



INSIGHTS®  
ACTIVE LEARNING

— IAS SELF STUDY GUIDE —

# INSIGHTSONINDIA

# Daily Current Events

# JANUARY 2017

# [www.insightsias.com](http://www.insightsias.com)

# [www.insightsonindia.com](http://www.insightsonindia.com)

Copyright © INSIGHTS ACTIVE LEARNING

follow us on »





## Table of Contents

<b>GS I</b>	<b>7</b>
Paper 1 Topic: Indian culture will cover the salient aspects of Art Forms, Literature and Architecture from ancient to modern times.	7
Government to support Tangaliya weavers in purchasing looms	7
Paper 1 Topic: Modern Indian history from about the middle of the eighteenth century until the present- significant events, personalities, issues.	7
Google Doodle pays tribute to social reformer Savitribai Phule	7
Republic Day 2017	8
Paper 1 Topic: Social empowerment, communalism, regionalism & secularism.	9
Triple talaq certificate issued by chief kazi has no legal sanction	9
Paper 1 Topic: Role of women and women's organization, population and associated issues, poverty and developmental issues, urbanization, their problems and their remedies.	9
India's rising income inequality: Richest 1% own 58% of total wealth	9
Paper 1 Topic: Important Geophysical phenomena such as earthquakes, Tsunami, Volcanic activity, cyclone etc., geographical features and their location- changes in critical geographical features (including water-bodies and ice-caps) and in flora and fauna and the effects of such changes.	11
Fossil fuel formation linked to rise in atmosphere's oxygen	11
New fault in Indian Ocean may trigger quakes in future: study	11
Ministry of Earth Sciences Commissions Higher Resolution Weather Prediction Model	12
Silicon identified as 'missing element' in Earth's core	12
<b>GS II</b>	<b>15</b>
Paper 2 Topic: Separation of powers between various organs dispute redressal mechanisms and institutions.	15
SC extends judicial review powers	15
SC refuses plea on alleged dilution of whistleblower law	16
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.	16
Supreme Court suggests invoking Art 224-A to resolve Tripura HC problem	16
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.	17
Telangana plea against Krishna tribunal award dismissed	17
GST: Centre, States reach consensus over dual control, roll out likely from July 1	18
Centre sets up a negotiation panel on river Mahanadi and its tributaries	19
Yettinahole project: activists threaten to go on hunger strike	20
Odisha rejects panel on Mahanadi	21
Centre to hold talks to end Manipur crisis	21



Paper 2 Topic: Statutory, regulatory and various quasi-judicial bodies.	22
Revamped IDF gets more donations	22
Complete disciplinary inquiries in time: Central Vigilance Commission to departments	23
Silver Jubilee Celebrations of NBCFDC	23
CCI imposes penalty on bidders for cartelisation in tenders of Indian Railways	24
FIPB clears 6 FDI proposals worth Rs 1,187 crore	25
Ministry of AYUSH and Advertising Standards Council of India sign MoU	25
NPCC in Namami Gange Programme	26
Paper 2 Topic: Salient features of the Representation of People's Act.	27
Seeking votes on religious basis a corrupt act: SC	27
Sponsored ads in media to be part of candidate's expenditure	28
Model Code of Conduct comes into force in UP	28
Paper 2 Topic: Government policies and interventions for development in various sectors and issues arising out of their design and it.	29
Decide on safety sealing in six months: HC to Centre	29
PM Narendra Modi Announces New Housing Schemes For The Poor	29
Restaurants billing 'service charges' in addition to taxes is optional	30
Ban on import of exotic skins	30
Delhi Government unveils 'Good Samaritan Policy'	31
Promulgate ordinance for conduct of Jallikattu: Tamil Nadu CM O Panneerselvam to PM Narendra Modi	31
Draft Notification for Prevention of Cruelty to Animals (Dog Breeding and Marketing) Rules, 2016	32
Niti Aayog calls for review of RTE Act	33
Why can't FM stations broadcast news, asks SC	33
Cabinet approves the repealing of the obsolete and redundant laws	34
Bihar supports prohibition with 'the world's longest human chain'	34
After jallikattu, it is kambala's turn	35
N.K. Singh panel submits report on FRBM Act	35
Budget before polls gets green light from SC	36
CWC Signs MoU with IIT Madras and IIS Bengaluru	36
99% of Indians over 18 now have Aadhaar cards	37
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.	38
India's great school education challenge: Crisis in BIMARU states	38
Government issues notification of 'Indian Skill Development Service'	38
Haryana achieves sex ratio of 900 girls per 1000 boys	39
Cash for land is just not done: SC	40
Effects of Endosulfan devastating: SC	40
Measles-rubella vaccine to roll out in February	41
After India, other South East Asian countries opting for fractional doses of IPV: WHO	41
India slips to 92nd rank on global talent competitiveness	43
'ShaGun' – a web-portal for Sarva Shiksha Abhiyan	43
Government school students move up the learning curve	44
Prime Minister's Shram Awards for the year 2015 Announced	45
Cabinet approves Indian Institute of Management Bill, 2017	45



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.	46
Government finds scientific way to implement social welfare programmes, combat poverty	46
National Alliance against online Child sexual abuse and exploitation	47
National Action Plan for Children, 2016	48
Govt launches Varishtha Pension Bima Yojana	48
Warning against spurious schemes being floated in the name of Beti Bachao Beti Padhao	48
Paper 2 Topic: Role of civil services in a democracy.	49
Graft probe against babus must conclude in 90 days: Government	49
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.	50
Finally, after a decade of RTI roll out 94% ministries declared statistics in last fiscal	50
Decide on Jio case in 'reasonable time': Telecom tribunal TDSAT to Trai	50
SC wants paper trail in EVMs for fair poll	51
India most trusted nation in terms of institutions: Report	51
India Innovation Index to measure performance of Indian states	53
CMs Committee on Digital Payments presents interim report to the Prime Minister	53
'69% of political funds from unknown sources'	54
Transparency puts India on list for failing to curb corruption	54
Panel headed by Vinod Rai to oversee BCCI's affairs	55
Paper 2 Topic: Development processes and the development industry the role of NGOs, SHGs, various groups and associations, donors, charities, institutional and other stakeholders.	56
SC orders audit of 30 lakh NGOs	56
Paper 2 Topic: Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.	56
India, Pakistan exchange lists of nuclear sites	56
Cabinet approves Agreement between India and Uruguay	57
Japan to assist in making Chennai, Ahmedabad and Varanasi Smart Cities	57
India and Kazakhstan sign Protocol to amend the Double Taxation Avoidance Convention (DTAC)	58
India-CERT Signs an MoU with US-CERT	58
India gears up to ink pact for global customs transit system	59
Industry seeks foreign partners for trade pact	60
MoU between India and the United Arab Emirates on the Mutual Recognition of Certificates of Competency	61
Cabinet approves ratification of the Second Commitment Period of Kyoto Protocol	61
India-UAE strategic oil reserves deal	62
Seven new countries join BEPS agreement	63
Paper 2 Topic: Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.	63
Bill targeting H1B visas reintroduced in US Congress	63
Bengaluru Hosts 14th Edition of Pravasi Bharatiya Divas	64
OCI and PIO cards	64



China deepens military ties with Malaysia	65
Japan threatens to drag India to WTO on steel	66
Turkey's constitutional reform	67
Curbs on outsourcing may hit U.S. economy: Nasscom	68
India rejects attempts by EU, Canada for global investment agreement	69
Eight great powers for the year 2017	69
Court stops deportations under Trump travel ban	70
Paper 2 Topic: Important International institutions, agencies and fora, their structure, mandate.	71
Ex-Pak army chief Raheel Sharif appointed head of Islamic anti-terror alliance	71
Financing Agreement with World Bank for US\$ 48 Million for "Nagaland Health Project"	71
India becomes Associate member of CERN	72
Cabinet approves India's Membership in the International Vaccine Institute (IVI), South Korea	73
Workshop on MSME Cooperation amongst Indian Ocean Rim Association (IORA) Member Countries	74
India participates in JITSIC meeting on 'Panama Papers'	75
Global partnership launched to prevent epidemics with new vaccines	75
India to focus on BIMSTEC after hurdles from Pakistan	76
GS III	79
Paper 3 Topic: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.	79
After wallet cos, Modi now brings cheer to digital lending firms	79
Startups brace up for legal war with Income Tax department	79
Central Board of Direct Taxes signs three Advance Pricing Agreements	80
Ken-Betwa river-linking project faces new hurdle	80
Anti-avoidance tax rule GAAR to kick in from April 2017	81
Signing of Bilateral Advance Pricing Agreement by CBDT	81
Number of unemployed in India to climb: ILO	82
Finance Ministry suspends Dec. 21 tax circular on indirect transfers	83
Tax guidelines to target shell companies notified	83
Tax guidelines to target shell companies notified	84
After Centre, Apple may also have to cross States' hurdles to set up plant in India	85
Centre says GAAR effective April 1, industry demurs	86
Loss making Indian Railways to rent out hill trains to private players	87
Paper 3 Topic: Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.	87
Ministry not in favour of concessions for Apple manufacturing unit	87
Market regulator tightens merger norms	88
Cabinet approves amendment in Modified Special Incentive Package Scheme	89
Draft steel policy to enable Rs.10 lakh crore investments	90
Paper 3 Topic: Inclusive growth and issues arising from it.	90
India Post gets payments bank licence to start services	90



Paper 3 Topic: Issues related to direct and indirect farm subsidies and minimum support prices; Public Distribution System objectives, functioning, limitations, revamping; issues of buffer stocks and food security; Technology missions; economics of animal-rearing.	91
<b>Scheme to skill Indian youth seeking jobs abroad</b>	91
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; Rubber Soil Information System (RubSIS) for Rubber Growers	92
Paper 3 Topic: Infrastructure: Energy, Ports, Roads, Airports, Railways etc.	92
Niti Aayog may seek trial run of Hyperloop	92
Minigrids can power rural economic activity	93
All states except Uttar Pradesh ink pact to achieve 24/7 power	94
FinMin may aid rail safety fund	94
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.	95
Drug discovery for GPCR signalling made easy by IIT Kanpur	95
Mesentery, the New Organ Discovered in the Human Body	97
China develops its version of floating LNG power plant	97
New Ginger species with medicinal properties found in Andamans	98
Khanderi - Second Scorpene submarine ready	98
LIGO India, Meant to Study Gravitational Waves, To Be Ready By '24	99
World's first stable semi-synthetic organism created	100
GSLV's cryogenic upper stage tested successfully	100
Artificial skin that can 'feel' temperature changes created	101
Paper 3 Topic: Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology and issues relating to intellectual property rights.	102
IPR Enforcement Toolkit for Police	102
NASA selects 2 missions to explore solar system's asteroids	102
Astronomers discover 'powerful cosmic double whammy' with help of India's GMRT	103
China setting up highest altitude telescopes close to LAC	104
NASA aims to send spacecraft to giant 'metal' asteroid	104
A sunspot with centre twice the size of Earth	105
GM mosquito trials to control dengue, chikungunya launched	106
Japan's Military Launches First Communications Satellite	108
India to launch standby navigation satellite	108
New test to detect signs of life on alien planets	109
'Vampire' star caught in the act	109
Paper 3 Topic: Conservation, environmental pollution and degradation, environmental impact assessment.	110
Many New Projects Under Namami Gange Approved For Haridwar and Varanasi	110
Government officials seek zero import tax on LNG in budget: Document	110
Study throws light on groundwater, rainfall link	111
Air pollution a national problem	111
Green tribunal orders test of cosmetics containing microbeads	112
Ken-Betwa river link project gets green panel's nod	113



Paper 3 Topic: Disaster and disaster management.	114
India asked to employ proper resources for operations in conflict zones	114
Surviving drought: Kerala imposes curbs on water use	114
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.	115
Bitcoin nears all-time high as it becomes 'safe haven' asset	115
US designates election infrastructure as 'critical'	115
50% jump in smuggling of currency, reveals DRI	116
Privacy concerns over data-sharing policy: Supreme Court notices to WhatsApp, Facebook	116
RBI stops investments to 'non-cooperative countries'	117
<b>Facts for Prelims</b>	119
Anil Baijal takes over as new Lt Governor of Delhi	119
Prof. David R. Syiemlieh to perform duties of Chairman, UPSC; Successful Flight Test of Agni – IV	119
West Bengal's longest free WiFi-enabled road	120
Bunkar Mitra; China begins first freight train service to London	120
Andhra Pradesh govt to give scientists of the state Rs 100 crore for Nobel Prize	120
m-Parivahan; New Delhi World Book Fair; North Eastern Tourism Development Council; RBI to provide 1 billion to Nepal	120
World's Largest LED Street Lighting Programme to the Nation; Pakistan Successfully Test-Fires Submarine-Launched Babur-3 Missile	121
National Youth Festival; Petroleum Ministry receives Silver Award for Excellence in Citizen Centric Services; Income Tax Department receives Silver Award for e-filing of Income Tax Returns project	122
DEFCOM – 2017; New species of gibbon discovered in China; World's first gender literature fest in Patna; India's first international stock exchange	122
Dr. Jitendra Singh chairs 29th meeting of SCOVA; Successful Test Firing of Guided Pinaka; China commissions sophisticated, round-the-clock naval reconnaissance ship	123
Indian harvest festivals	124
Saksham – 2017	125
World Government Summit	125
Mission 41k	125
24th Conference of Central and State Statistical Organisations (COCSSO); Bengaluru beats Silicon Valley, becomes the most dynamic city in the world	125
SBI teams up with INS Vikramaditya; China commissions 31st stealth warship; Guinness record	126
National Bravery Awards	127
Child vulnerability map; Nepal recognises employment in India as foreign	127
Jeevan Raksha Padak Awards – 2016; Padma Awards 2017; National Voter's Day	128
Bharat Parv	128
TROPEX 17	129
North East Investors' Summit; Film Condition Assessment Project under NFHM; 2016 Global Go To Think Tank Index Report	129
Meghalaya's first ever Apparel and Garment Centre	130



## GS I

**Paper 1 Topic:** Indian culture will cover the salient aspects of Art Forms, Literature and Architecture from ancient to modern times.

### 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 shepherded community.
- Tangaliya 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.



Sources: pib.

**Paper 1 Topic:** Modern Indian history from about the middle of the eighteenth century until the present-significant events, personalities, issues.

### Google Doodle pays tribute to social reformer Savitribai Phule

A trailblazing figure in field of women's education in India, Savitribai Phule is the subject of Tuesday's Google Doodle on the occasion of her 186th birthday.

#### Key facts:

- Born in Naigaon in Maharashtra on January 3, 1831, Phule is widely regarded as one of India's first generation modern feminists for her significant contributions in ensuring equal education opportunities under the British raj.
- She became the first female teacher in India in 1848 and opened a school for girls along with her husband, social reformer Jyotirao Phule. The two also worked against discrimination based on caste-based identity, something vehemently opposed by the orthodox sections of society in Pune.
- She went on to establish a shelter for widows in 1854 which she further built on in 1864 to also accommodate destitute women and child brides cast aside by their families.



- Phule also played a pivotal role in directing the work of the **Satyashodhak Samaj**, formed by her husband with the objective to achieve equal rights for the marginalised lower castes. She took over the reins of the organisation after Jyotirao's death in 1890.
- Savitribai opened a clinic in 1897 for victims of the bubonic plague that spread across Maharashtra just before the turn of the century.
- In her honour, University of Pune was renamed Savitribai Phule University in 2014.

[Google Search](#)[I'm Feeling Lucky](#)

Explore the life and work of Savitribai Phule with Google

Google.co.in offered in: हिन्दी वांला ತೆಲುಗು ಮರಾಠಿ ತமிழ் ગુજરાતી ಕನ್ನಡ ಮಲಯಾളಂ ಪੰਜਾਬੀ

Sources: the hindu.

## 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 26<sup>th</sup>?

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 1 Topic:** Social empowerment, communalism, regionalism & secularism.

### Triple talaq certificate issued by chief kazi has no legal sanction

The Madras high court has clarified that certificate issued by chief kazi for triple talaq is only an opinion and has no legal sanction under the Kazis Act, 1880. The court also said pending consideration by the Muslim Personal Law Board, no certificate in respect of talaq would be issued by the chief kazi.

#### Background:

The order came on a public interest litigation petition seeking to declare that Kazis in India, particularly Tamil Nadu, were not empowered to certify talaq.

#### **What the petitioner says?**

- The petitioner claimed that Kazis were issuing certificates recognising talaq without following necessary precedents like reconciliation. Sometimes, it was done without even the knowledge of the wife. Such certificates issued in an arbitrary manner are causing undue hardship to Muslim women.
- The petitioner also contended that the nature of talaq certificates were causing immense confusion in the matrimonial proceedings and in the understanding by both the spouses as to the effect of such a certificate being issued by the Chief Kazi.

Sources: the hindu.

**Paper 1 Topic:** Role of women and women's organization, population and associated issues, poverty and developmental issues, urbanization, their problems and their remedies.

### India's rising income inequality: Richest 1% own 58% of total wealth

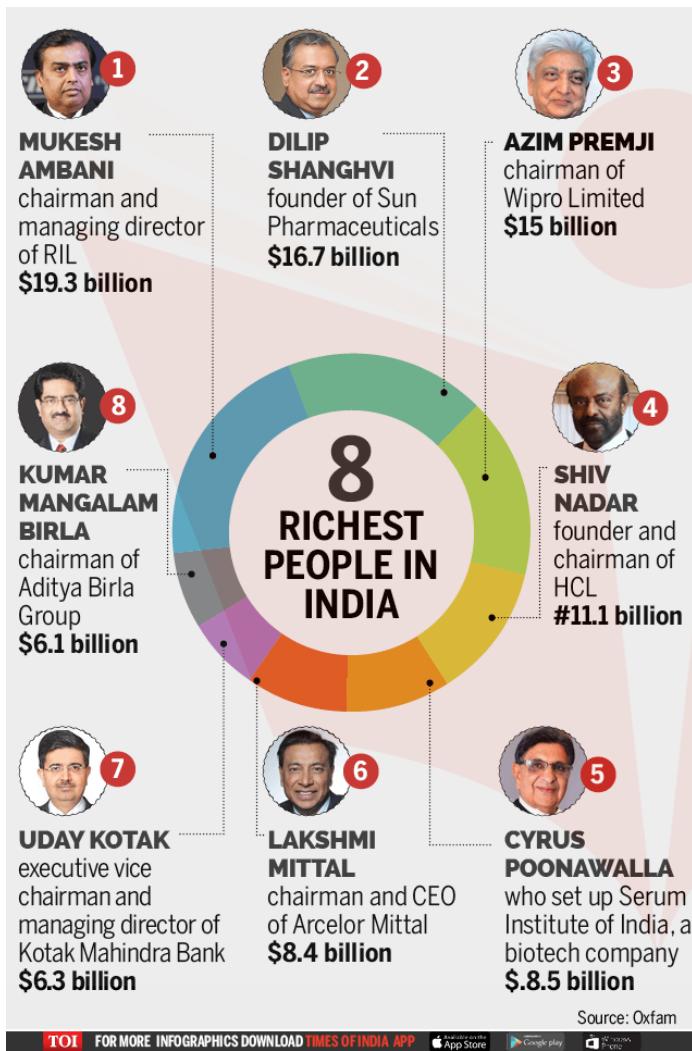
According to a study by rights group Oxfam, India's richest 1% now hold a huge 58% of the country's total wealth — higher than the global figure of about 50%. In the report titled 'An economy for the 99 per cent', Oxfam said it is time to build a human economy that benefits everyone, not just the privileged 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 %. Also, due to a combination of discrimination and working in low-pay sectors, women's wages across Asia are between 70-90% of men's.
- 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.

Sources: the hindu.

**Paper 1 Topic:** Important Geophysical phenomena such as earthquakes, Tsunami, Volcanic activity, cyclone etc., geographical features and their location- changes in critical geographical features (including water-bodies and ice-caps) and in flora and fauna and the effects of such changes.

## Fossil fuel formation linked to rise in atmosphere's oxygen

The rapid rise in the atmospheres oxygen roughly 500 million years ago which made advanced animal life possible on Earth is linked to the process that led to the formation of fossil fuels, suggests new research.

- According to the study, the rise in oxygen was associated with a rapid increase in the burial of sediment containing large amounts of carbon-rich organic matter – the raw material of coal, oil and natural gas.

### **Background:**

Multicellular life is largely a creation of the “Cambrian explosion,” which coincided with a spike in atmospheric oxygen roughly 500 million years ago. It was during the Cambrian explosion that most of the animals appeared and evolved.

### **What accounted for the sudden spike in oxygen during the Cambrian?**

The study linked the rise in oxygen to a rapid increase in the burial of sediment containing large amounts of carbon-rich organic matter.

- The key is to recognise that sediment storage blocks the oxidation of carbon. Without burial, this oxidation reaction causes dead plant material on Earth's surface to burn.
- That causes the carbon it contains, which originated in the atmosphere, to bond with oxygen to form carbon dioxide. And for oxygen to build up in our atmosphere, plant organic matter must be protected from oxidation.
- And that is exactly what happens when organic matter — the raw material of coal, oil and natural gas — is buried through geologic processes.

### **Concern expressed by scientists:**

The researchers warned that today, burning billions of tonnes of stored carbon in fossil fuels is removing large amounts of oxygen from the atmosphere, reversing the pattern that drove the rise in oxygen. And so the oxygen level in the atmosphere falls as the concentration of carbon dioxide rises.

Sources: et.

## New fault in Indian Ocean may trigger quakes in future: study

Scientists have found a new plate boundary being formed on the floor of the Indian Ocean as a result of the largest earthquake that shook the Andaman-Sumatra region in 2012. Scientists warn that the new fault system could trigger more quakes in the future.



- Researchers have found evidence for this plate on the floor of the Indian Ocean in the **Wharton Basin**.

#### **How this plate boundary may have been formed?**

A slip-strike quake occurs when two plates slide horizontally against one another. Such quakes can be caused by deformations that occur in plates distant from fault lines as pressure builds up across a plate. They can lead to inter-plate earthquakes and cause a plate to break, resulting in a new boundary and this in turn can lead to even more quakes. It is this scenario that the researchers believe happened in 2012 when two earthquakes struck the Andaman-Sumatran regio (north-west part) of the Indian Ocean — the largest inter-plate earthquakes ever recorded.

Sources: the hindu.

### **Ministry of Earth Sciences Commissions Higher Resolution Weather Prediction Model**

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.

Sources: pib.

### **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.

#### **Background:**

The core of the Earth is believed to be made of mainly Iron and Nickel. It was known for long that iron –nickel core under the core pressure is denser than the core. This made a possibility of the core having some lighter elements like Silicon Oxygen or Sulfur. The presence of this solid core which is entirely different from the liquid outer layer was first discovered by scientists after studying seismic waves which were being deflected by the solid core in the centre.

#### **Key facts:**

- Silicon made up a significant proportion of the inner core of the Earth besides Iron and Nickel. This was concluded by going back into the creation of Earth. For this, scientists recreated the pressure and temperatures found in the core of Earth. They concluded that 5% of the Earth's core was composed of silicon which is dissolved in the iron-nickel alloys.



- The core is composed 85 % by weight of Iron while nickel accounted for 10% of the core. This still left some 5% of the core unaccounted for. There were was possibility of the 5% being composed of Silicon, Oxygen or Sulfur. The researchers finally found that the 5% consisted of Silicon dissolved in the Iron and nickel.

Sources: [toi](#).





