

News for September 2017

The Crux of The Hindu and PIB

Vol. 37

Important News in the field of :

National

Economy

India and World

International

Science & Environment

Miscellaneous News



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Press Information Bureau, Government of India

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Aspirant Forum is a Community for the UPSC Civil Services (IAS) Aspirants, to discuss and debate the various things related to the exam. We welcome an active participation from the fellow members to enrich the knowledge of all.

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The Crux will be published online for free on 10th of every month. We appreciate the friends and followers for appreciating our effort. For any queries, guidance needs and support, please contact at: aspirantforum@gmail.com You may also follow our website Aspirantforum.com for free on-line coaching and guidance for IAS

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About the 'CRUX'

Introducing a new and convenient product, to help the aspirants for the various public services examinations.

The knowledge of the Current Affairs constitute an indispensable tool for all the recruitment examinations today. However, an aspirant often finds it difficult to read and memorize all the current affairs, from an exam perspective. The Newspapers and magazines are full of information, that may or may not be useful for the exams. Thus, a candidate is forced to spend a substantial amount of his time in selecting and maintaining notes for the current affairs.

Another problem is that it is difficult to get every bit of information, relevant from the exam perspective at one place. Thus, candidates are often found wasting their time in search of current affairs material.

It is with this problem in mind that we have come up with the GIST of The Hindu and Press Information Bureau (PIB).

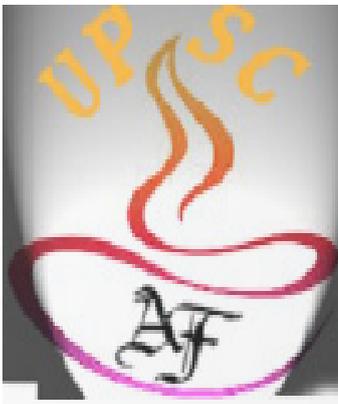
The whole concept of the CRUX is to provide you with a summary of the important news and current affairs, from an exam point of view. By reading the CRUX, you will be able to save your precious time and effort, as you get all the relevant matter in a summarized and convenient form.

The Crux is particularly helpful for the Civil Services, Banking, SSC and other exams that have a current affairs section.

The material is being provided in such a manner that it is helpful for both- objective and descriptive sections. Our aim is to help the candidates in their effort to get through the examinations. Your efforts and dedication inspire us to keep going. It is our sincere effort to make your journey easier.

Best Wishes
Editorial Board
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The Hindu
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National

Refugees go to SC against Article 35A

Some refugees from West Pakistan, who had migrated to India during Partition, have moved the Supreme Court challenging Article 35A of the Constitution relating to special rights and privileges of permanent residents of Jammu and Kashmir.

The petition said nearly 3 lakh refugees had arrived from West Pakistan, but those settled in Jammu and Kashmir had been denied the rights guaranteed under Article 35A. A Bench of Chief Justice Dipak Misra and Justices A.M. Khanwilkar and D.Y. Chandrachud tagged the plea of the refugees, who are settled in Kathua district of Jammu and Kashmir, with similar matters pending before it. The court had, on the request of the Jammu and Kashmir government, posted the matters challenging the Article for hearing after the Deepavali holidays.

Earlier, a Kashmiri Pandit woman, CharuWali Khanna, had approached the court challenging the provision. Petitioners Kali Das, his son Sanjay Kumar and one other, in their plea, said they were raising issues seeking conferment of basic natural and human rights.

Rajiv Mehrishi made new CAG

Former Union Home Secretary Rajiv Mehrishi was appointed Comptroller and Auditor General of India (CAG), while former Information and Broadcasting (I&B) Secretary Sunil Arora was appointed Election Commissioner to fill the vacancy in the three-member Election Commission. Both are former IAS officers of the Rajasthan cadre.

Assam issues AFSPA order for State

For the first time since 1990, the Assam government issued orders declaring the State a “disturbed area”, imposing the Armed Forces Special Powers Act (AFSPA) for six months.

Such orders were earlier issued by the Union Home Ministry, which recently gave up its power and asked the State government to decide on continuing the enforcement of the AFSPA in the State.

Under Section 3 of the Act, it can be invoked in places “where the use of armed forces in aid of the civil power is necessary”.

Except in the case of Tripura and Manipur, the Centre had been issuing such notifications for Assam, Nagaland, Arunachal Pradesh and Meghalaya.

The decision comes a year after the BJP came to power in Assam in 2016.

Huge powers

The AFSPA gives powers to the Army and Central forces deployed in “disturbed areas” to kill anyone acting in contravention of the law, arrest and search any premises without a warrant, and provide cover to the Armed Forces from prosecution and legal suits without the Centre’s sanction.

An official explained that the Assam government’s notification will not affect the operation of Central forces or the Army deployed in the State.

On August 4, the Home Ministry extended the AFSPA in Assam for 27 days, which expired on August 31.

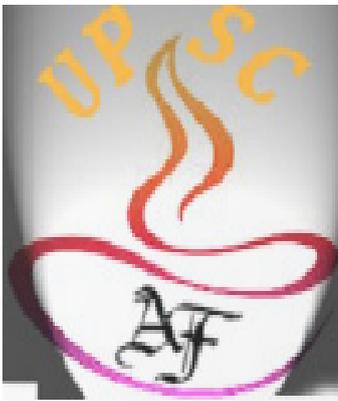
Prabhu loses Railway berth, Piyush boards train

The outgoing Railway Minister, Suresh Prabhu, who resigned taking moral responsibility for recent train derailments, defended the safety record of the Indian Railways even as Power Minister Piyush Goyal was announced as his successor.

“You people have a tendency to make sensational ideas,” Mr. Prabhu said, when asked if the portfolio was changed because he resigned. “Over the period of last three years, (rail) accidents have declined. There has been a thrust on safety for the first time over three years. Also, Rs. 1 lakh crore has been committed towards a safety fund which never happened in the past. If you take any five year period and compare with the last three years the number of accidents has gone down,” Mr. Prabhu, who took over as Commerce and Industry Minister, told the media.

Official figures show the total number of consequential train accidents has declined from 135 in 2014-15 to 107 in 2015-16 and 104 in 2016-17. However, the number of derailments soared to 78 in 2016-17 from 65 in 2015-16 and 63 in 2014-15. Derailment accounted for 75% of the total rail accidents in 2016-17 compared with 46.7% in 2014-15.

“We are doing structural changes to make sure safety is prioritised. Even one accident is painful, so I took moral responsibility for it,” he said. He put the onus of the train accidents on the previous United Progressive Alliance government. “To reduce the casualties, work on (German-make) LHB coaches (with anti-climbing features)



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has been started. Around 40,000 non-LHB coaches will be converted to LHB coaches in five years. If all these had happened in the past 70 years, the accidents would not have taken place,” Mr. Prabhu said.

Section 377: SC to start hearing

The Supreme Court is likely to hear on September 8 curative petitions against Section 377 of the Indian Penal Code, a colonial-era provision criminalising consensual sexual acts of Lesbian, Gay, Bisexual and Transgender (LGBT) adults in private.

On February 2 last year, a Bench led by the then Chief Justice of India, T.S. Thakur, indicated that the petitions needed to be referred to a five-judge Constitution Bench for a possible back-to-roots, in-depth hearing.

The three-judge Bench of CJI Thakur and Justices Anil R. Dave and J.S. Khehar gave credence to arguments that the threat imposed by Section 377 amounted to denial of the rights to privacy and dignity, and resulted in gross miscarriage of justice.



Major boost

The fight against Section 377 got a major boost when a nine-judge Bench of the Supreme Court, while upholding the right to privacy as a fundamental right intrinsic to life and liberty, ripped apart a 2014 judgment dismissing the case against Section 377.

The nine-judge Bench on August 28 observed that the chilling effect of Section 377 “poses a grave danger to the unhindered fulfilment of one’s sexual orientation, as an element of privacy and dignity”.

In separate judgments, the Constitution Bench led by then Chief Justice of India J.S. Khehar concluded that the 2014 verdict by a two-judge Bench of the apex court pandered to a “majoritarian” view to turn down the LGBT community their inherent fundamental rights of life, personal liberty, equality and gender discrimination.

The 2014 judgment’s view that “a minuscule fraction of

the country’s population constitutes lesbians, gays, bisexuals or transgenders” was not a sustainable basis to deny the right to privacy, Justice D.Y. Chandrachud observed in his judgment.

Last stand

The curative petition was the last stand for the over a decade-old legal fight for LGBT rights. The Review Bench of the Supreme Court, in January 2014, had agreed with its original appeal judgment on December 11, 2013, setting aside the historic verdict of the Delhi High Court. The High Court had declared Section 377 unconstitutional.

Ministries spar over regulating drones

“What if a UAV is out of control and crashes into a police station or somebody’s house. To address these issues we need to know who owns a UAV, of what make and in which areas it could be operated,” said the Home Ministry official. The Ministry was expected to put the draft law in the public domain for comments but it has not done so yet.

In April 2016, the DGCA had proposed detailed guidelines for civilian use of drones.

The DGCA had proposed that drone users would have to obtain its permission and get a unique identification number for each drone. The user was also required to get security clearance from the Bureau of Civil Aviation and all drone operations over 200 feet would require the DGCA’s nod. However, the MHA had raised some objections to DGCA’s draft, saying anti-UAV technology to detect and neutralise the threats from a hostile drone is also required, a DGCA official said, on the condition of anonymity.

CBSE issues new safety guidelines

After two incidents of gruesome crimes against children were reported in the National Capital Region last week, the Central Board of Secondary Education (CBSE) has issued new safety and security guidelines for all schools. The schools will face de-recognition if they don’t follow the guidelines.

On September 8, a seven-year-old boy was found murdered inside a school in Gurugram and the next day a five-year-old girl was raped in a school in east Delhi. In its notification, the CBSE said the onus of keeping students safe within schools would “solely lie upon the school authorities”.

Healthy environment

“Children are spending most of their time in school, the



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concern of parents about the safety of school children is increasing every other day. It is a fundamental right of a child to engage and study in an environment where he or she feels safe and is free from any form of physical or emotional abuse or harassment," the notification said. Among the instructions issued by the CBSE were safety audits of schools done by their respective local police stations, installation of CCTV cameras at all vulnerable areas inside schools and limiting the entry of outsiders. The CBSE asked the schools to ensure that support staff was employed only from authorised agencies and proper records are maintained. "Verification and evaluation for non-teaching staff such as, bus drivers, conductors, peon and other support staff may be done very carefully and in a detailed manner," the directive read.

Additionally, schools were also asked to constitute separate committees for redressal of grievances of the public, staff, parents and students. Further, the board also directed the schools to constitute an internal complaints committee for complaints regarding sexual harassment and committees under Protection of Children from Sexual Offence Act, 2012. "Details of these committees along with contact details shall be displayed prominently on school notice boards and conspicuously on the school website for information of all stakeholders" said the CBSE.

Making guidelines mandatory for all schools, the notification said, "Any violation or lapses with regard to safety and well-being of children in school campus would invite appropriate action including the disaffiliation of the school as per the provisions under affiliation bye-laws of the board."

Court suggests audit of NULM funds

The Supreme Court has questioned whether the money meant to build shelter homes for the urban homeless and poor across the country is was actually lying unspent or had been diverted for other purposes.

A Bench, led by Justice Madan B. Lokur, suggested an audit by the Comptroller and Auditor General of the funds disbursed under the National Urban Livelihoods Mission (NULM) scheme.

It said such an audit was necessary as the apex court-appointed committee, which is headed by former Delhi High Court judge Justice Kailash Gambhir and was set up to verify the availability of such shelters, would not look into this aspect.

Solicitor General Ranjit Kumar, appearing for the Centre, submitted that the amount not spent by the States for

the previous year was Rs. 412 crore, while Rs. 228 crore had been released by the Centre for 2017-18.

"One thing is that you [Centre] give money and the States do not spend it. For 2017-2018, you have given Rs. 228 crore. Why should you give them more money?" the Bench said.

"The money is not spent by the States and the sufferers are the homeless people. How can you ensure that the money is spent? It should not be diverted as the money has been given for a specific purpose," the court said.

The court fixed the matter for hearing on October 13.

Ministry gets notice over National Library extension

The Central Information Commission (CIC) has served a show-cause notice to the Ministry of Culture (MoC) for not replying to a Right to Information (RTI) query filed last year on the proposed regional extension centre of the National Library in New Delhi.

Currently, the sole campus of the National Library is located in South Kolkata.

"The Commission directs the respondent authority to provide point-wise information to the applicant, free of cost and also directs the Central Public Information Officer (CPIO) to show-cause why maximum penalty should not be imposed for not replying properly before 21.9.2017," the CIC said in its notice. Calls to N.K. Sinha, the CPIO, went unanswered.

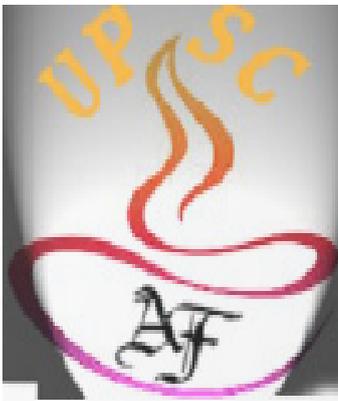
In his application, Biswanath Goswami, a socio-legal researcher and activist, sought "complete information and each copy of relevant documents relating to present and final/ultimate/long term plan of action and policy and programme in future regarding the establishment of Regional Centre/Extension Centre of National Library at New Delhi".

He also asked for details and copies of every meeting, proposal and decision of all concerned departments and ministries. In its reply, dated September 21, 2016, the Ministry said: "It is informed that the proposal is under consideration in the Ministry of Culture."

Not satisfied, Mr. Goswami appealed to the First Appellate Authority (an officer senior in rank to the CPIO) at the Ministry, which replied on January 11 that the proposed extension counter of the National Library was at "nascent stage of discussions".

Substantiating claim

Mr. Goswami then appealed to the CIC, alleging that both the CPIO and the First Appellate Authority not only



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“suppressed material facts” but “purposefully supplied false, contradictory and misleading information”.

“I have got government documents which show that the MoC deliberately provided misleading information about the proposed extension centre” Mr. Goswami said.

According to the government document, a copy of which is with The Hindu, not only have the aims and objectives of the proposed extension of National Library been decided, but its reader capacity, staff requirement as well as estimated budget have been fixed. The document, titled Proposal for Establishment of National Library Extension Centre/Regional Centre at New Delhi, says that the regional centre should be established at New Delhi for “better coordination and liaison with publishers”.

The document also states that the estimated expenditure for the initial one year of the extension counter will be about Rs. 1.12 crore.

Railways cut sleep time by an hour

The Railways is reducing the ‘official sleeping hours’ on reserved coaches in trains in an effort to put an end to quarrels that break out if passengers in the middle and lower berths oversleep.

According to a circular issued by the Railway Board, passengers in the reserved coaches can only sleep between 10 p.m. and 6 a.m. so that others may sit for the rest of the time.

The new provision replaces paragraph 652 in the Indian Railways Commercial Manual, Volume I, which provides for sleeping accommodation between 9 p.m. and 6 a.m.

“Sleeping accommodation between 2200 hours and 0600 hours and sitting accommodation for the rest of the period is provided for the passengers in the reserved coaches having sleeping accommodation,” said the circular, dated August 31.

The circular, however, makes an exception for certain passengers. “Passengers are, however, requested to cooperate with the sick, persons with disability, and pregnant ladies in case they want to sleep beyond permissible limits,” it says.

“We already have a rule in place. However, we wanted to clarify it and ensure it is followed,” said Ministry spokesperson Anil Saxena.

6 High Courts don't have regular Chief Justices

Six High Courts in the country are without regular Chief Justices for the past several months, and at least four

Chief Justices of various High Courts will be retiring in 2017.

The acting Chief Justices in the six High Courts are Justices Nishita Mhatre (Calcutta), Gita Mittal (Delhi), Sanjay Karol (Himachal Pradesh), D.N. Patel (Jharkhand), N. Kotiswar Singh (Manipur) and Ramesh Ranganathan in the High Court of Judicature for the States of Telangana and Andhra Pradesh.

Temporary arrangement

Acting Chief Justices take over the responsibilities of the top judge of the State judiciary as a temporary arrangement. They are meant to fill the vacuum for a short time till the formalities for the appointment of a regular Chief Justice are completed.

However, Justice Ranganathan has been the acting Chief Justice of the High Court of Telangana and Andhra Pradesh since July 30, 2016. That is well over a year.

Justice Mhatre has been the acting Chief Justice since December 1, 2016, Justice Mittal since April 14, 2017, Justice Karol since April 25, 2017, Justice Patel since June 10, 2017, and Justice Singh since July 1, 2017.

The year will also see four crucial retirements in the State judiciaries. Justice Mhatre is set to retire on September 19.

This will be followed by the retirement of Karnataka High Court Chief Justice S.K. Mukherjee on October 9. Kerala High Court Chief Justice Navaniti Prasad Singh will retire on November 5. Finally, Bombay High Court Chief Justice Manjula Chellur will retire on December 4.

Digital payments may gain traction: Jaitley

The Centre expects digital payments to gain traction again on its initiatives, platforms such as Unified Payments Interface (UPI) and evolution of technology, according to Finance Minister Arun Jaitley.

The Minister's comments come against the backdrop of marginal decline in digital transactions which had peaked in the aftermath of demonetisation.

“Obviously, in the month of November, December and January, a lot of people went in for digitisation in terms of mode of payment more out of compulsion rather than finding it a more convenient method to transact, but that compulsion itself created a habit for many,” the Minister said at an event to unveil Google's digital payment platform for India — Tez.

“We reached a peak figure, and then it marginally slipped and is now bound to pick up again,” he said. As per RBI data, the number of digital payment transactions in In-



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dia stood at 671.5 million in November 2016, growing to 957.5 million in December 2016. The process of re-monetisation triggered a dip in such payments to 870 million in January 2017, 763 million in February, almost 894 million in March, 853 million in April, 858.5 million May, 844.7 million in June and 861 million in July.

Mr. Jaitley said with applications as simple as the one Google had unveiled, digital payments, which started as a compulsion, were likely to become a matter of convenience.

Android, iOS users

Tez, meaning 'fast' in Hindi, is a payments application from the U.S. technology giant that had been developed for India first. It is powered by UPI, which is also used in BHIM.

The application will be available for both Android and iOS users, allowing them to make payments straight from their bank accounts. "This is a product that is made for India. "There are areas where India will leapfrog the West and one such case is payments and commerce," said Caesar Sengupta, Google VP (Next Billion Users) said.

'Finalise body for Cauvery water sharing'

The Tamil Nadu government insisted that the Supreme Court itself should finally appoint an authority and frame a scheme for sharing and management of Cauvery river waters among Tamil Nadu, Karnataka, Kerala and Puducherry, and not leave the responsibility to the Centre. Arguing before a Special Bench of Chief Justice of India Dipak Misra, Justices Amitava Roy and A.M. Khanwilkar, Tamil Nadu, represented by senior advocate Shekhar Naphade, said it has for the past 25 years had a frictional relationship with Karnataka over Cauvery, and had often to make the journey to the Supreme Court for release of water.

The day-long hearing saw the court chide the Centre for not implementing the final award of the Cauvery Tribunal in 2007.

Centre questioned

The court questioned the reluctance shown by the Centre to set up of the Cauvery Management Board and frame a scheme for implementation of the tribunal award despite it having been notified in 2013.

"It was your responsibility to frame a scheme," the court asked the Centre, appearing through Solicitor General Ranjit Kumar.

Mr. Kumar said the Centre did set up the Cauvery River Water Authority and Supervisory Committee following the Supreme Court's direction. It had, in fact, been waiting

for some clarifications on the tribunal award. Mr. Kumar submitted that the Centre had decided to wait till the Supreme Court took a final call on the tribunal award.

But Chief Justice Misra responded that the Centre should not have let a vacuum prevail after the tribunal's award.

Senior advocate Fali Nariman, for Karnataka, submitted that the Board or Authority should be headed by a former Supreme Court judge. While Mr. Kumar submitted that the tribunal award was not clear about water release during times of distress, Mr. Nariman differed to say there was no clarity in the award in times of surplus.

Mr. Naphade objected to any fiddling with the monthly release of water as this would impact the State's essential seasonal crops. Karnataka interjected to submit that there should not be any restriction on how it uses its share.

Pass Women's Reservation Bill in LS: Sonia

Congress president Sonia Gandhi has written to Prime Minister Narendra Modi, urging him to get the long-pending Women's Reservation Bill passed in the Lok Sabha, taking advantage of the majority the Bharatiya Janata Party (BJP) enjoys in the House.

This comes at a time when there is speculation that Prime Minister Narendra Modi is planning to bring the Bill, possibly in a changed format, to try and woo the women's constituency.

Ms. Gandhi, who worked very hard to get the Bill passed during the United Progressive Alliance's (UPA) tenure, party sources say, is therefore trying to pre-empt any such effort by the BJP. The UPA succeeded in getting the Bill passed in the Rajya Sabha on March 9, 2010.

In her letter, Ms. Gandhi has assured Mr. Modi of her party's support to the law that she said would be a significant step forward in the empowerment of women.

"I am writing to request you to take advantage of your majority in the Lok Sabha to now get the Women's Reservation Bill passed in the Lower House as well," Ms. Gandhi says in the letter, dated September 20.

Addressing a press conference here, the new Congress women's wing chief, Sushmita Dev, questioned the alleged delay by the government in ensuring the passage of the bill in the Lok Sabha. The BJP, she said, should show that its commitment towards the legislation is not mere "symbolism".

Mr. Modi must assure the country's women that the Bill will be passed soon so that in the next General Elections in 2019, it can be implemented, she said, pointing out that given the work that will have to be done once the Bill



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is passed, the government needs to get going with the business “right now”.

Reading out Ms. Gandhi’s letter at the press briefing Ms. Dev said, “The question we ask Modi after three years of the BJP coming to power is: why the delay?”

In her letter, Ms. Gandhi recalled that the Congress and its late leader Rajiv Gandhi had first suggested quotas for women in Panchayats and municipal bodies through Constitution amendment bills.

Ms. Gandhi said the Bills were “thwarted” by the Opposition in 1989, but were passed by both the Houses of Parliament in 1993.

Answering a question on why the Congress had not taken the matter up with the government after the BJP came into power, Ms. Dev said the issue had been flagged on several occasions including during debates on the floor of the House.

Recalling that Vice President M. Venkaiah Naidu as Parliamentary Affairs Minister had said the government had received several letters from public representatives and NGOs pressing for the passing of the Bill, she added that the government, too, was “discussing and seriously thinking” about the Bill. “Once a Parliamentary Affairs minister makes that statement on the floor of the Lok Sabha, and if Sonia Gandhi ji gives him six months or a year to implement that, I will say it was her faith in the government’s motive. But this did not happen,” she said.

Former Mahila Congress Chief Shobha Oza seconded Ms. Dev and said the Congress had collected “lakhs of signatures” from across the country — these will be submitted to the President.

BJP redirects

The BJP said that Congress president Sonia Gandhi was better off directing her enquiries on the fate of the Women’s Reservation Bill to her former alliance partners in the UPA — Rashtriya Janata Dal (RJD) chief Lalu Prasad Yadav and Samajwadi Party (SP) leader Mulayam Singh Yadav, rather than Prime Minister Modi.

“Rather than writing to the Prime Minister, Congress president Sonia Gandhi ought to have written or spoken to her alliance partners like Lalu Prasad Yadav and Mulayam Singh Yadav to find out why they blocked the passage of the Women’s Reservation Bill when the UPA was in power,” said BJP spokesperson G.V.L. Narasimha Rao.

BJP office-bearers said the party was in favour of the Bill and saw advantages for itself with its passage. “We have enough leadership among women to take advantage of the reservation, but smaller parties like the SP and RJD,

which are mostly family concerns, will be hit,” said a senior leader. “We want to pass the Bill, especially before 2019, but, like the desire for simultaneous Assembly and Lok Sabha polls, this is a nuanced matter requiring fundamental changes to our electoral system,” said a senior BJP general secretary.

India cannot risk security: Rajnath

Home Minister Rajnath Singh said that “some people had again raked up the issue of human rights of Rohingya, who came to India illegally.”

Addressing a seminar organised by the NHRC, Mr. Singh said that any sovereign country was free to take a decision on what kind of action it should take against illegal immigrants.

“The issue of national security is involved with regard to illegal immigration, which our country cannot undermine,” Mr. Singh said.

He also referred to Myanmar State Counsellor Aung San Suu Kyi’s statement two days ago that her country would resettle some of the refugees.

“I am sure Myanmar will take positive a step to take back the Rohingya... the non-refoulement principle is applicable to those who take asylum. No Rohingya has got asylum in India nor have they applied for it. That is why we should not commit the mistake of according the status of refugees to illegal immigrants in the name of human rights,” he said.

However, India had provided humanitarian assistance to Rohingya living in Bangladesh, which was “also affected by the illegal immigration of Rohingya,” Mr. Singh said.

On September 14, India sent 53 tonnes of relief material to Bangladesh for the Rohingya, who have poured into that country following the violence in Myanmar.

Give evidence: Congress

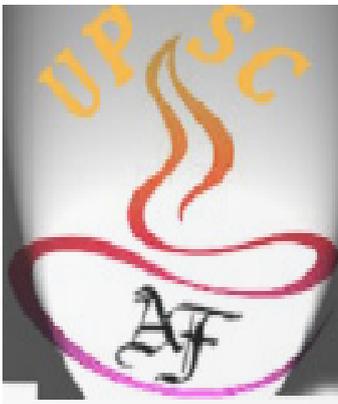
The Congress said that the Centre should make public “whatever evidences” it has about any links of some of the Rohingya with the ISIS and take action as per the Indian law against those found having any such connection.

The party said that “false allegations” should not be levelled against any person.

Congress chief spokesperson Randeep Singh Surjewala made the statement after Mr. Singh said the Rohingyas are illegal immigrants and not refugees.

Leg-up for PM’s pet housing project

People purchasing a low-end house from a private devel-



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oper will be eligible for financial help under the 'Housing For All' policy of the Narendra Modi government, Urban Affairs Minister Hardeep Singh Puri announced.

Unveiling the new public-private partnership (PPP) for affordable housing, Mr. Puri said that it will help in meeting the housing requirements for all targets.

Risk assignment

"This policy seeks to assign risks among the government, developers, and financial institutions, to those who can manage them the best, besides leveraging under-utilised and unutilised private and public lands towards meeting the Housing for All target by 2022," he said.

Pradhan Mantri Awas Yojana (PMAY) or Housing For All has been moving at a rather sluggish pace. The government was to construct 12 lakh houses under PMAY by 2017-18, but only 1.49 lakh houses have been constructed till last year. The Centre now seeks to construct 26 lakh houses in 2018-19, 26 lakh in 2019-20, 30 lakh in 2020-21 and 29.80 lakh in the 2021-22 periods.

Eligible buyers can get Central assistance of about Rs. 2.50 lakh per house as interest subsidy on bank loans. And if they do not avail any loan, they can get upto Rs. 1.50 lakh.

The policy gives eight PPP options for developers to invest in. "Out of these eight, we are talking, six models will utilise government lands," Mr. Puri said. It is now time for private developers to seize the investment opportunities, he added.

CCS clears internal security scheme

The Union Cabinet has approved a Rs. 25,000-crore internal security scheme to strengthen the country's law and order mechanism and modernise the police forces, Home Minister Rajnath Singh said.

The Cabinet Committee on Security (CCS), headed by Prime Minister Narendra Modi, gave its approval for the implementation of the umbrella scheme, Modernisation of Police Forces (MPF), for 2017-18 to 2019-20.

"This is the country's biggest ever internal security scheme. The financial outlay over the three-year period is Rs. 25,060 crore, out of which the Central government's share will be Rs. 18,636 crore and the States' Rs. 6,424 crore," Mr. Singh said at a press conference here. Special provisions had been made under the scheme for internal security, law and order, women's security, availability of modern weapons, mobility of police forces, logistical support, hiring of helicopters and e-prison among others.

Leg-up to infrastructure

The Home Minister said a Central budget outlay of Rs. 10,132 crore had been earmarked for internal security-related expenditure for Jammu and Kashmir, north-eastern States and those affected by left wing extremism (LWE). A scheme for special Central assistance (SCA) for 35 districts worst hit by LWE had been introduced with an outlay of Rs. 3,000 crore to tackle the issue of underdevelopment. An outlay of Rs. 100 crore had been earmarked for police infrastructure upgradation, training institutes, investigation facilities, etc. in the north-eastern States.

The new initiatives were being introduced to provide assistance to States for upgradation of police infrastructure, forensic science laboratories, institutions and the equipment available with them to plug critical gaps in the criminal justice system.

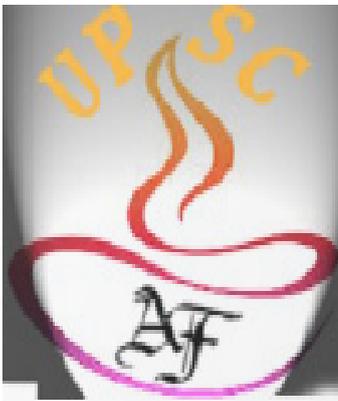
Police stations would be integrated to set up a national database of crime and criminal records. It would be linked with other criminal justice system such as prisons, forensic laboratories and prosecution offices. It also provides for setting up a state-of-the-art forensic laboratory in Amravati and upgradation of the Sardar Patel Global Centre for Security, Counter Terrorism and Anti-Insurgency in Jaipur and the Gujarat Forensic Science University in Gandhinagar.

Right to privacy not an excuse to deny information

The Central Information Commission (CIC) has upheld the right to information over the right to privacy in a case concerning the National Commission for Protection of Child Rights (NCPCR) denying information on cases lying pending with it. It observed that the appellant's request for action taken information on four-year-old complaints before the NCPCR was in the public interest and related to its core function.

In its latest order, the CIC said it was not convincing that the NCPCR refused information, observing that no effort was made to provide the information which could have been voluntarily disclosed under Section 4(1)(b) of the RTI Act. "Except the name of the child, nothing could be denied," the CIC said.

The appellant sought information about the number of complaints received by the NCPCR, a copy of inquiry proceedings in such complaints, date-wise decisions of cases in which the accused were found guilty and what relief was granted. However, the Public Information Officer (PIO) replied on May 17, 2017 that the information



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sought was not disclosable as per exemption under Section 8 (1)(j) of RTI Act.

The CIC said the NCPCR hired the services of a consultant and an adviser, who instead of guiding the PIO properly to disclose the information, misguided him to deny the entire information. "These two experienced seniors did not even provide reasons to justify the denial," it notes. "When appellant was not seeking names and personal information and wanted information about the number of cases left out without any action, or action taken and pending before the Commission for years, the public authority cannot invoke Section 8(1)(j) at all."

The CIC has ordered the NCPCR to provide information regarding cases pending for over two years pertaining to the Bihar circle and the details of disposal of cases where the accused were found guilty, after removing names and personal details of children, within 15 days. It has also directed the PIO to show-cause why maximum penalty should not be imposed upon each of them, for illegal obstruction of information, before October 20, 2017.

Impact of judgment

In a commentary on the impact of the right to privacy judgment passed by the Supreme Court on the RTI Act, Information Commissioner Madabhushi Sridhar noted that the public information officers continue to deny access to information held by them. Published in the September, 2017 issue of the Economic and Political Weekly, he notes: "The misuse of Section 8(1)(j) of the RTI Act, 2005, which codified privacy exception, by PIOs is rampant and most times reduced this act into a mockery."

Centre denies terminating GE contract for diesel loco plant

Railway Minister Piyush Goyal said that the project awarded to General Electric (GE) to build diesel locomotives at Marhowrah in Bihar was on track, amid news reports that the government was planning to end the contract. "The Marhowrah factory is being set up and I think it's on track. In fact, their South Asia and India head met me about five-six days back and requested us to send people for inspection," Mr. Goyal said at a press conference.

"One of their locomotives is about to be dispatched and will arrive here soon. So, the work on the factory is going on. It's on track as per the plans," he added. GE had won a \$2.5 billion contract in November 2015 to supply 1,000 diesel locomotives to the Indian Railways.

Railways' proposal

The Railways had reportedly proposed winding up the project, in a review meeting chaired by Mr. Goyal earlier this month. "The government is firm on its commitment. Anyway, we already are producing dual-mode engines in Varanasi. So, in future, even if we think on those lines, it's not a rocket science to convert diesel to electric plant," Minister of State for Railways Manoj Sinha said. Amid reports of government contemplating end of the Marhowrah plant contract, GE had put out a statement this week saying any such move would put foreign investment at risk and "undermine the government's signature Make in India initiative."

Mr. Goyal said that electrification of the rail network is important to address the concerns of climate change. "In light of that, we had fruitful discussions with GE. I discussed with them how their locomotives will be useful for us or how we can explore opportunities where some of these could also be exported. Or if we can look at opportunities going forward where we can meet the twin objectives of reducing pollution and saving cost."

GST: small firms may get time to file returns

The Centre is considering a proposal from the industry to allow small firms to file quarterly returns even as they pay taxes on a monthly basis under the Goods and Services Tax (GST) regime.

This follows the troubles these small firms are having regarding complying with the GST norms due to their limitations in getting professional help, lack of connectivity and technological glitches.

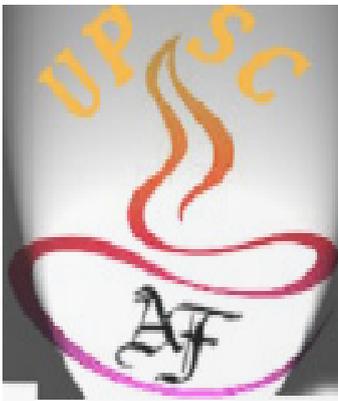
Sources said discussions were on regarding the threshold limit for small firms who could be granted such a relaxation.

'Lack IT infrastructure'

Chandrajit Banerjee, Director General, CII, said in a statement that, "filing of GST return may be made on a quarterly basis, as against the current monthly filing requirement as the MSME sector is still not well equipped with the IT infrastructure and a qualified manpower; this small measure will help bring them into the GST mainstream."

The suggestion was made at finance minister Arun Jaitley's meeting with industry bodies and exporters to address their GST-related problems. The Federation of Indian Export Organisations (FIEO) raised demands including seeking exemption for merchant exporters from GST.

"Merchant exporters account for over 30% of country's exports who usually work on razor thin margins of 2-4%,"



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FIEO said in a statement. “The imposition of GST has made their costing go haywire, particularly for products having higher GST rate, as they have to pay GST and seek refund after some time lag.”

They also wanted the Centre to expedite GST refunds to help them tide over the liquidity crunch. “... even in the best of situation, input tax credit refund would not be available before the first week of November,” FIEO said.

