

### **Neutrino project gets environmental nod**

The India-based Neutrino Observatory (INO) project has got a fresh lease of life with the Ministry of Environment and Forests (MoEF) taking it up as a special case and granting it environmental clearance to set up the lab in Bodi West hills.

- MoEF's Expert Appraisal Committee, after detailed deliberations on the proposal and submissions by the project proponent, recommended this at its meeting. According to the minutes of the meeting available in the public domain, the EAC was given to understand that though the proposals were not within its scope, the Ministry wanted it to consider this as a special case.

The panel was informed that there was no scope for radioactivity and leaching of water and these have been explained to the courts. The project proponents clarified that studies showed there would be no impact of blasting on any habitation in the vicinity.

- While granting EC, the committee stipulated specific conditions, of which two are key for the project to take off.
  - One is the consent to establish and operate to be obtained from the Tamil Nadu Pollution Control Board (TNPCB). In the past, INO project proponents had complained that the TNPCB had been sitting on the file for years without taking any action when Jayalalithaa was Chief Minister.
  - Also, the INO team has to obtain the necessary forest and National Board for Wild Life clearances as per law. The Mathikettan Shola National Park in Idukki district, Kerala, is situated within five km from the project site.

When the project was considered by the Tamil Nadu State Expert Appraisal Committee in November 2017, it said that the proposed site forms part of the catchment area of various streams that contribute to the Vaigai watershed.

- Therefore, Tamil Nadu was of the opinion that the proposal could not be appraised under category B of item 8(a) 'Building and construction projects of

the Schedule to the EIA notification 2006', as it involved many technical features other than mere construction.

- The SEAC also said the project should be appropriately handled by the Centre. Incidentally, Deputy Chief Minister O. Panneerselvam represents the Bodi Assembly constituency.

Considering the national importance of the proposal, the MoEF decided to take the proposal at the Central level as a special case — a category 8(a) project — and granted environmental clearance with 17 conditions.

### **The man who traced the history of time dies**

Stephen W. Hawking, the Cambridge University physicist and best-selling author who roamed the cosmos from a wheelchair, pondering the nature of gravity and the origin of the universe and becoming an emblem of human determination and curiosity, has died at his home in Cambridge, England. He was 76.

- "Not since Albert Einstein has a scientist so captured the public imagination and endeared himself to tens of millions of people around the world," Michio Kaku, a professor of theoretical physics at the City University of New York, said.
- Hawking did that largely through his book A Brief History of Time: From the Big Bang to Black Holes, published in 1988. It has sold over 10 million copies.
- The 2014 film on his life, The Theory of Everything, was nominated for several Academy Awards.

What is equally amazing is that he had a career at all. As a graduate student in 1963, he learned he had amyotrophic lateral sclerosis, a neuromuscular wasting disease. He was given only a few years to live.

### **Activists cannot intervene in Ayodhya case, rules SC**

The Supreme Court dashed the hopes of activists like Shyam Benegal and Teesta Setalvad to intervene in the sensitive Babri Masjid-Ram Temple land dispute case, making it clear that only the parties to the original lawsuits would be allowed to put forth their arguments.

The court also said it would first decide whether the land dispute appeals be sent to a five-judge Constitution Bench as was sought by lead petitioner M. Siddiq (since deceased), who is represented by legal heirs in the case.

- Besides Mr. Benegal and Ms. Setalvad, eminent persons like Aparna Sen and Anil Dharker wanted to intervene for using the disputed 2.77 acre disputed land for some 'secular' purposes.
- The intervention plea of BJP leader Subramanian Swamy, at whose instance the cases were fast-tracked by the apex court, was also rejected.
- The court, however, considered Dr. Swamy's submission that he had not sought to intervene in the matter but filed a separate writ petition seeking enforcement of his fundamental right to worship at the birth place of Lord Ram in Ayodhya.

### **Pak. envoy seeks 'sober reflection'**

Amid fresh incidents of alleged harassment of Pakistani diplomats in Delhi and Indian diplomats in Pakistan, Pakistan's High Commissioner Sohail Mahmood called for "sober reflection" and a careful handling of the situation.

External Affairs Ministry officials and diplomats say the harassment of Indian diplomats in Islamabad had "surged" over the past few weeks, as Pakistan released a video of what they called "aggressive harassment" of their officials in India.

This is a moment for sober reflection on the state of the bilateral relationship. It is too important to be allowed to drift. There is a need to handle matters with wisdom and thoughtfulness," Mr. Mahmood said.

- Pakistan's High Commission released several videos taken by its officials that appeared to show their diplomatic cars being tailed by men on motorcycles, while cars travelled slowly in front to block their progress. The videos, which could not be independently verified, showed men wearing helmets, riding the motorcycles very close to the High Commission vehicles, and also intimidating other drivers on the roads who objected.

Indian officials maintained that the incidents mirrored the situation in Islamabad, where matters came to a head last month.

