whose main objective is to accelerate financial inclusion. These banks have to use the word ‘Payment Bank’ in its name which will differentiate it from other banks.

Key facts:

* Capital requirement: The minimum paid-up equity capital for payments banks is Rs. 100 crore.
* Leverage ratio: The payments bank should have a leverage ratio of not less than 3%, i.e., its outside liabilities should not exceed 33.33 times its net worth (paid-up capital and reserves).
* Promoter’s contribution: The promoter’s minimum initial contribution to the paid-up equity capital of such payments bank shall at least be 40% for the first five years from the commencement of its business.
* Foreign shareholding: The foreign shareholding in the payments bank would be as per the Foreign Direct Investment (FDI) policy for private sector banks as amended from time to time.
* SLR: Apart from amounts maintained as Cash Reserve Ratio (CRR) with the Reserve Bank on its outside demand and time liabilities, it will be required to invest minimum 75% of its “demand deposit balances” in Statutory Liquidity Ratio(SLR) eligible Government securities/treasury bills with maturity up to one year and hold maximum 25% in current and time/fixed deposits with other scheduled commercial banks for operational purposes and liquidity management.

What are the scopes of activities of Payment Banks?

* Payments banks will mainly deal in remittance services and accept deposits of up to Rs 1 lakh.
* They will not lend to customers and will have to deploy their funds in government papers and bank deposits.
* The promoter’s minimum initial contribution to equity capital will have to be at least 40% for the first five years.
* They can accept demand deposits.
* Payments bank will initially be restricted to holding a maximum balance of Rs. 100,000 per individual customer.
* They can issue ATM/debit cards but not credit cards.
* They can carry out payments and remittance services through various channels.
* Distribution of non-risk sharing simple financial products like mutual fund units and insurance products, etc. is allowed.

Sources: the hindu.

*Paper 2 Topic: Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.*

**Odisha rejects panel on Mahanadi**

The Odisha government has rejected the Centre’s negotiation committee on Mahanadi river water dispute with Chhattisgarh.

Why?

According to the Odisha government, the committee is not in accordance with the provisions of Sec 4(1) of the Inter-State Rover Water Dispute Act of 1956 and its composition is arbitrary.

What the law says?

The provisions of the ISRWD Act of 1965 put responsibility on the central government to negotiate after receiving complaints and in this regard the principle of federal relations mandated that the constitutional functionaries namely the prime minister or Union minister for water resources conduct negotiations with the chief ministers of the riparian states rather than appointing a committee headed by an officer of the subordinate office namely Central Water Commission.

Way ahead:

Odisha CM has also indicated that he is open to attending a meeting at the Prime Minister’s level as a last chance to settle the river water dispute through dialogue.

Background:

In January 2017, Ministry of Water Resources, River Development and Ganga Rejuvenation constituted a negotiations committee to assess availability and utilisation of waters of Mahanadi and its tributaries. The committee was set up with reference to complaint of State of Odisha under section 3 of the ISRWD Act, 1956 regarding utilisation of waters of Mahandi Basin.

What’s the dispute?

The 850km length of the Mahanadi river is divided almost equally between Chhattisgarh, where it is born, and downstream Odisha. Last year Odisha government opposed barrages that Chhattisgarh has been constructing.

Odisha government alleges that these barrages are meant to feed industrial projects and will block the flow of water into Odisha whose dependence on the river is greater. Chhattisgarh has denied this allegation pointing out that much of the river in Odisha flows untapped and straight into the sea.

Sources: the hindu.

*Paper 2 Topic: Important International institutions, agencies and fora, their structure, mandate.*

**India to focus on BIMSTEC after hurdles from Pakistan**

India has decided to focus on strengthening the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) amid Pakistan’s continued intransigence in blocking key anti-terror and connectivity initiatives under the South Asian Association for Regional Cooperation or SAARC.

* Nepal, as the BIMSTEC chair, is scheduled to host the group’s summit this year, the first since the new government in India assumed office in May 2014.

Significance of this move:

India as the biggest country in the BIMSTEC is giving special attention to the grouping in the 20th year of its creation. The grouping, which does not include Pakistan, could serve as an alternative to SAARC to give countries in South Asia a new direction.

* The BIMSTEC is also a bridge between South Asia and Southeast Asia. The two Southeast Asian countries in the grouping, Myanmar and Thailand, have a crucial place for India’s ambitious connectivity plans for northeastern region.
* Myanmar is only Southeast Asian country India has a land boundary with. An India-Myanmar-Thailand highway is one of the key projects that figures in a big way in the government’s Act East (earlier Look East) policy.
* With the India-Pakistan bickering coming in way of a smooth functioning of the Saarc, groupings such as BIMSTEC can take forward the concept of regional cooperation in a different manner.

What’s BIMSTEC?