‘Financial wherewithal’

“Most of the exporters, particularly from MSME category, hardly have financial wherewithal to pay GST liabilities for three months without having refund in the meantime.”

“For ease of doing business especially for the MSME, provisional input tax credit period may be extended to 6 months from the current 2 months’ period; this will help cross matching of invoices through the GSTN portal and also save the blockage of the working capital for the small players,” said the CII’s Mr. Banerjee.

Institute of Company Secretaries of India (ICSI) Council Member Satwinder Singh said concerns regarding reverse charge mechanism (RCM) and refund were raised in the meeting.

“Under RCM, threshold exemption for payment of tax may be increased from the present Rs. 5,000 to Rs. 50,000 which shall help ease burden of excessive compliances especially for the MSME players,” the CII suggested. “Format of returns may also be simplified and only basic core details may be required to be furnished,” the CII added.

Navy takes delivery of Scorpene submarine

Mazagon Dock Shipbuilders Ltd. (MDL) of Mumbai handed over the first of the Scorpene submarines, Kalvari, to the Navy. This is the Navy’s first new conventional submarine in two decades.

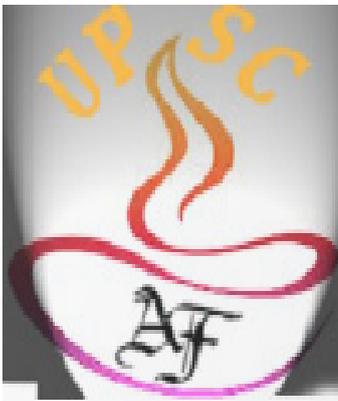
“The state-of-the-art technology utilised in the Scorpene has ensured superior stealth features such as advanced acoustic silencing techniques, low-radiated noise levels, hydro-dynamically optimised shape and the ability to launch a crippling attack on the enemy using precision guided weapons,” MDL said.

MDL is constructing six Scorpene submarines with technology transfer from Naval Group, formerly DCNS of France.

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Economy

Rice mills seek removal of GST on branded rice

Implementation of the Goods and Services Tax (GST) has not gone well for many rice millers, especially those who produce branded rice in the southern States.

Gummadi Venkateswara Rao, chairman of All India Rice Millers' Federation, said that earlier, some States had nil tax on rice while some had 5% tax. Under GST, there is no tax on rice and hence, prices have come down in many places.

However, branded rice, which is just 2% to 3% of the market, attracts a 5% rate. "We have sought bringing branded rice also under 0% GST."

Similarly, rice bran sold for solvent purposes attracts 5% GST while there is no tax on bran meant for cattle or poultry feed. More than half the volume goes to the feed industry. GST on bran should be removed, he said.

K.S. Jagadeesan, former president of the Tamil Nadu Federation of Rice Mill Owners and Paddy, Rice Dealers' Association, said southern States are major rice consumers.



Awareness on rice brands had been high in Tamil Nadu and there are more than 100 brands in the State, he said. "It is the Government that supported and encouraged millers in Kangeyam to modernise mills and develop brands. We did that and now branded rice attracts 5%. This increases the cost of rice," according to Mr. Jagadeesan.

'Micro factories will enable decentralised manufacturing'

Laureate Professor Veena Sahajwalla, Director, Centre for Sustainable Materials Research and Technology

(SMaRT) of University of North South Wales (UNSW) Sydney was recently honoured with the Jubilee Professor award from the Indian Academy of Science, Bengaluru, for her pioneering work in inventing Green Steel from recycled materials and dealing with the problem of electronic waste (e-waste). Now, she, along with her team, is working on micro factories which recycle e-waste generated from end-of-life computers and cell phones and turn them into valuable materials. The Hindu was in conversation with the Mumbai-born professor, who was the first woman to achieve this honour. Excerpts:

How significant is this award?

The Indian Academy of Science has given this tremendous honour this year and has named me the Jubilee Professor in recognition for scientific research and development on Green Steel which was invented by us. It was not only for development of science but also for the technology.

As part of the award, the Academy had given me the privilege to travel through the country and meet so many incredible Indians and bright minds at IITs and some in the industry. I am humbled by this honour. The objective is to engage with the scientific community and industry in India.

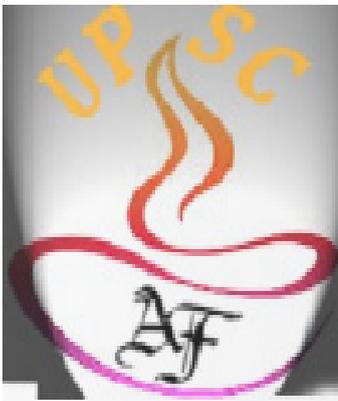
The Academy Trust is interested in developing collaboration with us where e-waste and our micro factory module could become an example for showing to industry and researchers in India how e-waste plastic could be transformed into value added product.

You are the inventor of the micro factory. Can you elaborate?

Think about how much of electronic waste is created from our computers and phones all over the world and how to monetise and maximise the economic benefit from these end-of-life products. It is not enough to say that we have collected it; we must bring in a technology to transform these materials into economic value. When you convert, you are creating more jobs and economic prosperity. The people who are in the business of collecting, recycling can use the micro factories to create value-added materials. In the long-term, India can benefit enormously.

We can have access to rare earth oxide (REO) from such electronic waste. But how to get it, is the question. And this is where science can allow us to use e-waste to create value-added materials. The moment you create these materials, you have material security. Now, you can tap into these materials to produce the next generation of products.

Where are micro factories deployed today?



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UNSW has developed the micro factory technology. Our goal has been to handle the problem of e-waste. People have phones and computers even in small towns. At the end of lives of the product, what do you do with them? You have to transport these over long distances for processing and dismantling. Now, either you lose money in transportation or have a micro factory locally, wherever waste is collected. Micro factories will promote decentralised manufacturing. You can have small-scale micro factory operations distributed across the country wherever e-waste might be. If you are a company that wants sensitive data from your hard drive to be completely destroyed, micro factory technology can take care of the destruction of hard drives.

Besides, the micro factory can take care of the physical material which contains different valuable elements. It also provides data security.

When will it be operational?

We are building it right now. It will start running early next year. Various modules of the micro factory are already running in our SMaRT Centre. We are now building the physical space for the micro factory. We are building two micro factories. The first will handle e-waste and will be commissioned in the first quarter. The second, a green manufacturing micro factory, will be commissioned in the second quarter. The green factory will process a mixture of materials like glass and plastics. It can make products for the building industry. Flooring can be made out of the mixture. The micro factory can make panels which can be designated for the building environment.

Small-scale ventures can be set up to supply materials for affordable housing. Though made of waste, these have fantastic properties. It makes the whole house far more affordable. Affordable homes must look beautiful also. Expensive granite in the kitchen can be replaced with panels made out of waste glass.

How long you have been working on the science?

We have been working for around five years in developing the science. We spent lot of time understanding how these materials can be transformed. We are still working on the scientific development but we have not just stopped at science. We have actually made the products and we have shown the products to our industry partners.

'More jobs, FDI, exports to be in focus'

Suresh Prabhu said that his priorities as the new commerce and industry minister will include backing meas-

ures to generate more jobs, particularly in the manufacturing sector, helping India attract more Foreign Direct Investments (FDI), and increasing India's share in global exports.

Mr. Prabhu, who had offered to resign as the Railways Minister last month following two train derailments in four days, will have his task cut out in his new assignment — especially to ensure greater job creation and investments under the NDA government's flagship 'Make In India' (MII) initiative to boost local manufacturing.

'Will increase share'

He told reporters that measures would be taken to increase the share of manufacturing in India's GDP and in turn, to boost the GDP as well. "We will accelerate the pace of MII, Startup India and Ease of Doing Business initiatives. We will take measures to generate more employment in manufacturing and other economic activities," he said. A Parliamentary panel had recently sought an assessment on how the MII initiative had helped the country's small- and medium-sized firms, and added that dedicated steps should be taken to ensure that FDI helps such firms. The panel had also sought details on whether the MII initiative has seized the opportunity of India's demographic dividend.

On exports, Mr. Prabhu said, "We will increase the share of exports in India's GDP and India's share in global exports. We will look for new markets, in addition to finding niche areas in developed country markets," he said. He said steps would be taken to ensure greater FDI inflow. Incidentally, the government is considering proposals to relax norms in sectors such as retail, construction and print media.

In December, Mr. Prabhu will be representing India at the World Trade Organisation's Ministerial Conference (or MC – the WTO's highest decision-making body) at Buenos Aires, Argentina. His appointment comes at a time when India and China have jointly submitted a proposal to the WTO demanding that developed nations should eliminate their "trade-distorting" farm subsidies. Besides, he will have to ensure broad support for India's proposal at the WTO for an agreement on Trade Facilitation in Services, to boost global services trade by eliminating barriers including those curbing the movement of professionals and skilled workers across borders for short-term work.

However, Mr. Prabhu is no stranger to international trade-related issues as he was the Indian Sherpa to the G-20. Mr. Prabhu will also have to provide leadership to ensure that a 'future-ready' Industrial Policy is brought out



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in October — as assured by the commerce and industry ministry last month.

His experience as Railways Minister will come in handy as the commerce department is slated to be the nodal body at the central level for transport-related issues across modes with a view to boost India's foreign trade.

South Indian sugar mills seek duty-free import of raw sugar

Sugar mills in Tamil Nadu expect a lower sugarcane crop for the coming season (October 2017 to September 2018) and have sought permission for duty-free import of raw sugar.

President of The South Indian Sugar Mills Association Palani G. Periyasamy told The Hindu that the sugar mills in the State, including 25 in the private sector, have the capacity to produce 30 lakh tonnes of sugar a year. In the forthcoming sugar season, the mills expect to produce just 5.5 lakh to six lakh tonnes, which is just about 20% of the capacity. This is because of the failure of the monsoons in the State last year.

The Union Government permitted duty free import of five lakh tonnes of raw sugar in April and the State got 1.3 lakh tonnes of it. The current sugar stock with the mills is 2.79 lakh tonnes. The monthly off-take is approximately 1.5 lakh tonnes in the State. When the festival season starts, the consumption is expected to double.

'Unviable price'

Though some sugarcane-producing States expect a bumper crop, the landing price would not be viable for the mills here. "The mills in Tamil Nadu have suffered for the last three years and are under severe financial stress. We will find it extremely difficult to sustain this year. If we get processed sugar from other States, the costs would go up. Hence, import of raw sugar would help," Mr. Periyasamy said.

Govt. to bring out policy to develop agri-clusters

The government will soon bring out a policy to develop agricultural clusters and boost farm exports, said commerce minister Suresh Prabhu.

Speaking at the 10th Agriculture Leadership Summit 2017, Mr. Prabhu said, "If there are clusters for industry, why should we not think about clusters for agriculture. Farmers have the right to access global markets and get better prices (for their produce) and for that we will put in place a good policy framework soon." He added, "We have to develop global supply chains and we will work

on that."

Trade restrictions

The minister said at the multi-lateral level too there was work to be done to eliminate trade restrictions. Mr. Prabhu said he would be soon meeting trade ministers in Manila and Seoul in this regard. On the World Trade Organisation-level negotiations, he said there would be a ministerial conference in Argentina in December. "Our agenda is going to be very aggressive. This is a development round ... We will ensure that Indian farmers get their due by getting better price from global markets. This is very important and this is going to be part of the strategy to increase farmers' income in India," he said.

Apparel exporters seek refund of IGST

The Apparel Export Promotion Council (AEPC) — the apex body for apparel exporters in India — has asked the finance ministry for refund of Integrated Goods and Services Tax (IGST) paid on import of machinery used by exporters from the sector.

In a letter to the finance ministry, the AEPC said post GST from July 1, apparel exporters are required to pay IGST up to 18% on assessable value plus the basic customs duty while clearing shipments of capital goods under Export Promotion Capital Goods scheme.

The incidence of a high IGST without corresponding relaxation for export obligation has rendered the EPCG scheme unattractive, it said.

In the letter, AEPC Chairman, Ashok G. Rajani said the only way for apparel exporters to claim IGST refund was through input tax credit. However, exporters who import capital goods normally export 100% of their products.

DBS Bank gets RBI nod for India subsidiary

Singapore-based DBS Bank received in-principle approval from the Reserve Bank of India (RBI) to convert its India operations into a locally incorporated, wholly-owned subsidiary (WOS).

"Through WOS, DBS will leverage its overall strengths and resources, along with its experience in India, to build a scalable business through a multi-channel strategy," according to a statement from the bank.

DBS was the first foreign lender to seek RBI approval for local incorporation in 2014 after the central bank revised the guidelines for foreign banks.

Piyush Gupta, chief executive, DBS Bank, said though the bank can get the final approval in 12 months, it was confident of securing it in 6-9 months.

"The approval enables us to accelerate our growth plans, significantly expand our operations and build a wider



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footprint.

“As a WOS, DBS India will be able to better serve its customers, particularly SMEs, in support of the government’s Make-in-India initiative,” said SurojitShome, CEO, DBS India.

No data on black money yet, says RBI

The RBI has told a parliamentary panel that it has “no information” on how much black money has been extinguished as a result of demonetisation of Rs. 500/1,000 notes or about unaccounted cash legitimised through exchange of currency post note ban.

Stating that an estimated Rs. 15,280 crore in junked notes has come back “subject to future corrections based on verification process,” the Reserve Bank also said it has “no information” whether demonetisation is being planned to be implemented at regular intervals.

The RBI has been facing flak for demonetisation and delay in disclosing figures on the junked note.

EEPC seeks 90% GST refund for exporters

The apex body for the country’s engineering exporters, EEPC India, asked commerce minister Suresh Prabhu to intervene with the Finance Ministry and the Goods and Services Tax (GST) Council and push for release of at least 90% GST refunds to exporters immediately after the shipping bills are filed.

In a statement, EEPC India said while the government had extended the dates for filing of July returns for GST to September 10, 25 and 30, as well as for August to October 5, 10 and 15, “ironically, it would mean blocking of GST refunds for exporters, who are in any case hard pressed for cash and have been significantly disadvantaged by the continuous rise in value of the Rupee against the U.S. dollar,” said an EEPC India statement.

GST refunds of at least Rs. 1,520 crore would be held up till the third week of October for the month of July. If the Integrated GST paid by exporters is added, the dues to exporters would be in excess of Rs. 1,700 crore for July itself, it added.

Centre okays sugar import at 25% duty

The government allowed import of 3 lakh tonnes of raw sugar at concessional duty of 25% to augment domestic supplies ahead of the festive season. It had hiked import duty on sugar in July to 50% from 40% to curb dumping of the commodity in India as international prices fell.

“To supplement the availability of sugar in southern In-

dia and to stabilise sugar price, import of 3 lakh MT of raw sugar through southern ports of India at 25% import duty under Open General License (Tariff Rate Quota) has been allowed through millers/refiners,” a food ministry statement said.

Must restore banks’ health in months, if not weeks: RBI

Reserve Bank of India’s deputy governor Viral Acharya said a feasible plan was quickly needed to address the massive recapitalisation requirements of public sector banks. The central bank has been pushing to restore the health of these banks in order to facilitate loan offtake — seen as essential in reviving economic growth.

He expressed surprise that banks were not raising capital at a time when plenty of liquidity was chasing stock markets.



‘Go raise capital’

“What are the bank chairmen waiting for? The elusive improvement in market-to-book which will happen only with a better capital structure and could get impaired by further growth shocks to the economy in the meantime?” asked Mr. Acharya. He was delivering a speech on the ‘The Unfinished Agenda: Restoring Public Sector Bank Health in India.’ He said banks would need a powerful plan aimed at ‘swift’ revival.

“The Indradhanush was a good plan, but to end the Indian story differently, we need a much more powerful plan — a Sudarshan Chakra — aimed at swiftly, within months if not weeks, restoring public sector bank health, with the current ownership structure or otherwise,” he said.

In 2014, the government announced the Indradhanush plan — a blueprint to revive public sector banks, which included capital infusion in these banks over a four-year period.

Mr. Acharya raised the question as to whether bringing down government’s stake in these banks to 52% was sufficient to restore health, as some of them had incurred



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huge losses.

Commenting on the Insolvency and Bankruptcy Code under the new resolution framework, he said banks should not wait for directions to pursue bankruptcy proceedings in the case of defaulting clients.

RBI has twice directed banks to start insolvency and bankruptcy proceedings against defaulting firms.

The reason behind mandating a higher provision for accounts brought under the IBC was to “increase banks’ provision coverage ratio”.

SEBI slaps Rs. 2,423 crore fine on PACL

Regulator SEBI imposed Rs. 2,423 crore fine on PACL Ltd. and its four directors for illegal fund mobilisation through various schemes that were used by the group to garner over Rs. 49,000 crore from the public.

While the group, which had collected money in the name of real estate projects among other schemes, was asked by SEBI nearly three years ago to refund Rs. 49,100 crore to the investors, the markets regulator has passed a fresh order to impose a monetary penalty for violation of SEBI’s Prevention of Fraudulent and Unfair Trade Practices Regulations.



Biocon’s Malaysia unit gets EU certification

Biocon’s subsidiary in Malaysia, BioconSdn. Bhd., received a certificate of good manufacturing practices (GMP) compliance for its insulin manufacturing facility from the Health Products Regulatory Authority of Ireland, as the representative European inspection authority, a company spokesperson said.

The certificate reflects that the agency considered the site to be in GMP compliance for active substances, sterile drug products and quality control testing operations. Biocon’s Malaysia facility was inspected by the European Medicines Agency, responsible for the protection of public and animal health through the scientific evaluation and supervision of medicines, in April.

BioconSdn. Bhd. (Biocon Malaysia) is one of Asia’s largest state-of-the-art integrated insulin manufacturing facilities, set up with an investment of about \$275 million, at the BioXcell Biotech Park in Johor, Malaysia.

This is the first overseas biopharma manufacturing and research facility of Biocon and it employs more than 600 staff. “The facility is designed to manufacture recombinant human insulin and insulin analogs to cater to the needs of people with diabetes in global markets,” the spokesperson said.

‘Income inequality in India at its highest level since 1922’

According to a research paper by renowned economists Thomas Piketty and Lucas Chancel, income inequality in India is at its highest level since 1922, the year the Income Tax Act was passed. In December, they will release the first ‘World Inequality Report’ where they will compare India’s inequality trajectory with other emerging, industrialised and low-income countries and suggest ways to tackle global and national inequality.

In an e-mail interview, Lucas Chancel discusses the findings of the paper titled ‘Indian income inequality, 1922-2014: From British Raj to Billionaire Raj?’ Excerpts:

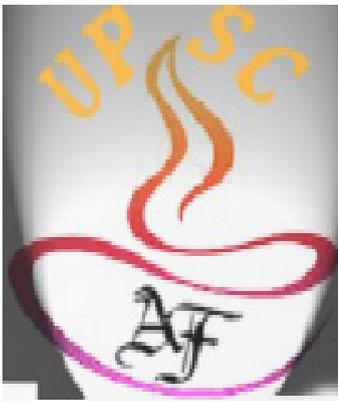
Can you summarise key findings of the paper?

According to our benchmark estimates, the share of national income accruing to the top 1% income earners is now at its highest level since the creation of the Indian Income Tax [Act] in 1922. The top 1% of earners captured less than 21% of total income in the late 1930s, before dropping to 6% in the early 1980s and rising to 22% today. Over the 1951-1980 period, the bottom 50% group captured 28% of total growth and incomes of this group grew faster than the average, while the top 0.1% incomes decreased. Over the 1980-2014 period, the situation was reversed; the top 0.1% of earners captured a higher share of total growth than the bottom 50% (12% versus 11%), while the top 1% received a higher share of total growth than the middle 40% (29% vs. 23%). These findings suggest that much can be done to promote more inclusive growth in India.

You have said the income inequality has been at the highest level?

Since the 1980s, India did not only open-up and liberalise its economy, it did it in a way that was very favourable to top income earners and capital owners.

Top tax rates which were very high in the 1970s (up to 98%) decreased to 30% in the 1980s. Wages set by gov-



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ernments in government enterprises were liberalised after privatisations and the dispersion increased.

It is also likely that privatisations principally benefited richest income groups, those who already had capital, rather than the majority of the population which didn't access equity.

On the other hand, growth at the bottom of the distribution was notably lower than average growth rates since the 1980s.

Is this finding unique for India?

To better understand the rise in Indian inequality, let's look at other emerging countries. China also liberalised and opened up after 1978, and in doing so, experienced a sharp income growth as well as a sharp rise in inequality.

This rise, however, stopped in the 2000s so that inequality is currently at lower level there than [in] India (top 1% income share at 14% versus 22% in India, according to our estimates). In Russia, the move from a communist to a market economy was extremely brutal and today has a similar level of inequality as in India. This shows that there are different strategies to transit from a highly regulated economy to a liberalised one. In the arrays of possible pathways, India pursued a very unequal way but could probably have chosen another path. All this data is available on an open-access website, WID.world.

There have been counter arguments to your thesis?

Some commentators argue that without extreme growth at the very top of the distribution, there wouldn't have been high growth in India. There is, in fact, little evidence supporting this claim. The top 0.1% captured more total income growth as the bottom 50% since 1980. Would all income growth have disappeared if the situation had been reversed? We can also doubt this. The highest growth period in Western Europe, after the second world war, was also a period of equitable redistribution of the fruits of growth. Europe grew as a market economy but it was not a market society. It had institutions, rules, norms limiting the power of capital accumulation and of income concentration.

What do these findings mean for India?

There are many options and we do not claim to put an end to debates. Regarding rising inequality at the very top of the distribution, we show that after 1980, in India, top Income Tax rates were brought from extreme levels to much lower ones. Land concentration is also an issue in India, where agriculture remains a key sector. Indeed, access to free and quality education and health is crucial

to raise bottom 50% incomes.

GST Council meet to discuss pending issues

The Goods and Services Tax (GST) Council will meet for the 21st time, to discuss pending issues in the implementation of the new indirect tax regime, including the quantum of cess to be levied on luxury cars and the problems businesses are facing while logging onto the GST Network portal to file returns.

"Cesses will definitely be announced," M.S. Mani, senior director, indirect tax, Deloitte India, told The Hindu. "But not all cars will be at a uniform levy. It might vary between 5-10% on petrol and diesel cars and on car length."

"There is an expectation that there will be some time frame for GSTR-3B for the subsequent months," Mr. Mani added.

"So that if GSTR-1 cannot be filed for whatever reason, then GSTR-3B can be filed," he said.

Meanwhile, the Centre said A. B. Pandey, CEO, UIDAI, would take over as chairman of GSTN with immediate effect. GSTN's first chairman Navin Kumar completed his term on August 29.

Birla Carbon begins China operations

Birla Carbon, part of the diversified \$41 billion Aditya Birla Group, has set up a 1.2 lakh metric tonnes greenfield carbon black project at Jining in the Shandong province of China.

The plant, inaugurated by Dr. Santrupt Misra, CEO, Birla Carbon, will be expanded to 2.4 lakh tonnes in the second phase. The plant will cater to the Chinese customer base.

"While the Aditya Birla Group has always had a presence in China, we have not leveraged the potential that both we, as a group, and China as a marketplace had to offer," said Kumar Mangalam Birla, chairman, Aditya Birla Group.

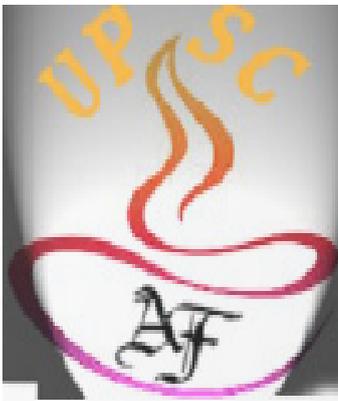
'Right step'

"We are delighted to have finally taken the right step to invest in a meaningful way in this great country of culture, history and civilisation," said Mr. Birla, adding the Jining plant was well ahead of its time, be it in manufacturing processes or the environmental standards it followed.

China is one of the largest markets for carbon black. It is forecast to grow at a rate of 7% by 2021.

GST: efficiencies have risen in manufacturing

India's manufacturing sector gives a major thrust to eco-



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conomic growth, contributing to the GDP, creating employment opportunities and attracting foreign investments.

The Industrial Policy Resolution of 1956, known as the economic constitution of India, laid down the structure of the manufacturing sector. Subsequent policies have continued to give importance to the sector.

The share of manufacturing in the GDP was 16% at the beginning of the 12th Five Year Plan. While the service sector's share is predominant, it is pertinent to note that the manufacturing sector is a major consumer of services.

Till recently, the manufacturing sector was burdened with multiple indirect taxes viz. central excise, service tax and VAT. In addition, non-availability of tax credit for central sales tax increased the cost. Introduction of GST, in the backdrop of the 'Make in India' initiative, does away with multi-layered taxation.

For major sectors, tax rates are mostly in line with the present effective tax incidence. Sectors such as consumer durables, construction material and FMCG, GST rates have seen a marginal difference.

State-border check posts, established to scrutinise documents and location-based compliance, adversely impacted the overall production and logistics time, which reduced the efficiency of Indian manufacturers.

These check-posts have been abolished with the introduction of GST. The new tax regime will unify the Indian market and help smooth the flow of goods within the country. Prior to GST, the inter-state sale was subjected to 2% CST without input credit, whereas GST on inter-state supply is available for input credit. This would lead to removal of an extra level of warehousing in the supply chain resulting in cost benefits.

GST contemplates input credit of tax on supply of goods or services. The GST Act provides a list of services for which input credit is not available. Thus the system intends to provide seamless input credit. This welcome change helps businesses plan well on product pricing and estimating cash flows.

Anti-Profitteering rules mandate that any reduction in the tax rate or the benefit of input tax credit needs to be passed on by way of commensurate price reduction. Standing committees, both at the Central and State levels, will examine complaints and refer cases for investigation based on merit.

After investigation, the Directorate General of Safeguards will report to the anti-profitteering authority. The authority will review the report before taking a decision.

The authority, which has a sunset period of two years,

has powers to debar an assessed from conducting business, to levy penalty, or to enforce refund of proportionate price reduction.

The GST system excludes certain petroleum products. Natural gas, a clean fuel, is one of them. Certain industries which use them as key input were allowed input credit under the erstwhile VAT system. Keeping natural gas out of the GST system would increase the production cost. The GST Council, which is considering this aspect, has to take quick, positive action in this regard to avoid cost increases.

Another important issue is how exemptions and incentives granted under the erstwhile excise and VAT system would be continued under the GST regime. Central and State governments are yet to come out with a concrete proposal. It has to be ensured that what was intended, while granting the incentive, is continued under the GST system.

Going forward

The GST System contemplates seamless input credit. Administrative machinery has to ensure this is implemented in letter and spirit. The GST Council has to constantly watch developments and give suitable directions to achieving the objective of seamless input credit.

The Council should also ensure that actions taken by the anti-profitteering committee are genuine and not arbitrary. This will boost the confidence of the industry in the GST system and embolden them to concentrate on business development.

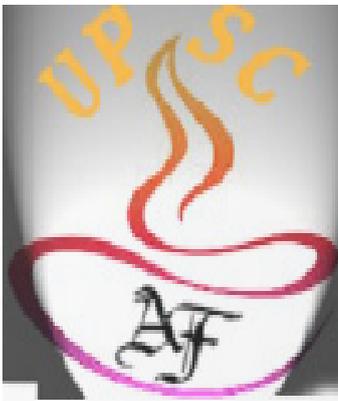
The Council has to take a pragmatic view in making changes to the tax rate for certain goods and services about which select industries are concerned.

Both the Central and State governments have to be congratulated for implementing the GST system in a smooth manner, without disrupting businesses. The manufacturing sector has always extended its support to the initiatives taken by the Government. Now too, this sector has accepted the GST system and is working well with the governments.

Bitcoin: Blockchain eyes India

Post-demonetisation, India has become one of the fastest growing markets for digital currencies like bitcoin, according to Nicolas Cary, co-founder and president of Blockchain, the largest software provider for cryptocurrencies in the world.

"Post-demonetisation, India became the fastest growing economy to witness a surge in use of digital wallets in daily transactions," said Mr. Cary.



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“We recently raised series B funding earlier this summer, with investors, including Google Ventures and Richard Branson (founder of Virgin Group), among others,” Mr. Cary told The Hindu . “One of the things we wanted to do was to use some of that capital to invest in one of the most exciting markets in the world. India for us presents a unique opportunity so we can bring affordable digital financial services to as many people as possible.”

Blockchain announced a partnership with Unocoin — one of the largest crypto-currency platforms in India — to enter the Indian market. While in India, Unocoin processes transactions worth more than Rs. 600 million every month for its over four lakh customers, Blockchain’s global platform has upwards of 16.5 million users.

“According to a recent report, 2,500 Indians are investing in bitcoin daily, which makes India one of the top contenders for becoming the largest market for cryptocurrency.”

“The digital strategy the Indian government has pursued is in alignment with some of the things we see happening [across the world] as well, which is that, once you can use technology to do things easier and more affordably, then in the long run people will end up eventually going in that direction,” Mr. Cary added.

“Half of the users we have in India are using the platform to make remittance payments, which are cross-border international transactions,” Mr. Cary said. “It’s so inconvenient today to use legacy transaction networks and legacy banks to do some basic things like send money from London to India. So, we are seeing a lot of adoption for that kind of thing as well.”

Industry body

“One of the things we are seeing happening in India that we are supportive of is an industry body that has been formed, where technology companies have come together to create a dialogue with the Finance Ministry,” Mr. Cary said.

“It’s called the Digital Assets and Blockchain Foundation India. It’s establishing best practices for consumer protection and regulation in general,” he said

SC restores IRP’s role in Jaypee case

The Supreme Court placed the insolvency resolution professional (IRP) back in the saddle to manage JaypeeInfratech Limited and draft an interim scheme to bail out more 30,000 harassed home buyers, mostly from the middle- and lower-income groups, who have invested in the debt-ridden company’s 32 housing projects.

A Bench led by Chief Justice of India Dipak Misra gave the IRP 45 days’ time to draft the resolution plan and

place it on record before the Supreme Court.

The court ordered JaypeeInfratech management to hand over all their records to the IRP to help him prepare the scheme. The IRP was directed to protect the interests of the home buyers. The scheme has to keep their needs and financial security in the forefront.

“This is a human problem. We are only concerned with the individual home buyers. You (IRP) have to prepare an interim scheme and show it to us... how you are either going to pay them (home buyers) back their money or deliver them their flats,” Chief Justice Misra observed.

The Bench, also comprising Justices A.M. Khanwilkar and D.Y. Chandrachud, passed an order of restraint on the Jaypee managing director and board of directors from leaving the country without the prior permission of the Supreme Court. Even persons who were the managing director or directors of Jaypee, except the nominees of creditor banks like IDBI, at the time of institution of the insolvency proceedings shall not leave the country without the court’s permission.

Rs. 2,000 crore payments

Jaiprakash Associates was ordered to pay Rs. 2,000 crore in the Supreme Court before October 27. Prior consent of the court has to be taken again in case any property has to be sold to collect the Rs. 2,000 crore.

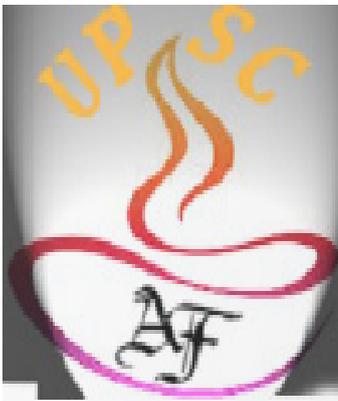
Any proceedings instituted against Jaypee shall now remain stayed as, the court said, the IRP cannot both fight “thousands of claims” as well as draft a resolution plan within the 45-day stipulated time.

Attorney-General K.K. Venugopal, who was specially invited to assist the court, submitted that only the IRP could resuscitate the company. The top law officer for the Government of India said the Supreme Court’s stay order of September 4 of the insolvency proceedings against Jaypee before the NCLT “inadvertently” handed the management back to the Jaypee management, leaving the IRP without a role.

“Home buyers have waited for years. The Insolvency and Bankruptcy Code mandated the corporate resolution process period to be 180 days with an extension of 90 days... a resolution can be brought about only if the IRP is allowed to continue,” Mr. Venugopal submitted. It was this argument which moved the court to modify its September 4 order and bring back the IRP.

‘America wants growing trade with India’

The rising imbalance in trade with India is a concern for America and India must open its market to more American companies, U.S. Commerce Secretary Wilbur Ross



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said .

Mr. Ross said India must also take more effective measures to protect innovation by improving its intellectual property protections.

The Commerce Secretary was addressing a gathering at the U.S.-India Business Council on the forthcoming Global Entrepreneurship Summit (GES) in Hyderabad in November.

"[U.S.] President [Donald] Trump and Prime Minister [Narendra Modi] have announced to co-host this year's GES in Hyderabad and [they] reiterated the importance of close relations between our two growing economies. Annual bilateral trade between the U.S. and India has doubled over the last decade and was \$114 billion in 2016. Unfortunately, over the same period, trade deficit tripled, now at \$27 billion. We would naturally want to see growing and balanced trade," Mr. Ross said, noting some of the recent developments such as the Spice Jet order for 120 planes from Boeing as signs of the Indian market's promise.

He said the imbalance was visible in investments as well. While India's investors invested \$12.1 billion in the U.S. last year, U.S. investors invested \$32.9 billion in India. Mr. Ross also pointed out that only 1.5 % of U.S. exports were to India, while only 6.3 % of Indian exports goes to America.

India and the U.S have decided to move to the 2+2 format of engagement involving the Secretaries of Defence and State Departments from the American side and Ministers for Defence and External Affairs Ministers from the Indian side.

The Strategic and Commercial Dialogue between the two countries is being discontinued from this year.

80% of Coal India's despatches went to power sector: Ministry

Coal India said that 80% of its coal despatches up to September 13, amounting to 1.2 million tonnes (mt), had gone to the power sector.

"On September 13, 2017, the total coal despatch of Coal India Limited was 1.505 MT," the Ministry of Coal said in a release. "The total coal despatch on September 13, 2017, to the power sector was about 1.2 mt. A total of 225.9 railway rakes of coal were despatched to different consumers out of which 212.9 railway rakes were despatched to the power sector alone."

"The despatch to the power sector was around 19% more as compared to the same period of September 2016," the release added.

"Our analysis of the official data as of end-August showed that the coal stock in power plants was significantly lower this year than in the previous year," Jayanta Roy, senior VP and group head, Corporate Sector Ratings, ICRA, told The Hindu . "In some plants, it was critically low. At the same time, the rates of power at the power exchanges have hardened recently, also indicating a possible shortage in generation level," Mr. Roy added.