## INSIGHTS TEST SERIES FOR UPSC PRELIMINARY EXAM 2017 (GS PAPER-1)

### HIGHLIGHTS

- NCERT and other Standard Books based highly conceptual Tests for General Studies Paper - 1
- Emphasis on **Self Study** by providing practical Timetable for whole year that can be followed on a regular basis
- 32 Full Length Tests Each with 100 High Quality Questions
- Focus on enabling you to get 130+ score in Paper - 1
- Analysis of your Performance in different categories after Each Test
- All India Ranking of Individual and Cumulative Tests
- Duration of test series is for one year. Date of your ranking and performance in tests will be removed before the beginning of 2018 Test Series.
- Revision Tests to allow time for regular revision

### ADVANTAGES

- High quality 32 Full Length Tests widely acclaimed for their quality questions and right approach to preparing for UPSC civil services Preliminary exam (General Studies Paper -1)
- Detailed solutions to each question with exhaustive explanations make Insights tests unique.
- Wide coverage of all authentic and primary sources which UPSC is fond of sourcing questions for its exams.
- We take it very serious to focus more on concepts rather than on facts. Questions will help you build your concepts from scratch.
- You will fall in love with NCERT books and find them more important than any other sources once you start solving our tests. You will know when you solve our first few tests.
- Questions are framed from standard books and online sources which are recommended by every topper, every year.
- A detailed Study Plan comes with a Timetable to follow on regular basis to prepare for and solve each test.
- All India Ranking will help in assessing your preparation levels.
- Insights has a following of very serious aspirants who are highly motivated and motivate you to be consistent all through the journey.
- Students who subscribed our test series last year have done exceptionally well in Prelims - 2015 and 2016. If you solve all our tests, be sure of clearing Prelims hurdle.

**SUBSCRIBE**



## GS II

**Paper 2 Topic:** Separation of powers between various organs dispute redressal mechanisms and institutions.

### SC extends judicial review powers

In a blow to Ordinance Raj, a Constitution Bench of the Supreme Court has widened the boundaries of judicial review to the extent that it can now examine whether the President or the State Governor was spurred by an “oblique motive” to bypass the legislature and promulgate an ordinance.

#### Important observations made by the court:

- The court has held that the **satisfaction of the President under Article 123 and of the Governor under Article 213 is not immune from judicial review**. In case the apex court concludes that the President or the Governor was influenced by ulterior motives to promulgate the ordinance, such an act by the two constitutional authorities would **amount to a fraud on their respective powers**.
- The court also said that it would scrutinise whether the satisfaction of the President or the Governor to promulgate an ordinance was based on relevant material or whether it amounted to a “fraud on power or was actuated by an oblique motive.”
- The court also observed that it was obligatory for the government to place the ordinance before the legislative body for its approval and non-placement of ordinances before the Parliament and the State legislature would itself constitute a fraud on the constitution.
- Besides, **re-promulgation defeats the constitutional scheme under which a limited power to frame ordinances has been conferred on the President and the Governors**. The danger of re-promulgation lies in the threat which it poses to the sovereignty of Parliament and the state legislatures which have been constituted as primary law givers under the Constitution

#### Background:

These observations were made by the court while dealing with the case related to the constitutionality of seven successive re-promulgations of the Bihar Non-Government Sanskrit Schools (Taking Over of Management and Control) Ordinance of 1989. The State government had approached the Supreme Court after the Patna High Court declared that repeated re-promulgation of the ordinances was unconstitutional after relying on the D.C. Wadhwa judgment on the dos and don'ts of promulgation of ordinances by another Constitution Bench of the Supreme Court in 1986.

In the **Dr. D.C. Wadhwa versus State of Bihar** case, the Constitution Bench of the Supreme Court held that the Executive has no arbitrary right to promulgate ordinances. The apex court held that it is the right of every citizen to insist that he should be governed by laws made in accordance with the Constitution and not law made by the Executive in violation of the constitutional provisions.

#### **What is Judicial review?**

Judicial Review refers to the power of the judiciary to interpret the constitution and to declare any such law or order of the legislature and executive void, if it finds them in conflict the Constitution of India.

Sources: the hindu.



## SC refuses plea on alleged dilution of whistleblower law

The Supreme Court has refused to examine a petition alleging dilution in the Whistleblower Protection Act and seeking interim measures to protect whistleblowers who expose corruption in public administration and governance.

- The court also observed that Parliament is already seized with the law and the judiciary would be encroaching on the legislature's turf by entertaining allegations now.

### Background:

A petition was filed in the court contending that the Whistleblower Protection Act 2011 was not notified and certain amendments were in the works to dilute it.

### About the Whistleblowers law:

The law provides a mechanism to investigate allegations of corruption and misuse of power by public servants while protecting those who tip off investigative agencies against officials.

- In 2014, the Whistleblowers Protection Act replaced a 2011 legislation aiming to strengthen the legal framework. However, the central government is yet to set up a mechanism under the 2014 law as certain amendments are being debated in parliament.
- The Whistleblower Protection Act, which was passed in May 2014 after an inordinate delay, lays down the rules that protect whistle blowers in non-corporate cases. Under this Act, the Central Vigilance Commissioner has to receive complaints, review public disclosure requests and ensure that the complainants are protected. The Act stipulates imprisonment of up to two years and fine of up to ₹30,000 if the complaint is false. The government has proposed a few amendments to these rules.
- The amendment bill is pending in the parliament. The amendment bill was introduced in the Lok Sabha in May 2015 but is yet to be passed. The amendment proposed to exclude from the purview of the Whistleblowers Act, categories like cabinet proceedings, scientific interests and the security of India.

Sources: the hindu.

**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.

**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.

### Telangana plea against Krishna tribunal award dismissed

The Supreme Court has dismissed a Telangana government petition against a decision of the Krishna Water Dispute Tribunal-II to limit the re-allocation of the river water only to the two successor States of Andhra and Telangana, and not dabble with the share of water enjoyed by the other two riparian States — Maharashtra and Karnataka.

- The court has refused to intervene in the decision of the Water Dispute Tribunal-II to confine the question of re-allocation of river water, post bifurcation of erstwhile Andhra Pradesh, to the two successor States of Telangana and Andhra and not all the four riparian States.

**Background:**

The Krishna Water Disputes Tribunal II headed by Justice Brijesh Kumar had decided to confine the reallocation of Krishna water between Andhra Pradesh and Telangana. In its recent verdict delivered in October 2016, the KWDT-II decided to maintain status quo on the allocation made to upper riparian States Maharashtra and Karnataka and take up further action on distribution of water to Telangana and Andhra Pradesh out of the allocation made to the erstwhile united State.

**Krishna Water Disputes Tribunal (KWDT):**

Krishna Water Disputes Tribunal (KWDT) was set up under Inter-State River Water Disputes Act, 1956 to adjudicate upon the water dispute regarding the Inter-State river Krishna and the river valley thereof.

The tribunal gave its award in 1973. The KWDT in its award outlined the exact share of each state. The award contended based on 75% dependability that the total quantum of water available for distribution was 2060TMC. This was divided between the three states in the following manner.

- Maharashtra 560 TMC.
- Karnataka 700 TMC.
- Andhra Pradesh 800 TMC.

### **Review of the Award:**

The tribunal in its first award provided for a review of its award after 31 May 2000. However no such review was taken up for more than 3 years after that. In April 2004, the second KWDT, was constituted by the Government of India following requests by all three states.

- The second Krishna Water Dispute Tribunal gave its draft verdict on 31 December 2010. The allocation of available water was done according to 65% dependability, considering the records of flow of water for past 47 years.
- According to KWDT II, Andhra Pradesh got 1001 TMC of water, Karnataka 907 TMC and Maharashtra 666 TMC.

Sources: the hindu.

## **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 is 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.

- The council will be chaired by Union Finance Minister and have Minister in charge of Finance or Taxation or any other Minister nominated by each State Government as its member. Also Minister of State in charge of Revenue or Finance at the Centre would be a member.

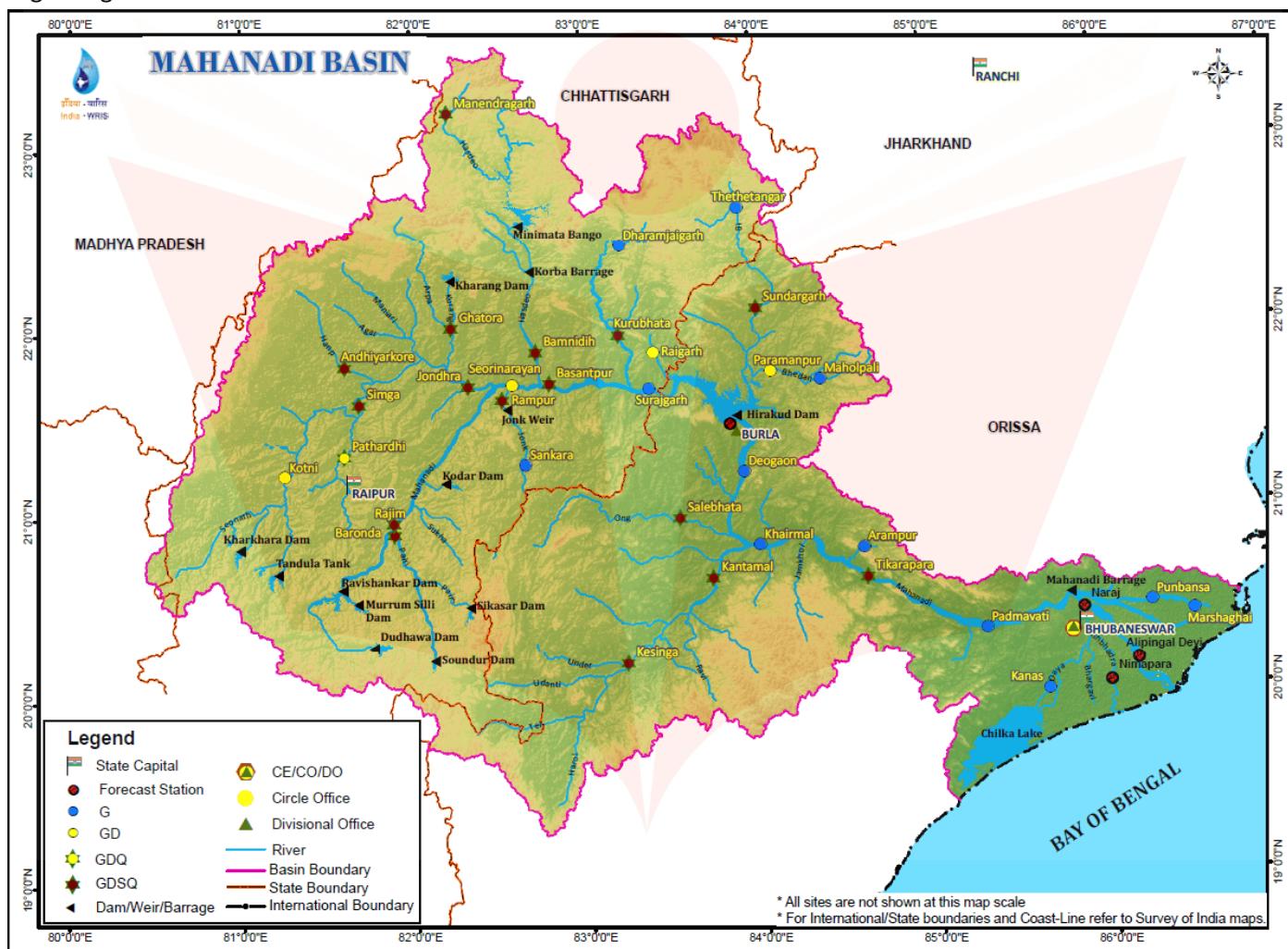
Sources: the hindu.

## 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 be chaired by Member (WP&P), Central Water Commission and will have 11 other members comprising representatives from the States of Odisha, Chhattisgarh, Madhya Pradesh, Maharashtra and Jharkhand, Union Ministries of Agriculture, Environment Forest and Climate Change, Water Resources, River Development and Ganga Rejuvenation, India Meteorological Department and Central Water Commission.



- 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.

Sources: pib.

### **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.

- It involves construction of dams and reservoir, pumping of water, flowing of water with gravitational force and finally filling of lakes.
- As per the project, 24 tmc ft of water from Yettinahole and a couple of other tributaries of Netravathi River will be drawn by constructing minor dams.
- The project envisages diverting the water to drought prone Chikkaballapur, Kolur, Tumkur and Bangalore rural districts.
- The total cost of the project is Rs 8,323 crore.

**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.

Sources: the hindu.



## 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 River 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 Mahanadi 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.

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

### **Revamped IDF gets more donations**

The **India Development Foundation of Overseas Indians (IDF)** is set to transform the Indian landscape where people from the Indian diaspora can contribute for building infrastructure in the country.

- At the Pravasi Bharatiya Divas, it received more donations than last year.

### **Background:**

The IDF platform existed earlier too but contributions were never significant as there were many legal hurdles and lack of transparency. Taking these matters into account, the Centre has now made it a more dependable and transparent platform that can help build infrastructure anywhere in the country.

### **About IDF:**

India Development Foundation of Overseas Indians (IDF-OI) is a **not-for-profit Trust set-up by the Government of India** to facilitate philanthropic contributions by Overseas Indians to social and development projects in India.

- Presently, IDF-OI is promoting flagship programmes of Government of India- Swachh Bharat Mission and National Mission for Clean Ganga; and projects identified by the State Govts, for funding by Overseas Indians.
- Working with State Governments in areas such as sanitation; education; drinking water; women's empowerment et/c, IDF-OI is offering projects for funding by Overseas Indians. Overseas Indians can contribute as an individual, or a group of individuals or even through their respective Indian Associations.
- IDF-OI does not recover any administrative cost from contributions received from Overseas Indians.

Sources: pib.



## Complete disciplinary inquiries in time: Central Vigilance Commission to departments

Irked over delay in completion of departmental inquiries, the Central Vigilance Commission (CVC) has asked all departments to ensure that such proceedings are completed in time.

- The commission has observed that all departmental inquiries need to be completed in time so that an honest employee is not harassed.

### Background:

As per rules, a departmental inquiry against a government employee needs to be completed within six months and a final decision has to be taken by authorities concerned on it in the next two months. However, the Commission has observed that the conduct and finalisation of departmental inquiry proceedings are unduly delayed and even after receipt of Inquiry Officer's report, further processing for its consideration and final orders of the respective disciplinary authorities take long time.

In a study conducted by the Commission, it has been noticed that while the average time taken by the administrative authorities in finalisation of disciplinary proceedings is more than two years, the maximum time taken in a particular case was eight years and at least in 22% cases the inquiry took more than two years.

### Basic facts: Central Vigilance Commission:

- It was created via executive resolution (based on the recommendations of **Santhanam committee**) in 1964 but was conferred with statutory status in 2003. It is the apex vigilance institution.
- Presently, the body consists of central vigilance commissioner along with 2 vigilance commissioners.
- They are appointed by the President of India on the recommendations of a committee consisting of Prime Minister, Union Home Minister and Leader of the Opposition in Lok Sabha (if there is no LoP then the leader of the single largest Opposition party in the Lok Sabha). Their term is 4 years or 65 years, whichever is earlier.
- It submits its report to the President of India.
- The Central Vigilance Commissioner or any Vigilance Commissioner can be removed from his office only by order of the President on the ground of proved misbehavior or incapacity after the Supreme Court, on a reference made to it by the President, has, on inquiry, reported that the Central Vigilance Commissioner or any Vigilance Commissioner, as the case may be, ought to be removed.

Sources: et.

## Silver Jubilee Celebrations of NBCFDC

The Silver Jubilee celebrations of National Backward Classes Finance & Development Corporation (NBCFDC) were recently inaugurated. A short film "HamariKahani" based on the experiences of beneficiaries of NBCFDC and a book entitled "Safalata Ki Kahaniyan" were also brought out by NBCFDC on the success stories of the beneficiaries on the occasion.

### About NBCFDC:

NBCFDC is a Govt. of India Undertaking under the **aegis of Ministry of Social Justice and Empowerment**. It was incorporated under Section 25 of the Companies Act 1956 in January 1992 as a Company not for profit with an



objective to promote economic and developmental activities for the benefit of Backward Classes and to assist the poorer section of these classes in skill development and self employment ventures.

**Functions of NBCFDC:**

- NBCFDC provides financial assistance through State Channelising Agencies (SCAs) nominated by the State Governments/ UTs. It also provides Micro Financing through SCAs/ Self Help Groups (SHGs).
- The Corporation can assist a wide range of income generating activities to assist the poorer section of these classes in skill development and self-employment ventures under the broad sectors viz.: (1) Agriculture and Allied Activities ; (2) Small Business : (3) Artisan and Traditional Occupation ; (4) Technical and Professional Trades/Courses ; and (5) Transport and Service Sector etc.

Sources: pib.

**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.

Sources: pib.



## 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, Department of Economic Affairs, Ministry of Finance – Chairperson
- Secretary to Government, Department of Industrial Policy & Promotion, 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.

Sources: the hindu.

## 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.

Sources: pib.

### 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: Salient features of the Representation of People's Act.***

**Seeking votes on religious basis a corrupt act: SC**

The Supreme Court has ruled that **an election could be annulled if candidates seek votes in the name of their religion or that of their voters**. The apex court's view has enlarged the scope of the Representation of People Act 1951.

- The Court ruled that "religion, race, caste, community or language would not be allowed to play any role in the electoral process" and that election of a candidate would be declared null and void if an appeal is made to seek votes on these considerations.

**Key facts:**

- Constitution Bench of the Supreme Court held that an election will be annulled not only if votes are sought in the name of the religion of the candidate but also when such an appeal hinges on religion of voters or candidate's election agents or by anybody else with the consent of the candidate. The **third class will include religious and spiritual leaders, often engaged by candidates to mobilise their followers**.
- The Supreme Court also said that election is a secular exercise and thereby its way and process should be followed. The Supreme Court further added that relationship between man and God is individual choice. The state is forbidden to interfere in such an activity.

**Background:**

The landmark judgment came while the court revisited earlier judgments, including one from 1995 that equated Hindutva with Hinduism and called it a "way of life" and said a candidate was not necessarily violating the law if votes were sought on this plank.

Several petitions filed over the years have challenged the consequences of that verdict. "It is a fallacy and an error of law to proceed on the assumption that any reference to Hindutva or Hinduism in a speech makes it automatically a speech based on Hindu religion as opposed to other religions. Hindutva and Hinduism are used in a speech to emphasise the way of life of the Indian people and the Indian cultural ethos," the 1995 judgment authored by Justice J.S. Verma had said.

**Significance of this ruling:**

- The court interpreted **Section 123(3) of the Representation of People Act** to mean that this provision was brought in with an intent "to clearly proscribe appeals based on sectarian, linguistic or caste considerations". Section 123(3) defines as "corrupt practice" appeals made by a candidate or his agents to vote or refrain from voting for any person on the ground of "his" religion, race, caste, community or language.



- The latest ruling is now significant in the sense that any attempt to canvass for votes on the ground of religion or other such parochial identities – either of the candidate's or on behalf of his agents or groups or his opponents – would invite the provisions of the Representation of People Act.
- The ruling can potentially overturn the rules of the game for electoral politics in India, where traditionally parties have not hesitated to employ religion, caste and ethnicity to woo voters. Greater clarity will emerge once the Election Commission, which is to implement the decision, spells out the ground rules.

Sources: the hindu.

## Sponsored ads in media to be part of candidate's expenditure

Election Commission has said that sponsored advertisements on social media platforms such as Facebook and Twitter would be included in the total election expenditure of a candidate.

### Key facts:

- Voice messages of candidates, even if they were received from other states, would be added to the expenditure of the candidate.
- Total amount of expenditure, of which account is to be kept under section 77 of Representation of People's Act 1951 and which is incurred or authorised in any assembly constituency in connection with general elections to the Legislative Assembly by any candidate, is Rs28 lakh.
- EC has also asked printing press owners to print the names and addresses of printer and publisher of any election pamphlets, posters and such other material printed by them. Any violation would invite action, including revocation of license of the printing press.
- Flying squads have been formed to register cases against both the giver and the taker of bribe and for taking action against those who are engaged in threat and intimidation of electors.

Sources: et.

## Model Code of Conduct comes into force in UP

Model Code of Conduct has come into force following the poll dates announcement in UP. With the Model Code of Conduct in place, the state government has also been directed not to initiate any bureaucratic transfers and asked not to go ahead with any new launches, announcements and inaugurations.

### Model Code of Conduct(MCC):

#### **What is MCC?**

These are the guidelines issued by the Election Commission of India for conduct of political parties and candidates during elections mainly with respect to speeches, polling day, polling booths, election manifestos, processions and general conduct. It aims to ensure free and fair elections.

#### **When it comes into force?**

The Model Code of Conduct comes into force immediately on announcement of the election schedule by the commission. The Code remains in force till the end of the electoral process.

**Status:**

The need for such code is in the interest of free and fair elections. However, the code does not have any specific statutory basis. It has only a persuasive effect. It contains what is known as "rules of electoral morality". But this lack of statutory backing does not prevent the Commission from enforcing it.

**What it contains?**

The salient features of the Model Code of Conduct lay down how political parties, contesting candidates and party(s) in power should conduct themselves during the process of elections i.e. on their general conduct during electioneering, holding meetings and processions, poll day activities and functioning of the party in power etc.

Sources: the hindu.

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

## Decide on safety sealing in six months: HC to Centre

The Bombay High Court has given the Union government six months' time to take a decision on making safety sealing mandatory for healthcare and hygiene products.

- The court passed the directive while hearing a public interest litigation (PIL). The PIL is about pilferage of cosmetics, child care, healthcare and hygiene products.

**What's the concern?**

The PIL states that while in transit from manufacturer to consumer, there is a possibility of contamination and adulteration of the products due to the absence of a seal. It also highlights that at present, there are no mandatory provisions to put the seal.

**Background:**

Previously, the State had said that there are no mandatory provisions under the Legal Metrology Act, 2009, and hence the sealing of the products cannot be done. However, in October 2014, the Centre said that it is awaiting recommendations from a committee constituted to look into the matter. The government had also said that all creams and lotions are mandatorily sealed under the amended Drugs and Cosmetics Act, 2013.

Sources: the hindu.

## PM Narendra Modi Announces New Housing Schemes For The Poor

Prime Minister Narendra Modi announced number of schemes during his speech on the eve of the New Year.

**Highlights:**

**For the poor:** Two new schemes under PM Awaas Yojna. Home loans for poor and middle class people up to Rs 9 lakh will get 4% exemption on interest and 3% for up to Rs 12 lakh loans.

**For farmers:** Sixty days interest waiver for farm loans taken from district co-operative banks and co-operative societies.

**For senior citizens:** 8% interest up to Rs 7.5 lakh deposit by senior citizens in banks.



**For small businesses:** Credit guarantee for micro small and medium enterprises to be raised to Rs 2 crore from current Rs 1 crore.

**For women:** Pregnant women across India will be given Rs 6,000 in their bank accounts to take care of initial medical needs.

**For farmers:** The government will convert 3 crore Kisan Credit cards to RUpay Credit cards.

**For small businesses:** Banks have been asked to raise cash credit limit for small businesses to 25% from 20%.

Sources: the hindu.

## Restaurants billing ‘service charges’ in addition to taxes is optional

The Department of Consumer Affairs has clarified that **service charges billed by restaurants are optional** and it is up to the customers to pay it. The department said arbitrary levy of this sum in lieu of tips amounts to an unfair trade practice.

- The department has asked state governments to sensitise hotels and restaurants and advise them to display at appropriate places on their premises that service charges are discretionary/voluntary and can be waived if a consumer is dissatisfied with the services.

### Background:

The department cited complaints that hotels and restaurants are levying an additional 5 to 20% in bills in lieu of tips, regardless of the kind of service provided.

