

2010

# Current Affairs

December 8



## **POLITICS AND THE NATION**

### **Terror strikes Varanasi**

The Indian Mujahideen carried out a low-intensity blast near a crowded temple in Varanasi on Tuesday evening, killing an eighteen-month-old girl and injuring 32 others. An Italian tourist is among the injured.

In an e-mail sent to media houses around 8 pm, nearly one-and-a-half hours after the bomb went off, the Indian Mujahideen claimed responsibility and attributed the attack to retribution for the demolition of the Babri Masjid. It warned that the date would haunt India until Muslims are paid back justly and fairly for the loss of the beloved Babri Masjid. It referred in detail to the recent Allahabad High Court verdict in the Ayodhya title case, alleging bias on the part of the judiciary.

This is the second time in around six years that Varanasi has been targeted by terror outfits. The last attack was in 2005, when militants struck at the Sankat Mochan temple and the railway station.

### **Parliament paralysed for 18 days on 2G issue**

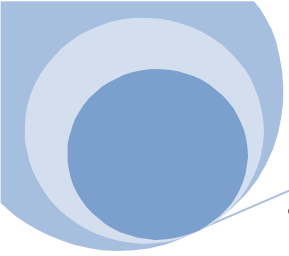
Parliament remained paralysed for the 18th working day today with no solution in sight to the impasse on the Opposition demand for JPC, raising the spectre of the entire winter session going waste.

Both Lok Sabha and Rajya Sabha witnessed uproar right from the time they assembled, first leading to an hour-long adjournment and then for the day.

### **New legislation to prevent workplace sexual harassment introduced**

The Union government has tabled **Protection of Women against Sexual Harassment at Workplace Bill, 2010**, in Lok Sabha yesterday – which is aimed at preventing sexual harassment of women at workplace in various forms, including implied or overt promise of preferential treatment, or threat or interference in her work through intimidation

- The bill provides for mandatory setting up of an internal committee by a company or any other institute to probe a written complaint by an aggrieved person or settle the matter through conciliation.



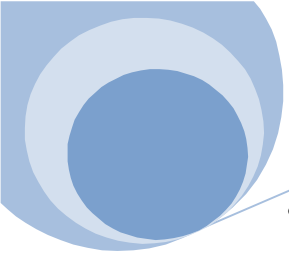
- The proposed legislation makes it incumbent on the employer to order probe into any complaint and provides for a fine of Rs. 50,000 in case an internal inquiry is not set up by the employer or attempt is made to contravene the provisions of the new law.
- However, in the case of false or malicious complaint, the bill provides for action against the complainant in accordance with service rules and in any other manner in case no service rules exist.
- It fixes the responsibility on the employer as well as the District Magistrate or Additional District Magistrate or the Collector or Deputy Collector of every district in the State as a District Officer and lays down a statutory redressal mechanism.
- The bill has also identified actions that would come under its purview as "implied or overt promise of preferential treatment in her [any woman's] employment; or implied or overt threat of detrimental treatment in her employment; or implied or overt threat about her present or future employment status."
- Other cognisable actions are: "Conduct of any person which interferes with her work or creates an intimidating or offensive or hostile work environment for her; or humiliating conduct constituting health and safety problems for her."
- The bill will apply to all forms of governmental organizations, private sector organisation, societies, trusts, educational institutions, non-governmental organisations, service providers of commercial, professional or entertainment activities including the 'unorganised sector' where the number of such workers is less than 10.

### **Chidambaram reiterates two-pronged strategy to counter Naxalite menace**

Speaking at a seminar on 'Development problems of regions affected by discontent and extremism' Union Home Minister, P Chidambaram reiterated the government's two-pronged approach to solve the issue of Left-wing extremism."

Few excerpts from his speech:

- Police action along with developmental work in the Maoist infested areas are the right measure to counter them.



- In 2010 there were 302 incidents of Maoist violence in which they targeted railway tracks and stations, telephone exchange and towers, power plants, mining equipments, electricity transmission polls, panchayats and school buildings, forest roads, culverts, bridges, and other targets.
- In states like Chhattisgarh, Andhra Pradesh, Jharkhand, Bihar and Orissa, in 2010 alone, the rebels have destroyed 34 school buildings.
- Chidambaram also pitched for setting up of a process so that certain amount of funds could reach directly to the local body and local authorities to carry out development work as asked by locals in Naxal-affected areas.