Benefits for textile exporters must continue, says SIMA

With uncertainties related to the duty drawback scheme continuing, textile exporters are delaying finalising orders, said P. Nataraj, chairman of Southern India Mills' Association.

"The government has not yet given the mandate to the Duty Drawback Committee to recommend the revised duty drawback rates and ROSL (Rebate of State Levies). The Government had extended the benefits only up to September 30. As there is uncertainty in the rates of benefits, export booking is getting delayed," he said.

'Advantage competitors'

Textile exporters need 60-75 days to ship the goods from the time they confirm the orders. If there was a delay in finalising orders, they would be unable to ship on time.

Countries such as Bangladesh and Vietnam have trade agreements with the EU and the U.S. and have close to a 10% cost advantage over Indian garment exporters because of nil import duty.

India can be competitive only if duty drawback and export benefits are continued. Textile exporters might not register growth if the duty drawback rates are reduced, he said.

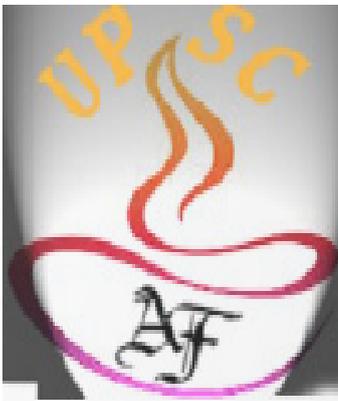
The industry had given its suggestions to the Government on the rates. "We expect that the benefits given to exporters now are continued without reduction," he said.

The Union Government should extend the export benefits till business revived and ensure that the pre-GST export competitiveness of the industry was sustained, he said. The Government should also expedite clearing all the pending export benefits, Mr. Nataraj added.

PFRDA proposes maximum entry age limit for NPS at 65 years

Pension fund regulator PFRDA has proposed to raise maximum entry age limit for subscribing National Pension System (NPS) to 65 years.

The entry age to NPS is now proposed to be increased



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to 65 years from 60 years and there is an option to continue up to age of 70 years, a finance ministry statement issued said.

NPS should also be explored, as an additional retirement benefit, for corporates where superannuation funds are not available and employees are covered only under the mandatory EPFO (Employees' Provident Fund Organisation) schemes, Pension Fund Regulatory and Development Authority (PFRDA) Chairman Hemant Contractor said.

"With opening up of economy people started getting more job opportunities, switching jobs suitable to their skills and talents. Job switching has become more frequent and people seek more controls on their finances, when they start moving jobs and place from one to another," he said.

The concept of portability came in and people started thinking about having better control on their retirement savings, he said.

Currently, NPS has more than 1.71 crore subscribers with total Asset under Management (AUM) of more than Rs 2.04 lakh crore. Defined benefit pension schemes, which were predominant earlier, became unsustainable not only for the government sector but also for the private sector because of various factors.

A defined contribution scheme was, therefore, launched in 2004 which was initially only for central government employees, but which was later extended to state government employees and later to the private sector. This scheme is the NPS, which is regulated by PFRDA.

How much of India is actually urban?

How much of India is actually urban? That is the question the economic survey by the finance ministry has raised this year.

The honest answer to that question is: it depends. It depends on the criteria we use to define urban settlements. Under the rather stringent definition of the Census, about a third of India is urban, with urbanized states concentrated in relatively richer southern and western India. But if you believe in what images from satellites tell us about built-up areas, a whopping 63% of India is urban, with urban settlements concentrated in the relatively poorer northern belt.

India's three-tiered census definition of 'urban'—at least 5,000 inhabitants, density of 400 people per sq. km or more, and at least 75% of male working population engaged in non-farm activities—was first framed in 1961 by then census commissioner AsokMitra.

"The problem he was trying to solve was that the Gangetic plain is a particularly high-density belt," says Chinmay-Tumbe, an economic historian at the Indian Institute of Management-Ahmedabad. Using just a population or density parameter would have inflated the urban rate, skewing funding priorities away from rural schemes.

However, more than five decades later, questions are being raised on whether that definition underestimates the urban population although there is no agreement among urban experts on what the new definition should be.

Under the census definition, 31% of the Indian population lived in urban areas in 2011. But the share of urban population which lives in towns and cities, actually classified as urban, and governed by urban local bodies is even lower at 26%. Even if one were to discount the satellite data, just relaxing the census definition, and considering settlements with more than 5,000 inhabitants as urban will raise the share of the urban population to 47%.

One way to check whether a definition of urban is appropriate is to evaluate the correlation between the share of urban population and per-capita incomes. The built-up area criterion (as measured by satellite images) fails that check. But both the existing definition and the more relaxed (5,000+ inhabitants) criteria seem to meet that test. Regardless of the definition being used, there is an element of discretion involved in any definition that attempts to strictly delineate rural from urban areas. While experts may disagree on the precise definition of 'urban', they all agree that it makes sense to view the entire spectrum of settlements—from small villages to large urban agglomerations—as a continuum rather than in terms of the rural/urban binary. Even Census definitions reflect this continuum as they account for different types of settlements. Much of India's population currently resides in the middle space, away from the big cities as well as the hamlets. Many large settlements that are deemed by the Census and state governments as rural may require urban services such as spatial planning, fire services, and building regulations. But the rigid rural-urban division means that they are denied such services.

Also as Tumbe points out, the definition we use will only affect the level of urbanization. It will not affect the pace of urbanization much, which in his view has been low historically because India's rural-urban migration has been driven mostly by male migrants, who go back to their villages instead of settling in cities with their families.

The slow pace of rural-urban migration could be because of political incentives, argued India's former chief statistician Pronab Sen in Mint some time ago.



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“In a country where political success is driven by managing the 3Cs of Indian society—caste, community and class—no incumbent political leader would like to see any uncontrolled change in the social configuration of the constituency and, therefore, of the winning coalition,” wrote Sen. “Migration causes this both in the originating villages and destination towns. Initially these effects may be relatively small, but they can snowball over time since much of the migration is driven by social networks.” It is perhaps because of these reasons that much of urban growth in India is because of purely ‘organic’ reasons: natural growth and reclassification of towns and villages. Migration accounts for barely a fifth of the urban population growth in India.

As in 1961, how much of India is urban, and how much of it is rural is as much a question of politics as it is of economics.

GDP growth to re-accelerate as GST impact fades, says Morgan Stanley report

Economic activity in the country lost some pace amid GST related disruptions but underlying growth momentum remains strong and the country may clock 6.7% growth this fiscal, says a Morgan Stanley report.

India’s economic growth slipped to a three-year low of 5.7% in April-June, underscoring the disruptions caused by uncertainty related to the GST rollout amid slowdown in manufacturing activities. Commenting on the GDP numbers, Morgan Stanley said, “We are inclined not to read this as a sign of general slowdown in aggregate demand”.

“Indeed, we remain skeptical that the GDP statistics are fully reflecting the underlying growth trends in the economy,” Morgan Stanley said in a research note. It further said that a number of high frequency growth indicators are indicating that end demand is holding up well and is running counter to the slowdown exhibited in the national accounts. However, on account of the weak GDP print in June 2017 quarter, Morgan Stanley has made some mark-to-market adjustments to its full year GDP growth estimates.

“We believe that June 2017 likely marked the trough in growth in this cycle and we expect GDP growth to accelerate by almost 200 bps to 7.5% year-on-year in March 2018 quarter,” it said. On a calendar year basis, Morgan Stanley now project growth of 6.4% and 7.4% in 2017 and 2018, respectively, as against 7.6% and 8.0% previously.

The revised new financial 2018 and fiscal 2019 growth

estimates are at 6.7% and 7.5%, respectively. According to Morgan Stanley, currency replacement programme and GST had led to a deceleration in growth momentum. “However, considering that these events are already in the rear view mirror, we expect the underlying economic growth momentum to reassert themselves, leading to a re-acceleration in growth,” it said.

“In our view, India is moving on to the next phase of the business cycle of productive growth – a phase marked by further improvement in growth while macro stability remains in check. This will also set the stage for a sustained growth cycle,” it added.

SAIL to begin Tasra project work with Lanco

The public sector behemoth Steel Authority of India Ltd. is planning to commence work on the Tasra coking coal project with LancoInfratech Ltd. against whom a corporate insolvency resolution process has been initiated.

Work is scheduled to begin formally soon and a ceremonial unveiling is scheduled for September 17 — the day of Vishwakarma Puja when all factories here observe a ‘tool-down’ day to commemorate Vishwakarma, the celestial engineer in Hindu mythology.

Tasra is about 25 km from Dhanbad in Jharkhand, and SAIL is pinning its hopes on this project in the Jharia coalfields to part-secure its coking coal requirement.

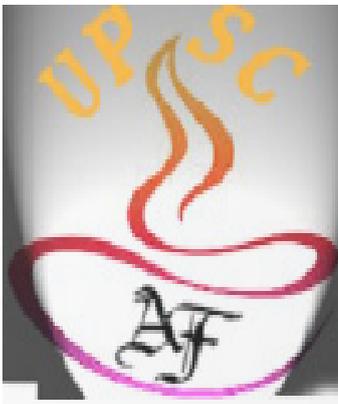
The project will be developed by LancoInfratech, a mine development operator (MDO) with whom SAIL had signed an agreement in September 2013 for developing the project at a cost of Rs. 400 crore within two years. Subsequent changes in land acquisition laws thwarted the project’s progress even as it led to a 10-fold increase in cost to the current Rs. 4,000 crore. The project now includes a 300 MW power plant.

However, despite the cost escalation, the public sector unit is convinced of its viability. The investment would be made by the MDO and reimbursed by SAIL.

Insolvency proceedings

Complexities arose after the National Company Law Tribunal initiated Corporate Insolvency Resolution Process (CIRP) against LITL based on an application filed by IDBI Bank Ltd., the financial creditor of the company. SavanGodiawala has been appointed as Interim Resolution Professional effective August 7, 2017 under the provisions of IBC and the powers of the Board of Directors stand suspended, Lanco said in a regulatory filing. When contacted, A. Narasimhan, executive director, Corporate Communication, Lanco Group regretted his inability to respond to any queries in this respect.

Interestingly, IDBI Bank, LITL’s lead bank has sent to



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SAIL a comfort letter, urging it not to stop the project. It attributed the EPC (engineering procurement and construction) company's financial troubles to non-payment of receivables and slowdown in the infrastructure sector, assuring that funds would not be a problem.

"The Resolution Professional can also raise interim finances, with the approval of creditors, to ensure smooth operations," the letter said, adding that banks had a large exposure to Lanco — about Rs. 55,000 crore, and would continue to extend constructive support to help the company's revival.

Requirement of funds

The first year's fund requirement for the project has been pegged at Rs. 561 crore. "The investment would be on a staggered, reimbursable basis," an official told The Hindu. The Tasra opencast mine is capable of yielding 3 lakh tonnes of prime coking coal in the development stage, in the first year of production (the project is expected to begin in the second quarter of 2017-18) and 40 lakh tonnes of coal by the fifth year, from which 20 lakh tonnes of coking coal could be produced after washing.

SAIL needs about 15.5 million tonnes of clean coking coal annually. More than 80% of its requirement is imported. The requirement will increase to about 20 MTPA once SAIL gets into the 23 million tonnes per annum production post-expansion in 2020. The raw coal output of SAIL's three captive mines was estimated at 7.6 lakh tonnes in 2016-17. It is in this context that the Tasra project assumes importance for SAIL.

Norms eased for fund raising by REITs, InvITs

The Securities and Exchange Board of India (SEBI) has relaxed the guidelines for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) in order to broaden the scope of fund raising by such instruments.

The board of SEBI, which met, decided to allow REITs and InvITs to raise capital by issuing debt securities while also giving approval for the former to lend to an underlying holding company or a special purpose vehicle (SPV). The regulator also allowed single-asset REITs on similar lines as InvITs while amending the definition of 'valuer' for both REITs and InvITs. REITs allow investors to invest in real estate, while InvITs allow one to invest in infrastructure projects.

Market participants said the relaxation would help these investment products gain traction as only a few entities have so far managed to raise such funds. On the BSE,

only two InvITs, India Grid Trust & IRB InvITFund, are listed.

"Through these proposals, SEBI has reiterated its intent to adopt a consultative approach in refining the regulations to make REITs and InvITs successful platforms in India," said BhairavDalal, partner, real estate (tax), PwC India.

FM chairs economy review meet

Amid worries about the state of India's slowing economy, Finance Minister Arun Jaitley chaired a high-level meeting to take stock of the headwinds stalling growth and consider mechanisms to revive economic activity.

Commerce and Industry Minister Suresh Prabhu, Railway and Coal Minister Piyush Goyal participated in the deliberations with top finance and commerce ministry officials that went on for over two hours, but everyone remained tight-lipped about the discussion and its outcome at its conclusion. India's economic growth tumbled for the fifth successive quarter to 5.7% in April-June this year, from 7.9% in the same period last year.

GM mustard in for a long wait

Union Environment Minister Harsh Vardhan has indicated that a decision on releasing genetically modified (GM) mustard commercially was unlikely any time soon.

"There are compelling arguments from those who support it and those against it," he said responding to a query from The Hindu. "The government however will only take a decision based on common good."

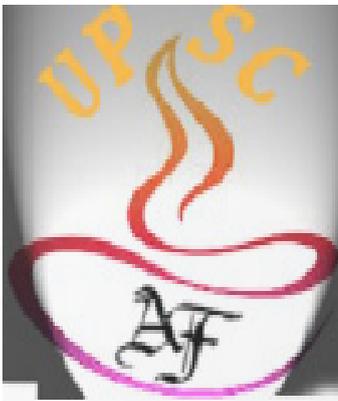
Dr. Harsh Vardhan, who holds the Science portfolio, took over the Environment Ministry after the death of Anil Dave. That makes him the final government arbiter on allowing GM mustard to be made available commercially. GM mustard was developed by scientists at Delhi University and the project was part-funded by the Department of Biotechnology, a division of the Science Ministry.

'No conflict'

Dr. Harsh Vardhan said there was "no conflict" in his position as a Science and Environment Minister.

In June, he said he would have a fresh consultation with environmental groups, scientists and farmers' bodies before taking a call on the release of GM mustard. Multiple officials have since confirmed to The Hindu that this has not happened.

The Genetic Engineering Appraisal Committee (GEAC), India's regulator for genetically modified seeds, had on May 12 this year cleared GM mustard for environmental release and use in fields. Though it was cleared by sci-



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entists, the Environment Minister's approval is required. The Centre told the Supreme Court last week that it was considering various aspects and was still to take a final call on the commercial release of GM mustard. "We are looking into all reports by experts including that of the Rajya Sabha sub-committee before a final decision is taken," said Additional Solicitor-General P.S. Narasimha, representing the Centre.

A Parliamentary Standing Committee, headed by RenukaChowdhary of the Congress, last month said that there was a paucity of studies on the impact of GM crops on human health. Should the Minister's consent be obtained, GM mustard would be the first transgenic food crop to be allowed for commercial cultivation in India. It could pave the way for several other GM food crops in the country. Dhara Mustard Hybrid (DMH -11), the transgenic mustard in question, has been developed by a team of scientists at Delhi University under a government-funded project.

ONGC discovers oil in Arabian Sea

State-owned Oil and Natural Gas Corp. (ONGC) has made a significant oil discovery to the west of its prime Mumbai High fields in the Arabian sea, a senior official said.

The discovery in the well WO-24-3 is estimated to hold an in-place reserve of about 20 million tonnes, he said. Mumbai High, India's biggest oil field, currently produces 205,000 barrels of oil per day (just over 10 million tonnes per annum) and the new find would add to that production in less than two years' time.

"In all, nine objects or zones were tested and all of them were found to be hydrocarbon bearing. The last object tested flowed 3,300 barrels of oil," he said.

Further appraisal

ONGC is carrying out a further appraisal of the discovery and has intimated upstream regulator Directorate General of Hydrocarbons.

"This is a mid-sized discovery but a significant one," the official said.

The new find, which comes almost 50 years after ONGC began production in Mumbai High, will help the company maintain production levels from the basin for a longer time than currently estimated.

Rupee dips amid fiscal stimulus speculation

The rupee weakened by more than 50 paise, or 0.8%, against the dollar amid growing speculation that the Centre was considering a fiscal stimulus package to re-

kindle economic growth — a move that could widen the fiscal deficit and possibly risk fanning inflation.

The rupee ended at a two-and-a-half month low, at 64.81 a dollar.

The yield on the 10-year benchmark government bond rose 10 basis points to 6.68%, its highest close since May 24.

"We are analyzing the economic indicators and appropriate action will be taken at right time," the finance ministry tweeted, citing Finance Minister's ArunJaitley's comment at an investor summit.

The Federal Reserve's decision to start unwinding its balance sheet starting October and signals that it would raise U.S. interest rates one more time this year also lifted the dollar globally.

"There was some speculation that government is considering stimulus package, for which the fiscal deficit could miss its target," said Anindya Banerjee, currency analyst at Kotak Securities. "Rupee weakened against all major global currencies," he added.

Currency dealers said a fiscal stimulus could result in the government likely missing this year's fiscal deficit target of 3.2% of GDP.

Centre to hasten GST refunds

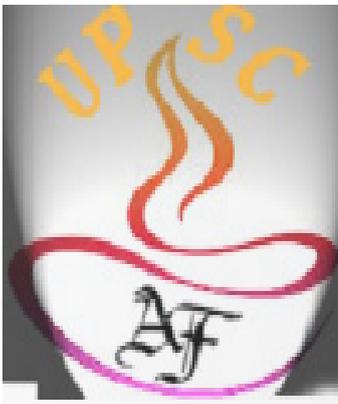
The Centre termed as "wild estimates," exporters claiming that working capital was getting blocked due to delay in Goods and Services Tax (GST) refunds. However, it was working out a mechanism to expedite the refund process.

"There are various figures also being discussed on the blockage of such (working capital) funds (post-GST), which are wild estimates.... (and) not based on facts," an official statement said.

Duty drawback

Virtually rejecting claims by exporters that about \$10 billion worth of funds is estimated to be a blocked (till December 2017) due to the delay in refunds, the Centre said in respect of 66% value of exports, exporters had preferred duty drawback scheme instead of taking actual refund of input taxes in the pre-GST regime.

On the mechanism for expediting refunds, it said, "We are trying to find a way of giving refund by linking form (GST Return) GSTR 1 with form GSTR 3B and, therefore, for the month of July, where form GSTR 1 is already filed, the authorities would be in a position to process the refund applications." Therefore, the exporters, who have not yet filed form GSTR 1 for July 2017, have to file it immediately, the statement said.



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“Allowing refund based on GSTR-3B and GSTR-1 submission will ease up working capital and business issues for exporters who have had their funds locked up,” said Archit Gupta, CEO, ClearTax.

The Centre said while the GSTN application for refund was getting ready, the Centre was in the process of finding other ways of giving refund, if necessary, through a manual procedure.

In the meantime, the State and Union government authorities have been asked to clear the pending refund claims of Central Excise and VAT for the pre-GST period so that exporters will get immediate relief.

Ganesh Kumar Gupta, President, Federation of Indian Export Organisations (FIEO), said the projection of the refunds was made looking into the merchandise as well as the services export sectors.

He, however, welcomed the Centre’s decision to allow refund to the export sector based on GSTR1 and 3B, as proposed by FIEO. He said expeditious settlement of refund claims of Central Excise as well as VAT will add to the liquidity flow of exporters.

India third in nuclear power installations: study

India is third in the world in the number of nuclear reactors being installed, at six, while China is leading at 20, the World Nuclear Industry Status Report 2017, released this month, shows. The number of nuclear reactor units under construction is, however, declining globally for the fourth year in a row, from 68 reactors at the end of 2013 to 53 by mid-2017, the report says.

The latest report further reveals that most nuclear reactor constructions are behind schedule, with delays resulting in increase in project costs and delay in power generation. There are 37 reactor constructions behind schedule, of which 19 reported further delays over the past year. In India itself, five out of the six reactors under construction are behind schedule. Eight nuclear power projects have been under construction globally for a decade or more, of which three have been so for over 30 years.

In the foreword, S. David Freeman, an American energy policy expert who led the Tennessee Valley Authority under U.S. President Jimmy Carter, writes that the debate regarding the value of nuclear energy “is over”. “The most decisive part of this report is the final section — Nuclear Power vs Renewable Energy Development. It reveals that since 1997, worldwide, renewable energy has produced four times as many new kilowatt-hours of electricity than nuclear power,” he writes, concluding, “The world

no longer needs to build nuclear power plants to avoid climate change and certainly not to save money.”

Data gathered by the author’s shows that global nuclear power generation increased by 1.4% in 2016 due to a 23% increase in China, though the share of nuclear energy in electricity generation stagnated at 10.5%. By comparison, globally, wind power output grew by 16% and solar power by 30%. Wind power increased generation by 132 TWh (terawatt hours) or 3.8 times, and solar power by 77 TWh or 2.2 times more than nuclear power’s 35 TWh respectively. Renewables represented 62% of global power generating capacity additions.

Russia and the U.S. shut down reactors in 2016, while Sweden and South Korea both closed their oldest units in the first half of 2017, the report notes.

Financial crisis

The report also documents the financial crisis plaguing the industry. After the discovery of massive losses over its nuclear construction projects, Toshiba filed for bankruptcy of its U.S. subsidiary Westinghouse, the largest nuclear power builder in history. AREVA has accumulated \$12.3 billion in losses over the past six years.

French bailout

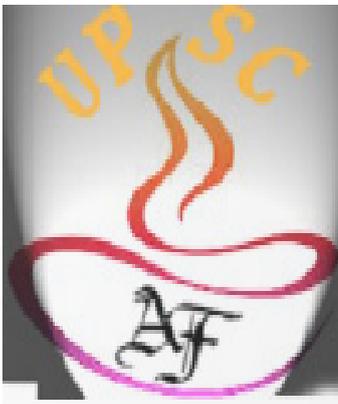
The French government has provided a \$5.3 billion bailout and continues its break-up strategy, the report notes. In the chapter on the status of the Fukushima nuclear power project in Japan, six years after the disaster began, the report notes how the total official cost estimate for the catastrophe doubled to \$200 billion.

The lead authors of the report are Paris-based energy consultant Mycle Schneider, who advised the European Parliament on energy matters for over 20 years, and Antony Froggart, energy policy consultant and senior researcher at Chatham House, a London-based non-profit organisation working on international affairs.

Japan to fund mass rapid transit systems

The sources said the Detailed Project Report (DPR) for the MRTS was ready and land was being acquired. The MRTS in Haryana will be an ‘elevated’ one and will connect Gurgaon and Bawal (part of the Manesar-Bawal Investment Region in the DMIC).

The land has been acquired and the DPR has been finalised, officials said, adding that the MRTS has been included in the JICA ‘Rolling Plan’ for the ODA loan. The Department of Economic Affairs will soon ask JICA to work on preparatory surveys for the project, they said. The length of these two MRTS projects will be 85 km each.



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Grant-in-aid

According to the Commerce and Industry Ministry (the nodal body for industrial corridors), the financial assistance for the DMIC project is to be in the form of grant-in-aid worth Rs. 17,500 crore — as a 'revolving fund'. This, it said, was for the development of 'trunk infrastructure' in the proposed seven industrial cities in the DMIC at Rs. 2,500 crore per city on an average, subject to a ceiling of Rs. 3000 crore per city.

In September 2011, the Union Cabinet — in addition to giving approval for Rs. 17,500 crore as 'Project Implementation Fund' — had also okayed an additional corpus of Rs. 1000 Crore as grant-in-aid to carry out project development activities. The funds are released to the Special Purpose Vehicles (SPVs) formed between the Centre and the respective State Governments. Official sources said, out of all this, the total amount spent till September 2017 was around Rs. 3,500 crore.

As per the ministry, the Japanese government had announced financial support for the DMIC project to an extent of \$4.5 billion in the first phase — for projects with Japanese participation through a mix of JICA and Japan Bank for International Cooperation (JBIC) lending. Also, the JBIC currently holds 26% equity in the DMIC Development Corporation (the SPV which is the DMIC's project development agency) aggregating to Rs. 26 crore. The Indian government holds 49% equity in the DMICDC, while the remaining is held by HUDCO (19.9%), IIFCL (4.1%) and LIC (1%).

'GST: MSMEs to gain via better competitiveness'

The Goods and Services Tax (GST) is all set to enhance the competitiveness of the almost five crore Micro, Small and Medium Enterprises (MSMEs) that account for 25% of employment, 40% of industrial output and 45% of exports of the country. This, by making them a part of organised commerce and offering them a level-playing field.

A simplified tax structure and a unified market are the two great promises of GST but the key benefits for MSMEs, a majority of whom are getting into the indirect tax net for the first time, include lower freight costs, which is estimated to come down by 1.5-2%. Significant benefits will be seen in lower cost of raw materials (in the past 2% CST was applied to raw materials imported from other states), and a lower tax burden. These benefits will have a more significant effect on boosting the cost competitiveness of MSMEs — a sector comprising tens of thousands of self-funded proprietary firms, private self-help groups, private

cooperatives, khadi, village and coir industries.

The market base for MSMEs will grow as tax complexities of interstate sales disappear. Original equipment manufacturers and corporates will come forward to procure components, semi-finished and finished products from MSMEs irrespective of location. Since there is no burden of tax on interstate sales, MSMEs will also have no issues in accepting orders from other States. They can also compete with low-cost imports, as the tax is the same for both locally manufactured as well as imported products — especially those coming from overseas low-cost producers.

GST treats sales and services as one and the same. Hence, there is no additional tax burden for MSMEs that operate on the sales and services model of business.

MSMEs will also enjoy ease of doing business as there will be no complexities in registration. Centralised registration has now replaced multiple tax and registration rules in different states. There will be no, or minimal, physical interface of bureaucracy as registration, payments, input tax credit and tax liability adjustment, returns, and refunds will now happen electronically. This will bring transparency in compliance and will also reduce the compliance cost.

Thus, GST will allow flexibility in transfer of goods across states and reduce the cost of doing business for MSMEs.

'Varying impact'

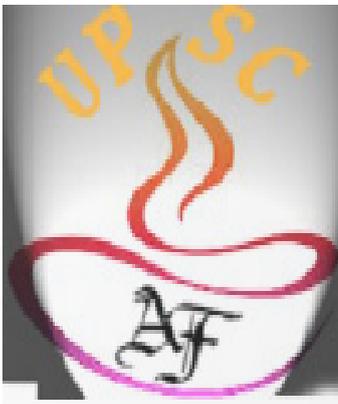
However, the impact of GST on MSMEs will not be the same for all segments — electrical equipment, for instance, is expected to benefit from lower freight costs and tax rates, while there may be no big positive impact for leather and footwear sectors that are facing stiff foreign competition.

On the other side, the cost of compliance is a big issue for MSMEs that do not have enough specialised manpower, managerial bandwidth, access to facilitation services. GST-registered organisations will have to file returns more often and regularly.

MSME staff are, mostly, not familiar with using computers and web portals. Hence, they may have to seek the help of intermediaries to use a technology-enabled platform like the GST.

In this context, it is important that there is handholding for MSMEs in transitioning them to this new tax regime. There is also a need to educate MSMEs about the various provisions and compliance requirements under GST for MSMEs through seminars, conferences, training sessions.

There is a view that availing input credit only for tax paid by the supplier shifts the onus on to the customer and



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this could affect the trust between supplier and customer, especially for one-time transactions. On the other hand, there will be a new situation where the customer and supplier relationship will be based on compliance.

That is, customers will prefer to do business only with suppliers who are compliant. MSMEs will have to get used to regularising the filings of their returns, as compliance will become a business imperative.

GST is a massive reform and some hiccups in the initial months are unavoidable. The advantages of having a unified tax system and easy input credits will outweigh the teething troubles the industry may experience in the short term.

MSMEs can hope that most of the current challenges will be a story of the past soon. If the government can take corrective measures in a proactive manner, the GST system will prove to be a boon for industry in general, and MSMEs in particular.

(The writer is chairman, CII Andhra Pradesh State Council and CEO, Better Castings)

India, S. Korea to upgrade FTA at 'earliest'

Even as the India-South Korea Free Trade Agreement (FTA) will be expanded soon to boost bilateral trade and investment, New Delhi has voiced concerns about the low utilisation of the FTA by India due to the 'complicated' provisions in the pact as well as South Korea's regulations.

According to official sources, the recent bilateral talks in Seoul saw India cite the difficulties being faced by its English teachers in getting permission to teach in South Korea. Though, going by the FTA, Indian English language teachers should be getting opportunities to teach in primary and secondary schools in South Korea, this is not being implemented effectively in practice. This is because the 'English Program in Korea' (EPIK) stipulates that those eligible to teach English in South Korea must "be a citizen of a country where English is the primary language."

South Africa example

The EPIK specifies that "EPIK teachers must be citizens of one of the following countries: Australia, Canada, Ireland, New Zealand, U.K, U.S., or South Africa." India has now asked that it be included in the EPIK country-list by pointing out that South Africa was on the list though that country has 11 official languages including Afrikaans, and English was only one of them.

India is also keen on sending its yoga teachers for short-term work while Seoul has stated their services may not be needed since many Koreans are now learning yoga in

India and returning to teach it in South Korea.

On the goods side, India is keen that norms are eased to upgrade the FTA in a way that Indian goods get greater market access.

Since the implementation of the FTA in 2010, India's trade deficit with South Korea has increased from about \$5 billion to more than \$8 billion.

To ensure greater market access for Indian products, India is seeking a set of mutually accredited bodies for export inspection.

'Intervention, rethinking needed to stir demand'

Economic growth in India has weathered the global tail winds over the last few years and the economy is well equipped to move to a higher growth trajectory in the near future.

However, subdued growth in the last few months, coupled with the slowdown in exports perhaps calls for some intervention and rethinking to push investments and demand in the economy. One of the critical contributions made by the government to economic growth comes from its capital spending on areas such as roads, railways, irrigation projects, affordable housing and building other productive assets.

These tend to have a multiplier effect on economic growth as higher spending on projects creates a job which further creates greater demand for goods and services in the economy. In many cases, we find that the finances are not a problem. Implementation bottlenecks need to be addressed. For example, the National Infrastructure Investment Fund (NIIF) has sufficient funds to take over sound assets that are stranded due to paucity of funds.

Special infra bonds

The other option that the government could explore is to issue special bonds for large infrastructure spends in railways and other projects in roads and highways, bridges to name a few.

The recent PPP option announced for low cost housing is innovative as it targets issues in risk allocation. Similar models can be offered to other infrastructure sectors where private investments can come in.

Clauses on renegotiation and grievance redressal need to be included in such policies as absence of these have stranded several projects in the past.

In the current year, capital expenditure of not only the central government but also the state governments should be stepped up. Even if this leads to some breach in the fiscal consolidation target, this may be relaxed for



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a year, as suggested by the FRBM Act for exceptional circumstances.

Trimming bank holdings

One area of concern that needs immediate attention is to do with bank recapitalisation. This has become even more imminent given the stress caused by the NPAs. The government can look at raising this capital without putting pressure on the balance sheet by trimming its large holdings in these banks.

This will enable the banks to restore their financial health and provide an opportunity to the retail capital market.

The government has also been concerned about a slow-down in job creation.

While growth revival through public spending will itself create jobs especially in the construction sector, it is also necessary to focus on the labour-intensive sectors. It is time to recast labour laws and allow fixed term employment contracts ensuring more flexibility.

The government's recent initiative on setting minimum wages is a move in the opposite direction and should be reconsidered.

To quickly restore confidence among businesses, the government needs to resolve issues related to GST especially for the small and medium sector.

A clear and simple framework needs to be defined and instituted for claiming input tax credit. Problems faced by exporters such as withdrawal of duty drawback benefit need to be addressed immediately. In the near to medium term, reducing the number of rates under GST and expanding its coverage to include electricity, oil and gas, alcohol and real estate at the earliest should be a priority. The country has been fortunate to have two successive years of normal monsoon and good agricultural production.

There is need to catalyse FDI in organized food retail which can create a supply chain transformation and strengthen the linkages between farmers and markets.

RBI's supporting role

The RBI also needs to play a role in providing support to the economy. For one, it needs to place some priority on growth while deciding on monetary policy.

Having switched to an inflation-targeting regime, the monetary policy committee seems to be ignoring the weak growth trends while setting interest rates.

The policy repo rate of 6% does seem excessively high for an economy that is facing recessionary pressure.

The RBI could outline a plan of cutting interest rates over a period of time.

Further, the exporters should have access to easily available credit.

This can be done by expanding interest rate subvention from the current rate to 4% and allowing commercial banks to lend more to SME exporters or tweaking working capital norms.

Centre forms group to work on plans for 5G roll-out by 2020

The government has formed a high-level panel to evaluate and approve road maps and action plan to achieve the target of rolling out 5G technology in India by 2020. The Centre has created a support fund of about Rs. 500 crore to facilitate research and development for 5G.

'Another opportunity'

"We missed the opportunity to participate when the standards were being set for 3G and 4G, and don't want to miss the 5G opportunity. Now, when the standards are being set for 5G across the world, India will also participate in the process," Minister of State for Communications Manoj Sinha told reporters.

"As per the OECD Committee on Digital Economic Policy, it has been stated that 5G technologies roll-out will help in increasing GDP, creating employment and digitising the economy," Mr. Sinha added.

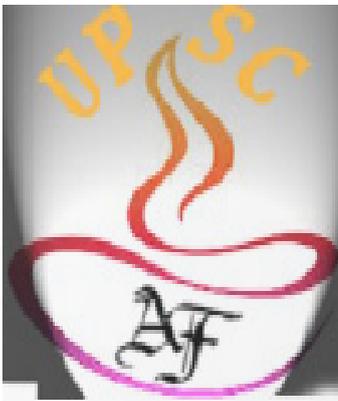
The forum, which comprises secretaries of the ministries of Communications, Information Technology and Science and Technology, and representatives from the industry and academia, will aim to have Indian participation in the process of defining global standards for the next generation of wireless technology.

The International Telecommunication Union (ITU), which will finalise the standards, has already proposed key performance requirements for the fifth-generation mobile technology. Under the 5G technology, the government aims to deliver about 10,000 megabit per second (10 gbps) in urban areas and 1,000 mbps (1 gbps) in rural areas, the Minister said.

The '5G 2020' forum will also aim to strengthen domestic telecommunication equipment manufacturing that is necessary for the technology, with the aim that local manufacturers should be able to capture 50% of the Indian market and 10% of the global market over the next five to seven years.

EPFO gets notice under GST

The Goods and Services Tax (GST) Intelligence unit has slapped a notice on the Employees' Provident Fund Organisation (EPFO) for defaulting on payment of service tax and has sought to examine the PF department's records till 2016-17.