- In February , workers at a construction site inside the Indian High Commission were stopped and allegedly intimidated by ISI (intelligence) operatives from entering the premises, after which India had lodged a formal protest.
- India noticed an increase in harassment attempts since then and still awaiting investigation reports of a number of incidents (of harassment) reported to the Pakistan Foreign Office in Islamabad during the past one year.
- The incidents reported by the Indian High Commission included “aggressive surveillance”, intimidation by the ISI, disconnection of power and water supplies, and a break-in at an Indian official’s home, where a laptop was stolen.

Officials said the issues between the two sides had been taken up at the “political level” as well, and High Commissioner Masood met Foreign Secretary Vijay Gokhale while Indian High Commissioner Ajay Bisaria met Pakistan Foreign Secretary Tehmina Janjua to try and smooth out matters, but both sides claim there has been little improvement in the situation for diplomats in both countries.

### **State International Development Cooperation Agency**

#### **In News**

China is setting up an agency that will channel foreign aid and plan strategic

projects related to the Belt and Road Initiative.

The formation of the State International Development Cooperation Agency (SIDCA) is part of a massive institutional revamp to steer China’s ongoing transition, marked by domestic reform and deeper engagement with the rest of the world.

The SIDCA will be answerable to the State Council, China's Cabinet, led by Prime Minister Li Keqiang. It integrates roles which were earlier fragmented between the Foreign and Commerce Ministries.

**Focus of SIDCA** - Its focus will be to "better serve the country's global strategy and to build the Belt and Road Initiative".

The new agency "will be responsible for making strategic guidelines, plans and policies on foreign aid".

It will also be involved in making "foreign aid plans and overseeing and evaluating their implementation".

### **Global aid donor**

The decision is still pending final approval during the ongoing session of the National People's Congress.

It is in tune with Beijing's emergence as a global aid donor, nearly at par with the U.S.

### **At par with the USA in aid –**

According to a study by U.S.-based AidData, China pitched \$350 billion in foreign aid and other forms of state financing between 2000 and 14. The U.S. overseas aid figures were marginally higher, at \$394.6 billion.

Analysts say that the formation of SIDCA suggests China's increasing reliance on economic and foreign aid as levers to project its international influence.

China is also planning to streamline its domestic financial governance through consolidation of existing multiple agencies.

Lawmakers have set up for approval the formation of a market regulatory administration.

### **U.K. to cut high-level contacts with Russia**

## **In News**

British Prime Minister Theresa May said that her government will suspend all high-level bilateral contacts with Russia over the poisoning of Sergei Skripal, the former Russian double agent.

No Ministers or members of the Royal Family will attend the Summer World Cup in Russia.

**Russian diplomats to be expelled** - The government has also decided to expel 23 Russian diplomats and withdraw an invitation to Russian Foreign Minister Sergei Lavrov to visit the country.

The diplomats to be expelled were identified as “undeclared intelligence officers”.

## **Background**

Ms. May’s announcement came ahead of an urgent session of the UN Security Council to be held at Britain’s behest to discuss the poisoning.

The comments also came after a deadline, set by Britain for an “explanation” from Russia as to why Novichok — a military-grade nerve agent developed by Russia — had come to be used in the Salisbury poisoning, passed.

## **‘Russia involved - May’**

Earlier this week Ms. May told the House it was “highly likely” that the Russian state was involved in the poisonings.

The Russian Embassy in London condemned the decision to expel its diplomats as a “hostile action” that was “total unacceptable, unjustified and shortsighted”.

## **Russia’s response**

Russia’s Foreign Ministry accused Ms. May of launching “a groundless anti-Russian campaign”, by pursuing the investigation in a “a unilateral, non-

transparent way”, rather than using “established international formats and instruments”.

### **India's position**

India's position is understood to be that while it strongly condemns the action on British soil, it hopes that the issue is dealt with through dialogue between Britain and Russia.

Other actions being pushed by Britain include legislation enabling it to detain people suspected of hostile state activity and a strengthening of the state's ability to impose sanctions in response to violations of human rights, similar to the U.S.'s Magnitsky Act.

The powers are currently restricted to its ability to detain those suspected of terrorism.

Using existing powers, checks would also increase on private flights, customs and freight, and Russian assets could be frozen if there was evidence that they could be used to threaten the life or property of U.K. nationals or residents.

Russia has also warned that it would take retaliatory action against the operation of British media in Russia if action against RT were taken in Britain.

### **Letters of Understanding – (LoUs)**

#### **In News**

The Reserve Bank of India recently decided to bar banks from issuing Letters of Understanding (LoUs).

#### **About LoU?**

A **Letter of Understanding** or LOU is a formal text that sums up the terms and **understanding** of a contract.



LoUs were the cheapest source of funding as the credit provided against them were typically priced 20-30 basis points above the three-month or six-month LIBOR. The total cost was about 2.3%, which is much lower than the average of 10% or more for any rupee loan product.

Since the LoU route is no longer available, importers have to provide bank guarantees or letters of credit, which are more expensive.