### **NDA says ready to make up for loss of work**

The NDA yesterday said it was ready for a five-day special session to compensate for the loss of work due to the current deadlock in Parliament provided the government concedes to the Opposition demand for JPC probe into the 2G spectrum issue.

JD-U chief Sharad Yadav told reporters, who is also the convener of NDA, made the remarks hours after a meeting of the BJP-led alliance in the morning.

### **SC bans sale of gutkha in plastic pouches from March 11**

The Supreme Court today ordered a ban on the sale of tobacco products like gutkha and pan masala in plastic pouches from March 2011, while asking the government to conduct a survey on the ill effects of these products within eight weeks.

A bench comprising of Justices G S Singhvi and A K Ganguly also asked the manufacturers to explore and decide by March next year on the alternative material for packaging them.

The bench issued the directions while brushing aside the pleas of some of the gutkha manufacturers who feared that such a direction could lead to closure of thousands of gutkha and pan masala manufacturing units.

"Let it come," the bench quipped when counsel for one of the manufacturers claimed that the whole industry would come to a standstill.

Cigarettes, which are generally sold in paper packs, are out of the ambit of this ban.

### **Qualifying NET is must to become lecturer: HC**

Degree of M.Phil or PhD will no longer be sufficient to secure a job in academic field in colleges as the Delhi High Court has upheld the UGC policy of making it mandatory for an aspiring lecturer to qualify National Eligibility Test (NET).

The Delhi High Court said the test is essential to maintain uniformity and quality in higher education as different yardsticks are followed by Universities while granting degree of M.Phil or PhD.

"The results of exams conducted by various examination bodies vary from university to university and they are, therefore, neither reliable nor comparable."

### **5,368 cases of child rape reported in 2009: Govt**

At least 5,368 cases of child rape were reported in 2009 with Madhya Pradesh accounting for the maximum of 20 per cent cases followed by Uttar Pradesh, Maharashtra and Andhra Pradesh.

As per National Crime Records Bureau (NCRB), 5045, 5466 and 5368 cases of child rape were reported in the country in 2007, 2008 and 2009 respectively, Minister for Women and Child Development, Krishna Tirath said in written reply to Rajyasabha.

In 2009, the highest percentage of cases was reported from Madhya Pradesh (20 per cent) followed by Uttar Pradesh (11.6 per cent), Maharashtra (11.4 per cent) and Andhra Pradesh (7.8 per cent).

### **NRI Remittance to India**

As per information received from Ministry of Overseas Indian Affairs the amount remitted to India in the last financial year (2009-10) from the NRIs working abroad was 40810 USD million (Approx.)

### **Former U.P. Chief Secretary gets jail term**

The former Uttar Pradesh Chief Secretary, Neera Yadav, and Chairman and Managing Director of Flex Industries, Ashok Chaturvedi, were sentenced to four-year imprisonment by a Special CBI court in Ghaziabad for their involvement in the Noida land scam. The scandal dates back to the 1990s.

Ms. Yadav is the second former Uttar Pradesh Chief Secretary to be sent to jail on corruption charges. The first was Akhand Pratap Singh, who was sent to jail on charges of amassing wealth disproportionate to his known source of income. Incidentally, both Ms. Yadav and Mr. Singh served as Chief Secretary when Samajwadi Party chief Mulayam Singh was in power from 2003 to 2007.

I didn't know this: New Okhla Industrial Development Authority is Noida.

## **INTERNATIONAL NEWS**

### **Iran n-talks conclude, Tehran wants sanctions lifted**

Six world powers wrapped up two days of "substantive" talks with Iran on its contentious nuclear programme yesterday in Geneva, with the two sides agreeing to meet again in Istanbul next month.

Iranian President Mahmoud Ahmadinejad meanwhile called on the six -- Britain, China, France, Germany, Russia and the United States -- to lift international sanctions against his country if they want the talks to bear fruit.

Catherine Ashton, the European Union's top diplomat, described the Geneva talks as "detailed, substantive."