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The EPFO, however, told Revenue authorities that the PF office was exempted from paying service tax from April 2016 and hence, its services were exempt from any levy under the new indirect tax system. On July 25, the Directorate General of GST Intelligence wrote to the EPFO headquarters informing about a probe into non-payment of service tax between July 2012 and March 2016.

It had sought for overall records of all its regional and zonal offices and issued separate notices to EPFO's different offices. "EPFO has been granted exemption from the levy of service tax...with effect from 1 April 2016. Therefore, requisition of records up to 31 March 2017 may not be justified," the EPFO wrote in a missive to the GST Intelligence unit on September 14.

Negative list

"Similarly, the exemption has continued under GST Act, by placing EPFO in the negative list," it added.

In its letter, it further challenged the demand for levy of service tax on statutory administration charges and interest charged by EPFO. The EPFO cited an order dated April 13 from the Customs, Excise and Service Tax Appellate Tribunal which said that it was not liable to pay service tax on the statutory activities performed under the Employees' Provident Fund and Miscellaneous Provisions Act 1952.

As the service tax exemption came into effect from April 2016, the Labour and Employment Ministry, which has administrative charge of the EPFO, earlier this year asked the Finance Ministry to extend the relaxation retrospectively. The ministry had argued that the EPF was a social security scheme and did not come in the category of 'banking and financial services.'

contributions from contractual workers hired by the National Library.

The show-cause has been issued to the Central Public Information Officer (CPIO) of the EPFO's zonal office in Howrah district.

"The Commission directs the CPIO to show-cause why maximum penalty should not be imposed against him for causing delay in furnishing the information sought by the appellant before 12.10.2017," said the notice, a copy of which is with The Hindu.

According to sources in the National Library, "nearly 100 contract workers" were hired from an outsourcing agency for "security and conservancy."

In her RTI application dated October 20, 2016, a Kolkata-based Central government employee Rumpa Kar said the National Library authorities "disbursed the salaries of the contract workers from March 2013 to November 2014 and also deducted Provident Fund contributions from their wages." She wanted to know whether the EPFO had received the contribution, both employees' and employers' share, and if it did, what was the total number of such employees. If the amount had indeed been deposited, had it been accounted for against the bank account of the individual employee and if not what were the reasons for that?

When she failed to get a response from the CPIO, Ms. Kar appealed to the First Appellate Authority (an official senior in rank to the CPIO) in the EPFO, who in turn directed the CPIO to provide the information.

Ms. Kar lodged a complaint with the CIC when she failed to get the required information from the CPIO.

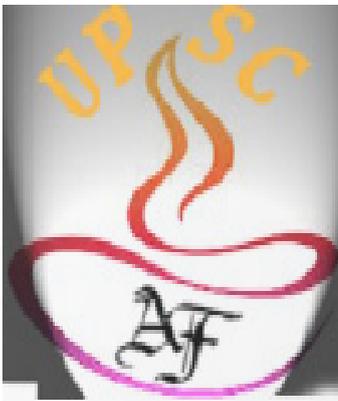
How GST has affected small businesses

India's goods and services tax (GST) has increased the regulatory burden on small businesses, according to an article in the Economic and Political Weekly by Sudipto Banerjee of the National Institute of Public Finance and Policy and Sonia Prasad, a practising company secretary. The low threshold, under which only companies with annual revenue below Rs20 lakh are exempt from registration, has hurt hundreds of thousands of companies. These companies were earlier exempt from paying excise duty under the small-scale industry exemption which let off firms with revenue of upto Rs1.5 crore. The authors warn that the huge compliance cost to small businesses may be disproportionate to the revenue generated by them. Also, mismatching of invoices due to technical glitches could hold up credits, a situation that has been seen in China and Brazil, further burdening small businesses. These hurdles, compounded by the complicated



CIC issues show-cause notice to EPFO for delay

The Central Information Commission (CIC) has issued a show-cause notice to the Employees' Provident Fund Organisation (EPFO) for not furnishing information about payment of wages to and deduction of provident fund



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rate structure, may actually end up pushing enterprises to evade taxes.

Women make up less than 2% of bank chief executive officers (CEOs) and occupy less than 20% of board seats in banks and banking supervision agencies, but their presence on boards is associated with greater bank stability, according to a new paper by Ratna Sahay and co-authors from the International Monetary Fund. The paper uses data on women CEOs and women on banking boards from 72 countries over 13 years while the database for women on the boards of banking supervision agencies looks at 113 countries. Savings banks had a higher share of women in CEO positions than investment banks, bank holding companies and securities firms. Banks in low- and middle-income countries also did better on this count than those in advanced countries. However, the study did not identify the exact mechanisms through which greater presence of women resulted in higher bank stability.

Media attention on costs of transporting petroleum products have focused mostly on costs arising from accidents and oil spills. However, a new National Bureau of Economic Research paper by Carnegie Mellon University's Karen Clay and co-authors argues that the expenses arising from air pollution and release of greenhouse gases are much higher. The authors examine the long-distance movement of crude oil over pipelines and rail in North Dakota in 2014, and find that air pollution and greenhouse gas costs are much greater for rail than for pipeline transport. The entire estimated cost of transporting crude oil from North Dakota in 2014 alone exceeded \$420 million.

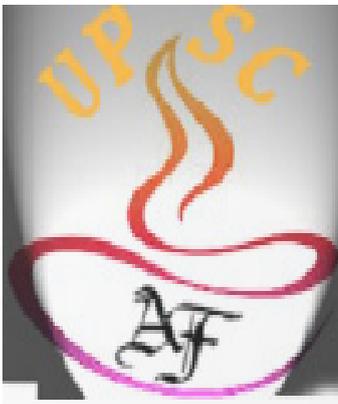
Risks of ethnic conflict are lower in areas where different ethnic groups provide complementary services to one another, according to Saumitra Jha, associate professor of political economy at Stanford's Graduate School of Business. Immigrants who bring with them unique skills are often welcomed and protected by powerful locals. For example, Jewish immigrants in medieval Europe found favour from ruling classes as they provided valuable services such as trade and finance to the rest of the economy. However, powerful locals often try to extract 'protection money' from such minorities, who might be vulnerable to violence from other locals, notwithstanding their economic clout. Some minority communities have proactively acted to prevent such a situation. For instance, the trading community of Nizarilsmailis in East Africa have earned local goodwill by providing public goods, launching business ventures in collaboration with locals, and also publicly committing to not engage in corrupt practices such as "ethnic cronyism".

The US Federal Reserve's efforts to normalize policy rates are a case of too little, too late, according to a Project Syndicate article by Stephen S. Roach, senior lecturer at the Yale School of Management. Roach points out that quantitative easing had led to the expansion of the balance sheets of the US, euro zone and Japan by \$8.3 trillion over the past nine years. However, nominal gross domestic product in these countries increased by only \$2.1 trillion, meaning that the excess liquidity has contributed to frothiness in the global financial markets. Roach cautions that a slow process of normalizing rates could sow the seeds of another financial crisis. For instance, the slow normalization of rates after the dotcom bubble contributed to frothy financial markets that eventually led to the 2008 financial crisis. Roach also criticizes central banks' obsession with inflation targeting.

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International

UN agency notes no Iranian violations of nuclear deal

The UN agency monitoring Iran's compliance with its nuclear deal with the U.S. and five other world powers has noted no violations by Tehran in its latest quarterly report on the issue. The nuclear deal commits Iran to strict limits on uranium enrichment and other programs that can be used to make nukes.

15 States sue President over repeal of scheme

Fifteen States and the District of Columbia have filed a lawsuit in New York challenging U.S. President Donald Trump's plan to end a programme protecting young immigrants from deportation.

The suit was first announced by Washington State Attorney General Bob Ferguson, who called Mr. Trump's act "a dark time for our country." Mr. Ferguson had earlier this year sued Mr. Trump over a travel ban affecting mostly Muslim nations.

Business leaders, unions, religious groups, Opposition Democrats and many within Mr. Trump's own Republican party have joined forces to criticise the phased end of protections for people who arrived in the U.S. under the age of 16.

The announcement also prompted ex-President Barack Obama to make a rare re-entry onto the political stage to decry the decision as "wrong", "self-defeating" and "cruel".

"Let's be clear: the action taken today isn't required legally. It's a political decision, and a moral question," Mr. Obama said in a statement.

Suu Kyi slams 'misinformation'

Myanmar said it is negotiating with China and Russia to ensure they block any UN Security Council censure over the violence that has forced an exodus of nearly 1,50,000 Rohingya Muslims to Bangladesh in less than two weeks. Myanmar leader Aung San Suu Kyi blamed "terrorists" for "a huge iceberg of misinformation" on the strife in the northwestern State of Rakhine but, in a statement, she made no mention of the Rohingya who have fled.

UN resolution?

Myanmar National Security Adviser Thawng Tun told a news conference in the capital, Nay Pyi Taw, that Myanmar

was counting on China and Russia, both permanent members of the Security Council, to block a UN resolution on the crisis.

Ms. Suu Kyi spoke by telephone with Turkish President Tayyip Erdoğan. In a statement issued by her office on Facebook, Ms. Suu Kyi said the government had "already started defending all the people in Rakhine in the best way possible" and warned against misinformation that could mar relations with other countries. She referred to images on Twitter of killings posted by Turkey's Deputy Prime Minister that he later deleted because they were not from Myanmar.

"She said that kind of fake information which was inflicted on the Deputy Prime Minister was simply the tip of a huge iceberg of misinformation calculated to create a lot of problems between different countries and with the aim of promoting the interests of the terrorists," her office said in the statement.

Will the BRICS thaw create a new bond?

Amid flight delays owing to a typhoon, nearly 3,000 journalists from across the globe trickled into the coastal hub of Xiamen, the venue of the ninth summit of the Brazil-Russia-India-China-South Africa (BRICS) grouping, held earlier this month.

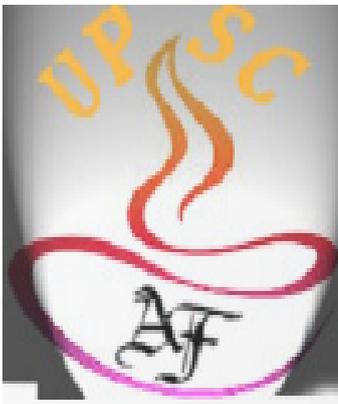
For the next few days, a sprawling media centre would be their home. Every half an hour, shuttle buses from designated hotels brought them to their new workplace. The last bus would leave the venue at 10.30 p.m., long after the sun had gone down in the neighbouring South China Sea.

The Chinese had ensured that all the arrangements were spot on, to the last detail. Journalists could access 700 work stations connected with high-speed Internet, plug-in audio links, and two electric points. Giant screens in the media hall showed the opulent red-carpet welcome for the heads. No effort was spared to ensure that messages coming from the top leaders were relayed to the media in near-real-time.

The hosts had also ensured that a vast dining area, serving a wide variety of food, was in full swing right from the crack of dawn. It met the expectations of most of the media assemblage, though the vegetarians may justifiably have had something to complain.

Impact of Doklam

For the Indian media, the Doklam stand-off naturally coloured the coverage of the BRICS summit. With the convergence of the five emerging economy heads, a new door in India-China ties seemed to be opening, as word



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was out soon after the conference began that a meeting between Prime Minister Narendra Modi and Chinese President Xi Jinping had been confirmed. But how wide would this door be set ajar by the two principals? Would it be tightly shut once again by new headwinds that may be brewing, but were yet beyond perception?

China's decision not to object to the listing of Pakistan-based outfits — like the Jaish-e-Mohammad (JeM) and the Lashkar-e-Taiba (LeT) — on the list of international terrorist groups imparted guarded optimism ahead of the Modi-Xi parleys.

Critics are right in pointing out the similarity in the statement on counterterrorism read out at the BRICS summit and the language used in slamming extremism in the closing document of the Heart of Asia conference in Amritsar.

But there are crucial differences between the two. First, the Amritsar declaration was at a ministerial level. The one at BRICS in Xiamen was from the heads of state, imparting weight to the document. Second, the Chinese had earlier rejected the listing of the JeM and the LeT on the world terror roll. But, in Xiamen, the Chinese relented, marking a clear shift in their stance. How durable this shift would be is a pertinent question. Will it translate, with China's endorsement, into a much-sought-after ban on Masood Azhar, head of JeM, when his status is debated at the UN 1267 committee in October?

Next month, China is heading into a party congress, which will change the leadership complexion in Beijing — a development that is likely to impact the future course of India-China ties.

Pakistan's response to the signals emerging from Xiamen will also be crucial. A mode of denial will be unhelpful. But in case Islamabad undertakes a "clean break" from its past as advocated by its Foreign Minister Khawaja Asif, the BRICS summit may prove crucial in rebooting India's ties not only with China, but possibly with other countries in its neighbourhood, including Pakistan.

A textbook example of ethnic cleansing: UN rights head

The situation in Myanmar is a "textbook example of ethnic cleansing", the United Nations rights chief said, as the number of Rohingya Muslims fleeing the country for Bangladesh topped 3,00,000.

The UN warning came as it emerged the Dalai Lama had written to Aung San Suu Kyi urging her to find a peaceful solution to the crisis.

UN human rights chief Zeid Ra'ad Al Hussein accused Myanmar of waging a "systematic attack" on the Rohingya and warned that "ethnic cleansing" seemed to be under way.

"Because Myanmar has refused access to human rights investigators, the current situation cannot yet be fully assessed, but the situation seems a textbook example of ethnic cleansing," he told the UN Human Rights Council. Ms. Suu Kyi has come in for strong international criticism over the military crackdown on the Rohingya, which began when militants ambushed security forces on August 25.

The UN special rapporteur on human rights in Myanmar has said the latest violence may have left more than 1,000 dead, most of them Rohingya.

A further 27,000 ethnic Rakhine Buddhists as well as Hindus have also fled violence that has gripped northern Rakhine, where international aid programmes have been severely curtailed.

Dalai Lama's appeal

It emerged that the Dalai Lama had joined fellow Nobel peace laureates Malala Yousafzai and Archbishop Desmond Tutu in urging Ms. Suu Kyi to intervene.

"Questions that are put to me suggest that many people have difficulty reconciling what appears to be happening to Muslims there with Myanmar's reputation as a Buddhist country," the Tibetan spiritual leader wrote in a letter to Ms. Suu Kyi shortly after the latest fighting broke out.

"I appeal to you and your fellow leaders to reach out to all sections of society to try to restore friendly relations throughout the population in a spirit of peace and reconciliation."

M-777 gun suffers damage during test

An M-777 ultralight howitzer from the U.S. was damaged during field testing in Pokhran on September 2, Army sources said.

Last November, India signed a deal with the U.S. government under the Foreign Military Sales programme for 145 of these guns at a cost of \$737 million.

"During the firing, the projectile which was the fifth of the series exited the barrel in multiple pieces," an Army source said.

Firing tables

The gun, manufactured by BAE Systems of the U.S., was using Indian ammunition, and the field trial was under way for compilation of firing tables.

"The extent of damage to the barrel is being assessed by



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a joint investigation team. No one has been injured," the source said.

Field trials will resume after an analysis is conducted by the investigation team.

BAE Systems said in a statement that it was working closely with the Indian Army and the U.S. government to evaluate the incident.

As part of the agreement, two guns arrived in April for calibrating range tables and three more guns will be arriving in September 2018 for training.

Long process

Deliveries are slated to start in March 2019 and at the rate of five guns a month, will be completed by mid-2021. While 25 guns will be imported, the remaining 120 will be assembled in India by the Mahindra group.

The Army has not inducted any new artillery gun after the Swedish Bofors in the 1980s.

After several failed attempts, many deals are in progress. The M-777 agreement was the first one to be concluded.

U.S. resumes processing of H-1B visas

The U.S. has resumed fast processing of H-1B work visas in all categories subject to Congress-mandated limit, five months after it was suspended temporarily.

Premium processing of H-1B visa was suspended in April to handle the huge rush of new petitions.

The U.S. Citizenship and Immigration Services (USCIS) resumed premium processing for all H-1B visa petitions subject to the Fiscal Year (FY) 2018 cap, a media release said.

The FY2018 cap has been set at 65,000. Premium processing has also been resumed for the annual 20,000 additional petitions that are set aside to hire workers with a U.S. higher educational degree, it said.

Rohingya not yet given refugee status

Bangladesh said that a decision on giving the Rohingya people official refugee status will be taken only after talks with Myanmar. Indicating that bilateral talks will be held with Myanmar, Disaster Management and Relief Secretary Shah Kamal told the media: "Their status will be reconsidered if this turns into a long-term situation. But this is not the time to think about it."

The statement came after a meeting of the Ministry with the visiting UN High Commissioner for Refugees Filippo Grandi.

Disaster Management and Relief Minister Mofazzal Hossain Chowdhury reiterated the country's stance that the Rohingya will have to go back to Myanmar. "We have

made it clear from the very beginning... This is Myanmar's issue and they will have to solve it."

Also, the United Nations warned of growing humanitarian needs amongst the Rohingya refugees, seeking urgent funding to meet their life-saving needs.

The Rohingya, about 4,50,000 of whom have come to Bangladesh, are settled in overcrowded camps and makeshift settlements where there is very limited access to basic services such as food, clean water and shelters, the statement said.

Rohingya issue: China offers help

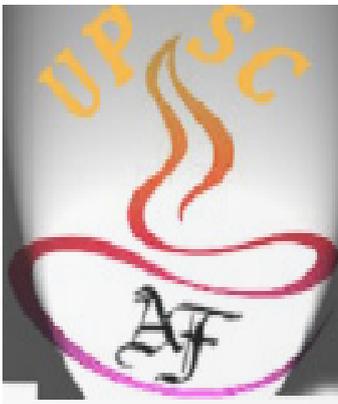
China has said it would play a "constructive role" in resolving the Rohingya crisis. "We sincerely hope this issue will be settled as soon as possible. China is willing to play a constructive role towards this," Chinese Ambassador in Dhaka Ma Mingqiang said.

The envoy, who expressed China's "heartfelt sympathy" for the refugees in Cox's Bazar, also announced that some 150 tonnes of relief material provided by China would reach Chittagong within a couple of days.

Mr. Ma's statement comes at a time when many are suggesting that Bangladesh should lobby with China to exert pressure on Myanmar to stop violence and take back the refugees.

A delegation from the Awami League is on a trip to China to discuss the Rohingya issue. The state news agency Bangladesh Sangbad Sangstha (BSS) reported that Beijing assured Dhaka that it will provide help in finding a permanent solution.

"China will convince the Myanmar government to hold talks with Bangladesh as we think a permanent solution to the Rohingya problem is a must for ensuring peace in the region," said Li Jun, representing the Communist Party of China in the talks.



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India and The World

India, U.S. eye states to boost trade ties

India and the U.S. are working on establishing a state-level engagement mechanism to widen and deepen bilateral trade and investment ties. Towards this objective, the U.S.-India Business Council (USIBC), will unveil within a fortnight a 'State Engagement Task force' (SET) to ensure American and Indian companies align their interests with the priorities of the State governments of both the countries.

The move comes as India and the U.S. are set to carry out a comprehensive review of bilateral trade ties. In that exercise, priority sectors will be defence and energy. While the focus in defence would include Lockheed Martin's proposal to make F-16 fighter jets in India and the proposed sale of General Atomics Aeronautical Systems Inc. or GA-ASI's 'Guardian Remotely Piloted Aircraft' to India, energy ties would cover exports of U.S. natural gas, transfer of U.S. technology on oil and gas refining, as well as the conclusion of pacts between Nuclear Power Corp. and Westinghouse Electric for six nuclear reactors in India and related project financing. Other priority areas would be smart cities (including Ajmer, Allahabad and Visakhapatnam), regional airport development in India through public private partnership, e-commerce, digital payments and medical devices.

On SET, USIBC acting president KhushChoksy told The Hindu nominations had been sought from USIBC members. As part of the proposed SET, preliminary discussions had been held on skill development and entrepreneurship promotion in Nagaland, he said, adding that there had also been talks on infrastructure development and job-creating activities in eastern/north-eastern India. Similar discussions would soon be held with the U.S. State governments to identify their priorities.

China way ahead

According to the American Enterprise Institute, China was the 'top import country' for 23 U.S. States in 2016, followed by Canada (14). India was neither a 'top import country' nor a 'top export country' for any U.S. State.

Industry inputs for four separate engagement channels — the comprehensive review of trade ties, forthcoming trade policy forum and the bilateral 'commercial dialogue'

as well as the Global Entrepreneurship Summit in November — would be provided during the Global Entrepreneurship Conclave (GEC) being organised by the USIBC next month. Top government officials from India and the U.S. are likely to participate in the GEC, Mr. Choksy said. Issues like the U.S. concern over its trade deficit and India's worries on U.S. visa 'curbs' would fall into a proper context once the two countries explore ways to solve the 'larger puzzle' of increasing bilateral goods and services trade to \$500 billion, from \$115 billion in 2016, Mr. Choksy said.

"The USIBC wants a win-win outcome for businesses on both the sides. We are supportive of free movement of goods and services."

India to sign 4 pacts during BRICS summit

Prime Minister Narendra Modi will visit Xiamen, China, to address the BRICS summit, where he is likely to take up regional and global issues. The External Affairs Ministry has said India will sign four BRICS-level agreements during the summit.

Switzerland for early India-EFTA pact

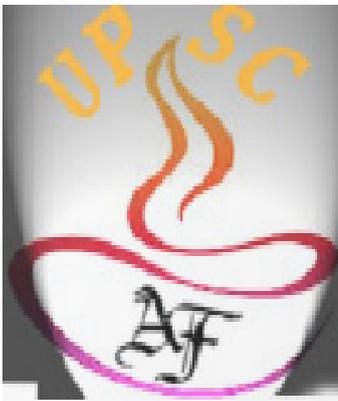
The early conclusion of the proposed Free Trade Agreement (FTA) between India and European Free Trade Association (EFTA) as well as an investment protection framework would boost economic ties between the two sides, said Switzerland President Doris Leuthard.

EFTA members include Switzerland, Iceland, Norway and Liechtenstein. Speaking at a business session here, Ms.Leuthard said while Switzerland was aware of the sensitivities of both the sides on the pact, "we want to bring the (FTA) negotiations that have been running between India and EFTA since 2008 to an end."

"I am sure that in this visit, we will have a better understanding and the push by the Indian Prime Minister and me will help the ministers conclude the pending questions," Ms.Leuthard said. She added, "I would really like to have India as a strong economic partner with trade agreement and an investment protection framework to be the base of the new era of cooperation."

In her address, Commerce and Industry Minister Nirmala Sitharaman said, "I will definitely sit with my team who are going to meet (with EFTA officials) by end of September, that they look into every issue and wherever they need political guidance and support, we are willing to give that."

She said India was keen on concluding negotiations for the pact as it would benefit both sides. On the issue of



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intellectual property rights (IPR), she said India's IPR regime was in compliance with the global rules and "we shall ensure that the patent, copyrights and trademark rights of any individual or company is respected." India was ready to address any questions on IPR or concerns on data security, she added.

Data security

On the data security issues, Ms. Leuthard said data owners' rights have to be protected to promote investments. "Internet is evolving at a rapid pace but there is a regulatory gap. How do we close that gap, that needs to be deliberated upon," she said. Ms. Sitharaman said though the topic was discussed at the World Economic Forum at Davos more discussions were required.

She sought greater participation at the Internet Governance Forum (IGF) to be held in Geneva in December. "Safer Internet for everyone is a way forward...I invite you all," she said. India-EFTA trade fell to \$19 billion in 2016-17 from \$21.5 billion in 2015-16. The trade balance was in favour of EFTA members.

Diplomacy must to solve conflicts: Xi

Prime Minister Narendra Modi arrived in the coastal city of Xiamen to participate in the ninth BRICS summit amid expectations that a dialogue with Chinese President Xi Jinping could set the tone for a new round of engagement between New Delhi and Beijing.

Prime Minister Modi and President Xi are expected to hold a one-on-one meeting.

With military tensions between India and China following the end of a tense face-off at Doklam still fresh in memory, Mr. Xi underscored that the BRICS grouping must uphold the value of diplomacy to resolve "hotspot issues".

Without specifying the Doklam crisis, Mr. Xi, speaking at a business forum, stressed that "peace and development" and not "conflict and confrontation" should be the security template of the five emerging countries. "Incessant conflicts in some parts of the world and hotspot issues are opposing challenges to world peace," Mr. Xi observed. He added: "People around the world want peace and cooperation, not conflict or confrontation."

There was an air of expectation in Xiamen ahead of Mr. Modi's arrival. Around 50 Indians gathered outside the Wyndham Hotel in the coastal city, chanting the Prime Minister's name as he arrived on a rain-soaked evening. Mr. Modi had said he looked forward to a meeting with nine other countries, including BRICS partners, during an Emerging Markets and Developing Countries Dialogue,

slated for September 5.

BRICS bank

Prior to the meeting, Beijing focused on highlighting the maturing of the BRICS institutional architecture.

, the New Development Bank (NDB) of the world's five emerging economies has begun construction of a state-of-the-art headquarters in Shanghai, symbolising the rise of the grouping in revamping the world's financial architecture.

The NDB's headquarters will be housed in a landmark building along Shanghai's iconic Huangpu River, the traditional gateway of China's overseas trade.

During remarks after Friday's ground-breaking ceremony, K.V. Kamath, NDB's president underscored the bank's focus on funding green energy products in tune with the vision of the bank's founders.

De-linking Belt-Road

Highly placed sources engaged in the preparations of the summit highlighted that India opposes any formal docking of China's Belt and Road Initiative with the BRICS as part of an end-of summit document in Xiamen.

Nevertheless, India would have no problems in supporting individual bankable projects that are not formally declared part of BRI.

China's proposal for establishing a BRICS+ arrangement where the host country of the summit is free to invite non-members is likely to be endorsed at Xiamen.

Sources said considerable convergence has been achieved to form a BRICS rating agency.

Besides, formation of a BRICS financial institute has also been widely discussed.

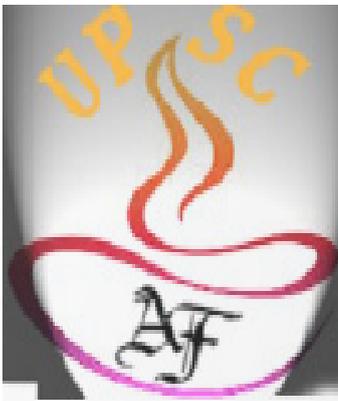
India expresses 'deep concern' over test

India criticised North Korea's decision to test a thermo-nuclear device, saying it views with "deep concern" the test that was in violation of its international commitment, and constituted a threat to India's national security as well.

"India deplores the nuclear test conducted by the DPRK (North Korea) this morning," the Ministry of External Affairs said in a statement, adding, "We call upon DPRK to refrain from such actions which adversely impact peace and stability in the region and beyond."

Veiled reference

In a veiled reference to the nuclear threat from North Korea and Pakistan, the MEA added in its statement that "India also remains concerned about the proliferation of nuclear and missile technologies which has adversely impacted India's national security."



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The MEA statement comes on the back of a number of statements made by India on the North Korean issue in recent months. In June, condemnation of North Korean leader Kim Jong-un's actions was contained in the Indo-U.S. joint statement issued during Prime Minister Narendra Modi's visit to Washington.

The issue is also likely to be highlighted during the upcoming visit of Japanese Prime Minister Shinzo Abe who will travel to India in mid-September.

Modi's 10 'noble commitments' for BRICS

Prime Minister Narendra Modi pitched for a coordinated action on counter-terrorism, cybersecurity and disaster management, as he suggested 10 "noble commitments" through which BRICS could achieve leadership in global transformation.

At the BRICS Emerging Markets and Developing Countries Dialogue organised by China on the sidelines of the 9th BRICS Summit as an outreach exercise, Mr. Modi said India had a long tradition of partnerships with fellow developing countries, while pursuing its own aspirations for growth.

Brick by brick

"Whatever we do, will impact the world substantially. So, it is our solemn duty to make a better world — brick by brick, or, through BRICS..," Mr. Modi said.

"I had spoken about BRICS driving the global transformation in the next 10 years for it to be a golden decade. I suggest that this can be brought about with our proactive approach, policies, and action," Mr. Modi said while putting forward 10 noble commitments through which BRICS leadership in global transformation can be achieved.

The 10 noble commitments suggested by the Prime Minister included creating a safer world by "organised and coordinated action on at least three issues: counter-terrorism, cybersecurity and disaster management."

Greener world

Other noble commitments suggested by Mr. Modi were: creating a greener world, creating an enabled world, creating an inclusive world, creating a digital world, creating a skilled world, creating a healthier world, creating an equitable world, creating a connected world and creating a harmonious world.

Apart from Mr. Modi, leaders of Brazil, Russia, China, South Africa and five guest countries — Egypt, Tajikistan, Thailand, Mexico and Guinea — attended the dialogue.

"Our 'no strings attached' model of cooperation is driven purely by the requirements and priorities of our partner countries," Mr. Modi said.

"Our development partnerships, projects are providing water, electricity, roads, healthcare, tele-medicine, and basic infra in dozens of countries," he said.

He said recently India completed its first voluntary review of Sustainable Development Goals (SDGs).

India, Egypt to bolster bilateral ties

Prime Minister Narendra Modi met Egyptian President Abdel Fattah el-Sisi and held talks on ways to strengthen bilateral ties.

Mr. Modi, who came to this port city of China on September 3 to attend the 9th BRICS Summit, held two bilateral meetings on the last day of his China visit.

India, China talks

After meeting Mr. Sisi, the Prime Minister held talks with Chinese President Xi Jinping.

"Delighted to meet President Abdel Fattah el-Sisi. We held talks on further strengthening our historical ties with Egypt," Mr. Modi tweeted after the meeting.

Earlier, during his address at the BRICS Emerging Markets and Developing Countries Dialogue, which was attended by Egypt, Mexico, Guinea, Thailand and Tajikistan on China's invitation as part of "BRICS Plus" outreach exercise, Mr. Modi described these countries as "close and valued" partners of India.

India and Egypt have a strong economic relationship and cooperation in areas of security and counter-terrorism.

India is the sixth largest trading partner of Egypt. India's imports from Egypt were worth \$1.74 billion during the 2014-15. (With ANI inputs)

BRICS names JeM, LeT terror groups

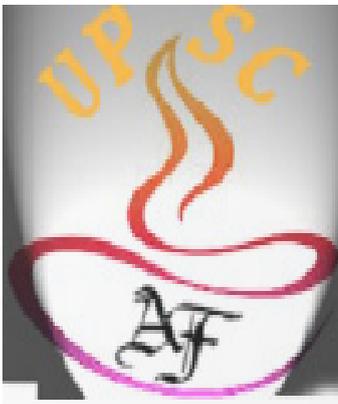
It condemned "terrorism in all its forms and manifestations wherever committed and by whomsoever and stressed that there can be no justification whatsoever for any act of terrorism."

The uncomplicated formulation seemed to endorse New Delhi's stand that there can be no distinction between terror groups, which was highlighted when it said in the context of Taliban that there can be no "good terrorists and bad terrorists".

In response to a question, Ms. Saran explained: "Terrorism is a scourge that has to be addressed collectively, by the entire international community. And I think increasingly there is a realisation that you cannot have double standards in tackling this scourge. You cannot have good and bad terrorists."

Meet on radicalisation

Stepping up the combat against global terrorism further



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at the international level, India is now planning to hold a global conference on countering radicalisation, Ms. Saran said.

“On countering radicalisation, India in the context of the Association of South East Asian Nations (Asean) and the BRICS offered to organise a global conference on countering radicalisation.

“Countries with a positive experience on this will be able to share their experience (at this conference).”

Modi, Putin vow to boost cooperation

Prime Minister Narendra Modi held talks with Russian President Vladimir Putin and discussed ways to boost bilateral trade and investment, especially in the oil and natural gas sector.

The two leaders met in this south-eastern Chinese city on the sidelines of the BRICS Summit.

“The two sides basically touched upon several aspects of the bilateral relationship. President Putin recalled the Prime Minister’s visit to Russia earlier this year. And, he thanked the Prime Minister for high-level participation from India at the Eastern Economic Forum,” External Affairs Ministry spokesperson Raveesh Kumar told presspersons at a briefing here.

India pitches for a credit rating agency

Prime Minister Narendra Modi strongly pitched for the setting up of a BRICS credit rating agency to counter western rating institutions and cater to the financial needs of sovereign and corporate entities of developing nations. In an address at the plenary session of the BRICS Summit here, Mr. Modi said a separate rating agency would help the economies of the member countries and other developing nations.

“Our Central Banks must further strengthen their capabilities and promote cooperation between the Contingent Reserve Arrangement and the IMF [International Monetary Fund],” the Prime Minister said, urging early creation of the BRICS rating agency.

Three western agencies hold over 90% of the sovereign ratings market.

India, China rebooting ties post-Doklam

Jolted by the military face-off in the Doklam plateau, India and China are rebooting their ties, by opening new channels of official communication to address points of friction before they develop into full-blown crises.

“The Chinese appear to have taken a strategic decision to reboot ties with India with a new and positive mindset following the Doklam crisis,” an official source, who did not wish to be named, told The Hindu .

“After talks between Prime Minister Narendra Modi and President Xi Jinping , there is much anticipation that the quality of core communication between the two countries will greatly improve.”

Yet, New Delhi has concerns that despite the fresh start in Xiamen on the sidelines of the BRICS summit, the leadership changes in China at the 19th party congress in October will impact the trajectory of New Delhi and Beijing ties. It is widely anticipated that Yang Jiechi, state counsellor and China’s special representative at the boundary talks with India, will retire.

China’s apparent policy shift on international terrorism, as reflected in the BRICS statement, will be tested when the United Nations 1267 committee meets in October to discuss designation of Masood Azhar, the head of the Pakistan-based Jaish-e-Mohammad, as an international terrorist. China has so far resisted putting Azhar on the list of global terrorists, but there is some optimism now that Beijing may be ready to shift its stance on this issue, notwithstanding its special relationship with Pakistan.

The new hands-on mechanism will supplement the already-existing periodically held “strategic dialogue”. It is expected to address concerns of an aspirational India and rising China in the region, including the Indian Ocean and the Asia-Pacific.

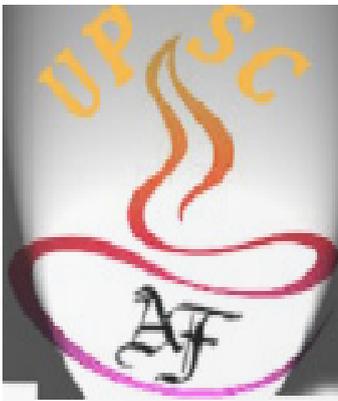
Analysts say the thinking driving India’s Act-East policy and China’s Belt and Road Initiative is far from aligned. India’s Indo-Pacific doctrine is raising apprehensions in China that instead of pursuit of an independent policy, India is allowing itself to drift into a China-containment mode, with Tokyo and Washington as partners.