### **What the law says?**

The **Consumer Protection Act, 1986** provides that a trade practice which, for the purpose of promoting the sale, use or the supply of any goods or for the provision of any service, adopts any unfair method or deceptive practice, is to be **treated as an unfair trade practice** and that a consumer can make a complaint to the appropriate consumer forum established under the Act against such unfair trade practices.

### **What's the issue?**

Although the service charge is voluntary, most hotels and restaurants levy up to 10% of the bill amount as service charge, which is considered as a tip. The service charge varies from place to place. In this context, the department of Consumer Affairs, Central Government has called for clarification from the Hotel Association of India, which have replied that the service charge is completely discretionary and should a customer be dissatisfied with the dining experience he/she can have it waived off. Therefore, it is deemed to be accepted voluntarily.

Sources: the hindu.

## Ban on import of exotic skins

In a landmark decision that will spare the lives of tens of thousands of animals from the exotic leather industry, the Directorate General of Foreign Trade has banned the import of skins of reptiles and fur of minks, foxes and chinchillas.

- Animal rights bodies have hailed the decision by the Centre to ban such imports, saying that the country is now emulating other nations across the world in adopting “cruelty-free” alternatives to exotic skins.

**Background:**

This decision comes in the wake of campaigning for a ban by People for Animals (PFA), Humane Society International/India (HSI/India) and People for the Ethical Treatment of Animals (PETA). The Ministry of Environment and Forest and Climate Change, and the Animal Welfare Board of India had supported the ban proposal.

Sources: the hindu.

## Delhi Government unveils 'Good Samaritan Policy'

Delhi government has approved 'Good Samaritan Policy' under which monetary incentive of Rs 2,000 and appreciation certificate will be given to people who help road accident victims in the national capital. The scheme is intended to encourage people to take accident victims in emergency situation to hospitals so that someone's life could be saved.

**Significance of this move:**

Most of people are unwilling to help victims, mainly because they are scared they will land in trouble or be harassed. In some cases, doctors also cite reasons behind the death of accident victim that if he or she could be admitted in hospital on time, his or her life could have been saved. In 2015, 8085 accidents had taken place in the capital. Therefore, the new move will give bystanders incentive to help accident victims and more importantly also provide them with legal protection.

**Background:**

As per the Law Commission of India, 50% of those killed in road accidents could have been saved if they had received immediate assistance. A report by World Health Organisation (WHO) also claimed that "skilled and empowered bystanders play a crucial role in saving lives" and "in order to enable bystanders to come forward and help injured persons, a supportive legal and ethical environment is needed".

Sources: the hindu.

## Promulgate ordinance for conduct of Jallikattu: Tamil Nadu CM O Panneerselvam to PM Narendra Modi

Tamil Nadu Chief Minister O Panneerselvam has asked Prime Minister Narendra Modi to consider passing an ordinance to ensure that Jallikattu (bull taming) sport is held as a part of the Pongal festivities across Tamil Nadu this year.

- Jallikattu is considered an integral part of the Pongal festivities. Therefore, the CM has asked the centre to consider promulgating an Ordinance removing the legal impediments enabling the conduct of Jallikattu during Pongal, 2017."

**Background:**

Questioning the need to tame a domestic animal like the bull, the Supreme Court had dismissed a plea by Tamil Nadu to review a 2014 apex court judgment banning jallikattu in November 2016. The court had observed that the sport runs counter to the concept of welfare of the animal, which is the basic foundation of the Prevention of Cruelty to Animals Act of 1960. However, Tamil Nadu has been arguing that Jallikattu should be permitted as it showcases a cultural tradition that has been part of the custom and culture of people of the state for 5,000 years.



**Jallikattu:**

Jallikattu is a bull taming sport played in Tamil Nadu as a part of Pongal celebrations on Mattu Pongal day. It is a Tamil tradition called 'Yeru thazhuvatha' in Sangam literature(meaning, to embrace bulls), popular amongst warriors during the Tamil classical period.

- Jallikattu is based on the concept of "flight or fight". All castes participate in the event. The majority of jallikattu bulls belong to the pulikulam breed of cattle.

Sources: et.

## **Draft Notification for Prevention of Cruelty to Animals (Dog Breeding and Marketing) Rules, 2016**

The Ministry of Environment, Forest and Climate Change has invited comments on the draft notification of **Prevention of Cruelty to Animals (Dog Breeding and Marketing Rules), 2016**. The Ministry will be notifying the proposed draft Rules in the Gazette of India for public information.

- The objective of the Rules is to make dog breeders and their marketers accountable and to prevent infliction of any cruelty in this process.

**Background:**

There were also no specific rules, or guidelines for mandatory registration of breeders and establishments and requirements to be met by such breeders. Dog breeding and their marketing trade also mushroomed all around. At times, some cruelty has been caused in breeding and marketing of dogs, with little or no accountability.

**The proposed Rules provide as under:**

- It will be mandatory for all dog breeders and the dog breeding establishments to register themselves with the State Animal Welfare Board of the respective State Governments.
- It defines the breeding requirements/conditions for sale.
- It defines the requirements to be met by the breeders and the establishments used for breeding, or housing dogs, such as health-related requirements, housing facilities, manner of housing dogs, conditions for sale, breeding, micro-chipping, vaccination etc.
- An inspector authorised by the State Board can inspect the establishment.
- It is mandatory for dog breeders to maintain proper records of both male and female dogs, their breed, micro-chip number, number of litters, sale, purchase, death, rehabilitation etc.
- Every dog breeder is required to submit yearly report to the State Board regarding animals sold, traded, bartered, brokered, given away, boarded or exhibited during previous year or any other information asked for by the State Board.

**Violation of Rules:** Non-compliance of the proposed Rules will lead to cancellation of the registration of the dog breeder.

Sources: pib.



## Niti Aayog calls for review of RTE Act

The Niti Aayog has called for a review of the provisions of the Right To Education Act that stipulate that children who don't perform well cannot be held back up to class VIII. It said the good intention behind the norm is detrimental to the learning process.

### **What's the issue?**

The Right To Education (RTE) Act, which aims to provide primary education to all children aged 6-14 years, stipulates that no child can be held back in a grade, regardless of his performance, all the way up to the eighth grade. This means that a child is entitled to an eighth grade diploma even if he cannot recognise a single letter or a number if he has spent eight years in school.

Though the purpose behind this move is to minimise drop-out rates, the Niti Aayog pointed out that this provision has a detrimental effect on learning outcomes, since it takes away the pressure to learn and to compete.

### **What needs to be done?**

Presently, the proportion of children aged 6-14 years enrolled in school in rural areas has been above 96% for the past six years, according to Annual Status of Education Report (ASER) 2014. But, the ASER report finds that more than 50% of the fifth graders cannot read second standard level text. Hence, the Niti Aayog has said that the quality of education should be more important.

Sources: the hindu.

## 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.

Sources: the hindu.



## 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.
- Till date, 73 ministries/departments including Legislative Department have given their comments whereby they have agreed to repeal 105 Acts and disagreed to repeal about 139 Acts.

Sources: pib.

## 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.



## 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.

## 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.

## 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.

## CWC Signs MoU with IIT Madras and IIS Bengaluru

Central Water Commission (CWC) under the Ministry of Water Resources River Development and Ganga Rejuvenation 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 capability to support dam rehabilitation efforts of CWC.

**Background:**

The Ministry of Water Resources, River Development and Ganga Rejuvenation 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). The scope includes strengthening the testing laboratories, enhancing analytical capabilities, exposure visits to best global institutions and on ground exposure to dam safety concerns to the faculty of these institutions.

**About DRIP:**

The Ministry of Water Resources (MoWR), Government of India, with assistance from the World Bank, is implementing the DAM REHABILITATION AND IMPROVEMENT PROJECT (DRIP), which would be a six-year project.

- The project originally envisaged the rehabilitation and improvement of about 223 dams within four states namely, Kerala, Madhya Pradesh, Odisha, and Tamil Nadu and later Karnataka, Uttarakhand (UNVNL) and Jharkhand (DVC) joined DRIP and total number of dams covered under DRIP increased to 250.
- The project will also promote new technologies and improve Institutional capacities for dam safety evaluation and implementation at the Central and State levels and in some identified premier academic and research institutes of the country.
- The Central Dam Safety Organisation of Central Water Commission, assisted by a Consulting firm, is coordinating and supervising the Project implementation.
- The project development objectives of DRIP are: (i) to improve the safety and performance of selected existing dams and associated appurtenances in a sustainable manner, and (ii) to strengthen the dam safety institutional setup in participating states as well as at central level.

Sources: pib.

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

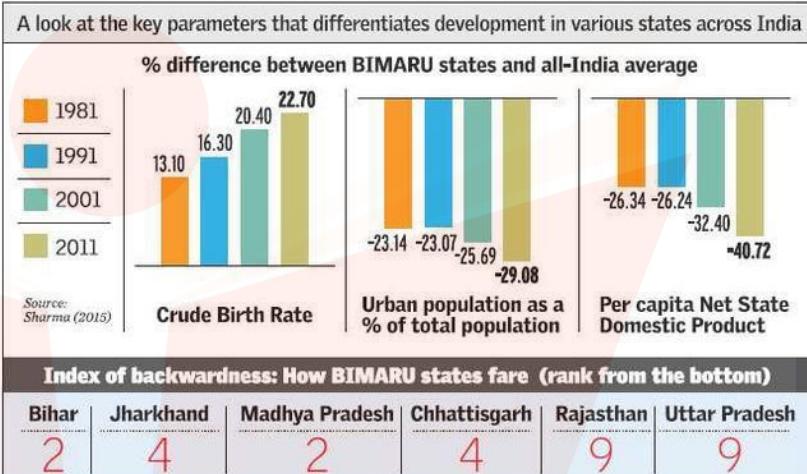
## India's great school education challenge: Crisis in BIMARU states

An IndiaSpend analysis of indicators on literacy, school enrolment, learning outcomes, and education spending across four states – with 43.6% of India's school-age population between the ages of five and 14 – has revealed that India is unprepared to educate and train its young population.

### Highlights of the report:

- By 2020, India will have the world's largest working population— 869 million, but it is still unprepared to educate and train its young population.
- Overall, India's literacy rate has increased 8.66 percentage points to 74.04 per cent between 2001 and 2011, according to Census data, but wide variations exists across states.
- The crisis in education is especially apparent in the four BIMARU states of Bihar, Madhya Pradesh (MP), Rajasthan and Uttar Pradesh (UP) — with 445.1 million of India's 1.2 billion population and some of the lowest literacy rates in the country, according to Census 2011.
- School outcomes are also lower in the four BIMARU states. In 2014-15, fewer students moved from grade V to grade VI in UP, with a transition rate of 79.1%, when compared to Goa, with a transition rate of almost 100% in 2014-15.
- Currently, only 2.5% of school-age children between the ages of five and 14 live in the four states — Kerala, Mizoram, Tripura and Goa — with the highest literacy in India, compared to 43.6 %per cent in the four BIMARU states, according to Census 2011. Any reform in education in the BIMARU states would have the greatest impact for India.
- BIMARU states also spend less on education than their more literate counterparts. For instance, MP spends Rs 11,927 (\$175) per student, while Tamil Nadu spends Rs 16,914 per student, the Economic and Political Weekly reported in September 2016. The per student spending, at Rs 5,298, in Bihar is even lower.

### BIMARU STATES: THEN AND NOW



Sources: et.

## Government issues notification of 'Indian Skill Development Service'

The Ministry of Skill Development and Entrepreneurship (MSDE) has issued the notification of setting up of **Indian Skill Development Services (ISDS)**. This service has been created for the Training Directorate of the Ministry of Skill Development and Entrepreneurship.



- With notification of this service the skill ecosystem is expected to get strengthened and modernised in line with the current scientific and industrial development in the country.

**Background:**

The purpose of instituting a formal service in Group 'A' category was initiated almost two years back when the Ministry was formed and the union cabinet approved its creation on October 7, 2015.

**Key facts:**

- ISDS will be a **Group 'A' service** where induction will take place through **Indian Engineering Service** Examination conducted by **UPSC**.
- ISDS will be a Group 'A' service of the technical cadre of the Ministry of Skill Development & Entrepreneurship (MSD&E).

***Why was it created?***

- To improve skill development administration in the country.
- To enhance the capacity and efficiency of the organization.

**Their roles:**

- The new cadre of officers will run the skill development and entrepreneurship ministry, help implement various skill and apprenticeship schemes conducted by the ministry as well as those by the Directorate General of Training (DGT).
- The new officers will help formulate skill policies, devise a road map for improving the apprenticeship system, revamping ITIs and also help revamp course work for various schemes.

**Significance of this move:**

It is an attempt to attract young and talented administrators for Skill Development. The knowledge acquired by the engineers recruited will give new impetus to the initiative of the government to the skill development and also efficient and effective implementation of the schemes. This is also a step forward to meet the target of skilling 500 million people by 2022.

Sources: pib.

### Haryana achieves sex ratio of 900 girls per 1000 boys

Citing Civil Registration System (CRS) data, Chief Minister Manohar Lal Khattar recently said that Haryana achieved a sex ratio of 900 girls as against 1000 boys in 2016. This is much in contrast to the statistics of 2011, when Haryana had the worst sex ratio of 834:1000 among all states in the country.

- The state government had been making concerted efforts to improve the sex ratio, and now it has taken a leap forward by achieving marked improvement in the Sex Ratio at Birth (SRB), he claimed.

**Key facts:**

- According to the statistics available for sex ratio, CM said that out of 5,25,278 children born in the state from January to December 2016, there were 2,76,414 boys and 2,48,864 girls and the sex ratio at birth touched the mark of 900.



- He said that none of the districts is below 850 mark and 12 districts in the state have recorded sex ratio of 900 or 900 plus in 2016.
- He said that the state had launched a massive drive against sex selection, selective abortion and female foeticide.
- About 400 FIRs have been registered under Pre-Conception and Pre-Natal Diagnostic Techniques and Medical Termination of Pregnancy Acts against the offenders after successful raids, including 75 raids conducted across the border in adjoining states in the last about one year.

Sources: et.

## Cash for land is just not done: SC

Agreeing to hear the plight of the landless victims of the Sardar Sarovar Project in detail, the Supreme Court recently observed that giving cash instead of land to farmers who lost their fertile lands to the mega dam project is “tentatively” not acceptable. The court also observed that farmers in the region should not be left to suffer due to land acquisition.

### Background:

Earlier, the apex court had dismissed an application by the Madhya Pradesh government and the Narmada Valley Development Authority for a modification of the apex court judgments of 2000 and 2005 upholding land rights for adult sons of the Sardar Sarovar Project-affected farmers.

### About Sardar Sarovar project:

The Sardar Sarovar Dam is a gravity dam on the Narmada river near Navagam, Gujarat in India. It is the largest dam and part of the Narmada Valley Project, a large hydraulic engineering project involving the construction of a series of large irrigation and hydroelectric multi-purpose dams on the Narmada river. The project took form in 1979 as part of a development scheme to increase irrigation and produce hydroelectricity. The project will irrigate more than 18,000 km<sup>2</sup> (6,900 sq mi), most of it in drought prone areas of Kutch and Saurashtra.

Sources: the hindu.

## Effects of Endosulfan devastating: SC

The Supreme Court has given the Kerala government three months to disburse Rs 500 crore as compensation for over 5,000 persons who suffered from various deformities and health complications after using Endosulfan pesticides in the state.

- The court has also asked the state to consider setting up a centre to provide lifelong medical treatment to all the victims.
- The court also observed that the state government was at liberty to take necessary measure to recover compensation paid to victims from the Centre through appropriate proceedings.

### Background:

The directive came while the bench disposed off a public interest petition filed by Democratic Youth Federation of India (DYFI) in 2012, which complained about the adverse effects of Endosulfan.

Both the Centre and Kerala were opposed to the ban of the pesticide due to their effectiveness on pests, but the top court stopped its usage in 2012. The Supreme Court had ordered the immediate ban of Endosulfan while disregarding



pleas of over 150 private export companies. It had said “any decision affecting human life, or which may put an individual’s life at risk, must call for the most anxious scrutiny.”

**About Endosulfan:**

Endosulfan is one of the most **toxic pesticides** available in the market. It is an organic contact insecticide, first registered in Germany in 1954. Endosulfan has been banned in over 80 nations due to its ‘high toxicity, potential for bioaccumulation, and role as an endocrine disruptor’.

Sources: the hindu.

## Measles-rubella vaccine to roll out in February

Three years after the national vaccine advisory body recommended the introduction of the measles-rubella vaccine (MR) in the **Universal Immunisation Programme (UIP)**, the vaccine is all set to be introduced from next month in five states and Union territories as a part of the basket of preventive medications that every child born in India is entitled to.

- The UIP basket already has ten vaccines of which measles is one; once MR is introduced, monovalent measles will be discontinued.

**About the disease:**

Rubella, or German measles, is a contagious viral infection that causes a distinctive red rash. Though there are no statistics on its prevalence, the health ministry says the disease is endemic in India.

- It spreads when an infected person coughs or sneezes and can also be passed on from mother to the newborn.
- Experts say more than two lakh children in India are born deaf, blind, or with heart or brain damage every year due to the congenital rubella syndrome.

Sources: the hindu.

## After India, other South East Asian countries opting for fractional doses of IPV: WHO

According to a latest report by WHO, amid a global shortage of injectable inactivated polio vaccine (IPV) polio vaccine, countries in the South East Asian region have now opted for fractional doses of IPV, first adopted by India, to tackle these “challenging conditions”.

- WHO also observed that by introducing fractional doses of IPV, nations are not only saving vaccine cost but also not compromising on the protection that it provides to the children against polio.

**Key facts:**

- On the sixth anniversary of the last case of wild polio virus in the SEAR (South East Asian Region), WHO commends countries in the Region for their continued efforts to protect children against this crippling virus and maintain the region’s polio-free status, despite challenging conditions. Amid shortage, countries in the WHO SEAR are opting to use fractional doses of IPV.
- WHO’s SEAR comprises Bangladesh, Bhutan, Democratic People’s Republic of Korea, India, Indonesia, Maldives, Myanmar, Nepal, Sri Lanka, Thailand and Timor-Leste.



### Background:

Since polio-free certification on March 27, 2014, all countries in WHO South East Asia Region have been working towards timely implementation of the global polio endgame strategy to achieve a polio-free world.

- South East Asia was the first WHO Region to complete the polio vaccine switch from the traditionally used trivalent oral polio vaccine (tOPV) to the bivalent vaccine (bOPV) to prevent any paralysis caused by type 2 polio virus strain in tOPV.
- As a part of the global polio endgame strategy, countries in the Region have introduced IPV to supplement the oral polio vaccine (OPV), and ensure protection against all types of polio viruses.

### About IPV:

IPV is produced from wild-type poliovirus strains of each serotype that have been inactivated (killed) with formalin. As an injectable vaccine, it can be administered alone or in combination with other vaccines.

- IPV provides serum immunity to all three types of poliovirus, resulting in protection against paralytic poliomyelitis.
- IPV is an evidence-based intervention that not only ensures continued protection of children against all types of polio viruses, but also helps save vaccine — a move bound to positively impact global vaccine supply in the coming years.
- Studies have confirmed that two fractional doses (one fractional dose is one-fifth of a full dose) of IPV, given twice to infants — first at the age of six weeks and then at 14 weeks — provide the same protection against all polio viruses as does one full dose of IPV.
- India became the first country globally to introduce fractional doses of IPV in childhood immunisation programme in eight states and Union territories in early 2016.



## 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.

## 'ShaGun' – a web-portal for Sarva Shiksha Abhiyan

The government has launched a dedicated web portal 'ShaGun' for the Sarva Shiksha Abhiyan.

- 'ShaGun' aims to capture and showcase innovations and progress in **Elementary Education** sector of India by continuous monitoring of the flagship scheme – Sarva Shiksha Abhiyan (SSA).

ShaGun, which has been coined from the words 'Shala' meaning Schools and 'Gunvatta' meaning Quality, has been developed with a twin track approach:

- First, 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.
- Secondly, 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.

**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.

Sources: pib.

## Government school students move up the learning curve

The eleventh [Annual Survey of Education Report \(ASER\)](#), 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.
- ASER 2016 notes that the proportion of children in the Class 3 who are able to read at least class 1 level text has gone up from 40.2% in 2014 to 42.5% in 2016 with a substantial increase of 7% up among children in government schools in states like Punjab, Uttarakhand, Haryana, Chhattisgarh, Gujarat, Maharashtra and Telangana.
- The proportion of children in Class V who could read a Class II level text improved by more than 5 percentage points from 2014 to 2016 in Gujarat, Maharashtra, Tripura, Nagaland and Rajasthan. This improvement is driven by gains in learning levels in government schools in these state.
- The all India (rural) figures for basic arithmetic have improved for class III. In 2014, 25.4% of class III children could do a 2-digit subtraction, the number in 2016 is 27.7% with the improvement registered primarily from government schools which showed an increase from 17.2% in 2014 to 20.2% in 2016. 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.
- Enrollment continue to show an upward swing up from 96.7% in 2014 to 96.9% in 2016 for age group 6-14 and 83.4% in 2014 to 84.7% in 2016 for the age group 15-16.
- For children (age 6-14), it has increased between 2014 and 2016 — Madhya Pradesh (3.4% to 4.4%), Chhattisgarh (2% to 2.8%), and Uttar Pradesh (4.9% to 5.3). In other states, the proportion of out-of-school girls (age group 11-14) also remains greater than 8%. These states are Rajasthan (9.7%) and Uttar Pradesh (9.9%). Joining them in 2016 is Madhya Pradesh (8.5%).



- There is no significant increase in private school enrollment between 2014 and 2016. However, both in Kerala and Gujarat, there was an increase in government school enrolment while Uttarakhand (Arunachal Pradesh and Assam showed increase in private school enrolment in the 6-14 age group).
- 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.
- The proportion of schools with libraries has fallen from 78.1% in 2014 to 75.5% in 2016. However, children were seen using library books in more schools in 2016.

Sources: et.

## 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.

## 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.

## Government finds scientific way to implement social welfare programmes, combat poverty

The government is embracing a more scientific way to implement social welfare programmes in a move to better combat poverty by weeding out underserving beneficiaries.

**What is it?**

The government is planning to adopt the Socio-Economic and Caste Census (SECC) instead of the poverty line-based method to identify recipients for its pro-poor schemes.

**What's good about SECC?**

- The SECC 2011 ranks households based on their socio-economic status to enable state governments to prepare a list of families living below the poverty line.
- It also makes available information regarding the socio-economic condition and education status of various castes and sections of the population.
- The data also provides age-wise classification matched with various deprivation parameters.
- SECC data also provides for automatic exclusion of beneficiaries on the basis of 14 parameters, automatic inclusion on five parameters and grading of deprivation on the basis of seven criteria.

**Background:**

The **Sumit Bose Committee** formed to study the validity and efficiency of the SECC 2011 data in identifying the poor recently submitted its report, which is in favour of using the information for rural development schemes.

The committee also developed a formula based on deprivation parameters to identify beneficiaries for specific schemes. The greater the deprivation score, the higher will be the ranking of a household for getting government assistance.

Sources: et.

## National Alliance against online Child sexual abuse and exploitation

The Ministry of Women & Child Development is planning to form a 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:**

- Bring a common definition of child pornography including amendment of acts (Information technology Act, POCSO Act).
- Set up a multi-member secretariat based in MWCD with a portal inclusive of a hotline for reporting and strengthening existing service delivery systems.
- Provide a platform for Government/ NGOs and other child rights activists for networking and information sharing.
- Document and showcases success stories and best practices in terms of prevention of online abuse and exploitation of children.
- 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.
- Provide a forum for advocacy for child rights and policy inputs based on research and studies.