### **31st GCC Summit in Abu Dhabi concludes**

The final communiqué - Abu Dhabi Declaration - wrapping up the two-day Gulf Cooperation Council (GCC) meeting on Iranian nuclear issue - reiterating its firm position on the importance of adhering to the principles of international legitimacy, finding solutions to conflicts peacefully and making the Middle East including the Gulf region free of weapons of mass destruction and nuclear weapons.

The Council also welcomed the international efforts, especially those made by the 5+1 Group to solve the Iranian nuclear crisis through peaceful means, expressing the hope that Iran will respond to these efforts.

The Council affirmed the right of countries in the region to use nuclear energy for peaceful purposes under the relevant international Convention and the standards and procedures of the International Atomic Energy Agency and under its supervision, as well as the application of these standards to all countries in the region, including Israel and with full transparency.

### **Russia, US ink agreement on reactor conversion**

Russia and the United States have signed an agreement on conducting feasibility studies for converting Russian research nuclear reactors to using low-enriched uranium.

The document was signed yesterday by the head of Russia's nuclear agency head Sergei Kiriienko and US deputy energy secretary Daniel Poneman.

Some research reactors in the United States already have been converted, as a part of non-proliferation initiative to reduce the presence of uranium enriched to a sufficiently high concentration to be used in nuclear weapons.



## **Preparations for Indra 2011 begin with the Russian Army Chief's Visit**

The chief of the Russian General Staff, Army Gen. Nikolai Makarov, will visit India on December 7-9 to discuss bilateral military cooperation, the Russian Defense Ministry said.

Makarov will meet with his IAF counterpart Air Chief Marshal Pradeep Vasant Naik and other top military commanders. The sides will focus, in particular, on the preparation for the Indra 2011 joint military drills.

The Indian and Russian military have conducted joint INDRA exercises since 2003. The latest drills were held in October this year in the Indian Himalayas. Russia sent more than 200 troops from its 34th mountain brigade, based in the North Caucasus, to join the Indian troops in the exercises.

### **INDRA**

INDRA is bi-annual naval exercise between India and Russia. This exercise was started in 2003. The exercise was part of an Overseas Deployment (OSD) to the South East and East Asian regions. The exercise, primarily aimed at enhancing mutually beneficial cooperative engagement between the navies of the two countries, was christened INDRA. This was derived from the country names viz. India and Russia.

INDRA exercise includes surface live ammunition firing, air defense and anti-submarine warfare maneuvers. The naval units will also practice operations related to maintaining maritime order and countering piracy, terrorism, and drug smuggling.

### **Assange surrenders in UK**

WikiLeaks founder Julian Assange, who has been in hiding for nearly a week, was arrested in London at 9:30 am yesterday on suspicion of sexual crimes after surrendering over a Swedish warrant, a move described as an attack on the freedom of press by his whistle-blower website that has leaked a cache of secret US cables.

## **Chomsky signs Aus letter of support for Assange**

Renowned American scholar, linguist and activist Noam Chomsky signed an open letter to Australian Prime Minister Julia Gillard yesterday urging her to make a "strong statement" in support of Julian Assange.

Chomsky, a professor of linguistics at the US Massachusetts Institute of Technology and a prominent critic of US foreign policy, joined scores of high-profile Australian lawyers, authors and journalists in signing the letter.

Noting the "increasingly violent rhetoric" directed towards Australian-born Assange, the signatories said there were "grave concerns" for his safety.

## **Wikileaks' Visa Europe payments suspended**

In yet another blow to WikiLeaks, Visa Europe yesterday said it has begun suspending payments to the whistle-blowing website ahead of carrying out an investigation into the organisation.

Visa is the latest company to cut its links with Wikileaks, following online payment firm PayPal. It cut off the account used to collect donations, saying the website is engaged in illegal activity.

Wikileaks relies on online donations to fund its operations, which will now not be possible using Visa cards.

## **Gillard fails to name law broken by WikiLeaks**

Attacking Prime Minister Julia Gillard for being "clumsy", the opposition has criticised her for failing to pinpoint any Australian law broken by the whistleblower website WikiLeaks.