India has its own concerns about Chinese intentions in the South China Sea and the South Asian neighbourhood, including Sri Lanka, Nepal and the Maldives.

Positive view

During a media briefing after the meeting between Prime Minister Modi and President Xi, Foreign Secretary S. Jaishankar highlighted that the two leaders had “laid out a very positive view of our relationship.” They had held “a detailed discussion about the mechanisms which could help both countries really go forward in that direction”.

Afternoon, Chinese Foreign Ministry spokesperson GengShuang also underscored that India and China should “reinforce communication and coordination in international affairs and make the international order more



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just and equitable”.

Notwithstanding the intent to break common ground, India continued to differ with China and Russia on accommodating the Taliban to restore calm in Afghanistan. Afghanistan was a major issue of discussion during Prime Minister Modi's lengthy conversation with President Vladimir Putin on the margins of the summit.

Modi's call to respect Myanmar's unity

His remarks came a day after Union Minister Kiren Rijiju said Rohingyas are illegal immigrants and will be deported from India.

Mr. Rijiju had asserted that nobody should preach to India on the issue as the country has absorbed the maximum number of refugees in the world.

11 pacts signed

After the Modi-Suu Kyi talks, 11 agreements were signed between the two sides in areas like maritime security, strengthening democratic institutions in Myanmar, health and information technology.

Mr. Modi, in his statement, stressed on scaling up security cooperation, saying that being neighbours, the two countries have similar security concerns.

Taking a strong stance on terror, Ms. Suu Kyi said, “Together we will ensure that terror is not allowed to take root on our soil or on the soil of neighbouring countries.”

Ms. Suu Kyi also thanked India for taking a strong stand on the terror threat that Myanmar faced recently.

Rohingya militants raided police posts in Rakhine last month, killing 12 security personnel.

Mr. Modi also asserted that India stood by Myanmar amid the challenges the country is facing. He said India had decided to grant gratis (no cost) visa to Myanmarese citizens who wished to visit the country.

Mr. Modi highlighted the development initiatives India was undertaking in Myanmar especially in capacity building, which Ms. Suu Kyi said her country needed the most. “I believe the democratic experience of India is relevant for Myanmar and that is why we are proud of our massive support in the capacity building...,” Mr. Modi said.

India, Japan to diversify defence ties

India and Japan agreed on a range of initiatives to diversify and deepen their defence cooperation.

These include anti-submarine warfare, counter-terrorism, humanitarian assistance and disaster relief and technological cooperation.

Defence Minister Arun Jaitley and his Japanese counter-

part, Itsunori Onodera, agreed on this during the annual defence ministerial meeting in Tokyo.

“The Ministers exchanged views and ideas with the aim of further strengthening defence and security cooperation under the framework of the Japan-India Special Strategic and Global Partnership,” the Defence Ministry said in a statement.

On naval cooperation, the two Ministers noted the successful conclusion of the Malabar trilateral exercises including the U.S. in July.

India keeps off 'Bali Declaration'

In a show of solidarity with Myanmar, India refused to be a part of a declaration adopted at an international conference here in Indonesia as it carried “inappropriate” reference to the violence in Rakhine State from where 1,25,000 Rohingyas have fled to Bangladesh.

An Indian Parliamentary delegation, led by Lok Sabha Speaker Sumitra Mahajan, dissociated itself from the ‘Bali Declaration’ adopted at the ‘World Parliamentary Forum on Sustainable Development’ held here. “This was in view of the fact that the declaration, which was to be adopted at the conclusion of the Forum, was not in line with the agreed global principles of ‘sustainable development’,” said a press release issued by the Lok Sabha Secretariat.

India reiterated its stance that the purpose of convening the Parliamentary forum was to arrive at a mutual consensus for implementation of SDGs (Sustainable Development Goals) which required inclusive and broad-based development processes, it said.

'Not by consensus'

“Therefore, the proposed reference to the violence in Rakhine State in the declaration was considered as not consensus-based and inappropriate,” the release said.

The part of the declaration to which India objected spoke of the forum expressing “deep concern on the ongoing violence in the Rakhine State of Myanmar, amongst others...”

The declaration went on to “call on all parties to contribute to the restoration of stability and security, exercise maximum self-restraint from using violent means, respect the human rights of all people in Rakhine State regardless of their faith and ethnicity, as well as facilitate safe access for humanitarian assistance.”

U.S. backs sale of fighters to India

Strategic expert Ashley Tellis recently argued in a paper



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that F-16 and F-A/18 are the best choices for India in their respective categories.

According to him, India will become the hub of Lockheed Martin's F-16 manufacture for the entire world — there are more countries exploring purchase — and in supporting the 3,200 F-16s that continue to be in service in 25 countries.

The U.S. military no longer buys F-16s but the 950-odd F-16s will remain in U.S. Air Force (USAF) service for another two decades, Mr. Tellis said. For F-A/18 the argument has been based more on technological superiority, though Boeing also has offered manufacturing in India and transfer of technology.

India has several concerns to be addressed before it moves ahead. "What is the depth of the technology transfer that these companies will offer to India? How will they help India's aspirations for the domestic defence manufacturing capabilities? When they say they will make in India, what exactly will they make in India — as components are manufactured the world over, and mostly in America," a source familiar with the Indian position told The Hindu. There are also questions about the ammunition supplies and American assurances in the event of a conflict with Pakistan.

Pakistan also has a fleet of earlier generation F-16s supplied by America. India is also unclear about the future market for F-16s outside of India.

Bali action puts India on other side of debate

India's decision to reject a joint statement by the World Parliamentary Forum in Indonesia, that included references to human rights in Myanmar in its 'Bali declaration', was a major show of support for the Suu Kyi government just hours after Prime Minister Narendra Modi ended his bilateral visit there. The move, however, has put India on the other side of the Rohingya refugee debate from Myanmar's other neighbours and countries in the region.

Bangladesh, Bhutan, Nepal, Afghanistan, Pakistan and Sri Lanka were all among countries that joined the Bali declaration at Nusa Dua, that India disassociated from, according to Indonesian officials.

In their explanation, the Indian delegation headed by Lok Sabha Speaker Sumitra Mahajan had said the reference to Myanmar had been "proposed at the eleventh hour" and was unjustified as the Parliamentary forum was meant to focus on Sustainable Development Goals (SDGs) and not a particular country.

"At the drafting committee India raised its objections,

especially after Turkey inserted clauses specific to one country (Myanmar), which Bangladesh supported. But the host country went ahead and adopted the declaration despite our objections," an MEA official told The Hindu on the telephone from Indonesia.

In two separate paragraphs, the Bali Declaration that was eventually made by 49 countries, expressed concern about the recent violence in Myanmar's Rakhine state, where the UN says at least 1,000 Rohingya Muslims have been killed, and 2,70,000 have fled, mainly to Bangladesh, in the past two weeks.

The statement "called on all parties to contribute to the restoration of stability and security, exercise maximum self-restraint from using violent means, respect the human rights of all people in Rakhine State regardless of their faith and ethnicity," as "there can be no sustainable development without peace".

India's statement followed PM Modi's visit to Naypyitaw where he expressed his support for the NLD government's crackdown on terror groups in the Rakhine.

For China, 1964 n-test 'head-on blow' to India

"But even in the immediate future India cannot ignore the bomb...as one of the factors affecting the power balance between China and India and the rest of Asia. Peking's bomb is not a tactical weapon, but a strategic instrument," Mr. Narayanan's secret memo, circulated after internal discussions in the Ministry, said.

"If the recovery of Aksai Chin and the settlement of the border question through resort to arms were inconceivable hitherto it would be more so in the future," Mr. Narayanan believed, adding that India would also have fewer military and diplomatic options after the Chinese nuclear test.

Arguing that China had now secured the breakthrough to "big power" status, the memo felt the real question for India was a long-term one —how India and China would be in 25-50 years if they followed different policies with regard to the use of nuclear energy.

Mr. Narayanan felt the Chinese had attacked in 1962 because they wanted to damage India's influence in the Asian-African world and "expedite the process of polarisation" in India's domestic politics. "The ideological bitterness which the Chinese evinced against Jawaharlal Nehru sprang from a realisation that it was his policies of non-alignment and socialism which stood as a border



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against the Communist dream of a violent revolution in India.”

Build the bomb

In Mr. Narayanan’s view, diplomacy could only embroider on the fact of power but not act as a substitute for it. “Therefore, whatever policy we may choose to follow, it seems that without a nuclear bomb of our own, India cannot answer the challenge posed by China.”

He argued that India acquiring the bomb might make Chinese leaders sit up and reconcile with Delhi just like the U.S. and other nuclear powers were coming to grips with the reality of China. According to the memo, China’s ultimate aim was to drive the U.S. out of Asia and “establish herself” as a nuclear power equal to the U.S. and the USSR. A second nuclear test conducted by the Chinese in May 1965 drew great praise from over 100 Pakistani officials gathered for a reception hosted by the Chinese embassy in Karachi.

India, Sri Lanka talk on bilateral issues

Continuing the discussion on crucial bilateral projects, a delegation-level meeting was held in New Delhi between the newly appointed Sri Lankan Foreign Minister Tilak-Marapana and India’s External Affairs Minister Sushma Swaraj. The visiting Minister, who took charge on August 15, also met Prime Minister Narendra Modi.

“The two sides discussed the entire gamut of bilateral relations and ways to further deepen the historically close and friendly relations between the two countries,” said a statement issued by India’s Ministry of External Affairs (MEA).

Saturday’s discussion is significant as in recent weeks India has been seeking faster implementation of bilateral projects. During her visit to Colombo last week to attend the Indian Ocean Conference, Ms. Swaraj held discussions with Sri Lankan President Maithripala Sirisena and Prime Minister Ranil Wickremesinghe. A top source in Colombo told The Hindu that she urged the government to swiftly finalise the Mattala airport project near Hambantota — which India is interested in running — as well as a container terminal at the Colombo Port.

India, U.S. in talks for C-17 deal

India is in talks with the U.S. for buying another Boeing C-17 Globemaster transport aircraft to be added to its fleet of 10.

Since induction in 2013, the aircraft has become the mainstay of India’s humanitarian assistance and disaster relief efforts.

On June 26, the State Department notified Congress of a possible sale, approving it under the Foreign Military Sales programme. “The validity of the Letter of Acceptance for the sale expires in mid-October and India has to conclude the deal before that or ask the U.S. for an extension,” an official said.

The aircraft, along with associated equipment, technical support and warranty, is estimated to cost \$366.2 million. “The aircraft will be handed over within a month of the contract having been signed after some routine checks and maintenance. The handover will be done in the U.S. itself, and it will be flown to India by Indian pilots,” Pratyush Kumar, president, Boeing India, told The Hindu.

The Defence Acquisition Council (DAC) gave its approval for the purchase in December last.

Big push

“The proposed sale will improve India’s capability to meet the current and future strategic airlift requirements ... India lies in a region prone to natural disasters and will use the additional capability [aircraft] for humanitarian assistance and disaster relief,” the Defence Security Cooperation Agency (DSCA), which manages the Foreign Military Sales programme, said in a statement in June.

In 2011, India purchased 10 C-17s under the Foreign Military Sales programme worth \$4.1 billion, which had a follow-on clause for six more aircraft. However, the delay in decision-making in the Defence Ministry meant the IAF missed out on the opportunity. The last C-17 aircraft left Boeing’s Long Beach plant in California in 2015.

While the C-17 assembly line was shut down, Boeing made 10 additional aircraft without any order and offered them to all existing customers, including India. New Delhi’s silence meant nine pieces were picked by the existing users and one is left with Boeing.

India to further aid Afghan troops

India agreed to enhance existing assistance to Afghan security forces, including in capacity building and training of Afghan soldiers in India, during a Partnership Council meeting, even as Afghanistan’s Foreign Minister suggested a larger role for India in regional diplomacy.

“We are glad India will continue to support our security forces in terms of equipment and training Afghan cadets in India,” Afghanistan Foreign Minister Salahuddin Rabbani told The Hindu in an exclusive interview.

“We hope also that India, as a good friend of other countries in the region like Russia and Iran, can convince those countries to work with the Afghan government to support the peace process in Afghanistan.”

Addressing journalists along with Mr. Rabbani at the con-



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clusion of the Partnership Council meeting, the second such meeting since the Strategic Partnership Agreement (SPA) was signed in 2011, External Affairs Minister Sushma Swaraj said the strategic relationship is an “article of faith”.

The meeting was the first high-level engagement between India and Afghanistan since the announcement of a new ‘South Asia policy for Afghanistan’ by U.S. President Donald Trump, where he vowed to take tough action against Pakistan if it fails to crackdown on terror groups, a policy that was welcomed in both Kabul and New Delhi.

New scholarships

“We remain united in overcoming the challenges posed by cross-border terrorism and safe havens and sanctuaries to both our countries,” Ms. Swaraj said in a veiled reference to Pakistan, and announced 500 new scholarships for children and kin of the Afghan National Defence and Security Forces (ANDSF) to honour their sacrifices “for the cause of entire humanity” and ensuring the safety of Indians working in Afghanistan.

Mr. Rabbani made a more pointed reference to Pakistan-based terror groups Jaish-e-Mohammed and Lashkar-e-Taiba, which he said had “been launching attacks against India and killing innocent civilians there”, while also also launching “similar attacks along with D’aesh (ISIS), Al Qaeda and Taliban in Afghanistan and destroying infrastructure.”

Stung India slams ‘inaccurate’ UN reports

Angered by criticism from the UN’s Human Rights Council on the issue of Kashmir, cow vigilante violence and Rohingya refugees, India accused the High Commissioner of the body, Zeid Raad Al Hussein, of passing “tendentious judgments made on the basis of selective and even inaccurate reports” in his comments.

“India is proud of its independent judiciary, freedom of press, vibrant civil society and respect for rule of law and human rights. A more informed view would have not only recognised this but also noted, for example, that the Prime Minister himself publicly condemned violence in the name of cow protection,” said India’s Permanent Representative to the UN in Geneva Rajiv Chander, during the ongoing Human Rights Council in his reply.

‘Incidents extrapolated’

The government said Mr. Hussein’s reference to the killing of journalist Gauri Lankesh and other references to people displaced in the Sardar Sarovar-Narmada Bachao Andolan, and “mob attacks against people under the pretext of protecting the lives of cows” and other instances of “rising intolerance” in India were “individual incidents ex-

trapolated to suggest a broader societal situation”.

While giving his update to the Council’s reports on 40 countries, Mr. Hussein had “deplored” the government’s recent decision to deport approximately 40,000 Myanmarese Rohingya refugees.

“India cannot carry out collective expulsions, or return people to a place where they risk torture or other serious violations,” Mr. Hussein had said, referring to the principle of non-refoulement, after calling the Myanmar government’s policies against the refugees as a “a textbook example of ethnic cleansing”.

Security challenges

“Like many other nations, India is concerned about illegal migrants, in particular, with the possibility that they could pose security challenges. Enforcing the laws should not be mistaken for lack of compassion,” Mr. Chander said, without referring directly to the Rohingya or Myanmar.

On the issue of human rights violations in Jammu and Kashmir that the UN Human Rights Chief had referred to in the written reports as well, India said the assessments overlooked “the central role of terrorism” there.

Reacting to Mr. Hussein’s statement, Union Minister of State for Home Kiren Rijiju had said that the government had not firmed up a plan to deport the Rohingya yet and had only asked the State governments to identify the illegal immigrants and initiate action as per the established procedure.

North Korea: Japan draws in India

Hinting at India’s Pakistan-related concerns, Press Secretary of the government of Japan Norio Maruyama said Tokyo could help India deal with the threat of cross-border terrorism.

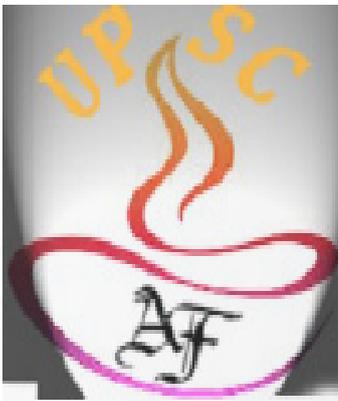
“This support can be provided both indirectly in international platforms and directly to deal with organisations like Lashkar-e-Taiba, Jaish-e-Mohammed and the Islamic State,” Mr. Maruyama said.

Help for Northeast

In a significant move, Japan also stated its interest in the strategically important northeastern region of the country. Japan, at present, has two infrastructure projects in Meghalaya and Mizoram and more projects are likely to be added to the list after feasibility studies, said Mr. Maruyama.

Both the points about North Korea and the reference to Free and Open Indo-Pacific Strategy – developed to deal with the Chinese influence – are significant in view of the now-resolved Doklam crisis that erupted between India and China.

“As strategic partners, we discussed all issues that are



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strategically important to both sides, during the bilateral talks,” said Mr. Maruyama, highlighting that both sides stood for freedom of navigation in the South China Sea. The two leaders also pointed out that maritime cooperation between the Japan Maritime Self Defence Force (JMSDF) and the Indian Navy had expanded to include ‘anti-submarine aspects’ and acknowledged the need for greater maritime domain awareness (MDA) in the Indo-Pacific Region. Both sides also agreed to support small islands in the region as part of their common strategy.

The joint statement emphasised expansion of joint exercises in areas of humanitarian assistance and disaster relief (HA/DR), peacekeeping operations and counter-terrorism, which will also include joint field exercises between the Japanese and Indian land forces next year. It further stated, “Both sides noted recent progress in... the commencement of the technical discussion for the future research collaboration in the area of Unmanned Ground Vehicles and Robotics.”

The statement described the state-of-the-art U.S.-2 amphibian aircraft as a symbol of “high degree of trust between the two countries.” Briefing the media, Foreign Secretary S. Jaishankar said “very serious negotiation is on regarding the issue.”

Modi for Japanese food

In a speech welcoming Mr. Abe, Mr. Modi urged greater Japanese presence in the Indian society and business and said the number of Japanese citizens in India would go up in the coming years.

“Japanese people living in India will be able to import Japanese food from home. I welcome more Japanese restaurants in India. ,” said Mr. Modi.

Indus water talks make no headway

The latest round of talks between India and Pakistan on the Indus Waters Treaty has ended without any agreement, the World Bank has said, while asserting that it will continue to work with complete impartiality to resolve the issues in an amicable manner.

Islamabad’s objection

Amid a chill in bilateral ties, the second round of discussions between India and Pakistan on the Rattle and Kishanganga hydroelectric projects, over which Islamabad has raised objections, took place at the World Bank headquarters here on September 14 and 15 under the aegis of the World Bank.

“While an agreement has not been reached at the conclusion of the meetings, the World Bank will continue to work with both countries to resolve the issues in an amicable manner and in line with the Treaty provisions,” the

World Bank said in a statement.

“Both countries and the World Bank appreciated the discussions and reconfirmed their commitment to the preservation of the Treaty,” it said after the conclusion of the Secretary-level discussions between the two countries on the technical issues of the Kishenganga and Rattle hydroelectric power plants within the framework of the Indus Waters Treaty.

The World Bank remains committed to act in good faith and with “complete impartiality and transparency” in fulfilling its responsibilities under the Treaty, while continuing to assist the countries, it said in its statement.

The Indus Waters Treaty was signed in 1960 after nine years of negotiations between India and Pakistan with the help of the World Bank, which is also a signatory.

World Bank’s role

The World Bank’s role in relation to the “differences” and “disputes” is limited to the designation of people to fulfil certain roles when requested by either or both of the parties.

The Indian delegation was led by the Union Water Resources Secretary Amarjit Singh.

It also included India’s Indus Water Commissioner and representatives from the ministry of external affairs, power, and Central Water Commission.

The Pakistani delegation was led by Secretary, Water Resources Division, Arif Ahmed Khan along with Secretary of Water and Power YousufNaseemKhokhar, High Commissioner of Indus Waters Treaty Mirza Asif Baig and Joint Secretary of Water Syed Mehar Ali Shah.

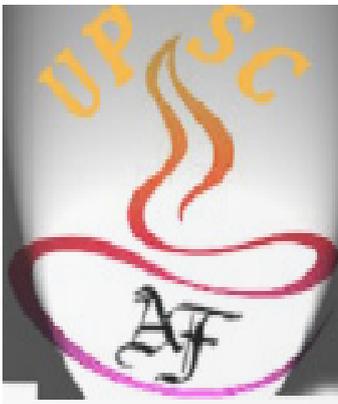
The last round of talks was held on August 1, which the World Bank said were held in a spirit of goodwill and co-operation.

Trade pacts stuck ahead of summit

With the India-European Union (EU) Summit just three weeks away, officials in Brussels and Delhi have told The Hindu that formal talks on the proposed bilateral Free Trade Agreement (FTA) have yet to be scheduled, despite a public push from Prime Minister Narendra Modi and German Chancellor Angela Merkel in May.

The officials said India had sent repeated reminders at the levels of the Commerce and Industry Minister, the Commerce Secretary and the Chief Negotiator to restart the talks that stalled in 2013, but the EU had not yet given any official indication on the re-engagement.

The Delegation of the EU to India (and Bhutan) declined to comment on specific questions sent by The Hindu on the status of negotiations and reasons for the EU having ‘ignored’ the Indian requests.



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It is learnt that the current sticking point is regarding whether an India-EU Bilateral Investment Treaty (BIT) can be finalised first, as demanded by the EU, or take forward India's plan to make 'investment protection' a part of the negotiations on the proposed comprehensive FTA — officially called the Bilateral Trade and Investment Agreement (BTIA) — and include it in the BTIA as a separate chapter.

The deadlock over 'investment protection' followed the EU's concern over what it called India's "unilateral termination" of separate BITs with "a significant number of" EU countries.

'Gap in protection'

EU Trade Commissioner Cecilia Malmström had written last year to Union Finance Minister Arun Jaitley and the then Commerce Minister, Nirmala Sitharaman, saying: "Given that the EU Member States do not have the possibility to renegotiate the BITs with India, the unilateral termination of the existing BITs by India would ... create a gap in investment protection and consequently discourage EU enterprises from further investing in India."

Variance over duties

The FTA talks are also stuck due to differences over the EU's demands on elimination of India's duties on goods such as automobiles and wines and spirits, and India's pitch for a 'data secure' status (important for India's IT sector to do more business with EU firms) as well as to ease norms on temporary movement of skilled workers.

While the chief negotiators of India and the EU met informally in July in Brussels on the margins of the EU-India Sub-commission of Trade, and are likely to meet again on the sidelines the EU-India Summit in Delhi on October 9 and 10, no decision has been made yet on the formal resumption of the BTIA talks.

An effort by Mr. Modi and Ms. Sitharaman and their EU counterparts, who met in April 2016 in Brussels, also failed to break the impasse.

Asked if 'Brexit' and the related complications were among the factors causing uncertainty regarding restarting the BTIA talks, an Indian official said, "Brexit is not an issue here. Look at the progress on the proposed EU-Japan Economic Partnership Agreement [EPA] even after the Brexit referendum [in June 2016]."

In July 2017, the EU and Japan reached an in-principle agreement on the EPA's main elements.

WTO-level negotiations

"So, if they [the India-European Union] were really keen, they could have given us [India] the dates to restart BTIA talks. But they have not indicated any interest so far, despite many high-level requests from India," the official

said.

The EU-India Summit is also likely to include discussions on issues relating to WTO-level negotiations as well on strategic cooperation between Indian police agencies with Europol on intelligence sharing and fighting terror.

U.S. wants India to cut ties with North Korea

It was the second time in two months that the U.S. conveyed such a message. The Hindu had reported in July that a senior U.S. diplomat had visited New Delhi with the same communication.

The American insistence that India reduce ties with North Korea is an important move as it aims to draw New Delhi more strongly into the East Asian crisis.

Pakistan's role

The message also reflects recent Indian arguments about North Korea as stated by a high-level diplomat who recounted Pakistan's role in arming it with nuclear know-how as a reason for India's continued concern.

In line with this thought the joint statement stated that those countries that supported the North Korean nuclear programme should be held "accountable."

Reports indicated that during last week's trip to India, Mr. Abe also discussed the role of Pakistan's A.Q. Khan network in supporting the clandestine nuclear programme of North Korea.

India has repeatedly deplored the recent missile and nuclear tests by Pyongyang though bilateral ties with the government of Kim Jong-un have remained more or less undisturbed.

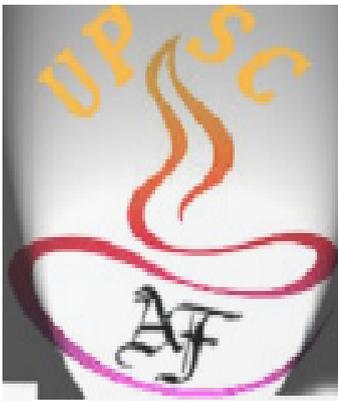
India played a key role in the resolution of the Korean war during the early 1950s and has maintained diplomatic ties with Pyongyang.

In recent years, senior public representatives have been spotted in the company of North Korean diplomats in Delhi.

However, Prime Minister Narendra Modi has repeatedly taken up the issue of North Korea during his tours including his latest trip to Spain earlier this year.

In April this year, India supported the U.N. in banning trade with North Korea though the Ministry of External Affairs has maintained that Indian trade has consisted of humanitarian ingredients like food items and medicines. However, a report in 2016 had revealed that the Dehradun-based Centre for Space Science and Technology Education in Asia and the Pacific (CSSTEAP) was one of the institutes that trained North Korean scientists, in violation of U.N. sanctions.

However, past collaboration, said a highly placed Indian diplomat, is likely to be discontinued indicating that ties



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with North Korea is part of the vestiges of the NAM-era diplomacy.

The official also indicated that India would like to play a proactive role in the Far East if the need arises.

An official source from the MEA, however, said he was not aware of such pressure from the U.S.

India, Japan and U.S. present common front

At a trilateral meeting in New York, Foreign Ministers of India, Japan and the U.S. endorsed one another's position on key strategic issues in Asia. While India stood with the U.S. and Japan on the question of North Korea's nuclear posture, it received support from the two on its position on the China-led One Belt, One Road project, a press release indicated.

"The Ministers emphasised the need for ensuring freedom of navigation, respect for international law and peaceful resolution of disputes... On DPRK (North Korea), the EAM (External Affairs Minister) deplored DPRK's recent actions and stated that its proliferation linkages must be explored and those involved be held accountable," it said. The meeting of External Affairs Minister Sushma Swaraj, U.S. Secretary of State Rex Tillerson, and Japanese Foreign Minister Taro Kono took place in the New York Palace hotel and lasted for about 30 minutes.

Ms. Swaraj, who arrived in New York, will address the UN General Assembly on September 23. During her stay, she is expected to have 15 bilateral meetings with foreign leaders, including Mr. Tillerson.

India's Permanent Representative to the U.S. Syed Akbaruddin said climate change, terrorism, people-centric migration and peacekeeping will among the focus areas for India this year.

Ms. Swaraj will also participate in a special panel of selected countries by the UN Secretary General on climate action.

India calls for a representative UN

India has extended support to efforts of U.S. President Donald Trump to reform the UN, saying it should include the expansion of the number of permanent and non-permanent members of the world body to keep pace with the changed times.

During a discussion on UN reform, Mr. Trump insisted that he had always seen the "great potential" of the organisation, but warned that "bureaucracy" was stopping it from realising its potential.

Once a harsh critic of the U.N., he called for reforms — a

view India had been expressing for a long time.

"We have said the world body should be reformed to keep pace with the changed times, including the expansion of its permanent or non-permanent members," External Affairs Ministry spokesperson Raveesh Kumar said at a press conference here. "We have consistently maintained the same line," Mr. Kumar said.

Mr. Kumar was referring to the high-level meeting on UN reforms chaired by Mr. Trump. External Affairs Minister Sushma Swaraj also attended the meeting. White House Press Secretary Sarah Sanders told presspersons that Mr. Trump supported the reform agenda of UN Secretary-General Antonio Guterres, and was pleased to join nearly 130 countries to support a big, bold reform to eliminate inefficiency.

In his address, Mr. Guterres said, "We are reforming our peace and security architecture — to ensure we are stronger in prevention, more agile in mediation, and more effective and cost-effective in peacekeeping operations.

'Fair globalisation'

"We are reforming our development system to become much more field-focused, well-coordinated and accountable to better assist countries through the 2030 Agenda for Sustainable Development — our contribution to a fair globalisation."

"We need to bring decision-making closer to the people we serve; trust and empower managers; reform cumbersome and costly budgetary procedures; and eliminate duplicative structures," he added.

India seeks probe into North Korea nuclear ties

India sought a probe into North Korea's nuclear proliferation linkages, and demanded that those responsible for it should be held accountable, in a veiled reference to Pakistan.

External Affairs Minister Sushma Swaraj's remarks came after North Korea had fired another mid-range ballistic missile over Japan. It follows North Korea's sixth and most powerful nuclear test on September 3 which was in direct defiance of the United Nations sanctions and other international pressure.

"External Affairs Minister Sushma Swaraj deplored North Korea's recent actions, and stated that its proliferation linkages must be explored and those involved must be held accountable," the Ministry's spokesperson, Raveesh Kumar, told presspersons at a news conference here.

Ms. Swaraj's remarks came as she met U.S. Secretary of



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State Rex Tillerson and her Japanese counterpart, Taro Kono, on the sidelines of the ongoing United Nations General Assembly session here.

Clandestine help

Though there was no direct reference to Pakistan in her remarks, it came amid reports that Pyongyang had clandestinely received nuclear enrichment technology from Pakistan when AQ Khan was at the helm of Islamabad's nuclear programme.

To questions, Mr. Kumar did not specify the country but said the hints were enough to determine that.

Bound by Paris deal, says India

India reaffirmed its commitment to the landmark Paris climate change agreement, saying it was willing to "work above and beyond" the pact to reduce greenhouse gas emissions.

External Affairs Minister Sushma Swaraj, during a UN 'Leadership Summit on Environment Pact', said India had been at the forefront of the debate on environment and development.

Her remarks came amid uncertainty over the U.S. role in the deal after President Donald Trump in June announced that America was withdrawing from the Paris deal, arguing that it gave undue advantage to countries like India and China.

India, which is the world's third largest carbon polluter, reached a pact, along with more than 190 nations, in December 2015 with an aim to prevent an increase in the global average temperature and keep it well below 2 degrees Celsius.

The deal, which replaced the 1997 Kyoto Protocol, was ratified last October.

Participating in the UN meet hosted by Secretary-General Antonio Guterres, Ms. Swaraj said India was willing to work "above and beyond" the Paris agreement. "Understanding our responsibility towards Planet Earth," External Affairs Ministry spokesperson Raveesh Kumar tweeted.

Solar alliance

The summit was presided by French President Emmanuel Macron. India takes the climate change issue very seriously, Mr. Kumar said.

"We also mentioned that India and France are working together on the international Solar Alliance," he said.

During the day, Ms. Swaraj had a series of bilateral meetings with leaders from Mexico, Norway and Belgium. She also called on Mauritius Prime Minister Pravind Jugnauth. "There were some discussions on the possibility of a

high-level visit from Belgium to India later this year," Mr. Kumar said.

Later in the evening, Ms. Swaraj attended a reception hosted by British Prime Minister Theresa May for the Commonwealth Heads of Government delegations. Ms. Swaraj is scheduled to hold meetings with her counterparts from San Marino, Brazil, Morocco and Moldova and call on Afghan President Ashraf Ghani. She is also scheduled to participate in several multilateral meetings including that of the G-4 (Brazil, Germany, India, and Japan) and the Shanghai Cooperation Organisation Foreign Ministers.

Hasina proposes 'safe zones' for Rohingya

Bangladesh's Prime Minister Sheikh Hasina called upon members states of the Organisation of Islamic Cooperation (OIC) to take a united stand to resolve the Rohingya issue "before it is too late" and placed a set of proposals. The proposals, placed at the OIC Contact Group at the United Nations headquarters, included a call for an immediate end to atrocities against Rohingya Muslims, the creation of 'safe zones' in Myanmar for the protection of civilians and an immediate and unconditional implementation of the recommendations put forward by the Kofi Annan Commission.

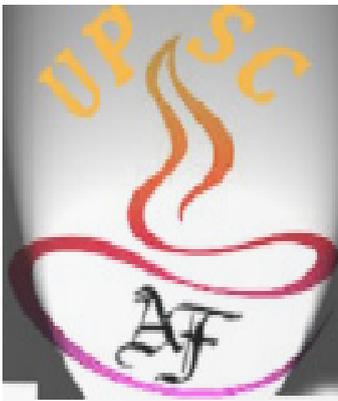
Stating that that the crisis has its roots in Myanmar and hence its solution also has to be found in Myanmar, she said, "We want to see an end to the 'ethnic cleansing'."

"It's an unbearable human catastrophe. I myself have visited them and listened to the stories of their grave sufferings, particularly of women and children... We have continued our diplomatic efforts to return all the Rohingya to their homeland, but Myanmar is not responding," she said.

She also criticised Myanmar for labelling Rohingya as "illegal migrants" and "Bengalis from Bangladesh". She said historical records clearly suggest that the Rohingya have been living in Rakhine for centuries.

"Myanmar is forcibly driving out the Rohingya Muslims through a planned and organised process. First, they were excluded from the list of recognised ethnic groups of Myanmar. Then in 1982, they were denied their right to citizenship. Later, they were sent to IDP camps in their own country," she said.

Referring to her recent visit to the Cox's Bazar refugee camps, she said it was reminiscent of 1971. "When the Pakistani forces burned down our houses and killed our people, around 10 million people crossed the border into India. Now they (Rohingya) are in danger and we defi-



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nitely need to give them shelter.”

Also, Bangladesh’s ruling 14-party alliance rejected the speech of Myanmar leader Aung Sang Suu Kyi. The alliance’s spokesperson Mohammad Nasim said that it was unfortunate that Ms. Suu Kyi did not even mention the word ‘Rohingya’ in her speech.

India plans to train Afghan police officers

After training Afghan National Army officers and soldiers for four years, India is now planning to train Afghan police officers here as well, says Afghanistan’s envoy to India. The MoU for the proposal, which will be supported by the United Nations Development Programme, is a first, and was discussed as part of enhancing the security partnership between India and Afghanistan during the meeting of the Strategic Partnership Council in Delhi this month. “We want to expand [the India-Afghanistan security partnership] to training Afghan police officers in India,” confirmed Ambassador Shaida Mohammad Abdali in an exclusive interview to The Hindu, indicating the MoU could be signed as early as next week. “India has always been an excellent partner for all our capacity-building programmes. And we do have similarities in some of the aspects of the conflict we face, so Indian knowledge and experience is going to be very useful for us, especially in counter-terror, and counter-narcotic [programmes],” he said.