**Background:**

Child sexual abuse is a multi-layered problem which negatively impacts children's safety, health and well being. 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. It also facilitates the sexual exploitation of children through the production and dissemination of child sexual abuse materials and by facilitating the sexual exploitation and trafficking of children. Online abuse knows no national boundaries.
- 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 along with RTE Act 2009 and recently amended Child Labour (Prohibition and Regulation) Amendment Act, 2016, there is limited awareness of online risks for children, both among parents and guardian and children themselves.



## 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 through co-ordination and convergence with different stakeholders.

Sources: pib.

## 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.

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

## Finally, after a decade of RTI roll out 94% ministries declared statistics in last fiscal

Over a decade after the implementation of the Right to Information (RTI) Act, the government has finally fallen in line. After refusing to divulge statistics on RTI applications for years, a record 94% of central ministries and departments have followed the rulebook in 2015-16, the Central Information Commission (CIC) has revealed.

- According to statistics collated by the CIC, 94% of the public authorities have reported in 2015-16 on how they have been implementing the RTI Act. This is the first time that the number of public authorities following the rulebook has crossed the 90% mark.

### Background:

Every year, a department has to register itself with the CIC and submit four quarterly returns during a year for assessment of their performance. These returns include the number of applications received, disposed of, applications rejected, grounds of rejection, number of first appeals filed and the pendency at each ministry. This reflects on the efficacy of the RTI system in the government. So far, the number of ministries which have reported on the implementation has declined steadily.

### Key facts:

- In the first year of the implementation of RTI Act 2005-06, the most number of public authorities had reported their implementation figures. In that year, 89.23% of the public authorities had submitted the statistics.
- This has declined to an all-time low of 67.5% in 2010-11. It became a shade better last year when 75.27% of the ministries and departments submitted their quarterly returns.
- The number increased after concerted efforts by the CIC, which put in place a system to ensure all public authorities registered and reported their statistics. A follow-up was done every month.

Sources: et.

## Decide on Jio case in ‘reasonable time’: Telecom tribunal TDSAT to Trai

Telecom tribunal TDSAT has asked sector regulator Trai to decide on Reliance Jio’s free 4G service within “reasonable time”. A TDSAT bench heard arguments of both sides — Airtel and Trai — and posted the matter on February 1 for the next hearing.

### Background:

The TDSAT direction came while hearing a petition filed by Bharti Airtel, which has moved the tribunal against Trai’s decision allowing Reliance Jio to continue with its free promotional offer beyond the stipulated 90 days, alleging that the regulator acted as “a mute spectator” to violations.

**About TDSAT:**

The Telecom Disputes Settlement and Appellate Tribunal (TDSAT) was established to adjudicate disputes and dispose of appeals with a view to protect the interests of service providers and consumers of the telecom sector and to promote and ensure orderly growth of the telecom sector.

- Telecom Disputes Settlement Appellate Tribunal (TDSAT) was established in 2000 through an amendment of the TRAI 1997 act.
- The primary objective of TDSAT's establishment was to release TRAI from adjudicatory and dispute settlement functions in order to strengthen the regulatory framework.
- Any dispute involving parties like licensor, licensee, service provider and consumers are resolved by TDSAT. Moreover, any direction, order or decision of TRAI can be challenged by appealing in TDSAT.

Sources: the hindu.

## SC wants paper trail in EVMs for fair poll

The Supreme Court has reiterated the necessity to implement the **Vote Verifier Paper Audit Trail (VVPAT)** in electronic voting machines (EVMs) to ensure 100% transparency in elections.

**What is VVPAT system?**

In the VVPAT system, when a voter presses the button for a candidate of his choice in the EVM, a paper ballot containing the serial number, name of the candidate and poll symbol would be printed for the voter.

The VVPAT is intended as an independent verification system for voting machines designed to allow voters to verify that their votes were cast correctly, to detect possible election fraud or malfunction and to provide a means to audit the stored electronic results.

Sources: the hindu.

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

According to the 2017 Edelman Trust Barometer released recently, India has emerged as the most trusted nation in terms of its institutions by general population.

**About the Edelman Trust Barometer:**

The 2017 Edelman Trust Barometer is the firm's 17th annual trust and credibility survey. The survey was done by research firm Edelman Intelligence and consisted of 25-minute online interviews conducted.

- The 2017 Edelman Trust Barometer online survey sampled more than 33,000 respondents consisting of 1,150 general population respondents ages 18 and over and 500 informed public respondents in the U.S. and China and 200 informed public respondents in all other countries across 28 markets.
- All informed publics met the following criteria: ages 25-64, college-educated; household income in the top quartile for their age in their country; read or watch business/news media at least several times a week; follow public policy issues in the news at least several times a week.

**Highlights of the survey:**

- Among the 28 nations, India has emerged as the most trusted nation in terms of institutions with 72% of the respondents from general population feeling so. The country is followed by Indonesia, China, Singapore and UAE.
- The Indian government is the second most trusted after neighbouring China.
- This year's barometer showed the largest-ever drop in trust across the institutions of government, business, media and NGOs.
- Overall, trust has declined in 21 out of 28 countries — “the broadest declines since beginning general population tracking in 2012”.
- Globally, the trust level decreased to 47% cent this year from 50% in 2016.
- In terms of trust in government, China tops the league with 76 per cent trusting the country’s government followed by India with 75 per cent respondents feeling so.
- Trust in media (43%) fell precipitously and is at all-time lows in 17 countries, while trust levels in government (41%) dropped in 14 markets and 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, while government leaders (29%) remain least credible.

**16 ATTRIBUTES TO BUILDING TRUST**

**Edelman Trust Barometer**  
research reveals **16 SPECIFIC**  
**ATTRIBUTES** which build trust.

These can be grouped into  
**FIVE PERFORMANCE CLUSTERS**  
listed here in rank order of  
importance.

**ENGAGEMENT**

- ⌚ LISTENS TO CUSTOMER NEEDS AND FEEDBACK
- 👉 TREATS EMPLOYEES WELL
- 👉 PLACES CUSTOMERS AHEAD OF PROFITS
- 👉 COMMUNICATES FREQUENTLY AND HONESTLY ON THE STATE OF ITS BUSINESS

**INTEGRITY**

- 👉 HAS ETHICAL BUSINESS PRACTICES
- 👉 TAKES RESPONSIBLE ACTIONS TO ADDRESS AN ISSUE OR CRISIS
- 👉 HAS TRANSPARENT AND OPEN BUSINESS PRACTICES

**PRODUCTS & SERVICES**

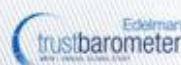
- ⭐ OFFERS HIGH QUALITY PRODUCTS OR SERVICES
- 💡 IS AN INNOVATOR OF NEW PRODUCTS, SERVICES OR IDEAS

**PURPOSE**

- 👉 WORKS TO PROTECT AND IMPROVE THE ENVIRONMENT
- 👉 ADDRESSES SOCIETY'S NEEDS IN ITS EVERYDAY BUSINESS
- 👉 CREATES PROGRAMS THAT POSITIVELY IMPACT THE LOCAL COMMUNITY
- 👉 PARTNERS WITH NGOs, GOVERNMENT AND 3<sup>RD</sup> PARTIES TO ADDRESS SOCIETAL NEEDS

**OPERATIONS**

- 👉 HAS HIGHLY-REGARDED AND WIDELY ADMIRE TOP LEADERSHIP
- 👉 RANKS ON A GLOBAL LIST OF TOP COMPANIES
- 👉 DELIVERS CONSISTENT FINANCIAL RETURNS TO INVESTORS



Sources: et.



## 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.

Sources: et.

## 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.



## '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.

## 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.

### **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.

#### **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.

<b>TAKING GUARD</b>	
The SC order is in keeping with the Lodha panel recommendations on reforms in the BCCI	
<b>BOARD'S NEW MANAGERS</b>	
 <b>Vinod Rai</b> • Former C&AG • Upright, is a taskmaster Age: 68 years	 <b>Diana Edulji</b> • Former Indian Test cricketer & captain Age: 61 years
 <b>Ramachandra Guha</b> • Historian • Cricket chronicler • Writer Age: 58 years	 <b>Vikram Limaye</b> • MD&CEO of IDFC Limited • Vast experience in finance & accounting Age: 50 years

#### **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:** Development processes and the development industry the role of NGOs, SHGs, various groups and associations, donors, charities, institutional and other stakeholders.

## SC orders audit of 30 lakh NGOs

The Supreme Court has directed the government to audit nearly 30 lakh NGOs which received public funds but consistently failed to explain how they spent the money.

- Besides, asking the government to initiate civil recovery proceedings against such rogue organisations, the court has ordered that any NGO found to have cooked its books or indulged in misappropriation should be subject to immediate criminal prosecution.
- The court has also asked the government to frame guidelines for accreditation of NGOs, the manner in which these organisations should maintain their accounts and the procedure for recovery in case they fail to submit their balance sheets.
- The Supreme Court demanded that the government file a compliance report by March 31, 2017.

### Significance of this ruling:

The order is unprecedented because defaulting NGOs so far have been only blacklisted by the government. Though public funds to the tune of thousands of crores are spent on NGOs and voluntary organisations annually, the CBI had submitted that only about three lakh of about 32 lakh NGOs file their balance sheets with the government.

Sources: the hindu.

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

## India, Pakistan exchange lists of nuclear sites

India and Pakistan recently exchanged for the 26th consecutive year the list of their nuclear installations under a bilateral agreement that prohibits them from attacking each other's atomic facilities.

### Key facts:

- The exchange was carried out under the Agreement on the Prohibition of Attack against Nuclear Installations between India and Pakistan.
- This is the 26th consecutive exchange of such list between the two countries, the first one having taken place on January 1, 1992.

### About the agreement:

The agreement, which was signed on December 31, 1988, and entered into force on January 27, 1991, says that the two countries will inform each other of nuclear installations and facilities to be covered under the agreement on January 1 of every calendar year.

Sources: the hindu.



## Cabinet approves Agreement between India and Uruguay

The Union Cabinet has approved signing and ratifying an Agreement between India and Uruguay regarding Cooperation and Mutual Assistance in Customs Matters.

### Key facts:

- The Agreement will help in the availability of relevant information for the prevention and investigation of Customs offences.
- The Agreement is also expected to facilitate trade and ensure efficient clearance of goods traded between the countries.
- The Agreement would provide a legal framework for sharing of information and intelligence between the Customs authorities of the two countries and help in the proper application of Customs laws, prevention and investigation of Customs offences and the facilitation of legitimate trade.

### Background:

Uruguay is an important trading partner of India among members of the MERCOSUR, a trading block in Latin America. India signed a Preferential Trade Agreement (PTA) with the MERCOSUR which came into effect from 1st June, 2009. Trade between India and the Uruguay has been expanding gradually.

### **What is Mercosur?**

Mercosur is an economic and political bloc comprising **Argentina, Brazil, Paraguay and Uruguay**. **Bolivia, Chile, Colombia, Ecuador, Guyana, Peru, and Suriname** are associate members.

Its purpose is to **promote free trade and the fluid movement** of goods, people, and currency. The official languages are Spanish, Portuguese and Guarani. It is now a full customs union and a trading bloc.

Sources: pib.

## Japan to assist in making Chennai, Ahmedabad and Varanasi Smart Cities

Japan has decided to be associated with the development of Chennai, Ahmedabad and Varanasi as smart cities.

### Background:

So far, leading countries have come forward to be associated with development of 15 smart cities. These include: United States Trade Development Agency (USTDA) –Visakhapatnam, Ajmer and Allahabad, UK-Pune, Amaravati(Andhra Pradesh) and Indore, France-Chandigarh, Puducherry and Nagpur and Germany –Bhubaneswar, Coimbatore and Kochi.

### About Smart City mission- Key facts:

Under the scheme that was launched in 2014, around 100 cities in the country will be developed.

- In September 2016, the last set of 27 cities for financing under the Government flagship Smart City Mission were announced.
- Bottom-up approach has been the key planning principle under Smart City Mission.



- These cities will be developed to have basic infrastructure through assured water and power supply, sanitation and solid waste management, efficient urban mobility and public transport, IT connectivity, e-governance and citizen participation.
- The mission will provide central funding of Rs 48,000 crore to the selected cities for improving their infrastructure and service delivery through application of better technology and e-governance.
- States and Urban local Bodies (ULBs) will play a key supportive role in the development of Smart Cities. Smart leadership and vision at this level and ability to act decisively will be important factors determining the success of the Mission.
- The implementation of the Mission at the City level will be done by a Special Purpose Vehicle (SPV) created for the purpose. The SPV will plan, appraise, approve, release funds, implement, manage, operate, monitor and evaluate the Smart City development projects. Each smart city will have a SPV which will be headed by a full time CEO and have nominees of Central Government, State Government and ULB on its Board.

Sources: pib.

## India and Kazakhstan sign Protocol to amend the Double Taxation Avoidance Convention (DTAC)

India and Kazakhstan have signed a Protocol to amend the existing Double Taxation Avoidance Convention (DTAC) between the two countries which was earlier signed on 9th December, 1996 for the avoidance of double taxation and for the prevention of fiscal evasion with respect to taxes on income.

### Salient features of the Protocol are as under:

- The Protocol provides internationally accepted standards for effective exchange of information on tax matters. Further, the information received from Kazakhstan for tax purposes can be shared with other law enforcement agencies with authorisation of the competent authority of Kazakhstan and vice versa.
- The Protocol inserts a Limitation of Benefits Article, to provide a main purpose test to prevent misuse of the DTAC and to allow application of domestic law and measures against tax avoidance or evasion.
- The Protocol inserts specific provisions to facilitate relieving of economic double taxation in transfer pricing cases. This is a taxpayer friendly measure and is in line with India's commitment under Base Erosion and Profit Shifting (BEPS) Action Plan to meet the minimum standard of providing Mutual Agreement Procedure (MAP) access in transfer pricing cases.
- The Protocol inserts service PE provisions with a threshold and also provides that the profits to be attributed to PE will be determined on the basis of apportionment of total profits of the enterprise.
- The Protocol replaces existing Article on Assistance in Collection of Taxes with a new Article to align it with international standards.

Sources: pib.

## India-CERT Signs an MoU with US-CERT

India and the US have signed a Memorandum of Understanding (MoU) for close cooperation and exchange of information pertaining to cyber security. The MoU was signed between Indian Computer Emergency Response Team (CERT-In) and US CERT.



- The MoU intends to promote closer co-operation and the exchange of information pertaining to the Cyber Security in accordance with the relevant laws, rules and regulations of each economy and this Memorandum of Understanding (MoU) and on the basis of equality, reciprocity and mutual benefit.

**Background:**

Earlier United States and India signed an MoU in July, 2011 to promote a closer cooperation and timely exchange of information between the organizations of their respective Governments responsible for Cyber Security. Since, 2011 regular interactions between CERT-In and US CERT are taking place to share the information and discuss cyber security related issues. In continuation to the cooperation in cyber security areas both have renewed the MOU.

**About CERT-In:****What is it?**

CERT-In (the Indian Computer Emergency Response Team) is a government-mandated information technology (IT) security organization. CERT-In was created by the Indian Department of Information Technology in 2004 and operates under the auspices of that department.

**It's purpose:**

- The purpose of CERT-In is to respond to computer security incidents, report on vulnerabilities and promote effective IT security practices throughout the country.
- According to the provisions of the Information Technology Amendment Act 2008, CERT-In is responsible for overseeing administration of the Act.

Sources: pib.

## India gears up to ink pact for global customs transit system

India is gearing up to sign the Transports Internationaux Routiers (TIR), or the customs convention on the international transport of goods, as it eyes seamless trade connectivity with both Eurasian region and Southeast Asia.

**What is TIR convention?**

The Convention on International Transport of Goods Under Cover of TIR Convention is a multilateral treaty that was concluded at Geneva on 14 November 1975 to simplify and harmonise the administrative formalities of international road transport.

- The 1975 convention replaced the TIR Convention of 1959, which itself replaced the 1949 TIR Agreement between a number of European countries. The conventions were adopted under the auspices of the United Nations Economic Commission for Europe (UNECE).
- The TIR system operates with certain parameters – secure vehicles or container, international guarantee chain, TIR carnet, reciprocal recognition of customs controls, controlled access and TIR IT risk management tools.
- These elements guarantee that goods travel across borders with minimum interference en route and at the same time provide maximum safeguards to customs administration.

**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.

Sources: et.

### **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, as well as 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.

Sources: the hindu.

## 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.



### About STCW convention:

The **International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (or STCW), 1978** sets qualification standards for masters, officers and watch personnel on seagoing merchant ships.

- STCW was adopted in 1978 by conference at the International Maritime Organization (IMO) in London, and entered into force in 1984. The Convention was significantly amended in 1995.
- The 1978 STCW Convention was the first to establish basic requirements on training, certification and watchkeeping for seafarers on an international level. Previously the standards of training, certification and watchkeeping of officers and ratings were established by individual governments, usually without reference to practices in other countries. As a result, standards and procedures varied widely, even though shipping is extremely international by nature.
- The Convention prescribes minimum standards relating to training, certification and watchkeeping for seafarers which countries are obliged to meet or exceed.
- One important feature of the Convention is that it applies to ships of non-party States when visiting ports of States which are Parties to the Convention.

Sources: pib.

## 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 Sustainable 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.

### 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.
- UAE's Abu Dhabi National Oil Co (ADNOC) will store about 6 million barrels of oil at Mangalore, taking up about half of the site's capacity.
- This is the second agreement signed between Indian Strategic Petroleum Reserves Limited and ADNOC in the area of storage and management of oil at strategic facilities in India. Crude oil supplies from ADNOC will begin in the last quarter of 2017.

**Background:**

Three years ago, India began talks to lease part of its strategic storage to ADNOC. Under those discussions in 2014, India was to have first rights to the stored crude oil in case of an emergency.

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.



In fact, India has already filled the other half of the Mangalore storage facility with 6 million barrels of Iranian oil. The country has another storage site in Vizag, Andhra Pradesh with 7.55 million barrels of Iraqi oil and a third such facility in Karnataka's Paduram, with a storage capacity 18.3 million barrels.

Sources: the hindu.

## 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:** Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

## Bill targeting H1B visas reintroduced in US Congress

A bill to curb the use of H-1B visas, on which the Indian IT sector is particularly dependent, has been introduced in US congress.

### **What is a H1-B visa?**

The H1-B visa is a non-immigrant visa given by the United States to employ skilled workers from other countries for various specialised fields of occupation for a certain period of time.

### **Highlights of the bill:**

- The new bill would require workers on the H-1B visa pay a minimum of \$100,000, up from \$60,000 currently.
- The bill also removes the Master's degree exemption to the cap on the number of visas available.
- The Bill prohibits companies from hiring H1-B employees if they employ more than 50 people and more than 50% of their employees are H1-B and L-1 visa holders.
- The Bill encourages companies to recruit American workers. This provision would crack down on outsourcing companies that import large numbers of H-1B and L-1 workers for short training periods and then send these workers back to their home country to do the work of Americans.
- It explicitly prohibits replacement of American workers by H1-B or L-1 visa holders.
- The Bill seeks to give the Department of Labour enhanced authority to review, investigate and audit employer compliance as well as to penalise fraudulent or abusive conduct.

Sources: the hindu.



## Bengaluru Hosts 14th Edition of Pravasi Bharatiya Divas

The **14th edition of Pravasi Bharatiya Divas**, billed as the largest convergence of Indian diaspora, has begun in Bengaluru.

- The ‘**Youth Pravasi Bharatiya Divas**’ was also inaugurated as part of the PBD 2017 with an aim to connect with the youth, the new generation of Pravasis growing up all over the world.

### About Pravasi Bharatiya Divas:

Pravasi Bharatiya Divas (PBD) is celebrated on **9 January** every year to mark the contribution of Overseas Indian community in the development of India. PBD conventions are being held every year since 2003.

- The theme of this edition is “**Redefining Engagement with the Indian Diaspora**”.

### **Why is it celebrated on January 9<sup>th</sup>?**

January 9 was chosen as the day to celebrate this occasion since it was on this day in 1915 that Mahatma Gandhi, the greatest Pravasi, returned to India from South Africa, led India’s freedom struggle and changed the lives of Indians forever.

### Significance of PBD:

- These conventions provide a platform to the overseas Indian community to engage with the government and people of the land of their ancestors for mutually beneficial activities.
- These conventions are also very useful in networking among the overseas Indian community residing in various parts of the world and enable them to share their experiences in various fields.
- The event also provides a forum for discussing key issues concerning the Indian Diaspora.

### Awards:

During the event, individuals of exceptional merit are honoured with the prestigious **Pravasi Bharatiya Samman Award** to appreciate their role in India’s growth.

Sources: pib.

## OCI and PIO cards

Addressing 14th Pravasi Bharatiya Divas, 2017 Prime Minister Narendra Modi urged the diaspora community to **switch from their PIO cards to OCI cards**.

### **Who are NRIs, PIO and OCI?**

Non-Resident Indians (NRI), Person of Indian Origin (PIO) and Overseas Citizen of India (OCI) are the three major categories in which the people from India go and live abroad can be categorised.

While NRIs is essentially a term used for Indians that live in another country, PIOs and OCIs are people who want to stay connected and involved with India more closely.

### Merger of PIO with OCI cards:

Merger of PIO cards with OCI cards was announced by PM in March 2016.



### **How will merging help?**

Merging PIO and OCI will lead to simplification of the rules under a single umbrella. It would facilitate visa-free travel to India, rights of residency and participation in business and educational activities in the country. This is aimed at simplifying the visa-free entry for people of Indian origin into India.

The merger of the two cards could make PIO cardholders eligible for benefits already enjoyed by OCI cardholders. Merging of the two cards will also facilitate travel of Indians staying abroad and their participation in various activities in India.

### **Benefits of a PIO card:**

- A PIO card holder doesn't need a visa to visit India. The holder also doesn't require a student or employment visa to acquire employment or academic opportunities in India.
- The holder is also exempted from registering at the foreigner regional registration office (FRRO) during the duration of stay in India.
- The holder also enjoys parity with NRIs in concern to economic, financial and educational matters. These may include matters related to property transfer or acquisition, holding, disposal, investment, admission of children in educational institutions under general category quota for NRIs.
- Separate immigration counters are provided at all International airports in India for PIO card holders.

### **Drawbacks of PIO card:**

- It does not provide voting rights to the holder. Prior permission is needed to undertake mountaineering expeditions or any such related research work in protected areas.

### **The benefits of OCI cards are substantial:**

- OCI is essentially a lifetime visa status offered by India to an Indian person who has given up his citizenship. OCI cards give lifetime multiple entry visa to India.
- If one remains an OCI for 5 years, he/she can attain Indian citizenship and then live in India for a period of one year including short breaks.
- Special immigration counters are provided at all international airports in India for OCI card holders.
- An OCI cards holder can open special bank accounts in India just like NRIs and make investments. OCI holders can also buy non-farm property and exercise ownership rights.
- An OCI card allows to apply for a driver's license, PAN card or open a bank account in India. They get same economic, financial and educational benefits like NRIs and can also adopt children.

### **Restrictions for OCI card holders**

An OCI card holder cannot vote, hold a government job or purchase agricultural or farm land. The person can also not run for public office or travel to restricted areas without permission.

Sources: pib.

## **China deepens military ties with Malaysia**

For the first time, a Chinese submarine has docked at a port in Malaysia, signalling deepening military ties between the two countries, which are already partners in the development of the Beijing-led Maritime Silk Road.

- The visit of the submarine is adding a prominent military dimension to China's ties with Malaysia which is fast emerging as Beijing's top partner, close to the Strait of Malacca, along the Maritime Silk Road (MSR).

**Key facts:**

- Analysts say docking of Chinese submarine signals the emergence of special ties between Beijing and Kuala Lumpur.
- Submarine port visits can only happen when mutual trust between two navies has reached new heights, as submarine operations are very secretive and sensitive. Therefore, this move is being seen as a trigger for elevated tensions in the South China Sea (SCS). The Malaysian port has a naval base facing the SCS.