Stating that the 'foundation stone of it was an illegal act', Gillard failed to answer on which Australian laws were broken by either WikiLeaks or Assange.

### **Chinese Premier will be on three days visit to India**

The Premier of the State Council of the People's Republic of China, Wen Jiabao, will be paying a three-day state visit to India from December 15 on the invitation of Prime Minister Dr Manmohan Singh.

A host of security and strategic issues including India's concerns over stapled visa to residents of Jammu and Kashmir will be raised during the Chinese Premier's visit .

Activities of Chinese firms in Pakistan-occupied- Kashmir and increasing military sales to Pakistan and China- Pak civil nuclear co-operation are some of the other concerns which are expected to figure in the meeting

### **US, Japan, and SKorea in united stance on NKorea**

Putting up a show of unity, the US, Japan and South Korea have said they would not resume nuclear negotiations with North Korea until it stops its "provocative and belligerent" behavior and takes concrete steps to roll back its nuclear arms program.

"They need to demonstrate a seriousness of purpose in ending their provocations and let the world know they are now ready to come to the table and fulfill the commitments they have already made," said US Secretary of State yesterday.

The meeting was intended to demonstrate a serious response to recent North Korean actions, including its deadly shelling of a South Korean Yeonpyeong island last month and its announced expansion of a uranium enrichment capability that U.S. and others see as a defiant and dangerous step.

### **UN begins evacuating out of Ivory Coast, Obama asks Gbagbo to cede power**

Hundreds of residents have fled Ivory Coast and have started fleeing into Ghana and Liberia, United Nations officials said yesterday and even UN began evacuating some 500 staffers after a contentious election that resulted in both candidates claiming the presidency. However, there has not been any incidence of major violence.

The international community has recognised opposition leader Alassane Ouattara as the winner of last week's runoff vote. Both Ouattara and President Laurent Gbagbo claimed victory in the poll and took oaths of office, and Gbagbo has defied pressure from France, the US and the UN to step down.

US President Barack Obama has also urged Ivory Coast's incumbent leader Laurent Gbagbo to cede power to the "legitimate winner" of the polls. According to the White House, Ouattara is the legitimate winner of the election.

## **REGIONAL NEWS**

### **Evening courts face statewide resistance in Orissa**

Judicial activities in Orissa, including that of the Orissa High Court were crippled yesterday as lawyers boycotted courts in protest against the introduction of evening courts.

As per the Supreme Court directive, the State government had opened evening courts in some selected cities on an experimental basis to reduce pendency of cases. While these courts began functioning in Cuttack two days prior, it was slated to open at other places, including Bhubaneswar, yesterday.

However, lawyers of Cuttack Court Bar Association and Cuttack Criminal Court Bar Association, opposing the move, had boycotted the evening courts yesterday.

Expressing solidarity with the striking lawyers, members of Orissa High Court Bar Association also decided to stay away from the courts, observing a token strike. Normal functioning of other lower courts in the city as well as outside also suffered.

### **Jagan to launch new political party in 45 days**

Former Congress MP Y S Jaganmohan Reddy yesterday announced that he would launch a new political party in Andhra Pradesh in 45 days that would safeguard the "Telugu pride" and "self-esteem".