### **Possible impact**

The decision to ban Letters of Undertaking (LoUs) may raise costs for importers and will hurt export competitiveness.

The decision has already brought the \$85 billion buyers' credit market — a key source of low-cost trade finance for the country's importers — to an abrupt standstill.

The abrupt move would push up financing costs for the country's importers and exporters.

Many exporters used the LoUs to help fund their imports of raw materials and the central bank's decision would hurt their competitiveness.

### **Why?**

Importers, through the route of LoU, were availing dollar funding which was cheaper than rupee funding. Now, the importer will have an option of either opening a letter of credit, but for that they will need suppliers' agreement — the supplier should be willing to extend the credit.

Otherwise, they have to fund it through rupee borrowing. So, that will increase the cost. And if they are exporting, then it will impact your export competitiveness also.

The traders who have been conducting business through these instruments will now have to necessarily shift their transactions to Letters of Credit and Bank Guarantees. The result would be that cost of credit may go up, especially for the SMEs.



Industry bodies said the gems and jewellery sector was likely to be the worst affected by the LoU ban.

### **Why ban?**

The ban has come in the wake of the \$2 billion LoU fraud at state-owned Punjab National Bank.

### **World Bank sees FY19 growth at 7.3%**

#### **In News**

The World Bank forecasts India's economic growth will accelerate to 7.3% in 2018-19, from 6.7% in the current financial year, before gathering momentum to a 7.5% pace in 2019-20.

The Central Statistics Office has projected GDP growth for the 12 months ending March 31, at 6.6%.

#### **Key Takeaways**

According to the report, the key takeaways about the Indian economy are that it is steadily growing, and it is growth where volatility has significantly decreased.

Growth is not being led by any single factor, and is instead being driven by a number of factors such as exports, consumption, and investment.

Another highlight is the resilience. Despite shocks such as the implementation of the Goods and Services Tax, and demonetisation, the growth path is back on trend.

#### **India Development Update**

The bank's India Development Update divides India's economic growth history into four segments.

The first is from 1970 to 1990, when the economy maintained an average growth rate of 4.4%.

This subsequently accelerated in the 1991-2003 period to an average of 5.4%.

Thereafter, growth accelerated sharply for a short period from 2004 to 2008, where it averaged 8.8%, which then slowed down to a “still impressive” average of 7.1% in the 2009-17 period.

It would be hard to find another country with such a growth promise. Growth is not just steady, but is steadily accelerating, according to the report.

Durable revival in private investments and exports would be crucial for India achieving a sustained high growth of 8% and above, the Bank suggested.

### **Challenges**

The report highlights several challenges facing the Indian economy that need prioritised attention.

These include the poor state of private sector investments which need to be enhanced through measures that assure a favourable investment climate while reducing policy uncertainty.

Reviving bank credit to support growth is critically important, the bank noted.

Implementation of the new Insolvency and Bankruptcy Code is an important step towards improving credit behaviour. However, the policy may take time to be effective in cleaning the balance sheets.

### **Urea subsidy**

#### **In News**

The Cabinet approved the proposal by the Department of Fertilizers to continue the ongoing Urea Subsidy Scheme from 2017 to 2020.

The continuation of the urea subsidy scheme will ensure that adequate quantity of urea is made available to the farmers at statutory controlled price.

The estimated cost of this would be ₹1,64,935 crore.

The DBT mechanism would entail 100% of the payment going to fertiliser companies on the sale of fertilisers to farmers at subsidised rates.

## **STATE-TELANGANA**

### **State mulls health profiling of all 3.64 crore citizens**

The State government will soon launch a programme 'Health profile of the State of Telangana', to record the health related data of each and every citizen, and computerise the same.

- Health check-ups will be conducted and cards will be issued to all the 3.64 crore citizens enumerated during the Samagra Kutumba Survey (Intensive Household Survey)
- Once the health profiling is complete — expected to be done in eight months — citizens will be eligible for annual medical check-ups at the State expense. This model, adopted from the United States of America (USA), will be introduced in the upcoming budget.

## **STATE-AP**

### **Moves afoot to ease water crisis in Godavari delta**

#### **In News**

- The State government has sanctioned ₹15 crore to lift water from Godavari delta drains to provide water to the standing crop in 8.9 lakh acres in East and West Godavari districts.
- The State received 40% deficit rainfall from the North East monsoon and literally no rainfall during the winter season, leading to a severe water crisis.
- **Water from Sileru**

- Water will also be drawn from the Sileru reservoir to meet the requirement of the standing crop during the rabi season, which will go up to April 2 in West Godavari and April 10 in East Godavari.
- The officials are planning to draw 5 tmcft from Sileru, lift 1 tmcft from the Godavari and 0.5 tmcft from drains in addition to 0.3 tmcft groundwater available, from Godavari bed.
- The State government was also planning to request release of 5 tmcft from the Balimela reservoir.
- At present, 1,800 cusecs was being released from it. The administrations of both East and West Godavari districts have urged the farmers to use the water judiciously.