***Why is South China Sea considered so important?***

The SCS is a busy international waterway, being one of the main arteries of the global economy and trade. More than \$5 trillion of world trade ships pass through the SCS every year. The SCS is also resource rich, with numerous offshore oil and gas blocks.

***So what is the dispute about?***

There are a few hundred small islands in the SCS, a part of the Pacific Ocean. Some of the main ones are Spratly Islands, Paracel Islands and Scarborough Shoal — the bone of contention between China and the Philippines. China claims most of these islands as its own. Vietnam, Malaysia, Brunei, the Philippines and Taiwan have rival claims. China has said it will not permit other nations to infringe on what it considers its sovereign rights in the strategically vital area.

Sources: the hindu.

### 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:**

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

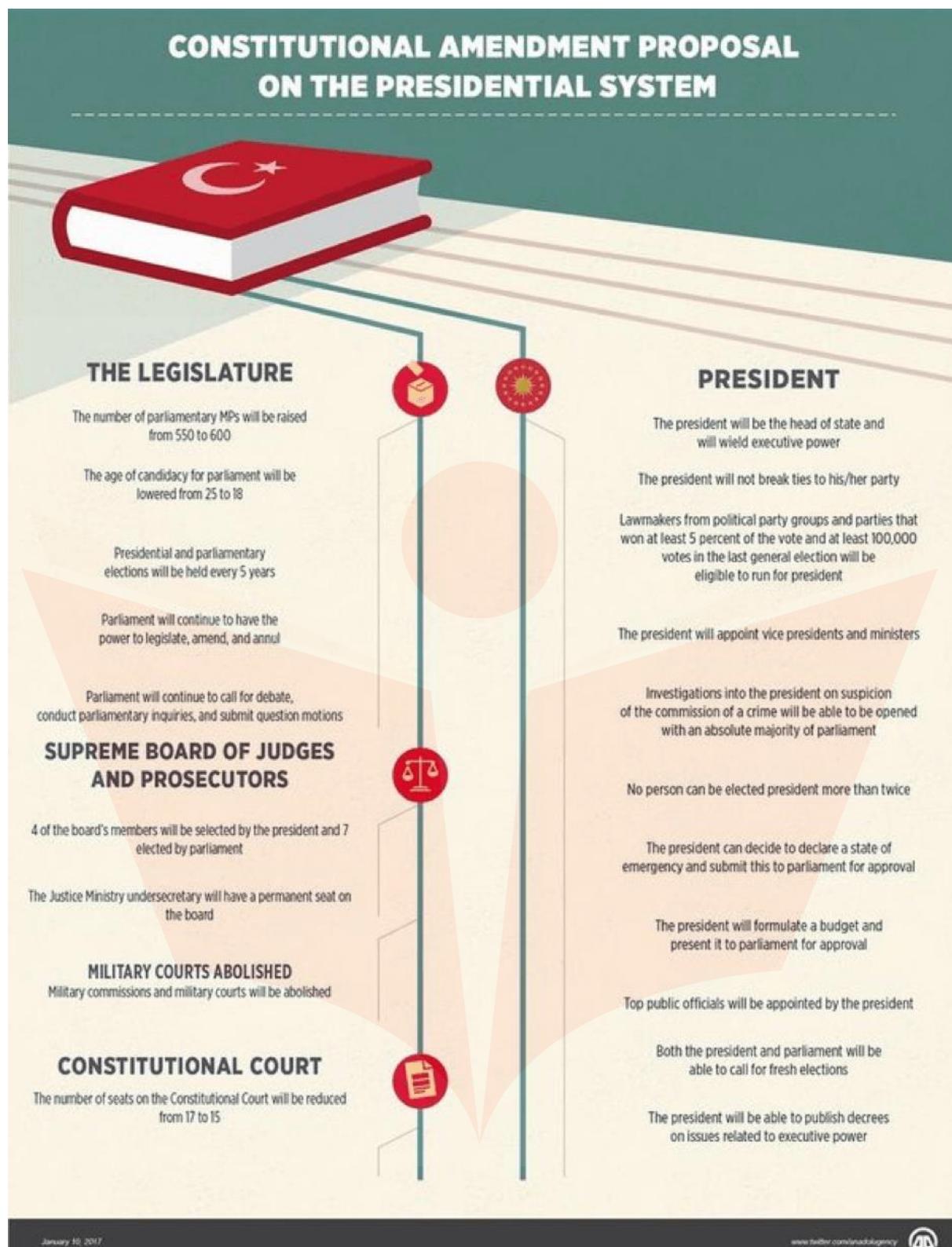
Sources: the hindu.

## 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.

**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.



January 10, 2017

www.motherconverständagsagency.com



Sources: the hindu.

### 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.

**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.

**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.

Sources: et.

## 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.



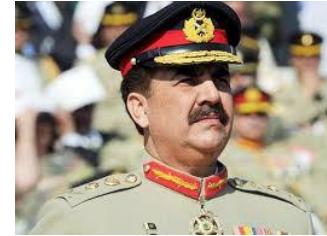
Paper 2 Topic: Important International institutions, agencies and fora, their structure, mandate.

## Ex-Pak army chief Raheel Sharif appointed head of Islamic anti-terror alliance

Former Pakistan Army chief Raheel Sharif has been made the head of a 39-nation military coalition formed by Saudi Arabia to fight terrorism- **Islamic Military Alliance to Fight Terrorism (IMAFT)**.

### About Islamic Military Alliance to Fight Terrorism (IMAFT):

The Islamic Military Alliance to Fight Terrorism (IMAFT) was created by Saudi Arabia in December 2015 to combat the Islamic State and other groups.



- Currently, it has 39 members, including Turkey and Malaysia. It is based at a command centre in Riyadh.
- The coalition was envisaged to serve as a platform for security cooperation, including provision of training, equipment and troops, and involvement of religious scholars for dealing with extremism.
- The coalition includes countries like Turkey, United Arab Emirates, Bahrain, Bangladesh, Tunisia, Sudan, Malaysia, Egypt, Yemen among others.

Sources: the hindu.

## 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.

### About IDA:

The **International Development Association (IDA)** is the part of the **World Bank** that helps the world’s poorest countries. Overseen by 173 shareholder nations, IDA aims to reduce poverty by providing loans (called “credits”) and grants for programs that boost economic growth, reduce inequalities, and improve people’s living conditions.

- IDA complements the World Bank’s original lending arm—the International Bank for Reconstruction and Development (IBRD). IBRD was established to function as a self-sustaining business and provides loans and advice to middle-income and credit-worthy poor countries. IBRD and IDA share the same staff and headquarters and evaluate projects with the same rigorous standards.
- IDA is one of the largest sources of assistance for the world’s 771 poorest countries, 39 of which are in Africa, and is the single largest source of donor funds for basic social services in these countries.



- IDA lends money on concessional terms. This means that IDA credits have a zero or very low interest charge and repayments are stretched over 25 to 40 years, including a 5- to 10-year grace period. IDA also provides grants to countries at risk of debt distress.
- In addition to concessional loans and grants, IDA provides significant levels of debt relief through the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI).

Sources: pib.

## 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:

In 1991, India and CERN signed a Cooperation Agreement, setting priorities for scientific and technical cooperation. India and CERN have signed several other protocols since then. But India's involvement in CERN began in the 1960s with researchers from the Tata Institute of Fundamental Research, Mumbai participating in experiments at CERN. In the 1990s scientists from Raja Ramanna Centre for Advanced Technology, Indore too got involved in CERN experiment. Researchers from TIFR, Raja Ramanna Centre for Advanced Technology and other institutes built components for an accelerator (LEP) and detectors (L3, WA93 and WA89). India was granted Observer status to the CERN Council in 2002.

Sources: the hindu.

### 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.

- The move involves payment of annual contribution of US \$ 5,00,000 to the International Vaccine Institute (IVI), Seoul, South Korea.

#### Background:

In the year 2007, with the approval of Cabinet, India joined IVI. India is a long-term collaborator and stake-holder of IVI. In December, 2012 the Board of Trustees (BOT) of IVI approved the formation of its new governance structure. As per the new governance structure of IVI, a member State has to contribute to the IVI by paying a portion of its core budget. Since India is classified





in Group-I, it has to pay an annual contribution of US \$ 50,000.

#### **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), IVI 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.

Sources: pib.

## **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.

Sources: pib.



## 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.

Sources: pib.

## 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.

Sources: ft.

## 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.





## INSIGHTS TEST SERIES FOR UPSC PRELIMINARY EXAM 2017 (GS PAPER-1)

### HIGHLIGHTS

- NCERT and other Standard Books based highly conceptual Tests for General Studies Paper - 1
- Emphasis on **Self Study** by providing practical Timetable for whole year that can be followed on a regular basis
- 32 Full Length Tests Each with 100 High Quality Questions
- Focus on enabling you to get 130+ score in Paper - 1
- Analysis of your Performance in different categories after Each Test
- All India Ranking of Individual and Cumulative Tests
- Duration of test series is for one year. Date of your ranking and performance in tests will be removed before the beginning of 2018 Test Series.
- Revision Tests to allow time for regular revision

### ADVANTAGES

- High quality 32 Full Length Tests widely acclaimed for their quality questions and right approach to preparing for UPSC civil services Preliminary exam (General Studies Paper -1)
- Detailed solutions to each question with exhaustive explanations make Insights tests unique.
- Wide coverage of all authentic and primary sources which UPSC is fond of sourcing questions for its exams.
- We take it very serious to focus more on concepts rather than on facts. Questions will help you build your concepts from scratch.
- You will fall in love with NCERT books and find them more important than any other sources once you start solving our tests. You will know when you solve our first few tests.
- Questions are framed from standard books and online sources which are recommended by every topper, every year.
- A detailed Study Plan comes with a Timetable to follow on regular basis to prepare for and solve each test.
- All India Ranking will help in assessing your preparation levels.
- Insights has a following of very serious aspirants who are highly motivated and motivate you to be consistent all through the journey.
- Students who subscribed our test series last year have done exceptionally well in Prelims - 2015 and 2016. If you solve all our tests, be sure of clearing Prelims hurdle.

**SUBSCRIBE**



## GS III

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

### After wallet cos, Modi now brings cheer to digital lending firms

PM's New Year eve speech has opened up opportunities for digital lending players, including startups in the space. PM has announced the inclusion of non-banking financial companies (NBFCs) in the credit guarantee scheme for small, medium and micro enterprises (SMEs) and also extended the scheme for loans up to Rs 2 crore.

#### Significance of this move:

- The credit guarantee scheme for SMEs was so far open only for banks, and the inclusion of NBFCs will help new-age NBFCs reach out to more borrowers.
- Extension of credit guarantees to NBFCs will help innovative players to penetrate under-served, new-to-credit borrower segments.

#### Background:

So far, NBFCs had to take the entire risk only by themselves, and some were still conservative in lending to borrowers who may not have been eligible under conventional norms.

#### About the scheme:

The current credit guarantee scheme includes term loans or working capital facility up to Rs 100 lakh per SME borrower, extended without any collateral security or third-party guarantee. It was so far applicable only to scheduled commercial banks and some regional rural banks. The guarantee cover available under the scheme is to the extent of a maximum 85% of the sanctioned amount.

Sources: the hindu.

### Startups brace up for legal war with Income Tax department

Startups that have been ordered to pay tax despite valuations being marked down in recent funding rounds are challenging the demands, complaining that the move runs counter to the government's campaign to encourage entrepreneurial spirit.

#### **What's the issue?**

Amid concerns over profitability and competition, valuations of startups have declined sharply. Last month, the tax department challenged such reductions at about 100 startups and issued orders seeking 33% tax at the elevated levels that prevailed earlier.

- The tax demand has been made for the assessment years 2013-14 and 2014-15 under Section 56(2)(vii)(b) of the Income-Tax Act, 1961. Experts said the Section was actually introduced to curb money laundering and was being wrongly aimed at genuine investment in startups.
- The tax department's move appears to be antithetical to the government's encouragement for startups.

**Way ahead:**

Some startups have moved the income-tax tribunal against the notices while others have approached their advisers and could seek legal recourse in the coming days.

**What can be done now?**

This move makes no sense having offered tax breaks to young companies. The tax department should rescind its move to levy the tax on startups whose valuations have fallen on the grounds that the first premium was higher than the firm's fair value. The valuation rules must be simple and clear. Arbitrariness must be eschewed as investors need stability and certainty in tax policy. More so, when they take risks.

Sources: et.

## Central Board of Direct Taxes signs three Advance Pricing Agreements

CBDT has signed three more advance pricing agreements pertaining to the Engineering Goods and Shipping sectors.

- The three APAs signed pertain to the Engineering Goods and Shipping sectors of the economy. The international transactions covered in these agreements include Intra-group Services and Support Services.
- With this, the total number of APAs entered into by the CBDT has reached 120 which includes 7 bilateral APAs and 113 Unilateral APAs.

**Background:**

The APA Scheme was introduced in the Income-tax Act in 2012 and the “Rollback” provisions were introduced in 2014. The scheme endeavours to provide certainty to taxpayers in the domain of transfer pricing by specifying the methods of pricing and setting the prices of international transactions in advance. Since its inception, the APA scheme has evinced a lot of interest from taxpayers and that has resulted in more than 700 applications (both unilateral and bilateral) being filed in just four years.

Sources: pib.

## Ken-Betwa river-linking project faces new hurdle

A new hurdle has come in the way of the Ken-Betwa river interlink project in its terms of financing. The NITI Aayog (National Institution for Transforming India) has recommended that Madhya Pradesh contribute 40% of the project cost, with the Centre contributing 60%. The Ministry of Water Resources (MoWR) has opposed this and requested that 90% of the funds be routed through the Centre.

- A lack of clarity on the funding pattern could mean more delays to the Rs. 10,000-crore project that would be the first ever inter-State river interlinking project.

**Background:**

The project was given a go-ahead by the National Board for Wildlife (NBWL) last August. An environment clearance panel has also cleared the project.

**About the project:**

The Ken and Betwa rivers in the states of Uttar Pradesh (UP) and Madhya Pradesh (MP) are to be linked under an historic agreement that marks the first such project in India's ambitious and controversial national river-linking project.

- The Rs. 10,000-crore Ken-Betwa project will irrigate the drought-prone Bundelkhand region but, in the process, also submerge about 10% of the Panna Tiger Reserve in Madhya Pradesh, feted as a model tiger conservation reserve.
- The main feature of the project is a 230-km long canal and a series of barrages and dams connecting the Ken and Betwa rivers that will irrigate 3.5 lakh hectares in Madhya Pradesh and 14,000 hectares of Uttar Pradesh in Bundelkhand.
- The key projects are the Makodia and Dhaudhan dams, the latter expected to be 77 metres high and responsible for submerging 5,803 hectares of tiger habitat in the Panna Tiger Reserve.

Sources: the hindu.

**Anti-avoidance tax rule GAAR to kick in from April 2017**

The tax department has clarified that tax anti-avoidance rule GAAR will kick in from April 1 in India. GAAR, which was originally to be implemented from April 1, 2014, will now come into effect from April 1, 2017 (Assessment Year 2018-19).

**About GAAR:**

General Anti-Avoidance Rule (GAAR) was part of the 2012-13 Budget speech of the then Finance Minister Pranab Mukherjee to check tax evasion and avoidance. However, its implementation was repeatedly postponed because of the apprehensions expressed by foreign investors. It contains provision allowing the government to prospectively tax overseas deals involving local assets.

**Background:**

GAAR was introduced to address tax avoidance and ensure that those in different tax brackets are taxed the correct amount. In many instances of tax avoidance, arrangements may take place with the sole intention of gaining a tax advantage while complying with the law. This is when the doctrine of 'substance over form' may apply. 'Substance over form' is where real intention of parties and the purpose of an arrangement is taken into account rather than just the nomenclature of the arrangement. Many countries, like Canada and South Africa, have codified the doctrine of 'substance over form' through a GAAR – type ruling.

Sources: the hindu.

**Signing of Bilateral Advance Pricing Agreement by CBDT**

The Central Board of Direct Taxes (CBDT) has entered into a Bilateral Advance Pricing Agreement (BAPA) with Indian subsidiary of a Japanese trading company.

- With this, total three Bilateral APAs are now signed with Indian subsidiaries of Japanese companies all including rollbacks. The total number of bilateral APAs entered into by the CBDT is now eight.

**Background:**

The APA Scheme was introduced in the Income-tax Act in 2012 and the “Rollback” provisions were introduced in 2014. Signing of bilateral APA is an important step towards ascertaining certainty in transfer pricing matters of multinational company cases and dispute resolution.

**About BAPA:**

Under BAPA, certainty in tax treatment is provided for the next 5 years while rollback provides dispute redressal for a maximum of four past years preceding APA years.

- A BAPA may be preferred by multinational companies since finalisation of the same involves reaching an understanding between the tax administrations of the two countries and for the transfer pricing adjustment done in the hands of the Indian entity, corresponding adjustment is available in the hands of related foreign entity, thereby relieving economic double taxation.

Sources: pib.

## Number of unemployed in India to climb: ILO

The International Labour Organisation (ILO) has released its report on World Employment and Social Outlook for 2017.

**Highlights of the report:**

- The number of jobless will increase from 17.7 million in 2016 to 18 million by 2018 even though the country's unemployment rate is expected to go down from 3.5% to 3.4% in 2017.
- Globally, the number of jobless people will increase by 3.4 million in 2017. The global unemployment rate is expected to rise modestly from 5.7 to 5.8% in 2017 as the pace of labour force growth outstrips job creation.
- Vulnerable forms of employment, which include contributing family workers and own account workers, are expected to stay above 42% of total employment. About 1.4 billion people are likely to be engaged in such employment in 2017, with the number rising by 11 million per year, with Southern Asia and sub-Saharan Africa being the most affected.
- The number of workers earning less than \$3.10 per day is even expected to increase by more than 5 million over the next two years in developing countries. Global uncertainty and the lack of decent jobs are, among other factors, underpinning social unrest and migration in many parts of the world.
- Asia Pacific region, with nearly 60% of the global workforce, saw net employment rise by over 20 million (or 1.1%) in 2016, and a similar expansion is anticipated in 2017. Southern Asia has created most of the new employment, with employment expanding by 13.4 million in 2016, underpinned by population-driven labour force growth. The majority of this new employment was created in India.

**Way ahead:**

Entering 2017, working poverty is projected to continue to decline in Asia-Pacific, in both rate and absolute numbers, while vulnerable employment numbers look set to rise, despite decreases in the vulnerable employment rate, largely as a result of population growth.

The report also notes that a co-ordinated effort to provide fiscal stimulus and an increase in public investment that takes into account each country's fiscal space, would provide an immediate jump-start to the global economy and reduce global unemployment in 2018 by close to 2 million compared to our baseline forecasts.



## 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.

Sources: the hindu.

## 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.

### 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.

## 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 and also 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.

Sources: et.

## 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 will not be invoked in 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.*
- All 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 will not be subject to the GAAR test.
- GAAR will not be applicable on 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.
- Also, 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, GAAR will not apply.

**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).

Sources: the hindu.



## 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?**

The Indian Railways, with a 1.54-million workforce and about 6,800 stations, runs about 7,000 trains everyday to ferry passengers, an activity that is generally unprofitable. In the financial year ending March 31, 2017, the losses from the passenger segment of the railroad operations are set to be about Rs 33,000 crore, about 10% higher than the losses for the previous financial year.

This move helps minimise operating losses for the government. With this, the Indian Railways may also 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 3 Topic:** Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.

## Ministry not in favour of concessions for Apple manufacturing unit

The commerce and industry ministry is not in favour of extending concessions to US-based iPhone maker Apple for setting up manufacturing unit in India as no other firm has asked for any incentive.

### **Background:**

The Cupertino-based technology major Apple had asked for several tax and other incentives to enter India in the manufacturing sector. Currently, Apple's products are manufactured in six countries, including Korea, Japan and the US. The company sells its products through Apple-owned retail stores in countries such as China, Germany, the US,



the UK and France, among others. It has no wholly-owned store in India and sells its products through distributors such as Redington and Ingram Micro.

### ***Why the government is not in favour of extending any concessions?***

It is because the government already provides benefits under the Modified Special Incentive Package Scheme (MSIPS) to boost electronic manufacturing in the country. The scheme provides financial incentives to offset disability and attract investments in the electronics hardware segment. It also gives a subsidy for investments in Special Economic Zones, among other benefits.

- Also, the MSIPS policy incentivises electronics and component makers to manufacture domestically by providing them a host of incentives including 20-25% subsidy on capital expenditure.

Sources: the hindu.

## **Market regulator tightens merger norms**

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.
- Public shareholders' approval will be mandatory for those schemes too which involve transfer of substantial undertaking of a listed entity and if a consideration for such a transfer is not in the form of listed equity shares.
- A favouring vote from public shareholders will also be compulsory for the mergers of unlisted subsidiaries with their listed holding companies if the shares of the unlisted subsidiary have been acquired by the holding company from the promoters.
- Among other issues, the regulator also reduced the broker fees by 25% from Rs. 20 per crore of turnover to Rs. 15 crore. This will result in reduction of overall cost of transactions and will benefit the investors and promote the development of securities market.
- Also, to ensure that all classes of shareholders get an equitable treatment during mergers and acquisitions, Sebi has directed companies to follow the pricing formula for stocks as per Sebi's ICDR norms (issue of capital and disclosure requirements) during mergers. This will prevent companies from issuing shares to select group of shareholders instead of all shareholders during mergers and amalgamations between listed and unlisted entities.

**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. There were another category of misuse where under an arrangement; securities were being issued to promoter related persons only. There was an issue on electronic voting requirement as well.

Sources: the hindu.

## 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, 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.



## 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.

- The proposed National Steel Policy 2017 (NSP 2017) is an effort to steer the industry to achieve its future potential and strategy to deal with various 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 and export the output in a more cost-effective manner.
- The policy, which envisages to more than double India's domestic steel production capacity to 300 million tonnes by 2030-31, 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.”
- It also focuses on impediments like high input costs, availability of raw materials, import dependency and financial stress plaguing the sector.
- To cut down reliance on expensive imports of coking coal, the policy has mooted gas-based steel plants and technologies such as electric furnaces to bring down the use of coking coal in blast furnaces.

### 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. Notwithstanding the current challenges, Indian steel 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.

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.

### 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 3 Topic:** Issues related to direct and indirect farm subsidies and minimum support prices; Public Distribution System objectives, functioning, limitations, revamping; issues of buffer stocks and food security; Technology missions; economics of animal-rearing.

### Scheme to skill Indian youth seeking jobs abroad

Prime Minister Narendra Modi, on the sidelines of the 14th Pravasi Bharatiya Divas Convention, has announced a scheme to skill Indian youth seeking jobs abroad- **Pravasi Kaushal Vikas Yojana (PKVY)**.

**Key facts:**

- The Pravasi Kaushal Vikas Yojana (PKVY) is aimed at skilling Indians seeking employment abroad.
- The programme is also aimed at boosting the confidence of the Indian youth so that they don't feel like strangers when they land in a country of their choice for vocation.
- PKVY will train and certify Indians, who are keen on overseas employment in select sectors, in line with international standards.
- It will be implemented by the National Skill Development Corporation through its training partners and in consultation with the Ministry of External Affairs and the Skill Development Ministry.

Sources: bs.