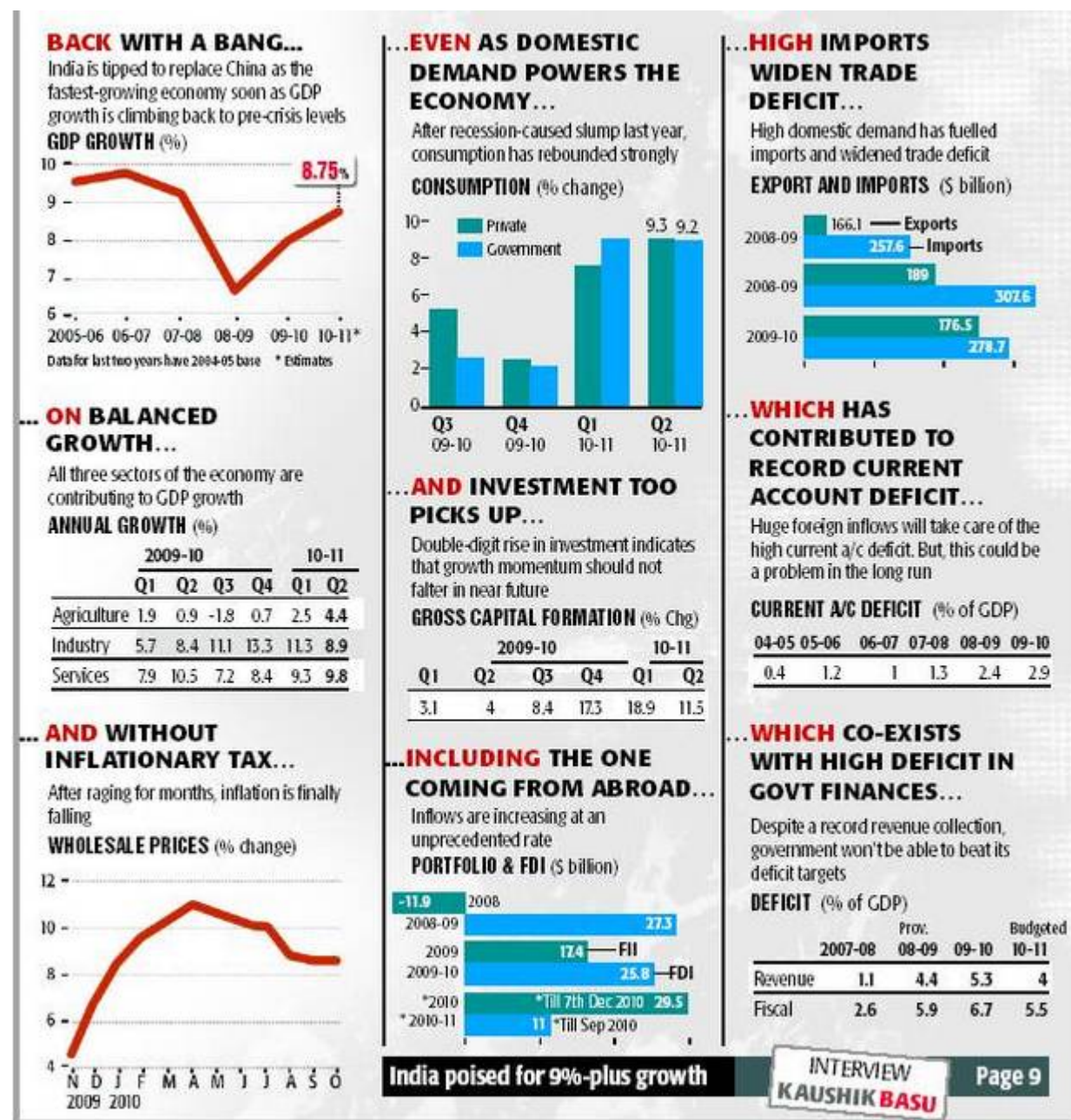
Days after quitting Congress and Lok Sabha, Jagan, the son of late Chief Minister Y S Rajasekhara Reddy, claimed that the Congress would be "wiped out" in the state in the next three years and said the entire country was looking forward to the by-elections in Kadapa (Lok Sabha constituency) and Pulivendula (Assembly constituency). The seats were vacated by him and his mother last week.

## BUSINESS/FINANCE/ECONOMICS

### India's toast to world

While the world is still reeling under European debt crisis and Chinese inflation, India is firing on all cylinders at a time. The mid-year review of the economy points to the possibility of India achieving 9% growth this year.

This graphic explains it all



### **Auto fuels set to cost Rs 2/L more**

Oil companies plan to raise petrol and diesel prices by 2 a litre after a week as crude touched a two-year high of \$90 a barrel on Tuesday, a move that will boost the finances of state-run firms but stoke inflation.

Crude oil has risen about 18% since June 26, when the government last raised diesel prices and allowed public sector firms IndianOil (IOC), Hindustan Petroleum and Bharat Petroleum, which control 90% of the retail fuel market in India, to fix petrol rates themselves.

Petrol prices have risen four times since then. OMCs (oil marketing companies) are losing 4.71 per litre on diesel. There is a thinking (within the government) to pass on at least 2 per litre to consumers.