The Ambassador’s comments come ahead of two separate, high-profile visits to Delhi next week, by U.S. Secretary of Defence James Mattis, and Afghanistan Chief Executive Abdullah Abdullah, which are expected to shape the contours of the U.S.’s newly announced Afghanistan policy, in which U.S. President Donald Trump called for greater Indian involvement in development projects in Afghanistan. While Mr. Mattis is in Delhi for bilateral talks on the Indo-U.S. defence partnership, he is expected to discuss the security situation in Afghanistan, as well as the U.S.’s declared policy to shut down “safe havens for terror” in Pakistan. Mr. Abdullah, who is expected later in the week, is coming for the first India-Afghanistan business and investment conference.

Trilateral meet

“This will be a good opportunity for India, Afghanistan and the U.S. to develop their partnerships in Afghanistan. We are also going to hold a trilateral meeting [of officials from all three countries], where we will focus on further enhancing our cooperation in the economic and development field.” Mr. Abdali said, adding that he hoped Indian businessmen would see that investing in Afghanistan

would “pay them back” in the region as well, once India completes the Chabahar port in Iran.

The External Affairs Ministry did not respond to requests for a comment on the plan to train police officers, who have borne the brunt of a spike in attacks by Taliban since 2016, when about 6,300 members of Afghan security and defence forces were killed. At present about 200 Afghan soldiers are trained at a time at the Indian Military Academy, including 130 cadets and 30 to 40 officers. The training of police officers, which India had first offered to Afghanistan in 2011, will be a significant step in security ties, which are a small part of the relationship, compared with India’s \$3 billion investment in civilian projects since 2002, with 116 new projects announced this month.

Last year, India sent Afghanistan four Russian-made Mi-25 helicopters, but has yet to concede to Afghan requests for more equipment, transport vehicles, while an agreement for Indian engineers to repair the helicopters and to refurbish old aircraft that is non-functional, has still not been finalised a year later.

The Afghan envoy said that while Afghanistan was “grateful” for India’s help thus far, they understood India’s own capabilities to give Afghanistan more hardware are “constrained”. “Strategically speaking, we are now looking at building an Army on this western model,” Mr. Abdali said.

Abbasi’s comment

Calling Pakistan Prime Minister ShahidKhaqanAbbasi’s recent comments that there was “zero” place for a military or political role for India in Afghanistan as “unfortunate,” Mr. Abdali said it represented an old “cold-war” era mindset, adding that “no country has the right to dictate or manipulate Afghanistan’s foreign policy.”

Bangladesh seeks help from India, China

India, China and Southeast Asian countries should help implement Prime Minister Sheikh Hasina’s five-point Rohingya solution proposals, said a Bangladesh High Commission source.

“We are satisfied with the Indian position and hope that China and ASEAN countries will also take more active roles in implementing the proposals of Prime Minister Sheikh Hasina,” said an official from the Bangladesh High Commission.

The official, however, said that the ASEAN countries are yet to take a united step to force Myanmar to take effective measures. He also said that China needs to be more vocal in stopping the tragedy inflicted on the Rohingya. Bangladesh has been handling the crisis of influx of refugees from Myanmar single-handedly, said the official,



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urging more international support. The role of ASEAN and the Organisation of Islamic Countries (OIC) will be critical in ensuring support for the Rohingya, said the official.

Bangladesh has been receiving attention from international relief agencies, though political support to force Myanmar to stop the campaign against the Rohingya has not arrived so far so far. Prime Minister Hasina did not receive the assurance of support from U.S. President Donald Trump during her ongoing trip to the U.S. for the UN meet.

UN must call upon India to halt provocations, says Pak.

If the international community wishes to “avoid a dangerous escalation between India and Pakistan,” it must call upon India to halt its “provocations and aggressive actions,” Pakistan told the United Nations General Assembly (UNGA), responding to Minister of External Affairs Sushma Swaraj’s scathing attack on Islamabad’s promotion of Islamist terrorism.

Pakistan’s Permanent Representative to the United Nations Maleeha Lodhi accused India of promoting terrorism against it, violation of human rights in Jammu and Kashmir and the spread of Hindu nationalism in India.

Ms. Lodhi cited the selection of Yogi Adityanath as the Chief Minister of Uttar Pradesh to underscore her point. “It is a government which has appointed a fanatic as the Chief Minister of India’s largest State whose rallying cry to his mobs was: ‘If they kill one Hindu, we will kill 100 Muslims.’ It is a government which has allowed the lynching of Muslims. All this is amply documented,” she said.

Ms. Swaraj had said in her speech that while India built Indian Institutes of Technology, Indian Institutes of Management and All India Institutes of Medical Sciences (IITs, IIMs and AIIMS) during the last seven decades, Pakistan had only built “jihadi factories” like the Jaish-e-Mohammed and the Lashkar-e-Taiba and was posing a threat to the peace and prosperity of the global nations.

‘Orgy of slander’

Exercising her right to response, Ms. Lodhi said Ms. Swaraj indulged in “an orgy of slander against Pakistan.” “In her vitriol, she deliberately ignored the core issue of Jammu and Kashmir,” she said.

Pakistan has been maintaining that unless there is progress on the “core issue”, there can be no improvement in India-Pakistan ties.

Ms. Swaraj had said Prime Minister Narendra Modi was willing to engage Pakistan, but that country had spurned

India’s positive gestures. Ms. Lodhi said India had been scuttling talks.

“India now also refuses a bilateral dialogue with Pakistan, either composite or comprehensive. The conditions it poses — that first there be an end of violence — beg the question. Violence emanates, first and foremost, from India’s occupation and brutal suppression of the Kashmiri people,” said Ms. Lodhi. Kashmir is a disputed territory according to the United Nations, she added.

“I invite all of you, and the Indian Foreign Minister, to look at the United Nations maps,” she said.

Putin to send special representative

Close on the heels of U.S. Defence Secretary James Mattis, who will hold talks in Delhi, and the arrival of Afghanistan’s Chief Executive Abdullah Abdullah, Russia is sending President Putin’s special representative for Afghanistan, Zamir Kabulov to Delhi in October, senior Russian officials confirmed to The Hindu.

Mr. Kabulov’s visit, when he is also expected to discuss Moscow’s new position on talks with Taliban, will come amid growing concerns in India over Russia’s ties with Pakistan.

“Russia is not supplying arms to the Taliban, but we think it is necessary to talk to those in Taliban willing to give up violence, and we hope India will join in the effort,” a senior Russian diplomat said, adding that in their assessment the “Taliban cannot be defeated militarily by the government in Kabul.”

More U.S. troops

The tough predictions are in sharp contrast to the U.S.’s new Afghanistan policy that will see at least 3,000 more troops sent to fight in Afghanistan, and offer India an increased role in development projects while pushing Pakistan to act against terrorist “safe havens”.

Moscow has already criticised the U.S. plan as a “dead-end policy”, and warned against “putting pressure” on Pakistan. Another sign of the growing shift in Russian policy came, as Russian and Pakistani Special Forces began military exercises in the Mineralnye Vody region. The exercises will be a precursor to a visit by Pakistan’s Army Chief General Bajwa to Moscow in October.

“Regular high-level exchanges between the two sides in the past few years have set the stage for translating political goodwill into a substantial partnership in particular, in the field of defence,” Pakistan’s Foreign Ministry spokesperson Nafees Zakaria said while announcing General Bajwa’s visit.

‘Moscow format’



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During the visit to Delhi, Mr. Kabulov would also talk about the “Moscow format” for talks on Afghanistan, which was started last year with only Russia, China and Pakistan, and then expanded to include Afghanistan, Iran and India.

However, after the U.S. rejected an invitation to join, the talks have been shelved “temporarily” according to officials, as the Ghani government now wants all such processes to be held in Kabul and led by the Afghan government.

Russian officials told The Hindu that they are already in discussions with India about the possibility of security cooperation for Afghanistan. This would include facilitating an ongoing proposal to refurbish Soviet-era planes and repair Russian Mi-25 helicopters donated by India, along with talks on providing spare parts and ammunition to Afghan forces, but conceded that the talks had not yet been concluded.

[Jim Mattis likely to push for Indian troops in Afghanistan](#)

U.S. Defence Secretary Jim Mattis landed in India for his maiden three-day visit, the first by a Cabinet member of the Trump administration.

Officials said the focus was on deepening the defence partnership and expanding the high-technology cooperation, and among the key focus areas of discussion would be the situation in Afghanistan.

In the light of U.S. President Donald Trump’s renewed engagement in Afghanistan and call for a greater Indian role, Mr. Mattis could be expected to push for Indian troops in Afghanistan.

India has already extended a \$3-billion aid to Afghanistan and also provides training to its military and other assistance. The two sides could also discuss the new Chinese posturing in the region and terrorism originating from Pakistan, officials said.

The Defence Secretary will hold a restricted dialogue with his counterpart, Nirmala Sitharaman, followed by delegation-level talks. After the talks, the two Ministers would issue press statements. Later Mr. Mattis will call on Prime Minister Narendra Modi and also meet National Security Adviser AjitDoval.

The two sides are expected to conclude the agreement for holding a bilateral maritime exercise, focussed on providing humanitarian assistance and disaster relief.

Defence talks

They are also expected to discuss significant measures under the Major Defence Partner (MDP) status. They will

also review high-technology cooperation under the Defence Technology and Trade Initiative (DTTI). An Indian delegation led by Secretary, Defence Production, who co-chairs the DTTI from India, was in the U.S. recently to prepare the ground.

However, the cooperation is contingent on India signing other foundational agreements, especially the Communications Compatibility and Security Agreement (COMCASA). The U.S. has been pressing for early conclusion of the agreement but India has been cautious. Discussions are under way. Earlier, the U.S. Department of Defence had said the Secretary would emphasise that the U.S. viewed India as a “valued and influential partner, with broad mutual interests extending well beyond South Asia”.

[U.S. nudges India-Afghanistan trade](#)

Intensifying trade links is at the top of the agenda as Afghanistan’s Chief Executive, Dr. Abdullah Abdullah, arrives in Delhi for talks with Prime Minister Narendra Modi and External Affairs Minister Sushma Swaraj.

Dr. Abdullah, who will be accompanied by several ministers, is here to inaugurate an India-Afghanistan trade fair, sponsored by the United States Agency for International Development.

“India has been partnering with the Government and people of Afghanistan in their efforts to build a stable, peaceful, prosperous united and pluralistic country,” a statement issued by the Ministry of External Affairs said.

The four-day “India-Afghanistan Trade and Investment Show” will be co-inaugurated by Finance Minister Arun-Jaitley, Civil Aviation minister Ashok Gajapathi Raju as well U.S. envoys in Delhi — MaryKay Carlson, and Kabul — Hugo Llorens.

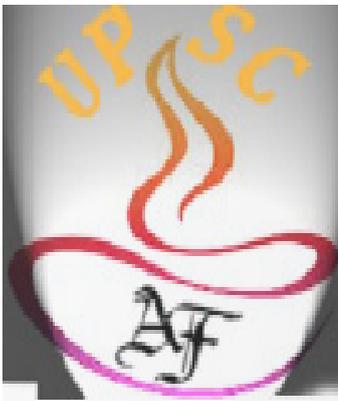
During the visit, the air cargo agreement for bilateral trade is expected to be signed by India and Afghanistan as well.

Widening impact

“This is the biggest such event we have had so far,” said a senior U.S. official. “Our real hope is that apart from growing trade figures, the social sector, especially projects in health and education will receive support from Indian companies.”

According to the U.S. official, about 240 Afghan private and social sector businesses and about 800 Indian businesses have registered to participate in the fair, which is being held for the first time at this scale — smaller versions have been held seven times since 2003.

“We now hope to hold this event annually, and could hold



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next year's trade expo in Mumbai," the official said. At present, about 40 letters of intent have been received from companies in diverse fields.

Security threat

At about \$684 million (2014-15), India-Afghan trade is far lower than its potential for a number of reasons, the chief being the security situation in Afghanistan with civilian deaths peaking in 2016.

However, Afghan officials say they hope Indian investors and traders will be reassured by the announcement of U.S. President Donald Trump's new policy for Afghanistan which has committed to keeping troops there without a deadline. "The new U.S. policy is already effecting a change in the security situation. Because there is a clear message of a long-term commitment based on the condition on the ground, not on timelines," Afghanistan's Ambassador to India Shaida Abdali told The Hindu .

The other obstacles to trade include Pakistan's refusal to allow Indian exports to Afghanistan through the road route at Wagah, and delays for goods routed through Karachi port.

India to back Syria in fight against IS

India assured its support to Syria in the fight against terrorism in the war-ravaged country, a major theatre of dreaded terror group Islamic State (IS).

This was conveyed when visiting grand mufti of Syrian Republic Ahmad BadrEddine Mohammad Abid Hassoun met Home Minister Rajnath Singh here.

Long-standing ties

Mr. Singh assured the grand mufti of India's support in eliminating terrorism on all fronts and recollected the long-standing friendship between India and Syria, an official statement said.

Official sources said the issue of several Indians joining the IS and fighting for the terror group in Syria and Iraq was understood to have figured in the discussion.

The Home Minister welcomed the grand mufti and discussion was held on wide-ranging issues including terrorism and security, the statement said.

The Home Minister was confident that bilateral relations would improve further by such visits and wished that peace and stability were restored in Syria soon. The grand mufti thanked the Home Minister and appreciated the secular credentials of India. The grand mufti was pleased to note the significance of unity in diversity in India, the statement said.

Talks on terrorism

During the meeting, the grand mufti highlighted the evils of terrorism by citing the example of the killing of his son by terrorists and how he forgave the assassin.

He expressed confidence that India would extend support in the fight against terrorism.

The Home Minister thanked the delegation for its visit to India.

India signs MoU to train Afghan police

India and Afghanistan exchanged a memorandum of understanding, which will see Afghan police forces trained in India for the first time. The agreement followed a meeting between Afghanistan Chief Executive Dr. Abdullah Abdullah and Prime Minister Narendra Modi here.

"Prime Minister [Modi] reiterated India's commitment to extend full support to Afghanistan's efforts for building a peaceful, united, prosperous, inclusive and democratic Afghanistan," said a statement from the Ministry of External Affairs.

"The two leaders exchanged views on the security environment in Afghanistan and the extended region, and, in this context, agreed to continue close coordination and cooperation," the statement added.

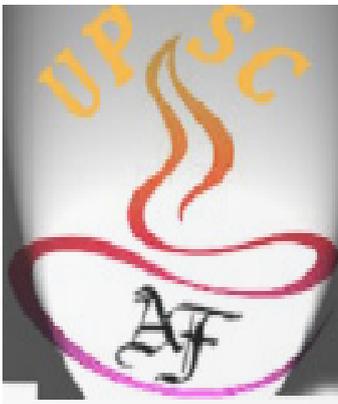
As The Hindu had reported last week, the MoU on Technical Cooperation on Police Training and Development will see India expand its capacity building of Afghan troops to include policemen and security forces, who are facing the brunt of Taliban attacks in the country, under a UN Development Programme project.

Dr. Abdullah's visit was delayed by a day due to a sustained rocket attack on Kabul airport even as U.S. Defence Secretary James Mattis landed there. The attacks also prevented Dr. Abdullah from inaugurating the India-Afghanistan trade and investment exhibition in New Delhi, sponsored by the United States Agency for International Development.

Dr. Abdullah, who is in India on a "working-visit", also met with External Affairs Minister Sushma Swaraj and President Ram Nath Kovind, and discussed deals under the Strategic Partnership Council this month, which included an Indian commitment to 116 "New Development Projects" as well as enhanced security cooperation.

World Bank warns of learning crisis in education in countries like India

The World Bank has warned of a learning crisis in global education particularly in low and middle-income countries like India, underlining that schooling without learning



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is not just a wasted development opportunity, but also a great injustice to children worldwide.

The World Bank in a latest report noted that millions of young students in these countries face the prospect of lost opportunity and lower wages in later life because their primary and secondary schools are failing to educate them to succeed in life.

According to the 'World Development Report 2018: 'Learning to Realise Education's Promise', released, India ranks second after Malawi in a list of 12 countries wherein a grade two student could not read a single word of a short text. India also tops the list of seven countries in which a grade two student could not perform two-digit subtraction.

"In rural India, just under three-quarters of students in grade 3 could not solve a two-digit subtraction such as $46 - 17$, and by grade 5 half could still not do so," the World Bank said. The report argued that without learning, education will fail to deliver on its promise to eliminate extreme poverty and create shared opportunity and prosperity for all. "Even after several years in school, millions of children cannot read, write or do basic math.

This learning crisis is widening social gaps instead of narrowing them," it said. Young students who are already disadvantaged by poverty, conflict, gender or disability reach young adulthood without even the most basic life skills, it said. "This learning crisis is a moral and economic crisis," World Bank Group President Jim Yong Kim said. "When delivered well, education promises young people employment, better earnings, good health, and a life without poverty," he added.

"For communities, education spurs innovation, strengthens institutions, and fosters social cohesion. But these benefits depend on learning, and schooling without learning is a wasted opportunity. More than that, it's a great injustice: the children whom societies fail the most are the ones who are most in need of a good education to succeed in life," the Bank president said.

In rural India in 2016, only half of grade 5 students could fluently read text at the level of the grade 2 curriculum, which included sentences (in the local language) such as 'It was the month of rains' and 'There were black clouds in the sky'. "These severe shortfalls constitute a learning crisis," the Bank report said. According to the report, in Andhra Pradesh in 2010, low-performing students in grade 5 were no more likely to answer a grade 1 question correctly than those in grade 2.

"Even the average student in grade 5 had about a 50% chance of answering a grade 1 question correctly—compared with about 40% in grade 2," the report said. An experiment in Andhra Pradesh, that rewarded teachers for gains in measured learning in math and language led to more learning not just in those subjects, but also in science and social studies—even though there were no rewards for the latter.

"This outcome makes sense—after all, literacy and numeracy are gateways to education more generally," the report said. Further a computer-assisted learning program in Gujarat, improved learning when it added to teaching and learning time, especially for the poorest-performing students, it said.

The report recommends concrete policy steps to help developing countries resolve this dire learning crisis in the areas of stronger learning assessments, using evidence of what works and what doesn't to guide education decision-making; and mobilising a strong social movement to push for education changes that champion 'learning for all'

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Science, Tech. and Environment

Govt to take steps to promote use of NavIC

Some Rs. 1.30 lakh crore investments in the sector were in the pipeline with 300 applications awaiting various clearances.

Defence Research and Development labs including the premier missile and avionics facility — Research Centre Imarat (RCI) — are being able to develop several critical technologies and components for the defence and aerospace sector but they need the industry support to get into the volumes production considering the needs of the armed forces, said Director B.H.V.S. Narayana Murthy.

With the future wars to be based on how networked the weapons systems are, the need for various kinds of sensors, navigational systems, avionics, radars, telemetry, telemetry and so on was immense as the armed forces requirement runs into scores of weapons systems.

“We have been successfully testing these complex products in our labs and have the design know-how but our production capacity is limited so we are ready to handhold the industry through transfer of technology,” he said.

U.S. court rules in favour of Dr. Reddy's in patent litigation

A U.S. District Court has issued a judgement in favour of Dr. Reddy's Laboratories, ruling that the proposed generic version of Suboxone (buprenorphine and naloxone) sublingual film does not infringe the patents as asserted by Indivior.

Suboxone is indicated for the maintenance treatment of opioid dependence.

The proposed generic version “does not infringe US Patent nos. 8,017,150; 8,603,514 and 8,900,497 as asserted by Indivior,” Dr. Reddy's said in a release announcing the U.S. District Court of Delaware judgement of August 31.

Shares surge

The development saw Dr. Reddy's shares gaining 9.75%

to close at Rs. 2,217.35 on the BSE. Intra-day the stock touched a high of Rs. 2,230.20.

“We are pleased with the verdict... the judgment reiterates our commitment to providing affordable and innovative medicines that address the unmet and under-met needs of patients around the world,” the release from Dr. Reddy's Laboratories said, quoting an unnamed spokesperson.

Reckitt Benckiser had developed Suboxone sublingual film using MonoSol Rx's PharmFilm technology.

In December 2014, Reckitt Benckiser de-merged its pharmaceuticals business as Indivior.

The USFDA has approved Suboxone film in four strengths, the firm said.

Indivior to appeal

Indivior intends to appeal against the judgement.

In a communication, filed with the London Stock Exchange, the company's CEO Shaun Thaxter described the news as “disappointing to Indivior given the belief that the company has in its intellectual property for Suboxone film. We will appeal the ruling and defend our intellectual property.”

ISRO seniors go into a huddle to check what went wrong Senior ISRO scientists at the Vikram Sarabhai Space Centre (VSSC) here have continued their meeting for a second day to analyse the reasons for the failure of the PSLV- C39 mission.

The Failure Analysis Committee, headed by VSSC Director K.Sivan, is poring through the flight data of the mission in a bid to understand what went wrong. Dr.Sivan told The Hindu that a simulation exercise would be carried out to zero in on the exact reason. “We are on track and hope to reach a conclusion within a week,” he said.

Payload stuck

The PSLV- C39 mission, carrying the IRNSS-1H navigation satellite, failed after the heat shield refused to open and release the satellite. Located in the fourth stage of the rocket, the heat shield, also referred to as payload fairing, protects the satellite from the intense heat generated due to friction with the atmosphere during take-off.

The fairing on the PSLV- C39 was programmed to separate from the vehicle three minutes into the flight but the rocket continued to travel with the satellite trapped inside, dragging down the velocity. Informed sources at ISRO said the command for separation had gone through but failed to trigger the mechanical process that pops open the heat shield. They said the investigations were likely to centre on the electrically-initiated pyro devices that initiate the sequence of separation.

Pyro devices use explosive energy generated by charge



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ignition to sever the components and actuate a release mechanism to push the fairings apart. What is intriguing for scientists is that the pyro device which probably malfunctioned is based on an electro-mechanical process, one that is far less complex than thousands of other components in the rocket.

"With all other systems on the rocket working as expected, the C-39 launch itself was successful. The glitch seems to be limited to the heat shield separation," an ISRO engineer who sought anonymity said.

The C39 mission was to launch the IRNSS- 1H navigation satellite as a replacement for the IRNSS-1A.

[IIT Guwahati team mimics nature to keep surfaces oil-free in water](#)

Inspired by fish scales that exhibit the excellent property of remaining oil-free even when the water is contaminated with oil, scientists at the Indian Institute of Technology (IIT) Guwahati have developed a special kind of superior, oil-repulsive (oleophobic) coating. When applied to any material — wood, glass or metal — the coating keeps the surface free of oil contamination under water.

By tweaking the composition of the coating, the team led by Dr. Uttam Manna from the Department of Chemistry at IIT Guwahati, has been able to make the coating also extremely oil-loving (oleophilic) under water. The oleophilic coating applied on objects will be helpful in removing oil from oil-contaminated surfaces or for absorbing oil from ocean oil-spills.

One gram of cotton ball coated with the highly oleophilic material was able to absorb over 1,000 grams of oil, irrespective of the density of the oil, the researchers found. The results were published in the journal *Chemical Science*.

Material stability

Researchers have so far tried to achieve oleophobic property under water by using hydrogel and metal oxide coating that mimics the physical structure of fish scales. But such substances do not have long-term stability under water as the oleophobic property is lost once the topography of the coating gets damaged.

In contrast, the coating developed by the IIT Guwahati researchers was stable even at extreme temperatures — up to -15 degree C and 100 degree C. It was also found to be stable for the duration of the test (30 days) when the pH of the water was reduced to 2 (highly acidic) and increased to 11 (highly alkaline). The property remained intact even when kept in sea water produced in the lab for 80 days. The property was unaffected when the top sur-

face of the coating was physically removed using sand paper, scratched with hand and even after a sand-drop test.

"All these tests showed the physical durability and chemical stability of the coating. The oleophilic or oleophobic property was unaffected when subjected to various physical and chemical tests," says Dr. Manna.

Two reactants (branched polyethylene and dipentaerythritol penta-/hexa-acrylate or 5Acl) are mixed together to get a nanocomplex. The nanocomplex has residual reactivity and so the functional groups react with primary amine-containing molecule. To impart more physical durability and chemical stability, the researchers coated the nanocomplex with a porous, durable polymer coating. "The polymer is covalently cross-linked with the nanocomplex and this imparts chemical stability, while the porosity of the polymer renders the coating physically stability," says Dr. Manna. "Because of the porosity, the coating maintains the desired property even when abraded, which is extremely difficult to achieve with the current approaches."

Coating properties

Since the coating is still reactive in nature, it can be exploited strategically to make it extremely oleophilic or oleophobic under water. When treated with octadecylamine small molecule, the material becomes extremely oleophilic and completely absorbs oil. And when treated with glucamine small molecule, the material becomes highly oleophobic with a contact angle of about 171 degrees.

"The oil-contact angle under water is about 64 degree before treating with the small molecules. When treated with octadecylamine small molecule, the oil-contact angle under water drops to zero and oil is completely absorbed. And when treated with glucamine small molecule, the oil-contact angle increases to nearly 171 degrees," says Dibyangana Parbat from the Department of Chemistry at IIT Guwahati and the first author of the paper.

"We tested the super oleophilicity by applying this coating on a cotton ball. The coated cotton ball was able to instantaneously soak oil under water. The oil does not spill from the cotton ball and can be recovered by physically compressing the cotton ball," he says. Similarly, the super oleophilic property was tested by coating glass, wood and metal surfaces. The treated surfaces remained oil-free for the entire duration of testing — 90 days.

[Plastic waste: What man has wrought the bugs try to solve](#)

The tiny landlocked African country Rwanda has banned



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plastic bags since a few years. The ban has made this war-torn nation much cleaner. Kenya has just announced a ban on plastic bags, and a fine of 4 years in prison and/or \$40,000. The Kenyan seacoast has mountains of plastic waste, making life on land, and in the sea, difficult. Another African nation, Morocco, with a coastline of 1,800 km, has had such a ban for almost a decade. It is time that India, with its 7,500-km coastline, learns from these Africans and bans plastic bags and related stuff before we too choke our seacoasts—and land, too—into a man-made disaster.

The Task Force on plastic pollution, set up by the Planning Commission in 2014, estimated that 60 cities across the country generate over 15,000 tons of plastic waste every day—almost 6 million tons per year. This is what we see daily as we walk around the streets. And cattle and other animals, which freely move around the streets, unknowingly devour some of this plastic material, which is not digested but stays put in their stomachs. Ruminants like the cow and buffalo end up dying a slow and painful death. The holy cow meeting an unholy end!

This dump we see daily is just part of the problem. A much greater, and not so visible disaster looms underwater, a lot of this plastic waste from across the world eventually ends up in the oceans, which cover over 70% of the earth's surface and hold 97% of the earth's water. The amount of plastic rubbish reaching the oceans is 8 million tons per day—that is, one truckload every minute. This would mean that by 2050, there will be more plastic in the world's oceans than fish!

What can science do about it? An interesting theoretical analysis was recently made by Professor Richard Sole of the Pompeu Fabra University in Barcelona, Spain. He estimated that of the huge amounts of plastic thrown in the oceans, the amount floating around is hardly 1%. The rest is sunk way down and/or slowly being degraded or broken down. Which plant, animal or microbe in the ocean might be doing this? And if we identify them, we may have a biological solution to at least part of the problem. The site <http://www.dailymail.co.uk/sciencetech/article-4555014/Plastic-eating-microbes-evolved-ocean.html#ixzz4r7uHOSH2> is well worth visiting to learn more.

Degrading plastic

There is some interesting research being done towards identifying, isolating and studying the biological species that seem to degrade plastics into small molecules that are usable for safer purposes. The species identified so far are some fungi and bacteria. An elementary review on such 'biodegradation of plastics' by A. Muthukumar

and S. Veerappanpillai of VIT Vellore lists as many as 32 species of microbes which degrade a variety of plastics which go to make water bottles, carry bags, industrial material and such (see their paper in *Intl. J. Pharm. Sci. Rev. Res.* 2015; 31 (2); 204-209; free access). And of immediate relevance to the Indian coastline is a report by Sangeetha Devi and others from Bharathidasan University, Tiruchi, also in 2015 (*Marine Pollution Bulletin*, 2015; 96: 32-40, no free access). They found that two strains of the fungus *aspergillus* spp, found in the waters of the Gulf of Mannar degrade the plastic HDPE (which is used to make milk and fruit juice bottles, grocery bags and such).

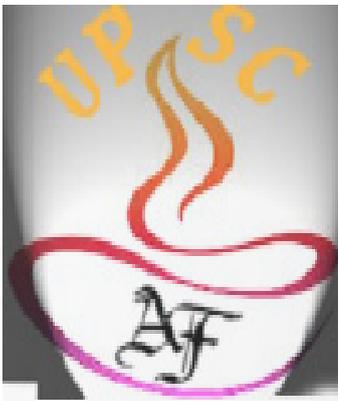
These fungi seem to release some enzymes which degrade HDPE, essentially breaking up the polymeric molecule into smaller pieces; these enzymes are being studied in some detail by the Tiruchi group. It is clear that further research work from marine organisms will reveal more microbes that are capable of degrading polymeric and plastic wastes. It would also be possible to find their cousins on earth which can degrade these wastes. And, once we study the basic biology and genetics of these plastic-eating bugs, we can genetically modify them in order to make them more efficient and versatile in handling a variety of wastes.

And more data is becoming available on the types of wastes that are being handled by these microbes. In March 2016, a group from Kyoto University found an two enzymes from the microbe they named as *Ideonellasakaimensis* (after the town Sakai in Japan), capable of breaking down the polymer PET (polyethylene terephthalate, used in making packaging trays, polyester clothing and others) into its basic monomeric molecules terephthalic acid and ethylene glycol (S. Yoshida et al., *Science* 2016; 351: 1196), which are used as building blocks for a variety of chemicals. The microbe is found in soil, sediment, waste water and similar material.

Most recently, a group of Pakistani, Sri Lankan and Chinese scientists together showed that the fungus *Aspergillus tubigenis* can degrade yet another major plastic material called polyurethane or PU (Sehroon Khan et al, *Environmental Pollution*, 2017; 225: 469-480). PU is used in the manufacture of car tyres, gaskets, bumpers, fibres, plastic foam, synthetic leathers and so on. The group found this bug in a general city waste disposal site in Islamabad, which suggests that it would very likely be found at several places in India too.

No place for cynicism

A cynical wag once said: what science made, let it un-



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make. It appears that whether it be in water or land (maybe even in the sky), if we work with focus, we would be able to find such plastic waste degrading organisms, and thus try to 'unmake' the problem. We can even genetically modify them to suit the purpose. This type of research will bring a great deal of benefit to not only terrestrial life forms but those living under water as well. Ironically enough, work of this kind could even fetch a Nobel Prize for safely breaking down plastics, just as Nobels were given for making plastics in the first place.

Novel compounds destroy biofilm-forming bacteria

Two new molecules capable of destroying bio-film forming bacteria have been developed by scientists at the Bengaluru-based Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR). The molecules performed better than conventional antibiotics in killing the bacteria during the dormant phase. Biofilms are communities of microorganisms that attach to each other and to surfaces and are able to act as barriers to antibiotics. When used in combination with existing antibiotics, the molecules reduced the microbial burden in the case of burns and surgical wounds.

The effect of these macromolecules on chronic biofilm causing pathogens like *E. coli*, *Acinetobacter*, *Klebsiella* were studied and the results were recently published in PLOS ONE.

Antibacterial activity

The researchers studied the effect of the compound on dormant state *E. coli*. "We tested on *E. coli* that resides in biofilms in a dormant condition. The new macromolecules killed the bacteria by targeting their cellular membrane, the protective layer present in both active as well as dormant state," explains Dr. Divakara SSM Uppu at JNCASR and the first author of the article. Antibiotics become effective when the bacteria are in an active state.

While 100 g/mL of antibiotics (ampicillin and kanamycin) was required to partially kill the bacteria, a concentration of just 10 g/mL of the macromolecule was able to completely kill *E. coli*. "With the rise of antibiotic-resistant superbugs, it is essential to develop new compounds that can work against them. Our new compound was able to disrupt the cell membrane and kill the bacteria even at very low concentration of 5 g/mL," says Dr. Jayanta Halder, scientist at JNCASR and corresponding author of the paper.

Though the molecule alone was not able to disrupt bio-

film, a combination of the molecule with erythromycin in equal concentration caused complete eradication of the tough-to-kill *E. coli* and *Acinetobacter* biofilm. Erythromycin by itself was also not able to disturb the biofilm. This showed that the combined strategy worked efficiently compared with individual antibiotics.

Double advantage

A combination of existing antibiotics (erythromycin) and the macromolecules also showed efficacy in treating burn and surgical wound infections caused by multi-drug resistant pathogens — *Acinetobacter* and *Klebsiella* — in animal models.

Conventional antibiotics were ineffective in the treatment of these infections in mice. However, the combination of macromolecules and the antibiotics could almost completely eradicate the burn and surgical wound infections and facilitate faster regeneration of the epithelial cells and hair follicles in mice models.

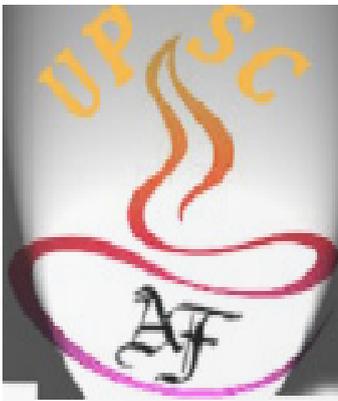
Collectively, these findings show the potential implications of the combination approach for topical treatment of infections. However, detailed animal studies are required further to fully understand the prospects of the molecule.

Habitat connectivity crucial for tigers

It is not just tiger numbers that are important. Habitat connectivity could be crucial in maintaining genetic diversity and, thereby, the survival of India's three tiger populations, suggests a recent study published in Scientific Reports. The isolated tiger population in Ranthambore in Rajasthan demands urgent conservation attention, being at risk of inbreeding and lack of connectivity with other populations.

India's place in tiger conservation is crucial: 60% of the world's wild tigers are found here. Apart from poaching and habitat loss, fragmentation is one of the threats India's tiger's faces. Tiger populations are now cut off from each other and their genetic profiles reflect this — smaller, isolated populations are less genetically diverse (due to lesser intermixing of different populations) than larger, connected ones. Genetic variation is crucial for evolution and low genetic diversity can threaten the survival of populations.