Though BIMSTEC is a Bay of Bengal camp, two land-locked states — Nepal and Bhutan — are also part of the seven member-group. Five of them are from South Asia — India, Bangladesh, Nepal, Bhutan, Sri Lanka — and two from South East Asia — Myanmar and Thailand.

The BIMSTEC region is home to around 1.5 billion people which constitute around 22% of the global population. The region has a combined gross domestic product (GDP) of $2.7 trillion. In the last five years, BIMSTEC member states have been able to sustain an average 6.5% economic growth trajectory despite global financial meltdown.

The cooperation within BIMSTEC will be based on respect for the principle of sovereign equality, territorial integrity, political independence, non-interference in internal affairs, peaceful co-existence and mutual benefit. This cooperation within BIMSTEC will constitute an addition to, and not be a substitute for, bilateral, regional or multilateral cooperation involving the member states.

What are the priority sectors of the BIMSTEC grouping?

BIMSTEC covers 14 priority sectors. Each country leads one or more area in a voluntary manner. India leads two — counter terrorism and transnational crime, telecommunication and transport. The other key sectors are trade and investment, technology, energy, tourism, fisheries, agriculture, cultural cooperation, environment and disaster management, public health, people-to-people contact, poverty alleviation, etc.

Sources: et.

**Facts for Prelims**

**North East Investors’ Summit:**

* The first ever “Investors Summit” exclusively for North Eastern Region (NER) has begun in Shillong.
* The Ministry of Textiles has taken the initiative to organize the first ever “Investors Summit” exclusively for NER, in association with Ministry of DONER and the Industry Associations FICCI and CII.
* Focussed on manufacturing in textiles and allied sectors, the theme of the Summit is “Exploring Opportunities in North East Region”.
* The summit aims to showcase the NER as a global destination for investment, and to explore the possibility of bringing in convergence of efforts of various central Ministries and North Eastern States to attract investment in NER.
* The Summit will be attended by all North Eastern States, Export Promotion Councils, industries from North Eastern Region and leading investors across the country.

**Film Condition Assessment Project under NFHM:**

* The information and broadcasting (I&B) ministry has launched a film condition assessment project under which almost 1.32 lakh film reels at National Film Archive of India (NFAI) will be assessed and preserved for future use, as per global standards.
* The project marks the beginning of National Film Heritage Mission—an initiative by the government of India for the preservation, conservation, digitization and restoration of rich cinematic heritage of the country.
* NFAI is the nodal agency for the implementation of this project.

**2016 Global Go To Think Tank Index Report:**

* The 2016 Global Go To Think Tank Index Report was recently published by the Think Tank and Civil Societies Program at the Lauder Institute of the University of Pennsylvania (TTCSP).
* From India, the Centre for Civil Society (CCS) has been ranked among the top 100 think tanks globally. The CCS is ranked 80 which is one lower than last year’s rank.
* Nine other Indian institutes figured among the top 175 for the year 2016.
* Chatham House, U.K. was declared the top think tank of the world while Brookings Institution of U.S. retained the position as the top think tank worldwide in U.S. and Non-U.S. category.
* In terms of numbers, the U.S. has 1,835 think tanks, the highest globally, followed by China with 435, and the United Kingdom has 288. India stands in 4th position with 280 think tanks.

**Insights Daily Current Affairs, 31 January 2017**

*Paper 2 Topic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections.*

**Warning against spurious schemes being floated in the name of Beti Bachao Beti Padhao**

The Ministry of Women & Child Development has warned unauthorised sites/organisations/NGOs/individuals that are distributing forms in the name of cash incentive under Beti Bachao Beti Padhao Scheme.

* The government has made it clear that the scheme has no provision for **individual CASH TRANSFER COMPONENT** by Government of India.

About the scheme:

Beti Bachao Beti Padhao (BBBP) Scheme was launched in January, 2015 at Panipat in Haryana. The scheme is aimed at promoting gender equality and the significance of educating girls.

* The Scheme is targeted at improving the Child Sex Ratio through multi sectoral interventions including prevention of gender biased sex selection and promoting girls’ education and her holistic empowerment.
* It is a tri-ministerial effort of Ministries of Women and Child Development, Health & Family Welfare and Human Resource Development.
* Beti Bachao Beti Padhao scheme focuses on challenging mindsets and deep rooted patriarchy in the societal system, strict enforcement of PC&PNDT Act, advancing education of the girl child: focus is on issues of women empowerment on a life cycle continuum.