Global crude oil prices have already crossed \$90 a barrel. As diesel prices have a direct bearing on inflation, deregulation is out of question in the current scenario, according to govt sources.

Inflation, which is currently at 8.5%, has reduced from a peak of 11% in June, but stubbornly remained above RBI's target of 5.5%. Any increase in fuel prices would stoke inflation as diesel powers trucks that transport more than two-thirds of goods in India.

### **Ethanol blending in 14 states**

The three public sector oil companies IOC, HPCL and BPCL have partially started the ethanol blending programme from the last week of November. By the end of the month, they expected to streamline the blending programme in 14 of the 20 notified states under the national ethanol blending programme.

Ethanol will be blended with petrol in Uttar Pradesh, Bihar, Uttarakhand, Himchal Pradesh, New Delhi, Punjab, Haryana, Gujarat, Maharashtra, Goa, Karnataka, Andhra Pradesh and Kerala. The union territories of Chandigarh, Dadra and Nagar Havel and Daman and Diu will also be part of the programme.

The three oil companies together plan to blend 70 crore litre ethanol at 5% with petrol by September 2011. It is expected that the three companies will be able to achieve 100% blending in states like Maharashtra, Uttar Pradesh and Karnataka, where local ethanol supply is ample. However, in states which have to depend on ethanol imported from other states, the blending will be partial.

The oil companies will purchase ethanol at 27 per litre. But including the excise and other taxes, their procurement price will be little higher. However, sources in the oil firms indicated that the price of ethanol blended petrol will be same as that of the unblended petrol.

### **Centre nod to Orissa's petro investment region**

The Centre yesterday approved Orissa's proposal to set up a Petroleum Chemicals and Petrochemicals Investment Region (PCPIR) in port city of Paradeep, which is expected to attract Rs 2.7 lakh crore. This is the fourth PCPIR which has been approved after PCPIRs in Andhra Pradesh, Gujarat and West Bengal.

It said that a total investment of about Rs 2,77,734 crore is expected in the Orissa Petroleum Chemicals and Petrochemicals Investment Region (OPCPIR), which includes a committed investment of Rs 29,777 crore.

It is envisaged to develop physical infrastructure such as roads, rail, air links, ports, water supply and power at a cost of Rs 13,634 crore in this PCPIR.

### **Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR)**

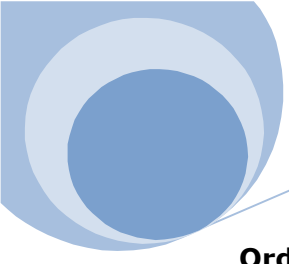
The concept of Petroleum, Chemicals & Petrochemical Investment Regions (PCPIRs) is intended to promote investment in this sector and make the country an important hub for both domestic and international markets, by attracting investments, from



both domestic and foreign sources, by providing a transparent and investment friendly policy and integrated facility regime.

The PCPIRs would reap the benefits of co-siting, networking and greater efficiency through the use of common infrastructure and support services. They would have high-class infrastructure, and provide a competitive environment conducive for setting up businesses. They would thus result in a boost to manufacturing, augmentation of exports and generation of employment.

- A Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) would be a specifically delineated investment region with an area of around 250 square kilometers planned for the establishment of manufacturing facilities for domestic and export led production in petroleum, chemicals & petrochemicals, alongwith the associated services and infrastructure.
- A PCPIR would be a combination of production units, public utilities, logistics, environmental protection mechanisms, residential areas and administrative services. It would have a processing area, where the manufacturing facilities, alongwith associated logistics and other services, and required infrastructure will be located, and a non- processing area, to include residential, commercial and other social and institutional infrastructure.
- The minimum processing area for the PCPIR will be about 40% of the total designated area, i.e., around 100 sq km.
- The PCPIR may include one or more Special Economic Zones, Industrial Parks, Free Trade & Warehousing Zones, Export Oriented Units, or Growth Centres, duly notified under the relevant Central or state legislation or policy. All the benefits available under the relevant legislation or policy will continue to remain available to the said Zones or Parks, as the case may be, forming part of the PCPIR.
- The PCPIR could cover existing settlements/industries & estates/services and would therefore benefit from and be complementary to the region



### **Order of the Legion of Honour for Deepak Parekh**

The French Government has conferred the honour, Knight in the Order of the Legion of Honour (Chevalier de l'Ordre de la Légion d'Honneur) on Mr Deepak Parekh, Chairman HDFC Limited and Lafarge India Private Limited on Tuesday, 7th December 2010 at Mumbai.