Scientists from five institutes including the National Centre for Biological Sciences (NCBS) at Bengaluru and Wildlife Institute of India at Dehradun studied genetic variation in India's tigers. While earlier studies had examined only around 12 regions of the tiger genome, this team analysed 10,184 single nucleotide polymorphisms (SNPs),



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which are several minute changes in the genome, in tissues of 38 wild tigers obtained during post-mortems from across 17 protected areas in India.

Three lineages

They find that genetically, India's tigers comprise three distinct populations: the northwest cluster (consisting only of tigers from Ranthambore), southern (south India) and central (comprising tigers from the Terai, northeast and central India). While the isolated Ranthambore population had the least genetic diversity, the central cluster — which is also the most connected — harboured the highest. "We find that large seemingly more connected populations have more diversity than smaller isolated ones," says lead author MeghanaNatesh at NCBS.

The study identifies new patterns that need to be studied in depth: tigers from the northeast and Simlipal (Orissa) appear to derive their ancestry from many regions. At the same time, the Ranthambore population, being cut off from other tiger populations, could be at risk in future due to inbreeding, which could decrease genetic variation in the population already at risk. This cluster needs urgent conservation action, say the scientists. "The future of tigers may depend on connected populations," they add. Tiger corridors could therefore be crucial in maintaining genetic diversity within and between these clusters and, in turn, aiding the survival of India's national animal.

Mysterious signals from faraway galaxy

A mission to explore intelligent alien life in the universe has recorded some mysterious signals coming from a galaxy three billion light years away, according to an Indian-origin scientist working on the ambitious project. Vishal Gajjar is part of the team working under the Breakthrough Listen project — set up by Hawking and Russian billionaire Yuri Milner — to discover the truth about the universe.

"We really have no idea about where they [the recent detected fast radio bursts] come from," Gajjar, one of the scientists from the University of California Berkeley Research Centre, told The Daily Telegraph.

He noted: "If some form of life would like to produce a signal that is detectable to another civilisation this could be a way to do it, but I don't think they are coming from intelligent civilisations." "There are more theories than the number of sources," he said. Explanations for the latest signals detected range from rotating neutron stars with extremely magnetic fields, to energy sources used by extraterrestrial civilisations to power spacecraft.

India could embrace CO2 capture technology

India will explore the possibility of introducing technologies for capturing carbon dioxide emitted while burning coal and other fossil fuels, the country's Coal Secretary Susheel Kumar has said. Mr. Kumar is leading an Indian delegation at an international conference on Carbon Capture Utilisation and Storage (CCUS) in Alabama.

"Attending the conference has been very informative for my colleagues and me, we now have some food for thought to carefully contemplate the feasibility of CCUS with relevance to India," he said.

Commercial uses

A lot of advanced research in the area, of late, has been focussing on capturing carbon dioxide emissions from sources like coal-fired power plants, to either reuse or store it so it will not enter the atmosphere. CO2 has commercial and industrial uses, particularly for Enhanced Oil Recovery (EOR) in depleting oil fields. Carbon dioxide has the ability to change the properties of oil and make it easier to extract.

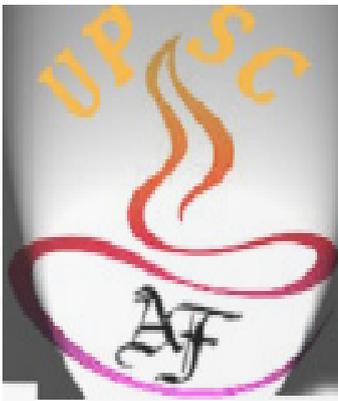
The International Energy Agency's Green House Gas Research and Development initiative organises the annual Post Combustion Carbon Conference, which is currently in session in Birmingham, in the State of Alabama. Dr.PrabhatRanjan, Executive Director of Technology Information Forecast and Assessment Council (TIFAC) of Department of Science and Technology; S.K. Acahrya, Chairman and Managing Director of Neyveli Lignite Corporation; and other officials are part of the Indian delegation at the conference.

Gripen or F-16? It's a dogfight

After several dramatic twists and turns, as the Air Force looks at procuring a new single engine fighter, the Adani group is emerging as the dark horse that could end up manufacturing a large number of India's future fighters.

The IAF is now working on issuing Request for Information (RFI) to the two single-engine fighter manufacturers available in the global market — Lockheed Martin for its F-16 and SAAB for its Gripen. While the Tata group has tied up with Lockheed Martin for possible manufacture of F-16s in India, SAAB last week announced a tie-up with the Adani group.

"In the present scheme of things, Gripen enjoys a clear advantage because of its capabilities," says an Air Force source. While the F-16 is 50 years old, the Gripen is a four-and-a-half generation fighter of very recent vintage.



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The IAF had sent out an informal request asking the two manufacturers details of their products. Based on the input and other analysis, the RFI would be issued under the Strategic Partnership model in a couple of months, officers said. The target would be to acquire at least 100 fighters in the first stage, but the demand is expected to go up further now.

The government will select the preferred aircraft and its Indian partner based on submissions. Once selected, the manufacturing plant for the selected fighter is to be set up in India, with the Indian partner holding the majority stake in the venture.

MMRCA process in mess

“By not taking a quick decision and dragging its feet, the government has messed up the MMRCA [Medium Multi-Role Combat Aircraft] process,” says Air Marshal (retired) M Matheswaran, who played a crucial role in drawing up the requirements and conceptualising its original tender in the early 2000s.

“[The] original MMRCA was not only to get fighters but also to get technology here in India. All those objectives have been defeated,” he said.

The IAF in 2001 projected a requirement for 126 fighters, to fill the gap between its future indigenous light combat aircraft and the heavy-weight Sukhoi-30 fighters.

Though the initial move was to buy more Mirage 2000 fighters, it evolved into the MMRCA global tender.

In January 2012, the twin-engine Rafale fighter was declared the winner, and finally negotiations began with its French manufacturers.

Air Force sources point out that the only reason the government has now put out the present single-engine requirement is the cost.

The purchase of 36 Rafale fighters from France not only surprised most military sources but also upset the financial projects for the fleet modernisation, sources say.

Air Force sources point out that the requirement is now for over 200 fighters, and the Rafales are being limited to just 36.

IGIB team discovers skin bacterium with antimicrobial activity

Bacteria found on the skin are known to harbour a large repertoire of antimicrobial agents. A new bacterial strain of *Staphylococcus capitis* identified by scientists at Delhi's CSIR-Institute of Genomics and Integrative Biology (CSIR-IGIB) has a strong antibacterial activity against Gram-positive bacteria, including *Staphylococcus aureus*. The work reconfirms the growing understanding

that bacteria found on the skin may be a “rich source” of novel antimicrobial molecules. The results of the study were published in the journal *Scientific Reports*.

The bacteria were isolated from the skin surface of a healthy human foot; the bacteria are specifically found near the toes. Different bacteria are found in different niches of the skin. For instance, bacteria found in the arm pit are different from those found on the feet.

The antimicrobial activity helps the bacteria to secure their niche environment by preventing other bacteria, including pathogenic bacteria, from colonising. “The new bacterial strain identified by us and *S. aureus* are closely related and can thrive in the same niche on the skin. And this drives the competition between the two bacteria,” says Dr. Rakesh Sharma from CSIR-IGIB and one of the corresponding authors of the paper.

Staphylococci are common colonisers of human skin and the third largest genera identified in human skin microbiome.

Seven new peptides

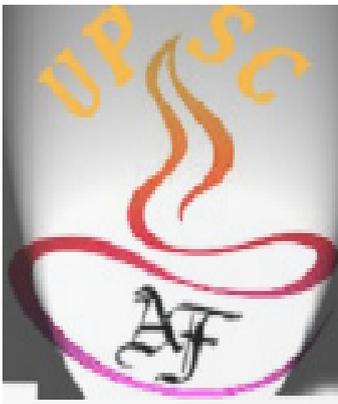
The team led by Dr. Bhupesh Taneja and Dr. Sharma sequenced the genome of the bacteria and identified all the possible peptides that have antibacterial activity. In all, the new strain of bacteria has nine antimicrobial peptides, of which two (epidermin and gallidermin) have already been characterised from other bacteria. “The other seven new peptides have been found to have antimicrobial activity,” says Dr. Sharma.

“To be absolutely certain about the antimicrobial activity that we see is from the peptides and not from any other biological material as a result of contamination; we tested the seven purified synthetic peptides against a set of select microbes. It was a qualitative test,” says Dr. Taneja from CSIR-IGIB and other corresponding author of the paper.

Synthetic peptides

Synthetic peptides with sequences identical to the natural ones isolated from the bacteria were synthesised by the team. The synthetic peptides were found to possess antibacterial activity, opening the window to developing new antimicrobial compounds. “Since the purified synthetic peptides are inhibitory, it not only confirms the antimicrobial activity but also shows that the synthetic peptides can be used directly without actually culturing the microbes,” says Dr. Taneja.

The researchers would next study the minimum inhibitory concentration (the lowest concentration of an antimicrobial that will inhibit the visible growth of a microorganism) required by the peptides and test it against more species of Gram-positive bacteria and specifically against drug-



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resistant *S. aureus*.

Besides isolating the peptides responsible for antimicrobial activity, the researchers have identified the genes responsible for other functions such as adhesion, acid stress tolerance, colonisation and survival on human skin. "We studied the bacteria to understand the different adaptation strategies and unique features that allow them to thrive on the skin," says Dr. Sharma.

The team has been isolating bacteria from the skin and studying their roles. The researchers had earlier reported another bacteria from human skin with antimicrobial activity. And in a paper published in May this year, they reported the discovery of a new Gram-positive bacterial genus — *Auricoccus indicus*. The bacteria were isolated from the external ear lobe of a healthy individual.

Does total darkness or light alter the body clock?

Will living in complete darkness or being in light for 24 hours for the rest of our lives affect our circadian rhythm (sleep-wake cycles)? Probably not, at least in the case of fruit flies.

Experiments carried out on 330 generations of *Drosophila* (fruit flies) confirmed that circadian rhythm was persistent in flies that were kept in complete darkness or complete light 24 hours a day for over 19 years. This may be due to the intrinsic value of the body's time-keeping system in coordinating our internal physiological functions.

This was the finding of a study by a group of scientists led by Prof. Vijay Kumar Sharma at the Chronobiology Lab (where study of the biological clock is carried out) at Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), Bengaluru; Prof. Sharma passed away last year after the completion of the work.

Sleep-wake assay

Using *Drosophila* activity monitors, locomotor activity patterns of flies kept in the three different conditions (total darkness, total light, and normal day-night conditions) were monitored. Interestingly, the flies maintained in complete darkness exhibited a relatively better sleep-wake cycle than the ones in complete light. "The control group had cues of day and night in the form of 12 hours of light and 12 hours of darkness, while the flies in the other two groups which were not exposed to such cues also maintained circadian rhythms over several hundred generations," explains Dr. Radhika Shindey from JNCASR and first author of the paper.

The results of the study help dispel the notion that continuous darkness may regress the body's biological clock and show that absence of light may have caused the evo-

lution of a more robust clock in flies. The results were recently published in *Chronobiology International*.

Clock and reproduction

The time at which flies emerge as adults from pupae and the time when adult females laid eggs were examined, since appropriate timing of adult emergence and oviposition (egg-laying) behaviours are thought to be important for survival and reproduction.

For the experiment, a few flies taken from the group kept in complete darkness and complete light were exposed to normal cycle of 12 hours of light and 12 hours of darkness. They found that flies which were taken from the group exposed to complete light tend to lay eggs at the time of dusk when exposed to normal light and darkness cycle. On the other hand, flies taken from the group exposed to complete darkness tend to lay eggs at about noon.

In nature, a high temperature during the day may increase the risk of drying of eggs, which may be the reason why egg-laying mostly takes place in the evenings. Since the flies in complete darkness have not been exposed to light for several generations they may have slowly lost this ability of restricting egg-laying to the evenings.

"We have to conduct more oviposition experiments for longer time duration to get a proper understanding of this rhythm," she adds.

Not just time-keeping

"The most interesting find of the study was that the circadian rhythm did not degenerate over 19 years," says Vishwanath Varma, PhD scholar at JNCASR and co-author of the paper. Complete regression of the circadian clock is very unlikely because of the several other functions of the core circadian genes. "It has been shown that circadian clock genes are also involved in other physiological functions (DNA repair, reproductive fitness) apart from time-keeping," he adds. This could be one of the main reasons why the circadian rhythm will continue to be preserved even in absence of light-dark cues for hundreds of generations.

New malware alert issued [Or] New malware steals money through mobile phones: Report

A new malware 'Xafecopy Trojan' has been detected in India which would steal money through mobile phones, cyber security firm Kaspersky said. Around 40% of target of the malware had been detected in India. Xafecopy Trojan is disguised as apps like BatteryMaster, and secretly loads malicious code on the phone.



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A fragile ark that shelters 2,626 creatures

In a first, the Zoological Survey of India (ZSI) has published a compendium of animal species in the Indian Sundarbans, estimating that there are 2,626 of them in the fragile island ecosystem. The listing includes a diverse 25 phyla, as they are biologically classified.

The Indian segment of the Sundarbans, part of a UNESCO World Heritage site, forms part of the Ganga-Brahmaputra delta across 9,630 sq. km, distributed among 104 islands.

The region hosts 2,487 species that come under the zoological kingdom of Animalia, and 140 under the more primitive Protista.

“The publication titled Fauna of Sundarban Biosphere Reserve is the first consolidated and updated information of the faunal diversity of the Sundarbans. It lists over 2,600 species, including the new species described from the mangrove ecosystem as well as threats faced by them due to climate change,” ZSI Director Kailash Chandra told *The Hindu*.

Biswajit Roy Chowdhury, secretary of Nature Environment and Wildlife Society, a non-governmental organisation and one of the authors of the publication, says it is encyclopedic in its scope.

“When we talk about Sundarbans we refer to only a few major species in the reserve forest area in about 4,260 sq. km. The publication catalogues the entire faunal diversity of Sundarban Biosphere Reserve covering 9,630 sq. km spread over 19 blocks in South 24 Parganas and North 24 Parganas of West Bengal,” Mr. Roy Chowdhury said.

Gone missing

The researchers document the famous tigers of these islands, which have adapted to aquatic conditions around, the human-tiger conflict, and behaviour of the big cat. The fortunes of 50 mammalian species including the Asian small-clawed Otter, Gangetic Dolphin, Grey and Marsh Mongoose and the wild Rhesus Monkey, the only primate here, are also documented.

“Due to pressure on habitat from people and natural threats that have shrunk the mangrove swamp habitat, mammal numbers are declining,” the authors say. Two Rhinos, Swamp deer, Barking deer and Hog deer and Asiatic Wild Water Buffalo are not found in Sundarbans anymore, they say.

There are 356 species of birds, the most spectacular being raptors, or birds of prey, that occupy the highest canopies of the forest. Osprey, Brahminy Kite and White-Bellied Sea Eagle are dominant, while Rose-ringed parakeets, flycatchers and warblers are also found in the mid-

dle tier, while in the lower tier, kingfishers abound — and the Sundarbans has nine of them.

There are 11 turtles, including the famous Olive Ridley and Hawksbill sea turtles and the most threatened freshwater species, the River Terrapin.

A crocodile, 13 lizards including three species of Monitor Lizards and five Geckos are found here. The rivers, creeks channels and the islands together harbour about 30 snake species, led by the King Cobra, considered vulnerable by IUCN.

Others documented are the Monocellate or monocled cobra, Russell’s viper, common and banded kraits. Besides, ten species of frogs and toads are found.

Cartilaginous fish

The mangrove ecosystem covers about 350 species of fish. Cartilaginous fish, which have skeletons of cartilage rather than bone, make up 10.3%. The IUCN conservation status shows 6.3% fish are near-threatened and 4.85% are threatened. Also, there are 173 molluscs.

In another indication of its richness, 753 insect species are encountered in the Sundarban Biosphere Reserve. Of these, 210 are butterflies and moths. Moreover, Crustaceans — crabs, shrimp and prawns — constitute 334 species.

‘Stringent action to prevent data misuse’

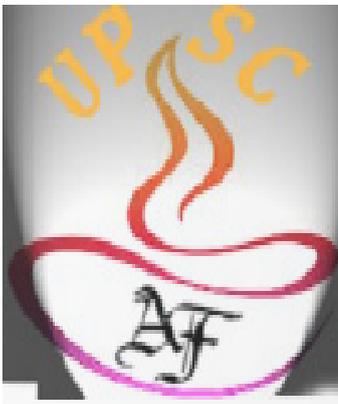
Pitching for use of big data analytics for inclusive growth, IT Minister Ravi Shankar Prasad said any unauthorised use of data would be dealt with an “iron-hand to ensure that nothing comes in the way of making data analytics a national movement.”

“The government is committed to making the best use of big data in establishing rule of precision governance. While doing so, every care would be taken to strictly ensure that privacy rights of individuals are protected,” Mr. Prasad said at the inauguration of a 24-hour Hackathon, wherein participants will use government data platform to make applications and infographics on themes such as Drinking Water and Sanitation, Transport, Education and Crime and Health.

IT Secretary Ajay Prakash Sawhney said, “There is big gap between data being available and data being utilized. I believe we have serious opportunities available.”

Japan calls for ‘Free and Open Indo-Pacific Strategy’

Japan’s diplomacy with India during Prime Minister Shinzo Abe’s latest visit, highlighted the country’s intensifying focus on the Indo-Pacific region and Tokyo’s evolving



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foreign policy.

Speaking to the media, Japan government's spokesperson laid out the overarching nature of the new concept, "Free and Open Indo-Pacific Strategy" that aims to prepare Japan to deal with the fast changing global and regional order and threats from China and North Korea. Spokesperson Norio Maruyama's presentation before the media introduced the new Japanese strategy that will build peace pro-actively, based on "diplomacy that takes a panoramic view of the world map".

He stated that the strategy aims to create a "free and open" Asia-Pacific region which connects parts of eastern Africa, south Asia and southeast Asia with the western Pacific Ocean region and Japan.

"Japan will expand infrastructure, development, trade and investment, and enhance business environment and human development from East Asia as a starting point, to the Middle East and Africa," it stated.

The 'Free and Open Indo-Pacific Strategy' rests on "two oceans" — Indian and Pacific — and "two continents" — Africa and Asia. It is understood that Japan is quietly challenging China's aggressive plans in the South China Sea that pose a threat to the energy lane that sustains Japanese economy.

The government of Shinzo Abe believes that connectivity between Asia and Africa through a free and open Indo-Pacific, is expected to support stability and prosperity of the region as a whole. Interestingly, a joint statement issued at the end of the visit did not mention 'South China Sea'.

Nasa's Cassini to end Saturn mission today with fateful dive as grand finale

Nasa's Cassini spacecraft is on course to its final approach to Saturn, hurling towards the ringed planet at the speed of 113,000 kilometres per hour, to meet the fateful end of its 20-year-long epic journey, the US space agency said.

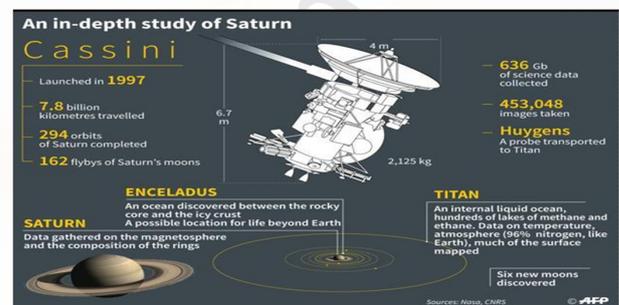
Cassini is on course to dive into Saturn to ensure that the planet's moons — in particular Enceladus, with its subsurface ocean and signs of hydrothermal activity — remain pristine for future exploration.

The spacecraft's fateful dive today is the final beat in the mission's grand finale, 22 weekly dives, which began in late April, through the gap between Saturn and its rings. No spacecraft has ever ventured so close to the planet before.

The mission's final calculations predict loss of contact with the Cassini spacecraft will take place a minute after

it reaches an altitude of about 1,915 kilometres above the planet's estimated cloud tops.

During its dive into the atmosphere, the spacecraft's speed will be about 113,000 kilometres per hour. The final plunge will take place on the day side of Saturn, near local noon, with the spacecraft entering the atmosphere around 10 degrees north latitude.



Key data on the US spacecraft Cassini, which has uncovered some of the mysteries of Saturn. Photo: AFP

When Cassini first begins to encounter Saturn's atmosphere, the spacecraft's attitude control thrusters will begin firing in short bursts to work against the thin gas and keep Cassini's saucer-shaped high-gain antenna pointed at Earth to relay the mission's precious final data.

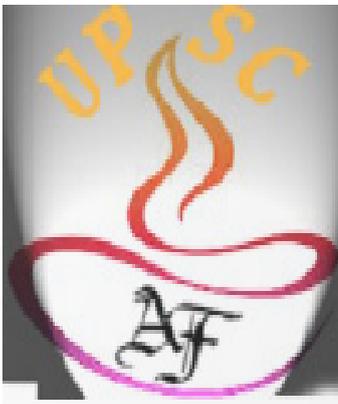
As the atmosphere thickens, the thrusters will be forced to ramp up their activity, going from 10% of their capacity to 100% in the span of about a minute. Once they are firing at full capacity, the thrusters can do no more to keep Cassini stably pointed, and the spacecraft will begin to tumble. When the antenna points just a few fractions of a degree away from the Earth, communications will be severed permanently.

The predicted altitude for loss of signal is about 1,500 kilometres above Saturn's cloud tops. From that point, the spacecraft will begin to burn up like a meteor. Within about 30 seconds following loss of signal, the spacecraft will begin to come apart; within a couple of minutes, all remnants of the spacecraft are expected to be completely consumed in the atmosphere of Saturn.

Due to the travel time for radio signals from Saturn, which changes as both Earth and the ringed planet travel around the Sun, events currently take place there 83 minutes before they are observed on Earth.

"The spacecraft's final signal will be like an echo. It will radiate across the solar system for nearly an hour and a half after Cassini itself has gone," said Earl Maize, Cassini project manager at Nasa's Jet Propulsion Laboratory (JPL) in the US.

"Even though we'll know that, at Saturn, Cassini has al-



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ready met its fate, its mission isn't truly over for us on Earth as long as we're still receiving its signal," said Maize.

Cassini's last transmissions will be received by antennas at Nasa's Deep Space Network complex in Australia.

Secret life may thrive under warm Antarctic caves: study

A secret world of animals and plants — including unknown species — may be thriving in warm caves under Antarctica's glaciers, scientists said.

The study led by Australian National University (ANU) found that around Mount Erebus, an active volcano on Ross Island in Antarctica, steam has hollowed out extensive cave systems.

Forensic analyses of soil samples from these caves have revealed intriguing traces of DNA from algae, mosses and small animals, researchers said.

"It can be really warm inside the caves - up to 25 degrees Celsius in some caves. You could wear a t-shirt in there and be pretty comfortable," said Ceridwen Fraser from the ANU Fenner School of Environment and Society.

"There is light near the cave mouths, and light filters deeper into some caves where the overlying ice is thin," said Fraser, lead researcher of the study published in the journal *Polar Biology*.

Fraser said most of the DNA found in the caves on Mount Erebus was similar to DNA from plants and animals — including mosses, algae and invertebrates — found elsewhere in Antarctica, but not all sequences could be fully identified.

"The results from this study give us a tantalising glimpse of what might live beneath the ice in Antarctica — there might even be new species of animals and plants," she said.

"These intriguing DNA traces did not conclusively prove plants and animals were still living in the caves," said Laurie Connell, professor at the University of Maine in the US.

"The next steps will be to take a closer look at the caves and search for living organisms. If they exist, it opens the door to an exciting new world," she said.

According to Professor Craig Cary from the University of Waikato in New Zealand, previous research had found that diverse bacterial and fungal communities lived in Antarctica's volcanic caves.

"The findings from this new study suggest there might be higher plants and animals as well," Cary said.

There were many other volcanoes in Antarctica, so sub-

glacial cave systems could be common across the icy continent, researchers said. It is not yet known just how many cave systems exist around Antarctica's volcanoes, or how interconnected these subglacial environments might be. They are really difficult to identify, get to and explore, they said.

Mumbai team discovers how embryos implant in the womb

Researchers at the National Institute for Research in Reproductive Health (NIRRH) in Mumbai have finally shed light on one of the most important steps in pregnancy — the ability of the embryo to implant itself in the womb.

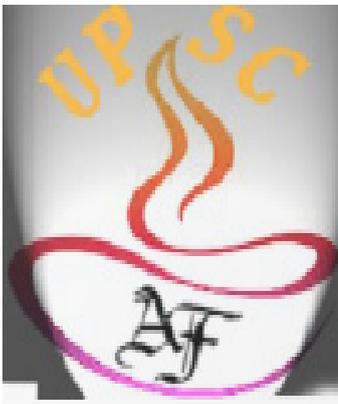
Although much is known about the early steps of establishment of pregnancy, very little is known about the communication between the implanting embryo and mother's womb. The researchers have found a cross-talk between the embryo and the inner lining of the uterus (endometrium) and discovered a chain of chemical events that facilitate the implantation of the embryo in the womb.

The understanding of this initial step has several potential implications such as improving the success rate of in vitro fertilisation (IVF), which hovers around 30% and developing contraceptives which work by preventing the implantation of the embryo. In all probability, the insight into the implanting mechanism might help in better understanding of conditions such as pre-eclampsia (gestational hypertension). The results of the study were published in the journal *Endocrinology*.

In vitro studies

Even in normal situations, there is about 40% wastage of embryos as they fail to implant, leading to unsuccessful pregnancy. That is because a delicate and intricate balance exists between the embryo which is able to implant itself and the endometrium that receives it. At present very little of this process is understood.

Using cell lines of trophoblast (the outer layer of the dividing bunch of cells of blastocyst) and endometrium (the inner lining of the uterus) samples from women who have undergone hysterectomy the researchers recreated the system in a lab dish. Chemicals were used to make the endometrium thicker (decidua) to mimic the lining of the uterus which is ready to allow the embryo to implant itself. A particular protein (HOXA10) which is responsible for better invasion and implantation of the embryo in the endometrium is present at elevated levels in a receptive endometrium. The team led by Dr. Deepak Modi at the Molecular and Cellular Biology Laboratory at NIRRH found the level of this protein drops suddenly at the time



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of implantation. This drop is localised to the place where the embryo is about to implant itself.

Chain of events

The sudden drop in the HOXA10 protein causes a chain of events starting with a spike in certain class of cytokine leading to a trigger in the implantation pathway (STAT3) of the embryo. As a result, certain enzymes in the embryo digest the extracellular matrix of the decidua (thickened lining of the uterus) and make it loose enough for the outer layer of the embryo (trophoblast) to invade and implant itself in the uterus.

"We depleted the HOXA10 protein in one set of decidual cells while we kept it at normal level in another set of cells. We found increased invasion of trophoblasts and therefore better implantation where cells with reduced HOXA10 level were used," says Dr. Modi. "We could also show that the trophoblast cells which have more invasion have increased activity of the enzymes that digest the extracellular matrix proteins of the decidua."

"Previously it was thought that higher HOXA10 expression was better for implantation. But our study, for the first time, showed that at the site of implantation the HOXA10 expression is lower," says Dr. Satish Kumar Gupta from the National Institute of Immunology, New Delhi and one of the authors of the paper.

It took the team eight years to complete the study. The biggest challenge was to test and prove the sequence of events observed in the lab happen in the womb. "This was a big technical challenge as getting human tissue of women in early stages of pregnancy is impossible. So we took tissues from monkeys which are very close to humans to validate the lab findings," says Dr. Modi.

In baboons, lower levels of HOXA10 protein were found at the site of implantation as compared with other sites of the decidua. "This helped confirm that reduced HOXA10 protein was associated with the enhanced invasion and implantation of the embryo in the decidua," says Geeta-Godbole from the Molecular and Cellular Biology Laboratory at NIRRH and the first author of the paper.

TMC overcomes resistance to hormonal therapy for breast cancer

Researchers at the Tata Memorial Centre (TMC), Mumbai, have found a possible reason why certain breast cancer patients become resistant to hormonal treatment. And the good news is that they have designed an anti-microRNA (small non-coding RNA) which can be probably help in overcoming the resistance to hormonal therapy.

In another study, the researchers have found the molecular mechanism that is responsible for conferring protec-

tive benefits of progesterone hormone in breast cancer patients. Progesterone hormone treatment prior to breast cancer surgery reduces recurrences and increases survival in node positive cases, a 2011 clinical trial carried out by Dr. Rajendra Badwe and colleagues at the Tata Memorial Centre (TMC) found.

A team led by Dr. Amit Dutt from the Integrated Cancer Genomics Laboratory, ACTREC at TMC has found that following progesterone treatment, the expression of progesterone receptor in the breast cancer cells is turned down or reduced. Turning down the expression of progesterone receptor was through the action of small RNA molecules (microRNA). MicroRNAs are known to have regulatory functions inside the cells.

The researchers took breast cancer cells and treated them with progesterone and performed deep-sequencing using next generation sequencers for small RNA molecules. "We found three microRNAs to be consistently over-expressed [produced in abundance] in response to progesterone treatment. And the over-expressed microRNAs turn down the expression of the progesterone receptor. The over expression of microRNAs was independent of the progesterone receptor status of the breast cancer cells," says Mukul Godbole from the Integrated Cancer Genomics Laboratory, ACTREC at TMC and the first author of both the papers.

Using biochemical approaches, the researchers were able to validate one (miR-129-2) of the three microRNAs that is over-expressed. The results were published in the journal *Cancer Biology & Therapy*.

To confirm their results, the researchers analysed the expression of the particular microRNA (miR-129-2) in The Cancer Genome Atlas (TCGA). They found that patients with high levels of miR-129-2 microRNA had "significantly lower expression" of progesterone receptor compared with patients with no expression of this microRNA.

Overcoming resistance

It is common to see patients undergoing hormonal treatment becoming resistant to the treatment. "Now we know a possible reason why patients become resistant to hormonal therapy," Dr. Dutt says.

And the good news is that in adjuvant setting after surgery it is possible to prevent the microRNAs from turning down the expression of the progesterone receptor. By using an anti-microRNA that the team designed it is possible to reduce the level of microRNAs. The anti-microRNA ensures that the expression of progesterone receptor remains intact and patients respond to progesterone hormone treatment.

"In in vitro studies, the anti-microRNA was found to be very effective," says Dr. Dutt. By using the anti-microRNA,



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it might be possible to turn the clock back in the case of patients who have developed resistance to hormonal therapy.

Molecular mechanism

In another study, the researchers have found the molecular mechanism that is responsible for conferring protective benefits of progesterone hormone in breast cancer patients. A clinical trial at TMC found progesterone hormone treatment prior to breast cancer surgery reduces recurrences and increases survival in node positive cases.

Specifically, they found that both breast cells which produce progesterone receptor and those which do not produce progesterone receptor respond uniformly to external progesterone treatment.

The researchers found that irrespective of the progesterone receptor status of breast cancer cells, progesterone hormone treatment inactivates a set of 12 protein kinases (which are required for basic functioning of a cell).

The inactivation of the 12 kinases results in the inhibition of breast cancer cell migration and invasion. As a result, there is a delay or reduced chances of cancer cells spreading (metastasis), which is a major cause of recurrence in breast cancer patients. The results were published in the journal Cellular Oncology.

"This finding is very important as it gives us an in vitro model to understand the intricacies of progesterone and the inhibition of invasion," says Dr.Dutt.

"Besides understanding the molecular mechanism of progesterone hormone treatment, the real implication of the study will be that we may be able to select patients who will benefit from progesterone treatment," says Dr.Sudeep Gupta from the Department of Medical Oncology at TMC and one of the authors of the two papers.

Google's payment app to go live

Tech giant Google will unveil its payment app 'TEZ' as it seeks to cash in on the growing digital payment segment in the country.

Finance Minister ArunJaitley will unveil the app on September 18 in Delhi, according to an official communication sent by the Finance Ministry. In July, the National Payments Corporation of India had said Google had completed the testing of its UPI payment service and was awaiting the Reserve Bank of India's approval to begin service here.

Google has also sent out invites for the event to "share details on the launch of a new product developed grounds up for India."

Tech majors like WhatsApp and Facebook are also engaged in dialogue with the NPCI, a body set up to promote UPI-enabled payment, on their platforms. UPI allows money transfers from one bank to another using a virtual address.

Rajnath reviews steps for cybersecurity

Home Minister Rajnath Singh reviewed the preparedness of agencies to check financial cybercrimes. In view of the growing number of financial frauds using cards and e-wallets, Mr. Singh asked agencies to strengthen surveillance and legal frameworks to check the menace.

The issue came up at a high-level meeting at which the strategies being adopted to check financial cybercrimes were discussed in detail. Representatives from various agencies made presentations and apprised the Home Minister of the current trends in financial cybercrimes in the country, and the steps being taken by their agencies to address this challenge, a Home Ministry spokesperson said.

The agencies concerned and representatives of certain States highlighted the steps being taken to arrest the growing trend of cybercrime in the financial sector.

It was noted that both legal and technological steps need to be taken to address this situation.

Capacity building

"It has been decided to expedite the implementation of cyber-crime prevention initiatives in these agencies towards this end, along with measures required to acquire critical cyber forensics equipment," the official said.

It was also decided that an inter-ministerial committee may be set up to identify action points and monitor their implementation. Capacity building of various stakeholders such as police officers, judicial officers, forensic scientists as well as officials in the banking sector has been identified as a key measure, the official added.

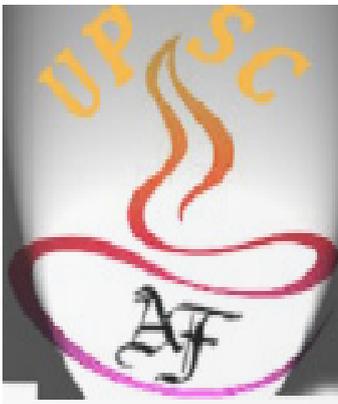
As many as 1,44,496 cybersecurity attacks were observed in the country in the past three years.

As per the information reported to, and tracked by, the Indian Computer Emergency Response Team (CERT-In), a total number of 44,679, 49,455 and 50,362 cybersecurity incidents were observed during 2014, 2015 and 2016, respectively.

The types of cybersecurity incidents included phishing, scanning/probing, website intrusions and defacements, virus/malicious code and denial of service attacks.

Next PSLV launch in November-December

The next launch of the PSLV will be in November-December.



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ber, ISRO Chairman A.S. Kiran Kumar said here .

He was speaking to the media on the sidelines of the two-day national seminar on Emerging Trends in Aerospace Technologies, AseT 2017, organised by the Aeronautical Society of India (AeSI) and the Vikram Sarabhai Space Centre.