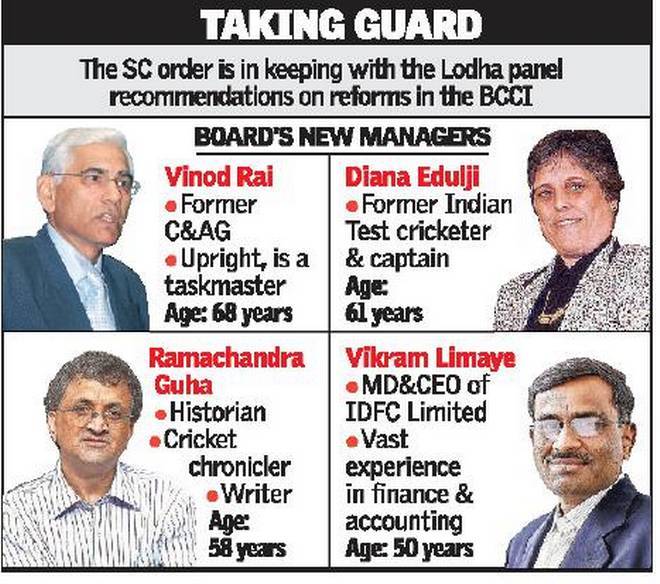
Sources: pib.

*Paper 2 Topic: Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential; citizens charters, transparency & accountability and institutional and other measures.*

**Panel headed by Vinod Rai to oversee BCCI’s affairs**

The Supreme Court has appointed a four-member Committee of Administrators (CoA) headed by former Comptroller and Auditor General of India Vinod Rai to oversee the Board of Control for Cricket in India (BCCI).

* The committee will function as the interim head of the BCCI and run the day-to-day administration of the cricket body till the Lodha reforms are fully implemented and elections held.

[](https://i2.wp.com/www.insightsonindia.com/wp-content/uploads/2017/01/Panel-headed-by-Vinod-Rai-to-oversee-BCCI%E2%80%99s-affairs.jpg)

*Image Source: The Hindu*

Background:

The Supreme Court recently ousted former BCCI president Anurag Thakur and secretary Ajay Shirke for stalling the Lodha reforms.

Way ahead:

The court has asked the BCCI CEO to submit a report to the committee detailing the level of compliance achieved by the BCCI and its members in adopting the Lodha recommendations upheld by the court.

The BCCI CEO has to submit the report to the new committee within a week. After this, the committee has been given four weeks to scrutinise the compliance achieved and report to the Supreme Court.

Lodha Committee’s key recommendations include:

* One state, one vote.
* An age limit of 70 years for administrators.
* Nine-member Apex council instead of working committee.
* Nine-year tenure for administrators with cooling period after every three-year term.
* Three-member selection committee to pick the Indian team.

Sources: the hindu.

*Paper 2 Topic: Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.*

**Centre to hold talks to end Manipur crisis**

The Centre has decided to hold tripartite talks with the United Naga Council (UNC) and the Manipur government to end the ongoing blockade of two national highways in Manipur, which has disrupted normal life and led to a shortage of essential commodities in the State.

What’s the issue?

The economic blockade is imposed by the UNC, an umbrella body of Naga groups under the patronage of National Socialist Council of Nagaland (Isak-Muivah). It is against the Manipur government’s decision to carve out seven new districts.

* The blockade has continued for over four months now. The UNC sees creation of new districts as an attempt to truncate the concept of a greater Nagalim.
* The Centre has been accused of turning a blind eye to the activities of the UNC, with which the Union government had signed a framework agreement in 2015 to resolve the decades-old Naga issue.

Background:

According to the government, the decision for formation of seven new districts was taken for administrative convenience and to enable the state government take up development works effectively even in the remote and underdeveloped parts of the state.

Sources: the hindu.

*Paper 3 Topic: Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology and issues relating to intellectual property rights.*

**India to launch standby navigation satellite**

India is planning to launch one of its back up navigation satellites this year as a replacement to IRNSS-1A satellite, whose three atomic clocks have failed.

* Each of seven satellites has three clocks. The clocks are important to provide precise data.

What is an atomic clock?

An atomic clock is a clock that uses the resonance frequencies of atoms as its resonator. The resonator is regulated by the frequency of the microwave electromagnetic radiation emitted or absorbed by the quantum transition (energy change) of an atom or molecule. The advantage of this approach is that atoms resonate at extremely consistent frequencies.

About NAVIC:

The Rs 1,420 crore Indian satellite navigation system NavIC consists of seven satellites in orbit and two as substitutes. Starting in July 2013, the Indian space agency has launched all the seven navigation satellites. The last one was launched on April 28, 2016. Each satellite has a life span of 10 years.

* Simply put, the Indian Regional Navigation Satellite System (IRNSS) is similar to the GPS (Global Positioning System) of the US, Glonass of Russia and Galileo of Europe as well as China’s Beidou. While GPS and Glonass are fully functional global systems, the Chinese and the Japanese systems offer regional coverage and Europe’s Galileo is yet to be operational.
* According to Indian space agency, the applications of IRNSS are: terrestrial, aerial and marine navigation, vehicle tracking and fleet management, terrestrial navigation for hikers and travellers, disaster management, integration with mobile phones, mapping and geodetic data capture and visual and voice navigation for drivers.
* Apart from the civilian applications, the IRNSS will be used for defence purposes as well.