**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;

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

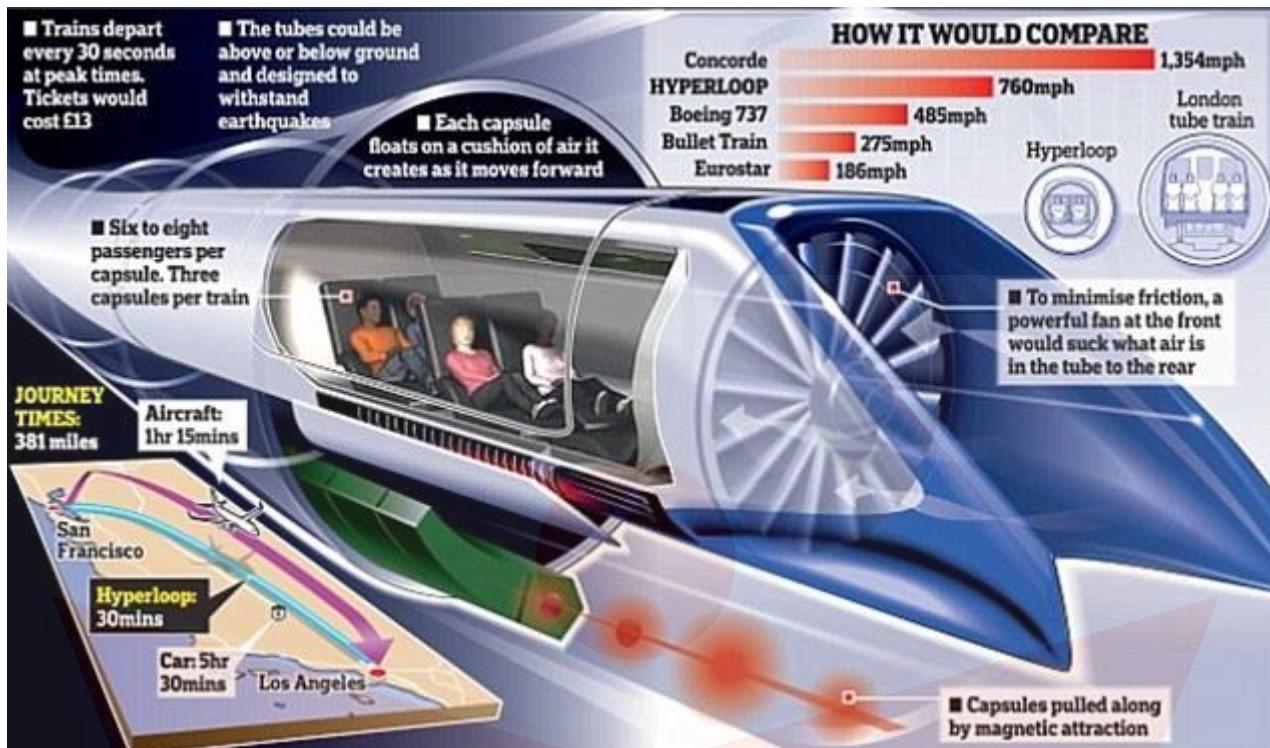
## Niti Aayog may seek trial run of Hyperloop

The government has referred the proposal to set up a hyperloop transportation system in the country to Niti Aayog. Niti Aayog may now call for a trial run for the technology at some small stretch after which the government will be able to take a call on the matter.

**What is hyperloop transportation system?**

It is a transportation system where a pod-like vehicle is propelled through a near-vacuum tube connecting cities at speeds matching that of an aircraft.

The hyperloop concept is a brainchild of Tesla founder Elon Musk. US-based Hyperloop Transport Technology (HTT) claimed it costs \$40 million per kilometre to build a hyperloop system while building a high-speed train line would cost almost twice. The hyperloop system is being designed to transport passengers and freight.



### How it operates?

In hyperloop transportation, custom-designed capsules or pods are expected to zip smoothly through continuous steel tubes which are held at partial vacuum. The pod which sandwiches the passenger compartment between an air compressor upfront and a battery compartment in the rear is supported by air caster skis at the bottom. The skis float on a thin layer of air provided under high pressure, eliminating rolling resistance and allowing for movement of the pods at high speeds. These capsules are expected to be driverless with estimated speeds of 1,000 km/h.

Linear induction motors that are placed along the tube control the speed of the pod. Electronically-assisted acceleration and braking determines the speed of the capsule.

Sources: et.

### Minigrids can power rural economic activity

A study has found that **mini grids can spur economic activity in rural areas** and accelerate the process of expanding mobile phone network across the country due to their large capacities and the ability to connect to the national grid.

### What is a mini grid?

A mini grid, as defined by the Ministry of New and Renewable Energy, is an off-grid power system with a generation capacity of between 10 KW and 500 KW. It converts direct current (DC) to alternating current (AC) and it provides safety as per REC and CEA standards.

**Significance of mini grids:**

There are a number of other solutions of smaller capacities that rural areas can use such as a solar lantern, a solar home solution, or even a community solution like a micro grid. But a mini grid is the only alternative that provides the kind of electricity that can be used for business activities.

The power generated from a mini grid can be seamlessly transferred to the national grid since it is already going through a charge controller which manages the flow of energy and an inverter which converts the electricity from DC to AC. It also has a storage facility to meet night demand as well.

**Suitable places for mini grids:**

One of the important criteria in selecting a village to install a mini grid is to see whether there is at least one customer in the area – like a telecom tower, petrol pump, school or bank – that could make up a significant portion of the energy demand from the mini grid. The potential of existing commercial activity and future potential demand should also be considered.

Sources: the hindu.

**All states except Uttar Pradesh ink pact to achieve 24/7 power**

All states and Union Territories barring Uttar Pradesh have inked agreements with the Centre to achieve the milestone of providing '24x7 Power For All (PFA)'.

**What is the 24x7 "Power For All" Plan?**

'Power for All' is a joint initiative of the Centre in collaboration with State governments for supply of quality and reliable 24 x 7 power to agricultural, industrial and domestic consumers.

- The scheme is aimed at addressing all the key aspects and activities to be undertaken across generation, transmission and distribution, including achieving 100% household electrification.
- The plans aims to provide each household access to electricity, 24x7 reliable power supply and adequate supply to agricultural consumers as per state policy by 2019.
- The plans for each State/UT envisions reduction of AT&C losses by increasing the collection efficiency and effective metering so as to achieve financially viable 24x7 Power Supply.
- It also emphasizes on the development of transmission and sub transmission network which plays vital role in providing round the clock power supply.

Sources: pib.

**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 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.

## Drug discovery for GPCR signalling made easy by IIT Kanpur

Researchers have shown that the regulation of **G Protein-Coupled Receptors (GPCRs)** by new drugs can be simpler than generally thought — it can be mediated by engaging only the end of the receptor, which is called the tail of the receptor.

**Significance of these findings:**

With this, discovering new drugs that bind to G Protein-Coupled Receptors (GPCRs), which are central to almost every physiological process in our body such as vision, taste, immune response and cardiovascular regulation, becomes easier.

**Background:**

Nearly 50% of prescription drugs currently available in the market for the treatment of blood pressure, heart failure, diabetes, obesity, cancer and many other human diseases target GPCR receptors. All these drugs bind to their respective receptors and either activate or stop their signalling.

### What is G protein coupled receptor?

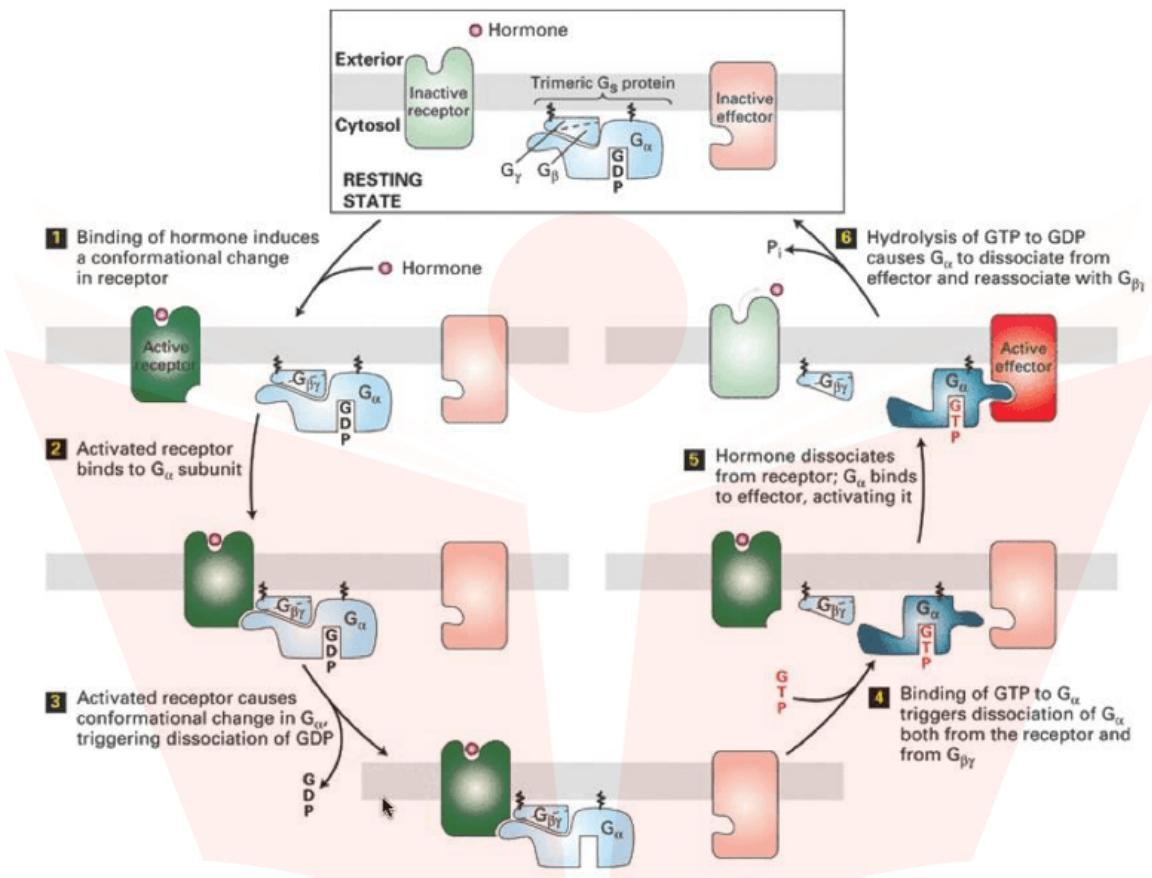
G-protein-coupled receptors (GPCRs) are the **largest and most diverse group** of membrane receptors in **eukaryotes**. These cell surface receptors act like an inbox for messages in the form of light energy, peptides, lipids, sugars, and proteins.

### How GPCRs operate?

Receptors found on the cell surface receive signals and transmit them to inside the cells. A part of the receptor is embedded in the cell membrane and the other part protrudes outside the membrane and inside of the cell.

- The part of the receptor that protrudes outside the membrane changes its shape whenever a stimulus in the body binds to it. In response to this change in the outside part of the receptor, a corresponding change happens in the shape of the receptor that is positioned inside the cell.
- This change in the shape of the receptor positioned inside the cell allows it bind to other proteins called effectors. These effectors cause specific effects in the cell, referred to as cell signalling, which leads to physiological changes in our body.

## Case study: G-protein coupled receptors



### About the new method:

General understanding is that effector proteins have to simultaneously bind at two sites — the tail of the receptor and the core of the receptor — for the drug to become effective in pulling the receptor inside the cell.

- Through specific engineering of the receptor researchers basically disrupted one of the two binding sites, namely the core of receptor. They found that even without the second site, the protein was able to pull the receptor inside the cell by binding just to the tail of the receptor.
- There is a key region in the core which the researchers genetically deleted thereby making the core of the receptor ineffective.

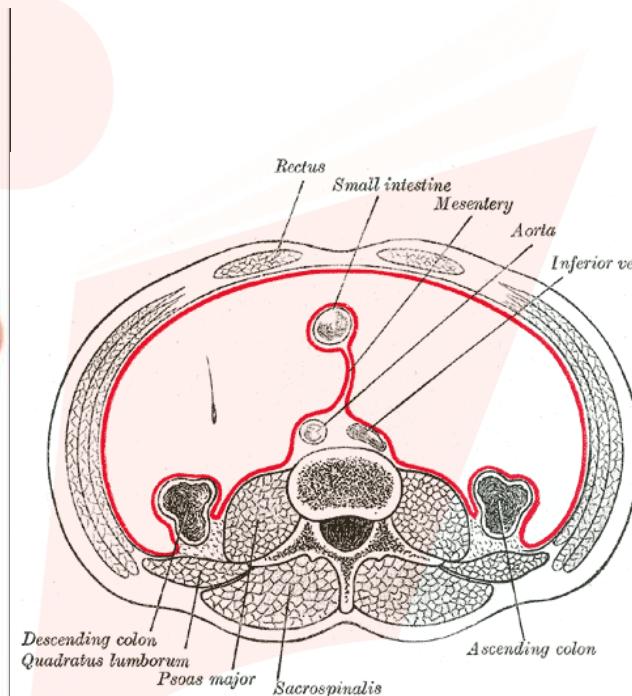
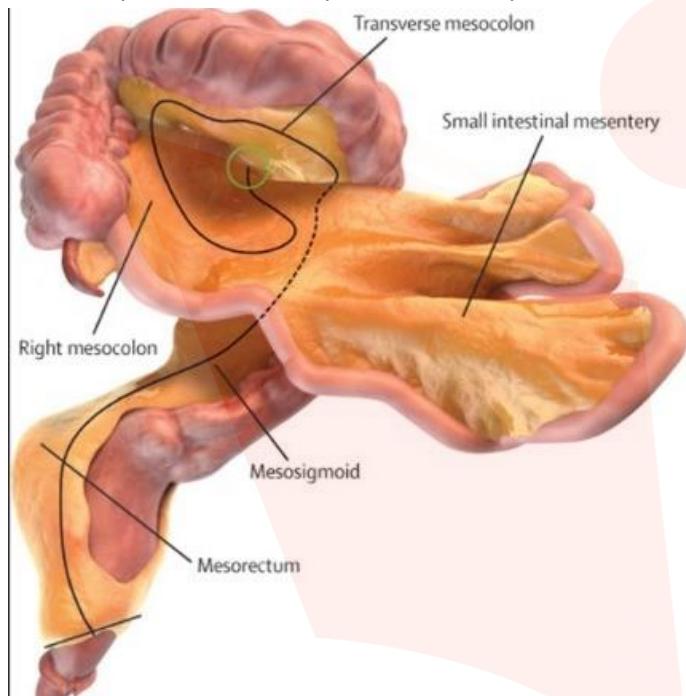
Sources: the hindu.

## Mesentery, the New Organ Discovered in the Human Body

Irish scientists have recently identified a new human organ that has existed in the digestive system for hundreds of years.

### Key facts:

- Named as the mesentery, the organ connects the intestine to the abdomen and had for hundreds of years been considered a fragmented structure made up of multiple separate parts.
- Mesentery is a fold of the peritoneum which attaches the stomach, small intestine, pancreas, spleen, and other organs to the posterior wall of the abdomen.
- During the initial research, the researchers have found that the mesentery, which connects the gut to the body, was one continuous organ.
- Better understanding and further scientific study of the mesentery could lead to less invasive surgeries, fewer complications, faster patient recovery and lower overall costs.



Sources: et.

## China develops its version of floating LNG power plant

A Chinese company, Wison Offshore & Marine, has developed its version of a system for floating LNG power plant that can range between 10 mw to 800 mw units.

### Key facts:

- The system features integrated functions of LNG loading and storage facilities, regasification and power generation in a single unit.
- The smallest unit starts at 10MW capacity, while the largest accommodates an 800MW power plant.
- LNG has been selected as the fuel source in Wison's designs. Alternative fuel options are also available as required.

**Significance of floating power generation solutions:**

Compared with land-based solutions, the floating power supply is advantageous in fast-track implementation and attractive pricing with flexibility, as the construction work completed in fabrication yards normally results in efficiency and cost reduction. It is also an investment-friendly solution because it minimizes the land acquisition process and requires less civil works.

Sources: et.

**New Ginger species with medicinal properties found in Andamans**

Scientists of the Botanical Survey of India (BSI) have found a **new species of Zingiber (commonly referred as Ginger) from the Andaman and Nicobar Islands.**

**Key facts:**

- The species Zingiber pseudosquarrosum belonging to genus Zingiber, was already used by the local Particularly Vulnerable Tribal Groups (PVTGs) of the Andamans for its medicinal values.
- The pseudo stem of the new species is predominantly red in colour. Flowers have a vermillion tinge and dehisced fruit [fully mature fruits] are lotus shaped. Inflorescence buds are urceolate in shape.
- The morphological features of this species makes it distinct from other species belonging to the genus Zingiber.
- Like other species of Gingers, this new species is edible and can be propagated vegetatively from the rhizome. The fresh extract of fleshy tuberous roots is used to treat abdominal pain and anti-helminthic troubles by Nicobarese and certain other tribal communities.

**Background:**

As per scientific information available, there are 141 species of genus Zingiber are distributed throughout tropical Asia, including China, Japan and tropical Australia. Of these, 20 are reported from India, which include seven (latest being Zingiber pseudosquarrosum) from Andaman and Nicobar Islands. Most of the species of these Gingers are endemic to India.

Sources: the hindu.

**Khanderi - Second Scorpene submarine ready**

Khanderi, the second Scorpene submarine under Project-75 being built at Mazgaon Docks Limited (MDL) in Mumbai is all set to be launched.

**Key facts:**

- Khanderi is named after the Island fort of Maratha forces, which played a vital role in ensuring their supremacy at sea in the late 17th century.
- The state-of-the-art features of this Scorpene class submarine include superior stealth and the ability to launch a crippling attack on the enemy using precision guided weapons. The attack can be launched with torpedoes, as well as tube-launched anti-ship missiles, whilst underwater or on surface. The stealth features will give it an invulnerability, unmatched by many submarines.
- The submarine is designed to operate in all theatres, including the tropics. All means and communications are provided to ensure interoperability with other components of a Naval Task Force.



- It can undertake multifarious types of missions typically undertaken by any modern submarine like anti-surface warfare, anti-submarine warfare, intelligence gathering, mine laying and area surveillance.
- It is built according to the principle of modular construction, which involves dividing the submarine into a number of sections and outfitting them concurrently.

Sources: the hindu.

## LIGO India, Meant to Study Gravitational Waves, To Be Ready By '24

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.

Sources: et.

**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.

**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/LH<sub>2</sub> cryo stage. The large payload fairing measures 5 m in diameter and can accommodate a payload volume of 100 cu m.

Sources: the hindu.

## 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.

## IPR Enforcement Toolkit for Police

The government has launched an IPR Enforcement Toolkit for Police.

### **Key facts:**

- The toolkit has been jointly prepared by Cell for IPR Promotion and Management (CIPAM) and Federation of Indian Chambers of Commerce and Industry (FICCI).
- This toolkit will be a ready reckoner for police officials across the country in dealing with IP crimes, specifically Trade Marks counterfeiting and Copyrights piracy.
- In addition to details of offences under various laws, it provides for checklists for registering a complaint and conducting search and seizures.
- It also lays down general guidelines for search and seizure in case of IP crimes.
- This toolkit will be provided to all state police departments across the nation and will assist them in dealing with the cases relating to Trademarks and Copyrights infringements.

Sources: pib.

## NASA selects 2 missions to explore solar system's asteroids

Aiming to find important clues to the earliest history of the solar system, NASA has announced two missions — one to explore Jupiter's mysterious Trojan asteroids and the other to study a unique metal asteroid.

- The missions, known as Lucy and Psyche, were chosen from five finalists and will proceed to mission formulation, with the goal of launching in 2021 and 2023, respectively.

### **About mission Lucy:**

Lucy will visit a target-rich environment of Jupiter's mysterious Trojan asteroids. Lucy, a robotic spacecraft, is scheduled for October 2021 launch. It is slated to arrive at its first destination, a main belt asteroid, in 2025. From 2027 to 2033, Lucy will explore six Jupiter Trojan asteroids.

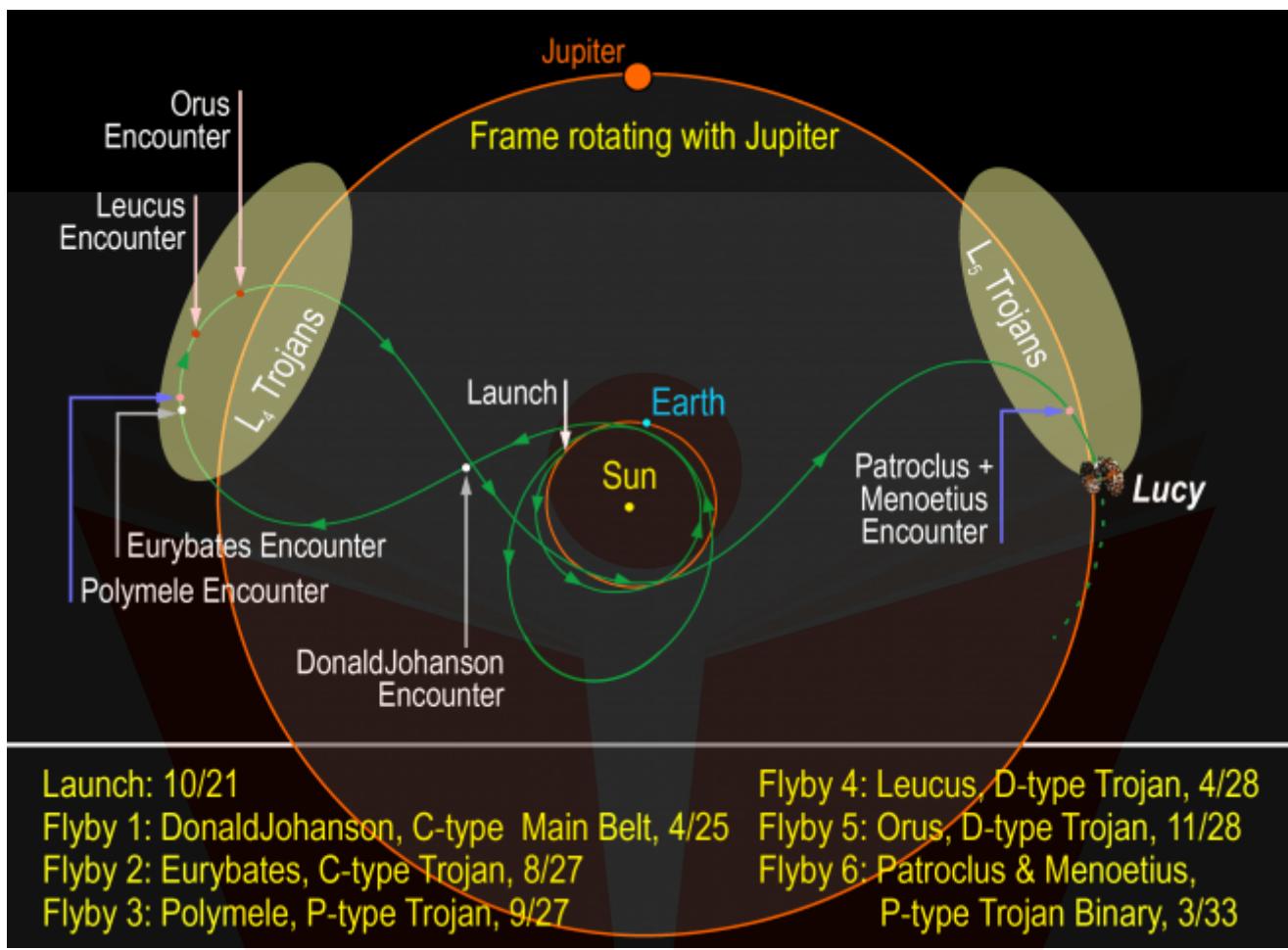
- These asteroids are trapped by Jupiter's gravity in two swarms that share the planet's orbit, one leading and one trailing Jupiter in its 12-year circuit around the sun.
- The Trojans are thought to be relics of a much earlier era in the history of the solar system, and may have formed far beyond Jupiter's current orbit.
- This is a unique opportunity because the Trojans are remnants of the primordial material that formed the outer planets, they hold vital clues to deciphering the history of the solar system. Lucy, like the human fossil for which it is named, will revolutionize the understanding of our origins.