The French government bestowed the award on Mr Deepak Parekh in recognition of his contribution in enhancing the relations between France and India in the economic field and in the development of strategic partnerships between the two countries.

The French government confers several distinctions amongst which the Order of the Legion of Honour is the highest national distinction. The Order of the Legion of Honour was instituted in 1802 by Napoleon Bonaparte.

### **Direct tax collections up 18 %**

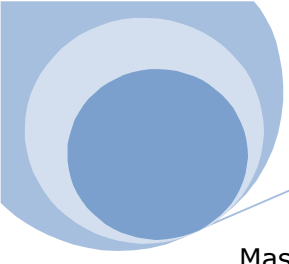
The Centre's net direct tax collections soared by 17.85 per cent to Rs 2.17 lakh crore during April-November of this fiscal on the back of robust economic growth vis-à-vis Rs.1.84 lakh crore in the same period last fiscal.

With this, the net proceeds from direct taxes in the first eight months of the current fiscal have just exceeded the 50 per cent mark of the budgeted target of Rs.4.30 lakh crore set for collections during the full year.

Out of Rs.2.17 lakh crore garnered during April-November, corporate income tax accounted for a major chunk of Rs.1.38 lakh crore, an increase of 22.3 per cent over the previous fiscal.

Alongside, the collections by way of personal income-tax, including STT (Securities Transaction Tax), residual fringe benefit tax and banking cash transactions tax, totalled Rs.77,768 crore against Rs.70,278-crore.

### **Master Card develops payment solution for UID**



Master Card Worldwide, a global payments company, said it has developed a payment solution for 'Aadhaar', the Unique Identification (UID) number.

The solution will enable Aadhaar holders to perform payment transactions using UID numbers with biometric authentication, Master Card Worldwide said in a statement.

The solution is based on the Unique Identification Authority of India (UIDAI) platform and Master Card's payment network and family of brands. The solution will empower account holders to move away from cash and towards electronic transactions.

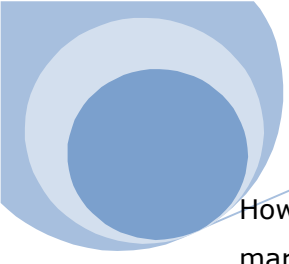
### **Copper, Silver, Gold touch all-time highs; oil surges**

Surpassing all records, gold prices rose by 0.44 per cent to hit yet another high of Rs 21,330 per ten grams in futures trade today, tracking global markets where the precious metal climbed to record high.

At the Multi Commodity Exchange platform, gold for delivery in August contract shot up by Rs 94, or 0.44 per cent to hit an all-time high of Rs 21,330 per ten gram, with a turnover of one lot.

Silver made a 30-year high of \$30.33 an ounce (31.10 gms) while copper hit a record \$8973.5 a tonne in London. Taking firm cues from global markets, silver futures continued its record setting spree with prices rising by a whopping Rs 1,023 to Rs 45,700 per kg, a level seen before.

Crude oil, which has been an underperformer compared with precious and base metals, broke the \$90-a-barrel mark on expectations that weak currencies will encourage funds to pump money into alternate assets such as commodities for higher returns.



<http://indiancurrentaffairs.wordpress.com>

However, an industry expert pointed out that crude may not sustain at the \$100-mark for long since major consumers, the US and Europe, were not yet out of the woods.

**SPORTS**

**England wins 2nd Ashes test**

Graeme Swann took three of the last six wickets to tumble today as England dismissed Australia for 304 to complete a comprehensive innings and 71-run victory in the second Ashes test.

England wrapped up the test and a 1-0 series lead before lunch on the final day, with Swann, Jimmy Anderson and Steven Finn combining to claim the last six wickets for 66 runs after Australia had resumed at 238-4 with high hopes of salvaging a draw or being saved by forecast rain.