Sources: et.

*Paper 3 Topic: Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology and issues relating to intellectual property rights.*

**New test to detect signs of life on alien planets**

NASA scientists have developed a new chemical assay that could aid the search for life on exoplanets by identifying the presence of amino acids, the compounds that make up proteins and building blocks of life.

How is it done?

The test uses a liquid-based technique known as capillary electrophoresis to separate a mixture of organic molecules into its components.

* It was designed by researchers from NASA’s Jet Propulsion Laboratory (JPL) in the US specifically to analyse for amino acids, the structural building blocks of all life on Earth.
* It involves combining a liquid sample with a liquid reagent, followed by chemical analysis under conditions determined by the team.
* By shining a laser across the mixture – a process known as laser-induced fluorescence detection – specific molecules can be observed moving at different speeds. They get separated based on how quickly they respond to electric fields.

Advantages of the new method:

* The method is 10,000 times more sensitive than current methods employed by spacecraft like NASA’s Mars Curiosity rover, according to researchers.
* One of the key advantages of the new way of using capillary electrophoresis is that the process is relatively simple and easy to automate for liquid samples expected on ocean world missions.
* Additionally, it allows scientists to detect the amino acids at very low concentrations, even in highly salty samples, with a very simple ‘mix and analyse’ process.

Sources: et.

*Paper 3 Topic: Science and Technology- developments and their applications and effects in everyday life Achievements of Indians in science & technology; indigenization of technology and developing new technology.*

**Artificial skin that can ‘feel’ temperature changes created**

Scientists have constructed a new material that can feel temperature differences, which could possibly be used in prosthetic limbs to act as a sensitive artificial skin.

Key facts:

* The new material is known as Pectin. The material uses a mechanism that is akin to the pit organ in vipers. The researchers were studying synthetic wood when they discovered that a molecule, pectin, played a role in generating an electrical impulse when exposed to changes in temperature.
* Pectin is widely used in the food industry as a jellifying agent; it’s what you use to make jam. So, its easy and cheap to obtain.

About Pectin:

Pectin molecules are long chains weakly bonded together and they contain calcium ions. When temperatures increase, the chain breaks and the ions are free to move. Either the higher number of free ions or their newfound freedom allow for the material to have a reduced electrical resistance.

* The material can detect changes as subtle as 0.01°C (0.018°F) over the temperature range – almost 10 times more sensitive than previously developed electronic skin and 100 times more responsive.
* The material could also be used as a smart dress wound. Since infections raise temperatures in the body, the material can be used as a signal to medical practitioners that something is affecting the wound.

Sources: et.

*Paper 3 Topic: Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology and issues relating to intellectual property rights.*

**‘Vampire’ star caught in the act**

India’s first dedicated space observatory, ASTROSAT, has captured the rare phenomenon of a small six-billion-year-old “vampire” star “preying” on a bigger celestial body. Scientists say the smaller star, also called a “blue straggler,” feeds off its companion star by sucking out its mass and energy, causing its eventual death.

Why is it called a vampire star?

The most popular explanation is that these are binary systems in which the smaller star sucks material out of the bigger companion star to become a blue straggler, and hence is called a vampire star.

The small star becomes bigger, hotter and bluer, which gives it the appearance of being young, while the ageing companion burns out and collapses to a stellar remnant.

About ASTROSAT:

ASTROSAT is India’s first dedicated multi wavelength space observatory. This scientific satellite mission endeavours for a more detailed understanding of our universe.

* ASTROSAT is designed to observe the universe in the Visible, Ultraviolet, low and high energy X-ray regions of the electromagnetic spectrum simultaneously with the help of its five payloads.
* Astrosat aims at understanding the high energy processes in binary star systems containing neutron stars and black holes, to estimate magnetic fields of neutron stars, to study star birth regions and high energy processes in star systems lying beyond the Milky Way galaxy.
* This mission has put ISRO in a very exclusive club of nations that have space-based observatories. Only the United States, European Space Agency, Japan and Russia have such observatories in space.

Sources: the hindu.

**Facts for Prelims**

**Meghalaya’s first ever Apparel and Garment Centre:**

* Meghalaya’s first ever Apparel and Garment Centre was recently inaugurated at Ampati.
* The Centre will create employment opportunities for both men and women of the region, thereby empowering them economically.
* The Centre has been set up at a cost of approximately Rs. 14.26 crore, under the North East Region Textiles Promotion Scheme (NERTPS) of the Ministry of Textiles.