### **About Psyche mission:**

The Psyche mission will explore one of the most intriguing targets in the main asteroid belt – a giant metal asteroid, known as 16 Psyche, about three times farther away from the sun than is the Earth.

- This asteroid measures about 130 miles (210 kilometers) in diameter and, unlike most other asteroids that are rocky or icy bodies, is thought to be comprised mostly of metallic iron and nickel, similar to Earth's core.

- The mission will help scientists understand how planets and other bodies separated into their layers – including cores, mantles and crusts – early in their histories.
- Psyche, also a robotic mission, is targeted to launch in October of 2023, arriving at the asteroid in 2030, following an Earth gravity assist spacecraft manoeuvre in 2024 and a Mars flyby in 2025.



Sources: et.

## Astronomers discover 'powerful cosmic double whammy' with help of India's GMRT

By combining data from several telescopes around the world including India's **Giant Metrewave Radio Telescope (GMRT)** in Pune, astronomers have discovered a cosmic double whammy unlike any ever seen before.

### Key facts:

- By combining data from NASA's Chandra X-ray Observatory, the Giant Metrewave Radio Telescope (GMRT) in Pune and other telescopes, researchers found what happens when matter ejected by a giant black hole is swept up in the merger of two enormous galaxy clusters.
- The two phenomenon have combined to create a stupendous cosmic particle accelerator. This cosmic double whammy is found in a pair of colliding galaxy clusters called Abell 3411 and Abell 3412 located about two billion light years from Earth.



- Scientists determined that as the shock waves travel across the cluster for hundreds of millions of years, the doubly accelerated particles produce giant swirls of radio emission.
- This discovery solves a long-standing mystery in galaxy cluster research about the origin of beautiful swirls of radio emission stretching for millions of light years, detected in Abell 3411 and Abell 3412 with the GMRT.
- This result shows that a remarkable combination of powerful events generate these particle acceleration factories, which are the largest and most powerful in the Universe.

**About GMRT:**

The **Giant Metrewave Radio Telescope (GMRT)**, located near Pune in India, is an array of thirty fully steerable parabolic radio telescopes of 45 metre diameter, observing at metre wavelengths.

- It is operated by the National Centre for Radio Astrophysics, a part of the Tata Institute of Fundamental Research, Mumbai.
- At the time it was built, it was the world's largest interferometric array offering a baseline of up to 25 kilometres (16 mi).
- One of the aims for the telescope during its development was to search for the highly redshifted 21-cm line radiation from primordial neutral hydrogen clouds in order to determine the epoch of galaxy formation in the universe.

Sources: the hindu.

**China setting up highest altitude telescopes close to LAC**

China is setting up the **world's highest altitude gravitational wave telescopes** in a Tibet prefecture close to the Line of Actual Control (LAC) with India, with a budget of \$18.8 million.

**Key facts:**

- The telescope aims to detect the faintest of echoes resonating from the universe, which may reveal more about the Big Bang theory.
- The telescope, located 5,250 meters above sea level, will detect and gather precise data on primordial gravitational waves in the Northern Hemisphere.
- It is expected to be operational by 2021.
- The telescope will be located at Ngari. Ngari, with its high altitude, clear sky and minimal human activity is said to be one of the world's best spots to detect tiny twists in cosmic light.

**Background:**

Gravitational waves were first proposed by Albert Einstein's theory of general relativity 100 years ago, but it wasn't until 2016 that scientists with the Laser Interferometer Gravitational-Wave Observatory announced proof of the waves' existence, spurring fresh research interest among the world's scientists.

Sources: the hindu.

**NASA aims to send spacecraft to giant 'metal' asteroid**

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 manoeuvre 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.

Sources: et.

### 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.



## 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.

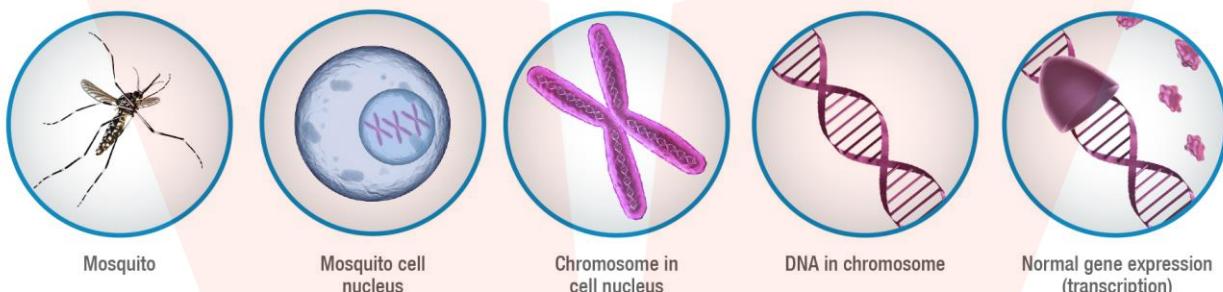
### Background:

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.

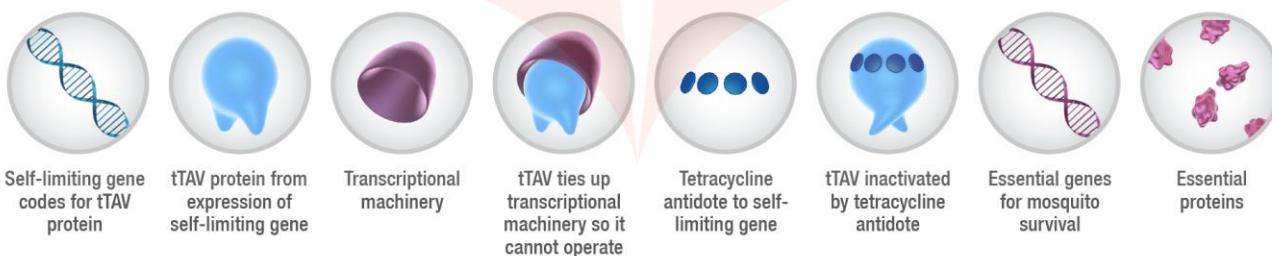


### **Introduction**

The self-limiting gene is an environmentally friendly way to control insect pests like dengue mosquitoes. It works by preventing them from developing without using toxins or pesticides. It is species-specific so the genes do not spread, and the released insects and their genes do not stay in the environment.



### **Components**

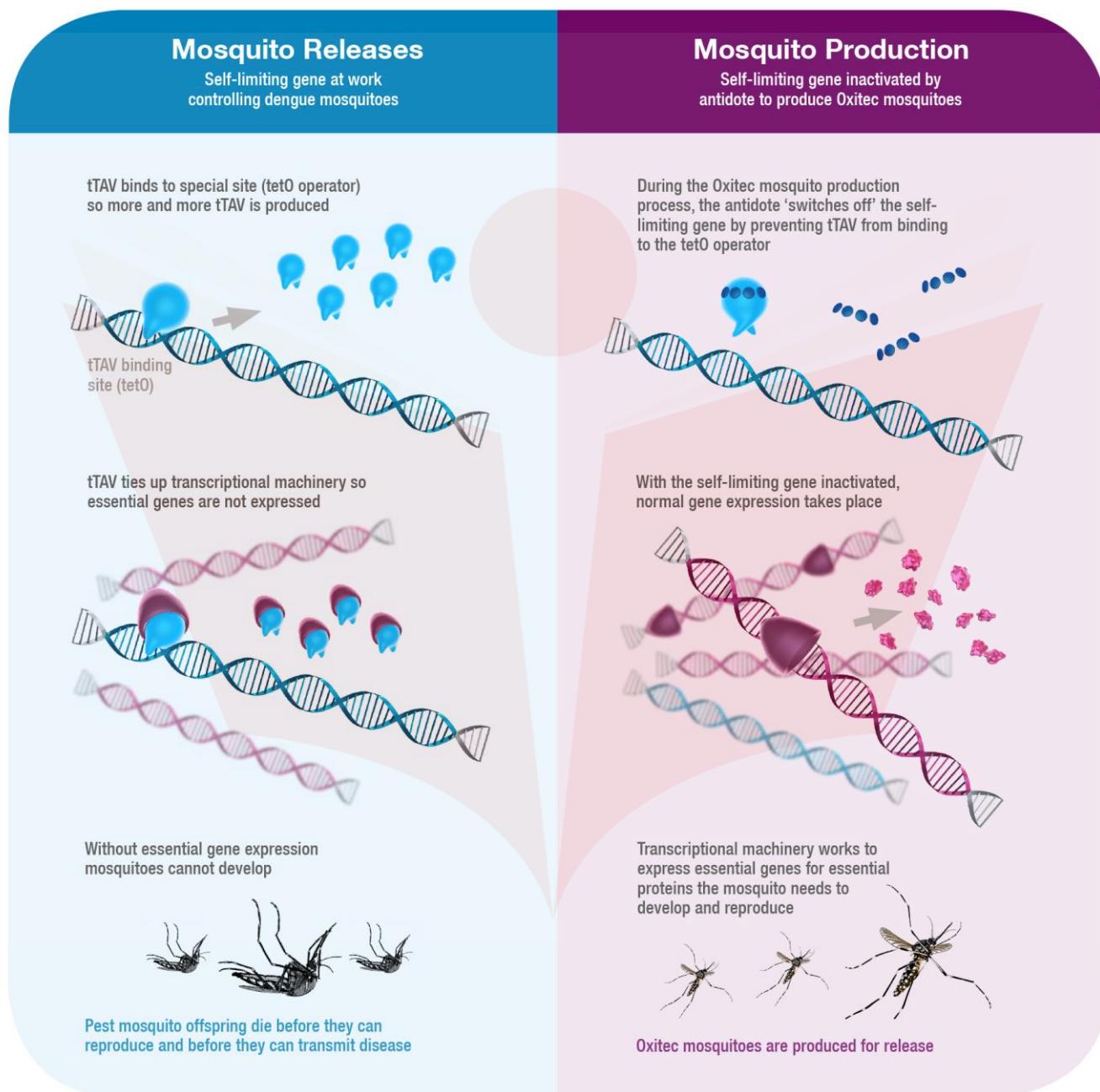


### Key facts:

- 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.



Sources: the hindu.



## 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.

Sources: the hindu.

## 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.



## 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.

## '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.

**Paper 3 Topic:** Conservation, environmental pollution and degradation, environmental impact assessment.

## Many New Projects Under Namami Gange Approved For Haridwar and Varanasi

New projects under **Namami Gange programme** in Haridwar and Varanasi have been approved by National Mission for Clean Ganga.

- In Haridwar, 68 MLD sewage treatment plants (STP) and 14 MLD STP in Sarai have been approved at an indicative cost of Rs 110.30 crore and Rs 25 crore respectively under Hybrid Annuity based PPP mode.
- Apart from this, while Rs 8.34 crore has been allocated for tertiary treatment of existing 27 MLD plant in Jagjeetpur. Rs 5.32 crore has been allocated for tertiary treatment of existing 18 MLD plant in Sarai under Design, Build, Operate and Transfer (DBOT) mode.

### About Namami Gange Programme:

Namami Gange programme was launched as a mission to achieve the target of cleaning river Ganga in an effective manner with the unceasing involvement of all stakeholders, especially **five major Ganga basin States – Uttarakhand, Uttar Pradesh, Jharkhand, Bihar and West Bengal**.

- The programme envisages River Surface Cleaning, Sewerage Treatment Infrastructure, River Front Development, Bio-Diversity, Afforestation and Public Awareness.

### Implementation:

- The program would be implemented by the National Mission for Clean Ganga (NMCG), and its state counterpart organizations i.e., State Program Management Groups (SPMGs).
- In order to improve implementation, a three-tier mechanism has been proposed for project monitoring comprising of a) High level task force chaired by Cabinet Secretary assisted by NMCG at national level, b) State level committee chaired by Chief Secretary assisted by SPMG at state level and c) District level committee chaired by the District Magistrate.
- The program emphasizes on improved coordination mechanisms between various Ministries/Agencies of Central and State governments.

Sources: the hindu.

## Government officials seek zero import tax on LNG in budget: Document

India's energy and environment ministries have asked the government to scrap an import tax on liquefied natural gas (LNG) and impose a levy on use of pet coke and furnace oil to promote cleaner fuel.

***Why this is necessary?***

India is the world's third largest emitter of greenhouse gases and relies heavily on coal, gas and oil imports to meet its energy needs and fuel its economic expansion. Its energy consumption is bound to grow as it targets 8-9 percent economic growth from around 7 percent in 2016/17.

Therefore, to cut the country's carbon footprint, the ministries want to raise the use of gas in its energy mix to 15% in three to four years from 6.5% now. For this to happen, they are demanding zero import tax on LNG.

**Background:**

LNG imports, which account for 44% of gas use in the country, are duty free only if shipped in for the power sector.

Sources: et.

## Study throws light on groundwater, rainfall link

According to a recently conducted study, the groundwater level in north India has been declining at a rate of 2 cm per year during the period 2002-2013, while in north-central and south India, it has increased by 1-2 cm per year during the same period. The study was carried out by a team of researchers from the Indian Institute of Technology (IIT) Gandhinagar.

**Highlights of the study:**

- While changes in monsoon rainfall pattern during the period of study can largely explain the total variability of groundwater storage in north-central and south India, the usage of groundwater for irrigation purposes accounts for groundwater variability in northwest India.
- The increased usage of groundwater for irrigation in northwest India is, in turn, linked to changes in monsoon rainfall pattern. In Punjab and Haryana, groundwater extraction was mainly responsible for declining groundwater storage.
- For instance, over the Gangetic Plain and other parts of north India monsoon rainfall has been declining since 1950, leading to reduced recharge of groundwater.
- Also, as a result of declining monsoon rainfall and intensive agriculture, groundwater withdrawals in the country have increased over tenfold since the 1950s — from 10-20 cubic km per year in 1950, to 240-260 cubic km per year in 2009.

Sources: the hindu.

## Air pollution a national problem

According to an analysis of 2015 data by Greenpeace India, pollution levels in various cities across the country are alarming.

**Highlights of the study:**

- Of the 168 cities studied by Greenpeace India, 154 were found to have an average particulate matter level higher than the national standard.
- None of the cities studied had air quality matching the standard prescribed by the World Health Organisation.
- While air quality in North and Central India saw dangerous levels of particulate matter, South India appeared to have comparatively cleaner air.



- All 10 of the least polluted cities surveyed were in the South and the East: eight in Karnataka and one each in Odisha and Tamil Nadu.
- Looking at the sources of pollution, the report found that fossil fuels were the biggest contributors to the particulate matter.
- The study noted, “Due to the Himalayas and the cooler weather as well as big industrial clusters, the levels of pollution are higher in the North. Southern India has the benefit of the mixing of sea breeze. However, pollution is a national-level problem and has to be treated as such.”

#### Ranking of the cities:

Using data from various State pollution control boards, accessed from their websites and through RTI queries, the report ranked the cities based on the annual average of PM10, which are all particles less than 10 microns in diameter. These include the very harmful fine particles, PM2.5.

- Delhi was found to be the most polluted city, with the annual average for PM10 being 268 micrograms per cubic metre, or over four times the 60 micrograms/cubic metre limit prescribed in the National Ambient Air Quality Standards of the Central Pollution Control Board.
- Ghaziabad, Allahabad and Bareilly in Uttar Pradesh and Faridabad in Haryana followed closely, making for the worst five cities in terms of PM10 levels, the annual average concentrations being four times or more than the standard.

Sources: the hindu.

## Green tribunal orders test of cosmetics containing microbeads

The National Green Tribunal has directed the Centre to test cosmetic products containing microbeads after a plea sought a ban on their use on the ground they are extremely dangerous for aquatic life and environment.

- The court also said that it is the duty of the government to ensure that no “dangerous” product is allowed to be manufactured or sold to public and directed the Central Drugs Standard Control Organisation to analyse the products in laboratory.

#### Background:

The order came on a petition seeking a complete ban on the use of microbeads in the manufacture, import and sale of various cosmetics or personal care products. The petitioner also argued that the unregulated production and usage of plastic in microbeads in various cosmetic products and their excessive usage by the end user is leading to water pollution across the globe.

#### **What are microbeads?**

Microbeads are tiny plastic substances measuring less than five millimetres that act as exfoliators (agents which remove dead cells) on skin and teeth when used in soap, toothpaste and other products. Many brands manufacturing beauty products use microbeads.

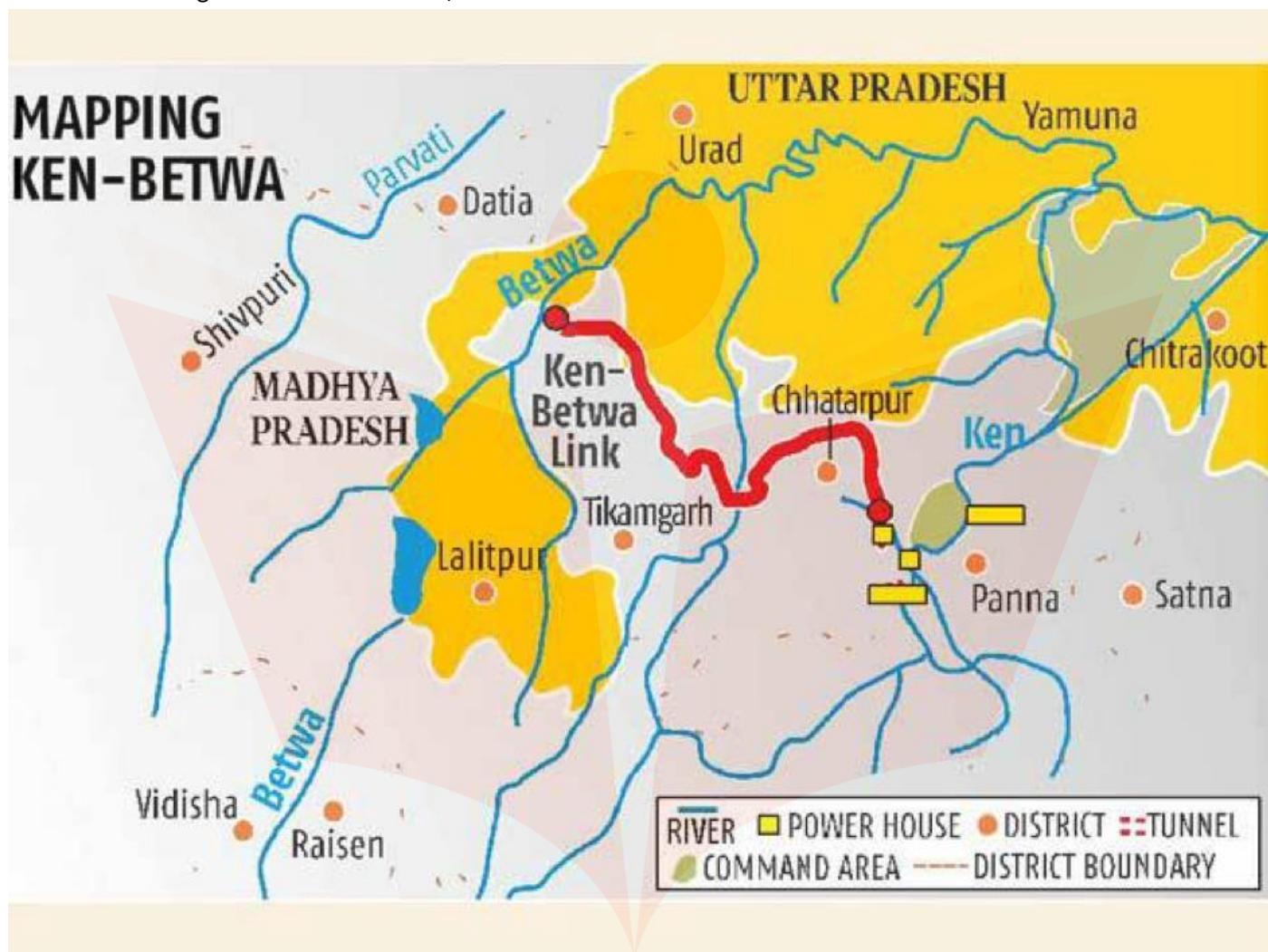
#### Concerns:

Over 299 million tonnes of plastic was produced worldwide in 2013 some of which made its way to oceans, costing approximately \$13 billion per year in environmental damage to marine ecosystems, says a June 2015 report by the United Nations Environmental Programme that investigated the possible harm by microbeads/microplastics.

## Ken-Betwa river link project gets green panel's nod

Government's ambitious Rs 9,393 crore Ken-Betwa river interlinking project that will irrigate 6.35 lakh hectares and mitigate drinking water woes of Bundelkhand region has received clearance from the green panel and Tribal Affairs ministry.

- However, the final clearance for the project is yet to be given by Union Minister of Environment and Forest, which normally takes into account the green panel EAC's recommendation.
- The environmental appraisal committee (EAC) had "duly considered" and "agreed" for the phase I of the project in its meeting held on December 30, 2016.



### About the project:

The Ken and Betwa rivers in the states of Uttar Pradesh (UP) and Madhya Pradesh (MP) are to be linked under an historic agreement that marks the first such project in India's ambitious and controversial national river-linking project.

- The project envisages construction of a dam across river Ken in Chhatarpur district in Madhya Pradesh to irrigate 6.35 lakh hectare area of land, drinking water purposes and generation of 78 MW hydropower.
- The project comprises two powerhouse of 2×30 MW and 3×6 MW each, two tunnels of 1.9 km long upper level, 1.1 km long tunnel lower level and a 221 km long Ken-Betwa link canal, proposed on the left bank of the river.



- The project will provide irrigation facilities for 6,35,661 hectares of land in Panna, Chhattarpur, Tikamgarh districts in Madhya Pradesh, and Banda, Mahoba and Jhansi districts in Uttar Pradesh.

Sources: the hindu.

**Paper 3 Topic: Disaster and disaster management.**

## India asked to employ proper resources for operations in conflict zones

A leading global think tank, the Carnegie Endowment for International Peace, has recommended putting in place a formal doctrine or emergency plan and developing standard operating procedures to facilitate evacuation of expatriates from conflict zones.

### Recommendations made:

In the report- 'India's Expatriate Evacuation Operations', the think tank has made recommendations including training and preparing diplomatic corps and military personnel, and establishment of a permanent coordinating mechanism among various government departments at national and international level for a smooth evacuation of expats.

### Background:

India has extensive experience in conducting evacuation operations. Successive Indian governments have conducted more than 30 evacuation operations across West Asia, Africa and Europe since 1990, including the largest ever civilian airlift of 110,000 people from Kuwait in 1990. About 20 million Indians travel abroad annually and another 11 million Indians reside overseas.

As India's diaspora continues to grow, so will be challenges New Delhi faces in protecting this diverse and geographically diverse and geographically dispersed population. To overcome these issues, the Indian government will have to institutionalise best practices, bolster its diplomatic and military capabilities, and improve coordination.

Sources: et.

## Surviving drought: Kerala imposes curbs on water use

Faced with a worsening drought situation, the Kerala state government has imposed curbs on the use of water in reservoirs and stepped up the review and monitoring system at the district level.