Earlier, in his inaugural address at the seminar, Mr. Kumar said there was a real problem in certifying a system or a technology for actual usage. This was a problem faced by developing countries. Government agencies and industry partners could design, build, and realise products. "The real question mark is certification. Another problem is in quickly establishing a mechanism for translating design into product. There is a real need to adopt enabling technologies and incorporate them in the systems we build. Otherwise, technology will remain the forte of the Western countries. We need to identify technologies and incorporate them into our designs and provide cost-effective solutions to the nation. While there have been many developments on the aerospace front, nothing much has been done by way of designing passenger aircraft to be used for domestic flights," he said.

In his presidential address, society president and member, NITI Aayog, V.K. Saraswat said technology had to be consistently upgraded so that India was globally competitive. There was a need to accelerate commercialisation of technologies we developed. The nation faced a major lacuna in terms of design capabilities.

The chairman of the AeSi, Thiruvananthapuram S. Pandian, VSSC director K. Sivan, AeSI secretary general Lalit Gupta and secretary of the Thiruvananthapuram branch A. P. Beena were among those present for the inaugural ceremony.

The 68th AGM of the Society is also being held along with the conference.

Pyro devices to blame for PSLV failure: ISRO

The Indian Space Research Organisation (ISRO) has come round to the inference that the PSLV C-39 mission on August 31 was doomed by the failure of the pyro devices that actuate the separation of the heat shield encasing the satellite from the rocket.

A high-level meeting chaired by ISRO Chairman A.S. Kiran Kumar held at the VSSC here came to the conclusion on the failure of the pyro devices. The meeting was informed that simulation exercises were on to ascertain the reason for the malfunctioning of the pyro devices.

'Component isolated'

"We have isolated the component responsible for the failure of the mission but it remains to be established why it

failed to function," VSSC Director Dr.K.Sivan said. "We are testing various versions and hope to arrive at a consensus in seven to 10 days". The exercises are expected to help the scientists analyse the failure from various angles.

ISRO had declared the PSLV- C39 mission unsuccessful after the heat shield refused to open and release the IRNSS-1H navigation satellite on board. The failure review committee set up by ISRO had zeroed in on the electrically-operated pyro devices as the culprit after it was found that the command for separation had gone through but failed to trigger the mechanical process that pops open the heat shield.

Pyro devices use small charges to actuate the release mechanism that forces the fairings apart.

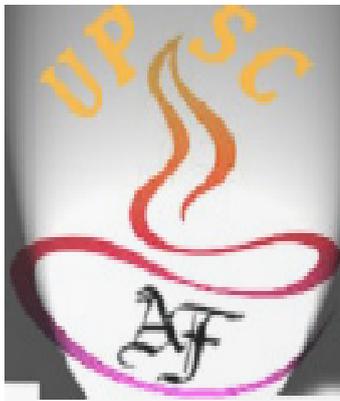
IGIB researchers reverse cancer drug resistance

Resistance to anticancer drugs is a major problem in oncology affecting a large number of cancer patients. Now, researchers at the CSIR-Institute of Genomics and Integrative Biology (CSIR-IGIB), New Delhi have found a way to make cancer cells that are resistant to two commonly used anticancer drugs — doxorubicin and topotecan — to once again become sensitive to the drugs. Improving or regaining the sensitivity of existing anticancer drugs is a quicker way to address the problem of cancer drug resistance than developing new drugs. The results were published in the journal Scientific Reports.

Chemotherapeutic drugs like doxorubicin and topotecan act by inducing DNA damage. Once the DNA damage gets induced it leads to the activation of an important protein called p21, which gets produced in larger quantities. The p21 protein helps stop the growth of cells and triggers senescence or apoptosis in cancer cells thereby killing them. However, in many drug-resistant cancer cells the production of p21 is compromised, thereby preventing the destruction of cancer cells even in the presence of these drugs.

"A few years ago we and others groups noted the telomere repeat factor 2 (TRF2), which protects the end of human chromosomes called telomeres (much like small clips at the end of shoelaces that keep the ends from fraying), can bind to the genome outside the telomeres," says Dr. Shantanu Chowdhury from CSIR-IGIB who led the team. "So we wanted to find out where else the TRF2 binds in the genome."

That search led the team to the p21 protein and they found that the promoter of p21 protein has a TRF2 bind-



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ing site. The TRF2 specifically binds to a DNA structure called G-quadruplex (G4) which is present in the p21 promoter.

“Once we found that TRF2 binds to the p21 promoter, we wanted to know if it also controls how p21 mRNA is made [mRNA produces the p21 protein]. And that led to the basic finding that TRF2 is a repressor and inhibits the expression of p21 mRNA in multiple cell types,” says Dr. Chowdhury.

Once the researchers understood the mechanism by which the TRF2 binds to p21, they used small molecules that were available (from other researchers) to disrupt the binding of TRF2 to the p21 promoter site. “The small molecules were able to disrupt the binding of TRF2 to the p21 promoter. And when TRF2 is not able to bind to the p21 promoter the expression of p21 does not get compromised,” he says.

“When the small molecules are given along with the anticancer drug doxorubicin there is increased amount of p21 produced and cancer cells that were unresponsive to doxorubicin once again become sensitive to the drug,” says Dr. Chowdhury.

The researchers used fibrosarcoma and breast cancer cell lines to test the combination of small molecules and doxorubicin in reversing cancer drug resistance. “The drug sensitivity increases by over 50% when we use small molecules along with doxorubicin. Drug sensitivity becomes as high as over 80% depending on the dosage of small molecules,” he adds.

“This is a proof-of-concept study to show that cancer cell sensitivity to existing drugs can be regained by using small molecules. This way the existing cancer drugs can be used instead of discovering new drugs,” he says.

Since existing small molecules were used for the study, the researchers do not rule out the possibility of the small molecules binding to other G4 sites in the genome. So the focus of the team is to design specific small molecules that bind only to the G4 site in the p21 promoter.

Drug-resistant bacteria emerge from drug companies' untreated effluents

Thanks to discharge of untreated effluents from pharmaceutical companies in Hyderabad, water bodies in and around the Patancheru-Bollaram Industrial area are contaminated with antibiotics and antifungal agents leading to the emergence of multidrug-resistant bacteria.

The bacteria from these water bodies have been found to produce enzymes such as extended spectrum beta-

lactamases and carbapenemases which can protect them from antibiotics such as penicillin, cephalosporins, cephamycins, and carbapenems. The study was carried out by scientists from Leipzig University, Germany along with a Hyderabad-based NGO Gamana. The results were published in the journal *Infection*.

Polluted Patancheru

The Patancheru-Bollaram Industrial area, 32 km outside Hyderabad is a growing hub with over 100 industries and more than 30 pharmaceutical manufacturing companies. Samples were collected from different water bodies — rivers, lakes, ground water, and water from sewage treatment plant to name a few — in the vicinity of the companies as well as from locations far away from the industrial area. All the 16 samples collected from the vicinity of the industrial area and 10 of 12 samples collected from distant locations were contaminated with antifungals and/or antibiotics.

The antifungal agent fluconazole was detected in 13 samples and one particular sewer in the vicinity of the industrial area showed levels as high as 20 times greater than therapeutically desired levels in blood in patients. According to the scientists, this is the highest concentration of any drug ever measured in the environment.

The other anti-infectives found in the waters included antifungal medicine voriconazole, medications for bacterial infections such as moxifloxacin, linezolid, levofloxacin, clarithromycin, ciprofloxacin, ampicillin, doxycycline, trimethoprim and sulfamethoxazole.

Monster microbes

The bacterial isolates from the different samples were tested for drug resistance. Except two samples taken from tap water away from the industrial area, the remaining samples showed bacteria containing drug-resistant genes.

Carbapenemase-producing enterobacteria and non-fermenting bacteria such as *Acinetobacter* and *Pseudomonas* species were found in more than 95% of all water samples collected. This finding further confirms previous studies that there is a strong association between drug pollution and presence of multidrug-resistant bacteria.

“The sewage treatment plant at Patancheru is ill equipped to treat pharmaceutical wastewater containing effluents with different chemical compositions. So it simply discharges it into the river. There have been complaints that they just mix household waste water from BHEL Township with these industrial effluents and discharge it into the river. As a result, the water in the Musiriver has start-



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ed to turn foamy,” Mr. Anil Dayakar from Gamana NGO and one of the authors of the paper.

Despite the Supreme Court demanding last year that the industries in the Patencheru-Bollaram area should treat wastewater and reuse it, “massive violations” have been the norm.

“The ground water in this area is yellow. The villagers who live around this estate have many skin problems. Though there is a water treatment plant nearby, it is not really of use. Despite decades of campaigning by local NGOs the pollution has not been reduced. In 2009, the national pollution index classified this industrial area as ‘critically polluted,’” says Mr. Dayakar.

Japan keen on friendship with northeast

Days after the visit of Prime Minister Shinzo Abe, Japan has begun its outreach for the northeastern region. At the fourth Northeast Connectivity Summit in Kohima from September 22 to 23, a representative of the Embassy of Japan said Tokyo would invest in the region’s infrastructure, education and people-to-people sectors.

The next edition of the summit will be held in Tawang, Arunachal Pradesh, which borders China.

“Kenko Sone, Minister, Economic Affairs, Embassy of Japan, speaking at the summit, said the northeastern region is located at a strategically and economically important juncture between India and Southeast Asia as well as within the Bimstec (Bay of Bengal) community. Therefore, Japan has placed a particular importance on the cooperation in the northeastern region,” said a press note by the Nagaland government on the summit.

Road network

The press release noted that for the northeast, Japan had undertaken works on road connectivity, energy projects, water supply and sanitation, forest resources management, Japanese language education and post-war reconciliation, which aimed to build a deeper understanding of the actions of Japanese forces in the region during the Second World War.

Mr. Sone announced that Tokyo would invite 25 young people from Manipur and Nagaland to Japan this year. During the latest visit of Prime Minister Abe to Ahmedabad, Japanese officials said Tokyo was committed to undertaking two major road and infrastructure building projects in Mizoram and Meghalaya. But the event in Kohima provided a broader portrait of Japan’s interest in the northeast.

The next Connectivity Summit in Tawang is expected to take Japan’s representation into the strategically located region that borders China. It was noteworthy that during

Mr. Abe’s visit, Japanese officials had declined to spell out if Tokyo would be interested in acquiring projects in Arunachal Pradesh.

Myanmar’s interest

The summit also indicated Myanmar’s interest in the potential of the region. Speaking at the event, Myanmar’s Minister of Cultural Affairs Sai KyawZaw urged people from Arunachal Pradesh, Nagaland, Mizoram and Manipur to forge closer ties with Myanmar as the country shared long borders with all four States.

Nagaland’s Chief Secretary Pankaj Kumar also urged improved connectivity with Myanmar for unlocking the regional trade potential. The summit included diplomatic participation from Bhutan, Russia, Bangladesh, Laos and Thailand.

ISRO working on substitute spacecraft

Work has begun in Bengaluru to assemble the alternative substitute navigation spacecraft, which became essential after the main back-up was lost in a failed launch on August 31.

IRNSS-1I was earlier approved as a ground spare, to be sent to space in an emergency.

The Indian Space Research Organisation (ISRO) has been training a team from an industry consortium to assemble this spacecraft and its lost fellow satellite, 1H.

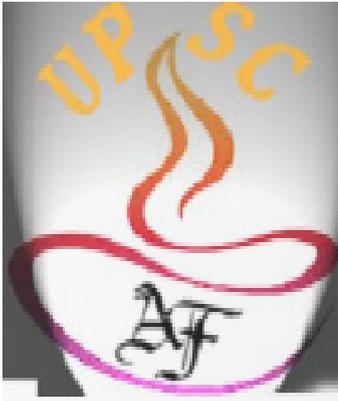
Will there be another back-up, a ‘1J’, and if so, who would assemble it?

M. Annadurai, Director of ISRO Satellite Centre (ISAC), Bengaluru, said the current approval is for seven navigation spacecraft (all of which are in orbit) and two spares — 1H and 1I. Should a new back-up be sought and approved, it may be part of another model of outsourcing of its satellites to Indian industry.



External partners

ISRO has just begun identifying a set of external partners who would assemble its future satellites, he noted. Until now all Indian spacecraft have been assembled at ISAC by its engineers.



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CSIR's biggest global deal stalled

The biggest international deal signed by the Council of Scientific and Industrial Research (CSIR) to transfer technology and training to a company in Ethiopia has stalled, said a person familiar with the development.

The CSIR had signed a \$7 million (Rs. 45 crore approximately) agreement with the Metal Industries Development Institute (MIDI) on June 13.

The three-year contract involved personnel from both the organisations and, according to a press statement issued in June, was expected to begin technical collaboration from the next month.

Strapped for funds

The CSIR — known to be strapped for research funds — had committed to securing 10% to 15% of its Rs. 4,000-crore budget through external projects and sources.

The agreement was signed by the Director of National Metallurgical Laboratory (NML), Jamshedpur, and the project was to be executed by the CSIR-NML, CSIR-Central Mechanical Engineering Research Institute, Durgapur, CSIR-Central Electronics Engineering Research Institute, Pilani; CSIR-Central Scientific Instruments Organisation, Chandigarh; and CSIR-CLRI, Chennai.

The Ethiopian agency, reportedly, had not released funds.

Red tape blamed

"There seems to be some red tape and has got to do with the conversion of foreign currency," said a person familiar with framework of deal on condition of anonymity.

Girish Sahni, CSIR Director-General, however, told The Hindu that he was not familiar with the specifics of the project's progress. "I don't think it has derailed, but I will check up on this," he said.

According to a CSIR press statement in June, the agreement was signed at Addis Ababa in the presence of Alemu Sime, State Minister of Industry, Federal Democratic Republic of Ethiopia, Teshome Lemma and Mr. Sahni.

Isro's Mars Orbiter Mission completes 3 years in orbit

India's rendezvous with the red planet continues as its celebrated Mars Orbiter Mission (MOM) completes three years in orbit.

"As the country's low-cost Mars Orbiter Mission completes three years in its Martian orbit, the satellite is in good health and continues to work as expected," the Indian Space Research Organisation (ISRO) said.

The scientific analysis of the data received from the Mars Orbiter spacecraft is in progress, ISRO public relations

director DeviprasadKarnik told PTI.

The country had on 24 September 2014 successfully placed the Mars Orbiter Mission spacecraft in the orbit around the red planet, in its very first attempt, thus breaking into an elite club. ISRO had launched the spacecraft on its nine-month-long odyssey on a homegrown PSLV rocket from Sriharikota in Andhra Pradesh on 5 November 2013. It had escaped the earth's gravitational field on 1 December 2013.

On the occasion of completion of three years of MOM in its Martian orbit on 24 September 2017, the space body released MOM second year science data from 24 September 2014 to 23 September 2016.

The space agency had earlier launched MOM announcement of opportunity (AO) programmes for researchers in the country to use MOM data for research and development. Citing surplus fuel, ISRO had in March 2015 announced that the spacecraft's life had been extended for another six months.

Later in June 2015, its chairman A.S. Kiran Kumar had said it had enough fuel for it to last "many years". The Rs450-crore MOM mission aims at studying the Martian surface and mineral composition as well as scan its atmosphere for methane (an indicator of life on Mars).

The Mars Orbiter has five scientific instruments—Lyman Alpha Photometer (LAP), Methane Sensor for Mars (MSM), Mars Exospheric Neutral Composition Analyser (MENCA), Mars Colour Camera (MCC) and Thermal Infrared Imaging Spectrometer (TIS).

The Mars Colour Camera, one of the scientific payloads onboard MOM, has produced more than 715 images so far, ISRO had said. During its journey so far, the mission went through a communication 'blackout' as a result of solar conjunction from 2 June 2015 to 2 July 2015.

It had also experienced the 'whiteout' geometry phenomenon (when earth is between the sun and Mars and too much solar radiation makes it impossible to communicate with the earth) from 18 May to 30 May 2016.

An orbital manoeuvre was also performed on MOM spacecraft to avoid the impending long eclipse duration for the satellite, ISRO said. The government had in November last said the space organisation was seeking scientific proposals for Mars Orbiter Mission-2 to expand inter-planetary research.



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'Cult of Rama was created as a uni-culture to resist threats'

Hailing the ancient epic the Ramayana authored by Maharshi Valmiki as a vivid account of objective reality of its time, Manjunatha Bevinakatti, Dean of Social Sciences at the Hampi University, said that the great work continued to get transformed and reconstructed from time to time in history reflecting society.

He said that the epic was an illustration of struggle between "north and south", "Aryan and Dravidian cultures" and the "ruler" and the "ruled" that characterised Indian society at the time of its origin.

He was addressing a national seminar on Maharshi Valmiki's contributions to Indian society and problems and challenges of the Scheduled Tribes in the State organised by Maharshi Valmiki Tribal Studies and Research Centre, Gulbarga University, and the Directorate of Tribal Welfare, at the Ambedkar Bhavan, Gulbarga University, here.

"The Ramayana vividly depicts three forms of social conflicts which were classified by sociologist David Morgan in the latter period as power politics, war politics and cultural politics. All these conflicts flow as an undercurrent throughout the epic," he said.

Mr. Bevinakatti also made an attempt to expose the designs of "vested interests" inspired by a particular regressive ideology to use the epic for justifying and consolidating oppressive social orders such as Varnashrama.

"The cult of Rama was created as a uni-culture to pose a resistance to external threats and imposed on a multi-cultural society. There has been a consistent effort by vested interests to project Rama as an icon of all communities in the Indian sub-continent. The projection of all communities and tribes having independent identities as diversities within a single religion is part of the conspiracy to continue the feudal hegemony over the vast majority of oppressed communities," he said.

V.S. Ugrappa, chairperson of Karnataka Legislature Committee on Prevention of Violence and Sexual Abuse of Women and Children, obliquely referring to right wing forces, said that some vested interests had picked Rama for re-institutionalising exploitative social hierarchy and

had discarded Valmiki who authored the monumental work depicting the objective realities of his time. He said that the epic had a clear message to stand by the oppressed in their resistance to the oppressors.

"Those who today hail Rama as their icon should not long for power as their icon had given up power and went to the forests to keep his word he gave his father," he said. Gulbarga University Vice-Chancellor S.R. Niranjana presided over the seminar.

The makings of Japan's first woman PM

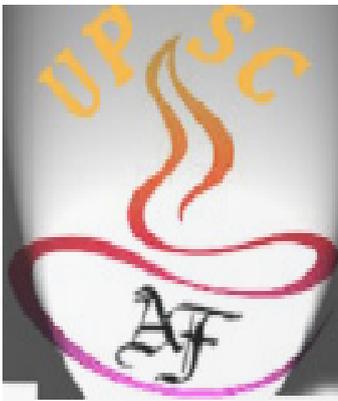
Heralded as the new face of brand Tokyo and touted as a future Prime Minister, Tokyo Governor Yuriko Koike is currently the brightest star in Japan's political firmament. Her party's thumping win over the long-dominant Liberal Democratic Party (LDP) in the Tokyo Metropolitan Assembly elections in July has only burnished the 65-year-old politician's already shiny credentials. Ms. Koike's newly launched party, Tomin First no Kai or Tokyoites First, now holds a majority in the Japanese capital's Assembly. With the general elections due next year, the million-Yen question on every analyst's lips is whether she can go national.

Ms. Koike is a populist who first came to international attention when she was elected as Tokyo's first woman Governor in July 2016, on a platform of anti-corruption, environmentalism and transparency in government. In the year that has passed, she has roasted the LDP old guard, forcing veteran politicians, hitherto used to unquestioned authority, to defend their decisions on a range of issues, including overspending on the 2020 Tokyo Olympic Games.

Not an outsider

However, Ms. Koike is hardly a political outsider. She is a veteran of the LDP, having been a party member since 2002 and having served in various Cabinet posts, including as Environment Minister and Defence Minister. In the Tokyo Governor poll last year, she ran as an independent only after the LDP's Tokyo chapter backed a rival candidate.

This closeness to the very establishment she rails against is Ms. Koike's fundamental challenge. She shares the ideological bandwidth with the current Prime Minister and leader of the LDP, Shinzo Abe. Despite her popularity, leading newspapers like the Asahi Shimbun and Mainichi Shimbun have begun to accuse Ms. Koike of being 'all bark and no bite'. A recent Asahi editorial gave her an 'F' for her performance as Governor, citing her failure to be more transparent.



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Jeff Kingston, Director of the Asian Studies programme at Tokyo's Temple University, points out that much of Ms. Koike's popularity stems from her adept manipulation of the media, a space that she understands well. The Tokyo Governor was a TV presenter before she entered politics in the early 1990s. Professor Kingston believes that we are at "peak Koike", a high point in her political graph that she will probably struggle to maintain over an extended period of time. Ms. Koike's best bet lies in focussing on women-friendly measures, such as increasing the choices for childcare and elderly care available. Although feminism as an ideology is surprisingly muted in Japan, women, in particular younger women, feel short-changed by a politics that is overwhelmingly male-dominated.

Women account for less than 10% of the 475 members of the lower house, placing Japan at 157th position out of 200 countries ranked by the Inter-Parliamentary Union, below even Saudi Arabia and South Sudan. The number of Japanese women lawmakers in the lower house has barely changed since 1946, the first time Japanese women could run for office. And despite Mr. Abe's touting of "womenomics", a set of policies that aims, amongst other measures, to ensure that women hold at least a third of senior positions in government and business by 2020, only 3.5% of senior government posts are held by women at present.

If Ms. Koike can go on to shatter what she herself has referred to as Japan's "iron plate" gender ceiling by winning a general election, it would be just the kind of shake-up that Japan's sclerotic establishment has long been in need of.

A year since Yuriko Koike's election as Tokyo's first woman Governor, analysts are speculating on whether she can translate her popularity into a general election win

Auguries of a Sino-India Great Game?

The Blue Room is a state-of-the-art facility where the media based in Beijing encounters the mandarins of the Chinese Foreign Ministry. Questions, and answers, some direct and others not so, fly back and forth. The questions vary from the crisis in the Korean Peninsula to the international implications of an underperforming stock market. However, in a break from routine, and for over a month, the stand-off between Indian and Chinese troops in the Doklam plateau had echoed powerfully in the Blue Room. The hall became a venue for tough talk, with the Foreign Ministry calling repeatedly for a unilateral withdrawal of Indian troops from the Himalayan heights of Doklam.

Contest of willpower

For the non-partisan, it was not difficult to infer that the back-and-forth in the Blue Room reflected a contest of will between the two neighbouring giants, who were engaged in energetically defining their own competing 'Lebensraums'. To a seasoned historian, the face-off in the Himalayas may have been marked by an unmistakable sense of déjà vu. On the footsteps of the Russian and British colonial empires, China and India seemed to have embarked on a new Great Game — a fierce competition for geopolitical ascendancy, in their Asian neighbourhood, and the nearby high seas.

In the late nineteenth century, Tibet had become one of the battlegrounds for the Great Game between Czarist Russia and imperial Britain. With its march into Lhasa, via the Chumbi valley, Britain resoundingly won the Game's Himalayan chapter.

For some Chinese bloggers, the Doklam stand-off was all about Tibet. India, as the successor of 'British India', was gradually "surrounding Tibet", with Sikkim, Bhutan and eventually Nepal as the staging grounds.

A widely circulated posting on WeChat — the Chinese micro-blogging site which has millions of followers — ominously warned: "If China cannot have the firm and effective plan to cope with this stand-off, India will for sure go further. At the same time Bhutan will succumb further to India's so called protection. India's next target will be Nepal, so it can surround Tibet."

The alarmist post underscored that the prolongation of the Doklam crisis could undermine Bhutan's sovereignty. It also expressed concern that there is "every reason to worry that in view of its police, defence and security forces being long controlled by India, Bhutan will soon become a second Sikkim and emerge as an Indian state."

Consequently, it warned, Bhutan "will be integrated with Arunachal Pradesh". "If that happens, the middle and eastern part of the China-India border will be completely connected."

The absence of a new strategic dialogue between India and China appears to have sharpened the growing misperceptions between the two countries. Without a comprehensive and detailed sharing of world views, China's Belt and Road Initiative is being simplistically, if not conveniently, interpreted as a hegemonic project covering half the globe.

In Beijing, India's Indo-Pacific doctrine, which is robustly recasting New Delhi's ties with the Association of South East Asian Nations and the island territories of the Pacific, is being seen as a carefully constructed barrier to challenge China's rise.



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The end of the Doklam crisis may ease some of the tensions in the Blue Room. However, a sense of closure, where geoeconomic cohabitation will triumph over divisive geopolitics, is yet to be achieved.

An absence of strategic dialogue on important issues has sharpened the different misperceptions, both in Beijing and New Delhi, over each other's intentions

Biocon, JDRF to conduct global study on oral insulin

Biocon and JDRF, a global organisation funding type 1 diabetes (T1D) research and advocacy worldwide, announced a partnership to support a global study with an oral insulin drug candidate, Insulin Tregopil, in people with T1D, according to a statement .

Insulin Tregopil, an oral insulin molecule being developed by Biocon, is one of the programmes in the global oral insulin space. The insulin can improve postprandial glucose control with reduced side effects and greater adherence, thus aiding T1D management.

Biocon proposes to conduct an open label study to evaluate the doses of Insulin Tregopil and compare it with therapeutic doses of Insulin Aspart in individuals with T1D, according to the statement.

'422 mn diabetics'

Globally, an estimated 422 million adults were living with diabetes in 2014. While separate global estimates of diabetes prevalence for type 1 and type 2 do not exist, it is estimated that 1.25 million Americans are living with T1D. Five million people in the U.S. are expected to have T1D by 2050.

The collaboration with Biocon is a part of JDRF's Industry Discovery and Development Partnership (IDDP) programme, through which JDRF provides financial support to accelerate breakthrough research in T1D management.

"With this proposed clinical study, we hope to build on the extremely promising data that we have generated so far through previous human trials with Tregopil," Kiran Mazumdar-Shaw, CMD, Biocon said in a statement.

Army to induct 800 women into military police

In yet another significant step towards inducting women into the military, the Army said it would admit nearly 800 women into the Corps of Military Police in non-officer ranks over the next few years.

While the decision had been in the pipeline for some months now, the announcement came a day after India's first full-time woman Defence Minister Nirmala Sithara-

man assumed office.

Adjutant-General Lt.Gen. Ashwani Kumar told a conclave of retired Army chiefs that the decision has been taken to introduce women in the ranks, starting with the Corps of Military Police. The Army, at present, has women only in the officer ranks, and that too just a few thousand of them.

"In the light of increasing requirement for investigations into gender-specific crimes and allegations, it was felt necessary to introduce women in the Corps of Military Police," an Army source said. Gen. Kumar said the proposal was being finalised, with an annual intake of 52.

He said the Army had established two artificial reproductive technique centres for the benefit of childless couples in the force. The centres in Bhopal and Guwahati are in addition to the existing ones in Delhi, Pune and Mumbai. The three-day conclave, hosted by the Chief of the Army Staff, General BipinRawat, and attended by eight former chiefs, was informed of a proposal to upgrade the rank structure, which would benefit approximately 1.45 lakhs junior commissioned officers and other ranks over a span of five years, Gen. Kumar said.

The Army will set up two residential Army Public Schools, with a capacity of 2,000 children each.

He told the conclave that the Army had opened a fund to cater specifically to battle casualties and to which citizens from any walk of life could contribute. The first tranche of Rs. 3.24 crore was disbursed in July.

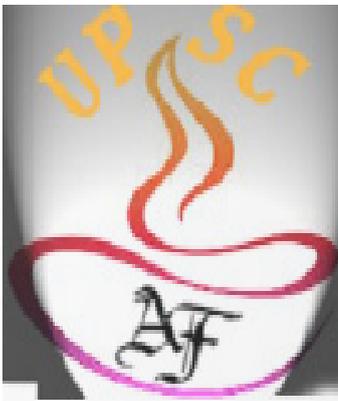
Bird malaria in the Himalayan foothills

Bird or avian malaria caused by parasites Plasmodium and Haemoproteus is one of the most common and widespread diseases in birds. Mosquitoes transmit Plasmodium, while biting midges (Culicoides sp.) are responsible for Haemoproteus transmission in birds.

Previous studies from the temperate regions have shown that temperature plays an important role in the transmission of the parasites and also regulates the presence of these blood-feeding insect vectors. But a new study by scientists from Indian Institute of Science, (IISc) Bengaluru, and Wildlife Institute of India (WII), Dehradun, showed that seasonal variation had no influence on prevalence of avian malarial parasites in India. The results were recently published in Ecology and Evolution.

Though human malaria follows a seasonal pattern in the Himalayan foothills with peak transmission from July to October, the avian malaria parasites showed no peak and were found to stay in blood throughout the year

Temperature effects



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The team conducted year-round (December 2008 to December 2009) sampling inside WII campus using mist-nets. They collected a small quantity of blood from the resident Himalayan birds before releasing them. A systematic record on avian abundance was also maintained. They also sampled mosquitoes in the same habitat to understand the influence of seasons on mosquito species and their abundance with change in temperature.

Among the 413 birds screened, 153 i.e. 38% showed infection with blood parasite. They examined the relationship between monthly temperature, mosquito abundance and parasite prevalence. Though the mosquito abundance increased with temperature, the Plasmodium infection decreased. This could probably be due to a temperature threshold above which the parasite cannot develop into an infective stage inside the mosquito.

Bimodal patterns

“In U.K., we see a bimodal pattern where the infection peaks during spring and autumn, and subsides during winter. In spite of well-defined summer–winter conditions in Dehradun, the mosquito abundance did not vary much between seasons,” explains Dr. Farah Ishtiaq from IISc and first author of the paper. But the composition of mosquito species changed with season leading to infection throughout the year.

Dehradun is a wintering ground for many high elevation Himalayan birds as well as small European perching birds.

The team sampled migrants to understand parasite prevalence. Molecular analysis on the parasites revealed that most parasites found in resident birds were locally transmitted and not from the migrant birds.

Nigerian lawyer gets top UN peace prize

A Nigerian lawyer who helped secure the release of more than 100 schoolgirls kidnapped by Boko Haram was awarded one of the United Nations' top prizes.

The UNHCR said Zannah Mustapha was given the annual Nansen award for his “crucial mediating” role as well as his work helping children affected by the long-running conflict.

Mr. Mustapha, who is in his late-50s, said the award was unexpected but he was “exceedingly happy” to have been chosen. “I look forward to being a worthy ambassador... for such a noble award,” he said.

Mr. Mustapha set up The Future Prowess Islamic Foundation School 10 years ago, which has since proved a lifeline for children in conflict-riven and impoverished northeast Nigeria. The primary school has 540 pupils —

more than half of them girls. Students include the children of Boko Haram fighters and Nigerian soldiers. Mr. Mustapha is a well-known figure in northeast Nigeria having previously represented the family of Mohammed Yusuf, the founder of Boko Haram who died in police custody in 2009.

Behaviour change needed to stop open defecation: Experts

Sanitation experts here laid emphasis on bringing about a sustained behaviour change in the local communities to achieve the target of making the villages, towns and districts Open Defecation Free (ODF) in Rajasthan. The harmful impacts of open defecation on people's health and children's nutrition should be brought to their notice, they said.

The occasion was the State-level inauguration of “Swachhta Hi Sewa: Swachh Yuva Diwas” on the Rajasthan University campus here. State Rural Development Minister Rajendra Rathore said six districts had so far been declared open defecation free, while 10 more would be given the ODF status by December this year.

'Onus on youth'

“Of the 9,851 village panchayats in the State, 6,375 have been declared open defecation free,” Mr. Rathore said. The Swachh Bharat Abhiyan would succeed if the youth adopted it as a movement, he added.

UNICEF-Rajasthan chief Isabelle Bardem said that against the access of 27.3% households to sanitary toilets in 2012 in the State, 87% households had sanitary toilets built in their premises till this month. “Stopping open defecation will restore women's dignity and protect them against harassment and sexual offences,” she said. A massive rally of the university and college students was organised on the campus and the theatre artistes staged a presentation on the community-led total sanitation process.

The event was organised jointly by UNICEF and the university's Centre for Mass Communication.

Child mortality on the decline, says study

India's child mortality rate has always been a cause for concern, but a recent study published in the medical journal Lancet suggests that the situation may be changing for the better.

The study shows a significant decline in cause-specific child mortality rates between 2000 and 2015 in the country.



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The faster declines in child mortality after 2005 (average annual decline of 3.4% for neonatal mortality and 5.9% for 1 to 59-month mortality) suggest that the country has avoided about one million more child deaths compared to the rates of progress in 2000–2005.

Premature births

However, on a sobering note, in the same period, deaths due to premature births or low birth weight rose from 12.3 per 1000 live births in 2000 to 14.3 per 1000 live births in 2015. The increase was driven mostly by more term births with low birth weight in poorer States and rural areas.

The Million Death Study titled “Changes in cause-specific neonatal and 1–59 month child mortality in India from 2000 to 2015: a nationally representative survey” was published online by the Lancet on September 19. The survey was led by Prof. Prabhat Jha from the Centre for Global Health Research at St Michael’s Hospital in Toronto.

Taking note of the progress in three States during this period, the study says that “if all States of India had achieved the declines seen in Tamil Nadu, Karnataka, and Maharashtra, nearly all States of India would have met the 2015 Millennium Development Goals.”

India’s child mortality rate per thousand live births has fallen by 62% from 125 per thousand live births in 1990 to 47 per thousand live births in 2015. This is slightly less than the 2015 Millennium Development Goal of a 66% reduction.

Interpreting the outcome, the Lancet report said: “To meet the 2030 Sustainable Development Goals for child mortality, India will need to maintain the current trajectory of 1–59-month mortality and accelerate declines in neonatal mortality (to >5% annually) from 2015 onwards. Continued progress in reduction of child mortality due to pneumonia, diarrhoea, malaria, and measles at 1–59 months is feasible. Additional attention to low birth weight is required.”

The study tracking 52,252 deaths in neonates and 42,057 deaths at 1–59 months has been funded by National Institutes of Health, Disease Control Priorities Network, Maternal and Child Epidemiology Estimation Group, and the University of Toronto.

10 scientists win laurels

Ten scientists were announced winners of the annual Shanti Swarup Bhatnagar Prize at a function presided over by President Ram Nath Kovind here.

The winners this year for the Biological Sciences are Deepak Nair at the Regional Centre for Biotechnology, Faridabad, and Sanjeev Das, National Institute of Immunology, Delhi; Chemical Sciences, Naresh Patwari, Indian Institute of Technology Bombay; Earth Sciences, Suresh Babu, VSSC, Thiruvananthapuram; Engineering Services, Alope Paul and Neelesh Mehta, Indian Institute of Science, Bengaluru.

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