### Various measures undertaken by the government to handle the situation:

- District Collectors have been directed to stop the release of water through canals for irrigation and keep a close tab on the water level in reservoirs.
- The assessment of the water situation in terms of Litres Per Capita per Day (LPCD) is being reported to the government on a regular basis. The Chief Secretary is closely monitoring the situation in each district and coordinating drought mitigation.
- The focus is on ensuring the availability of drinking water up to the onset of the southwest monsoon in June. Efforts are on to establish drinking water kiosks in all wards.
- The government is also monitoring the utilisation of groundwater by industries. The SDMA had proposed a 75 per cent cut in the extraction of groundwater by industries.

**Background:**

The season's rainfall from January 1 have shown a deficit of 99%, signalling a post-monsoon dry spell expected to last till March in the state. The isolated showers during the current dry spell are not expected to improve the water situation.

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.

## Bitcoin nears all-time high as it becomes 'safe haven' asset

Bitcoin is at its all-time high. It is all set to become a new safe haven asset as the world grapples with growing economic uncertainty. It has fluctuated wildly since it was created in 2009.

Recently Bitcoin broke the \$1,100 barrier on the Bitcoin Price Index to continue a dizzying rise that made it the best performing currency of 2016.

### Bitcoin Price Index

Bitcoin Price Index represents an average of bitcoin prices across leading global exchanges that meet criteria specified by the [XBP](#). It is intended to serve as a standard retail price reference for industry participants and accounting professionals.

### **What are bitcoins?**

They are encrypted digital coins created by supercomputers and then traded online or exchanged for goods and services. They are not supported by any country's government or central bank.

### **Why they are in demand now?**

- Experts say, the chaotic withdrawal of high value bills in India and restrictions on buying foreign currency in China as the yuan slides against the dollar have increased the demand.
- Also, Exacerbating the rocketing demand is a tightening supply of fresh bitcoins.

Sources: et.

## US designates election infrastructure as 'critical'

Citing increasingly sophisticated cyber bad actors and an election infrastructure that's "vital to national interests," US government has designated US election systems as critical infrastructure. This move aims to provide more federal help for state and local governments to keep their election systems safe from tampering.

### **Key facts:**

- The designation places responsibilities on the US Homeland Security secretary to identify and prioritize those sectors, considering physical and cyber threats against them.
- The secretary is also required to conduct security checks and provide information about emerging and imminent threats.



- Such a change does not require presidential action, and only requires the secretary to first consult with the assistant to the president for homeland security and counterterrorism.
- While the designation puts responsibilities on the Department of Homeland Security, it does not require entities that are determined “critical infrastructure” to participate. Much of the nation’s critical infrastructure is in the private sector.
- The designation allows for information to be withheld from the public when state, local and private partners meet to discuss election infrastructure security – potentially injecting secrecy into an election process that’s traditionally and expressly a transparent process.
- Election infrastructure includes storage facilities, polling places and vote tabulation locations, plus technology involved in the process, including voter registration databases, voting machines and other systems used to manage the election process and report and display results.

Sources: the hindu.

## 50% jump in smuggling of currency, reveals DRI

The recently-released data by the Directorate of Revenue Intelligence (DRI) and the Customs show a 50% jump in smuggling of Indian, foreign and counterfeit currency notes over the previous years. The figures are for the financial year 2014, 2015 and 2016 (up to March). The figures do not mirror the impact of demonetisation.

### Key facts:

- Nearly ₹36.87 crore of foreign currency notes was seized in 2016, as opposed to ₹25.09 crore in 2015.
- The seizure of Indian notes was to the tune of ₹6.85 crore in 2016 as against ₹3.71 crore in 2015, while the seizure of counterfeit Indian notes rose to ₹2.72 crore in 2016 from ₹1.24 crore in the previous year.
- The data also reveals a 100% rise in smuggling of narcotics, electronic, fabrics, and aircraft parts.

### DRI:

The Directorate of Revenue Intelligence was constituted on 4th December 1957, for dealing exclusively with the work relating to the collection and study of information on smuggling activities and the deployment of all anti-smuggling resources at the all India level, besides arranging training for the intelligence and Investigation officers of the Custom Houses and Central Excise Collectories deployed on similar work.

- DRI is the major intelligence agency which eradicates smuggling of drugs, gold, diamonds, electronics, foreign currency, counterfeit Indian currency, etc.
- It functions under the Central Board of Excise and Customs in the Ministry of Finance, Department of Revenue.
- The Directorate is run by officers from Central Excise and Customs. Though its early days were committed to combating smuggling in of gold, it has now tuned itself to the changing nature of crimes in the field of narcotics and economic crimes.

Sources: the hindu.

## 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 infringement 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.

## **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.



## INSIGHTS TEST SERIES FOR UPSC PRELIMINARY EXAM 2017 (GS PAPER-1)

### HIGHLIGHTS

- NCERT and other Standard Books based highly conceptual Tests for General Studies Paper - 1
- Emphasis on **Self Study** by providing practical Timetable for whole year that can be followed on a regular basis
- 32 Full Length Tests Each with 100 High Quality Questions
- Focus on enabling you to get 130+ score in Paper - 1
- Analysis of your Performance in different categories after Each Test
- All India Ranking of Individual and Cumulative Tests
- Duration of test series is for one year. Date of your ranking and performance in tests will be removed before the beginning of 2018 Test Series.
- Revision Tests to allow time for regular revision

### ADVANTAGES

- High quality 32 Full Length Tests widely acclaimed for their quality questions and right approach to preparing for UPSC civil services Preliminary exam (General Studies Paper -1)
- Detailed solutions to each question with exhaustive explanations make Insights tests unique.
- Wide coverage of all authentic and primary sources which UPSC is fond of sourcing questions for its exams.
- We take it very serious to focus more on concepts rather than on facts. Questions will help you build your concepts from scratch.
- You will fall in love with NCERT books and find them more important than any other sources once you start solving our tests. You will know when you solve our first few tests.
- Questions are framed from standard books and online sources which are recommended by every topper, every year.
- A detailed Study Plan comes with a Timetable to follow on regular basis to prepare for and solve each test.
- All India Ranking will help in assessing your preparation levels.
- Insights has a following of very serious aspirants who are highly motivated and motivate you to be consistent all through the journey.
- Students who subscribed our test series last year have done exceptionally well in Prelims - 2015 and 2016. If you solve all our tests, be sure of clearing Prelims hurdle.

**SUBSCRIBE**



## Facts for Prelims

### Anil Baijal takes over as new Lt Governor of Delhi

- Anil Baijal is the new Lt Governor of Delhi. Baijal is the 20th Lt Governor of Delhi.
- He was appointed to the post by President Pranab Mukherjee last week. His appointment came after Najeeb Jung's sudden resignation from the post.



### Prof. David R. Syiemlieh to perform duties of Chairman, UPSC; Successful Flight Test of Agni – IV

#### Prof. David R. Syiemlieh to perform duties of Chairman, UPSC:

- The President has appointed Prof. David R. Syiemlieh, Member, Union Public Service Commission, to perform the duties of the post of Chairman, Union Public Service Commission.
- Articles 315 to 323 of the Constitution deal with the appointment of UPSC members, powers and functions of the UPSC.
- The Commission consists of a chairman and ten members. The terms and conditions of service of chairman and members of the Commission are governed by the Union Public Service Commission (Members) Regulations, 1969.
- The Chairman and other members of the UPSC are appointed by the President of India. They can be removed by the President.
- As per article 319, the Chairman of UPSC is not eligible for further employment either under Govt of India or a State.



#### Successful Flight Test of Agni – IV:

- Agni-IV, the Long Range **Surface to Surface** Ballistic Missile with a range of **4,000 kms** was successfully flight tested recently.
- The missile is developed by the Defence Research and Development Organisation under the Integrated Guided Missile Development Program.
- Agni IV is **nuclear capable**, with a payload capacity of one tonne of high-explosive warhead.
- The sophisticated surface-to-surface missile is equipped with modern and compact avionics to provide high level of reliability.
- The most accurate **Ring Laser Gyro** based Inertial Navigation System (RINS) and supported by highly reliable redundant Micro Navigation System (MINGS), ensures the vehicle reaches the target within two digit accuracy.
- The re-entry heat shield can withstand temperatures in the range of 4000 degrees centigrade and makes sure the avionics function normally.
- The Agni-IV had undergone one failed and five successful tests over the last five years, with the last one being conducted in November 2015.



## West Bengal's longest free WiFi-enabled road

- West Bengal's longest free WiFi-enabled road has become operational.
- Free WiFi will be available over the entire stretch on Biswa Bangla Sarani covering a distance of 13.5km.
- The step has been taken to facilitate IT professionals who travel along the road to their workplaces.

## Bunkar Mitra; China begins first freight train service to London

### Bunkar Mitra:

- "Bunkar Mitra" is the Government of India's Helpline for Handloom Weavers. The helpline was launched by the government on the occasion of "Good Governance Day" recently.
- The helpline provides a single point of contact to handloom weavers across the country for addressing queries and providing guidance. This helpline can be accessed by dialing the toll free number 1800-208-9988.
- Services that are available through this helpline include- Assistance on technical issues, Access to marketing linkages and Information about various schemes and procedure to avail benefits.

### China begins first freight train service to London:

- China has begun its first freight train service to London from Yiwu, a famed wholesale market town in the eastern province of Zhejiang.
- The train will travel for 18 days over more than 7,500 miles (12,000km) to reach Britain from China.
- It will pass through Kazakhstan, Russia, Belarus, Poland, Germany, Belgium and France before arriving in London.

## Andhra Pradesh govt to give scientists of the state Rs 100 crore for Nobel Prize

- AP government has announced that it will give scientists of the state Rs 100 crore for Nobel Prize.
- This reward is about 17 times more than the prize money given out with the Nobel award, which is about Rs 5.96 crore (Swedish kronor 8 million).
- No other state government in India has perhaps made such a grand offer to its scientists.

## m-Parivahan; New Delhi World Book Fair; North Eastern Tourism Development Council; RBI to provide 1 billion to Nepal

### m-Parivahan:

- It is a citizen centric app that will facilitate access to various transport related services.
- The app provides for virtual driving license and registration certificate through back end connection to Transport National Register.
- If a vehicle number is entered into the app, it will give full details of the car and the owner including his DL and RC. This will provide a way to check genuineness of a vehicle and driver, help in passenger safety when hiring a driver or when buying a second hand vehicle.
- The app will also facilitate good Samaritans through technology. They can report accidents by clicking pictures and reporting to traffic authorities in states and to RTOs, with the option of hiding their identity if they so wish.
- They can also report traffic violations. States will be asked to provide linkages to the 108 service for better response.

**New Delhi World Book Fair to Celebrate 60 Years of National Book Trust:**

- New Delhi World Book Fair has begun. The Fair is being organized in collaboration with India Trade Promotion Organisation.
- New Delhi World Book Fair will have ‘Manushi’ as the Theme of this year, which will focus on writings on and by women; and will exhibit the rich tradition of women writings from ancient times till present.
- National Book Trust is celebrating 60 years of its foundation and it will showcase its journey in promoting books and reading at a special exhibit ‘This is no looking back!’
- The exhibit will display the varied activities that NBT has undertaken in promoting books including book fairs being organized by the Trust across India, participation of NBT in international book fairs, publishing programme among others.
- New Delhi World Book Fair is a platform for displaying our rich treasure of knowledge through books.

**North Eastern Tourism Development Council:**

- The government has announced the formation of exclusive “North-Eastern Tourism Development Council” (NETDC) on a public-private partnership (PPP) mode under the auspices of Union Ministry of DoNER.
- This is for the first time that the Government has decided to set up a separate tourism development agency, devoted to a particular region of the country.

**RBI to provide 1 billion to Nepal:**

The Reserve Bank of India (RBI) has agreed to provide Rs 1 billion to the Nepal Rastra Bank (NRB) after its request that the country was facing a shortage of INR 100 denomination banknotes.

**World's Largest LED Street Lighting Programme to the Nation; Pakistan Successfully Test-Fires Submarine-Launched Babur-3 Missile****World's Largest LED Street Lighting Programme to the Nation:**

- Union Minister of Power, Coal, New & Renewable Energy and Mines, Shri Piyush Goyal recently dedicated the LED based Street Lighting National Programme (SLNP), currently running in the South Delhi Municipal Corporation (SDMC) area, to the Nation.
- It is the World’s Largest Street Light Replacement Programme, which is being implemented by the Energy Efficiency Services Limited (EESL), a joint venture under the Ministry of Power, Government of India.
- The SLNP programme is presently running in Punjab, Himachal Pradesh, Uttar Pradesh, Assam, Tripura, Jharkhand, Chhattisgarh, Telangana, Andhra Pradesh, Kerala, Goa, Maharashtra, Gujarat and Rajasthan.

**Pakistan Successfully Test-Fires Submarine-Launched Babur-3 Missile:**

- Pakistan has successfully test-fired its first Submarine-Launched Cruise Missile capable of carrying a nuclear warhead up to 450km. This has given Pakistan a “credible” second-strike capability.
- The missile, Babur-3, was fired from an underwater, mobile platform and hit its target with precise accuracy.
- Babur-3 is a sea-based variant of Ground Launched Cruise Missile (GLCM) Babur-2, which was successfully tested earlier in December, last year.
- The Babur-3 SLCM incorporates state-of-the-art technologies including underwater controlled propulsion and advanced guidance and navigation features, duly augmented by Global Navigation, Terrain and Scene Matching Systems.



- The missile features terrain hugging and sea skimming flight capabilities to evade hostile radars and air defenses, in addition to certain stealth technologies, in an emerging regional Ballistic Missile Defence (BMD) environment.

## National Youth Festival; Petroleum Ministry receives Silver Award for Excellence in Citizen Centric Services; Income Tax Department receives Silver Award for e-filing of Income Tax Returns project

### National Youth Festival

- National Youth Festival is organized every year by the Department of Youth Affairs of Union Ministry of Youth Affairs and Sports on the birth anniversary of Swami Vivekananda on January 12.
- This time the festival is being organized in **Rohtak**, Haryana.
- Theme- **Youth for Digital India**.
- The Mascot of the festival has also been decided in view of the long standing skewed sex ratio especially in a state like Haryana. Selection of '**Lado**' reflect the sensitivity of the state government towards the gender inequality in the state and to bring women at par with men which both the government is committed to combat.

### Petroleum Ministry receives Silver Award for Excellence in Citizen Centric Services:

- Ministry of Petroleum & Natural Gas and the Oil Marketing Companies Indian Oil, HPCL and BPCL collectively received Silver Award for Excellence in Citizen Centric Services in the **National Awards on e-Governance 2016-17**.
- The award is in recognition of the achievements of the Ministry and OMCs for significant innovations in the area of e-governance and various initiatives for the LPG sector like **Sahaj** (online issue of new connections), online refill payment, etc.

### Income Tax Department receives Silver Award for e-filing of Income Tax Returns project:

- The Income Tax Department has been conferred the Silver Award in the National Awards on e-Governance-2016-17 for the e-filing of Income Tax returns and other forms project in the category "Incremental Innovations" in existing projects.
- The award is in recognition of the achievements of the Department in the area of e-Governance and for significant innovations in successful e-Governance programs in the current Award period. The e-filing of Income Tax returns project had already won the Silver Award in the National Awards on e-Governance in 2007-08.

## DEFCOM – 2017; New species of gibbon discovered in China; World's first gender literature fest in Patna; India's first international stock exchange

### DEFCOM – 2017:

- DEFCOM – 2017 was recently inaugurated in Delhi.
- Theme- 'Infrastructure and Skilled Human Resource for Digital Army'.
- DEFCOM is an annual seminar organised jointly by the Corps of Signals of Indian Army and Confederation of Indian Industry (CII).
- DEFCOM is the most seminal forum for interaction between the officers of the Armed Forces, Indian Industry, Academia and R&D organisations on matters related to operational communication systems for the Army.

**New species of gibbon discovered in China:**

- Scientists have discovered a new species of gibbon living in south-west **China's** rainforests.
- It has been named the Skywalker hoolock gibbon by its discoverers, who are Star Wars fans. The name is also a nod to the fact that the Chinese characters of its scientific name, Hoolock tianxing, mean "Heaven's movement".
- Gibbons are renowned for their loud song, which they use to mark territory, and this also sounded unusual.
- The scientists estimate that about 200 Skywalker gibbons are living in China and also potentially in neighbouring Myanmar, but say that the species should already be classified as endangered. Habitat loss and fragmentation is putting the gibbons at risk of extinction.

**World's first gender literature fest in Patna:**

- The world's first 'Gender Literature Festival' will be held in Patna in the second week of April.
- The Gender Resource Centre of Bihar's Women Development Corporation will be organising the festival.
- The objective of this initiative is to create a platform, to exchange ideas, and to share and learn experiences of renowned people in the field of gender based or focussed literature.
- The festival will also act as a platform to increase visibility for gender equity and advocacy in the State of Bihar.

**India's first international stock exchange:**

- India's first international exchange-India INX- was recently inaugurated by PM at International Financial Services Centre (IFSC) in Gujarat International Financial Tech City (GIFT) located in Gandhinagar.
- India International Exchange (INX), the wholly-owned subsidiary of the Bombay Stock Exchange (BSE), through its global bourse, will start trading initially in equity derivatives, currency derivatives, commodity derivatives including Index and Stocks. Subsequently, depository receipts and bonds would be offered once the required infrastructure for the same is in place.
- India INX is one of the world's most advanced technology platforms with a turn-around time of 4 micro seconds. It will operate for 22 hours a day to allow international investors and Non Residents Indians to trade from anywhere across the globe.
- It will act as a gateway to raise capital for the country's infrastructure and development needs. In parallel, it would provide cross-border opportunities of investment with a comparatively low cost of transaction in the world's most technologically advanced platform.

**Dr. Jitendra Singh chairs 29th meeting of SCOVA; Successful Test Firing of Guided Pinaka; China commissions sophisticated, round-the-clock naval reconnaissance ship****Dr. Jitendra Singh chairs 29th meeting of SCOVA:**

- Union Minister Dr. Jitendra Singh recently chaired the 29th meeting of the Standing Committee of Voluntary Agencies (SCOVA).
- The SCOVA meeting is organised by the Department of Pensions & Pensioners' Welfare (DoP&PW), Ministry of Personnel, Public Grievances & Pensions.



- On the recommendations of Parliamentary Consultative Committee, DoPPW constituted a Standing Committee of Voluntary Agencies (SCOVA) in 1986. SCOVA is a mechanism for consultation with, or representation by, the members of the Pensioners Associations.
- SCOVA consists of 15 Non-official members (5 Standing Group and 10 Rotating Group Members) represented by the Pensioners Associations from various Ministries/Departments/Regions/States etc.
- Official Members are representatives of various Ministries/Departments of Government of India. It is a useful forum for holding consultation with the stakeholders i.e the pensioners through their Associations and concerned Ministries/Departments.
- It provides the Associations an opportunity for raising their issues concerning pensioners' welfare etc. directly before the concerned Ministries/Departments.

#### **Successful Test Firing of Guided Pinaka:**

- The Pinaka Rocket converted to a Guided Pinaka was successfully test-fired from Launch Complex-III, ITR, Chandipur recently.
- The Pinaka Rocket Mark-II, which evolved from Pinaka Mark-I is equipped with a navigation, guidance and control kit and has been transformed to a Guided Pinaka. This conversion has considerably enhanced the range and accuracy of Pinaka.
- The Guided Pinaka is developed jointly by ARDE Pune, RCI Hyderabad and DRDL Hyderabad. ITR Chandipur provided the range and launch support.

#### **China commissions sophisticated, round-the-clock naval reconnaissance ship:**

- China's Navy has commissioned a sophisticated electronic reconnaissance ship, capable of conducting all-weather, round-the-clock observation on multiple targets.
- The new ship is named CNS Kaiyangxing, or Mizar.
- The Kaiyangxing is capable of conducting all-weather, round-the-clock reconnaissance on multiple and different targets.

### **Indian harvest festivals**

The Harvest season is on and festivities have gripped the nation from the north to down south.

- The festival of **Makar Sankranti** is being celebrated today when the Sun enters the Makar zodiac and the days begin to lengthen compared to nights.
- In South India and particularly in Tamil Nadu, it's the festival of **Pongal** which is being celebrated over 4 days at harvest time.
- In Assam and many parts of the North East, the festival of **Magha Bihu** is celebrated. It sees the first harvest of the season being offered to the gods along with prayers for peace and prosperity. People in Assam celebrate this festival wearing colourful and bright clothes.
- Gujarat celebrates it in the form of the convivial **kite festival of Uttarayan**.
- In Punjab, Makar Sankranti is celebrated as **Maghi**. Bathing in a river in the early hours on Maghi is important.
- In Shimla District of Himachal Pradesh, Makara Sankranti is known as **Magha Saaji**. Saaji is the Pahari word for Sakranti, start of the new month. Hence this day marks the start of the month of Magha.
- The festival is known as **Kicheri** in Uttar Pradesh and involves ritual bathing.



## 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.
- The programme is being organized by PCRA (Petroleum Conservation Research Association) and other Oil & Gas PSUs under the aegis of Ministry of Petroleum & Natural Gas.
- It is a month long awareness programme. During one-month long drive, workshops will be held for drivers of commercial vehicles and housewives, cooks on adopting simple fuel saving measures.
- Saksham – 2017 also aims to educate on various steps for fuel conservation through activities like Quiz Show, Saksham Asian Cycling Championship, Walkathons, concerts and other activities across the country.

## 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.

## 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 taking a slew of measures which include 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.

## 24th Conference of Central and State Statistical Organisations (COCSSO); Bengaluru beats Silicon Valley, becomes the most dynamic city in the world

### 24th Conference of Central and State Statistical Organisations (COCSSO):

- The two day Conference of Central and State Statistical Organizations (COCSSO) has begun at Nagpur, Maharashtra.



- This Conference is being conducted by Ministry of Statistics and Programme Implementation (MoSPI) in collaboration with the Directorate of Economics and Statistics(DES), Government of Maharashtra.
- The theme of this year's Conference is "Agriculture and Farmers' Welfare".
- As per the recommendations of the National Statistical Commission, Ministry of Statistics & Programme Implementation organizes a COCSSO every year, which provides a platform for the Central and State Statisticians to exchange views and discuss common issues relating to statistical activities.
- This is a major national forum for coordination between the Central and State Statistical Agencies with the objective of putting in coordinated efforts for making available reliable and timely statistics to planners and policy makers, not only in Government but also in private corporate sector for evidence based decision making and good governance.

#### **Bengaluru beats Silicon Valley, becomes the most dynamic city in the world:**

- Bengaluru has emerged as the most dynamic city in [Jones Lang LaSalle's fourth annual City Momentum Index of cities](#) around the world.
- Bengaluru is followed by Ho Chi Minh City of Vietnam and Silicon Valley in the U.S.
- Other cities in Top 10 category include Shanghai, Hyderabad, London, Austin, Hanoi, Boston and Nairobi.
- Asia-Pacific cities comprise half of the top 30 fastest-changing cities. India has taken over from China as home to some of the world's most dynamic cities. Six Indian cities feature in the CMI Global Top 30, with the country's primary technology hub, Bengaluru, moving into the top spot for the first time.
- The annual City Momentum Index tracks the speed of change of a city's economy and commercial real estate market. It covers 134 major established and emerging business hubs and identifies cities that have the potential to maintain the greatest dynamism over the short and long term.

#### **SBI teams up with INS Vikramaditya; China commissions 31st stealth warship; Guinness record**

##### **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.

**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.

**Child vulnerability map; Nepal recognises employment in India as foreign****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 runaway 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.



## Jeevan Raksha Padak Awards – 2016; Padma Awards 2017; National Voter's Day

### 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.

## 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.



## 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.

## North East Investors' Summit; Film Condition Assessment Project under NFHM; 2016 Global Go To Think Tank Index Report

### 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.



## 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**.

