# **Current Affairs**

April 6



#### **POLITICS AND THE NATION**

#### Hunger strike over Lokpal Bill as thousands protest corruption

- Social activist Anna Hazare on Tuesday began a "fast unto death" demanding the government enact a tough anti-corruption law that would lead to prosecution of officials and lawmakers.
- In the capital, flag-waving protesters converged near the historic Jantar Mantar monument to join 72-year-old Hazare and other leading activists like Swami Agnivesh, Kiran Bedi and Arvind Kejriwal in demanding greater probity in public life.
- Thousands joined the protests in different cities including Mumbai, Lucknow and Jaipur with activities ranging from hunger strikes to candlelit vigils.
- The Congress-led coalition has been hit by a series of corruption scandals in recent times, leading to calls for adoption of the Lokpal bill which aims to bring the prime minister's office and lawmakers under the purview of an anticorruption ombudsman.
- Activists reject the current draft of the bill which suggests the Lokpal (or ombudsman) be a recommending authority without prosecuting powers.
- They have come up with an alternate draft, the Jan Lokpal bill, which gives the Lokpal punitive powers and makes completing investigations within a year mandatory.
- Hazare, a social reformer and a right to information crusader, said he decided to undertake a hunger strike after Prime Minister Manmohan Singh did not form a joint committee for the Lokpal bill as demanded by activists.
- Mr. Hazare demanded setting up of a joint committee with 50 per cent representation for citizens and 50 per cent for the government for formulation of a strong Lokpal Bill.

#### **Supreme Court to consider 10 questions**

The Supreme Court is to consider 10 questions on the issue of review of its 1993 and 1998 judgments, which gave primacy to the judiciary in appointments of judges.

A Bench of Justices Deepak Verma and B.S. Chauhan on Monday took note of the questions raised in the Suraz India Trust's writ petition, as framed by amicus curiae A.K. Ganguly, and referred the matter to Chief Justice S.H. Kapadia for appropriate directions.

# The questions are:

- whether the two verdicts really amount to amending Article 124(2) of the Constitution;
- whether there is any 'collegium' system for appointing Supreme Court or High Court judges in the Constitution;
- whether the Constitution can be amended by a judicial verdict or only by Parliament in accordance with Article 368;
- whether the constitutional scheme is that the Supreme Court and High Court judges can be appointed by mutual discussions and consensus between the judiciary and the executive; or whether the judiciary alone can appoint judges;
- whether the word 'consultation' in Article 224 means 'concurrence';
- whether by judicial interpretation words in the Constitution can be made redundant, as it appears to have been done in the 1993 and 1998 decisions which have made consultation with High Court judges redundant while appointing a Supreme Court judge despite the fact that it is permissible on the clear language of Article 124(2);
- whether the clear language of Article 124(2) can be altered by judicial verdicts and, instead of allowing the President to consult such judges of the Supreme Court as he deems necessary (including even junior judges), only the Chief Justice of India and four seniormost judges of the Supreme Court can be consulted while appointing a Supreme Court judge; whether there is any convention that the President is bound by the advice of the CJI, and whether such convention (assuming there was one) can prevail over the clear language of Article 124(2);
- whether the CJI's opinion has any primacy in the aforesaid appointments; and
- whether the two decisions should be overruled by a larger Bench.

# Judiciary, Executive should have equal say in appointments: Law Commission

- Even as the Supreme Court indicated on Monday the need for revisiting the 1993 judgment providing for collegium system of judicial appointments, it is relevant to take note of the Law Commission recommendations, made in 2008, suggesting a review of the verdict.
- The previous Commission, during the tenure of Justice A.R. Lakshmanan, in its 214th report, suggested an equal role for the Judiciary and the Executive in the selection and appointments to High Courts and the Supreme Court.
- The Commission, after analysing the appointments made over 15 years (from 1993 to 2008), suggested that the three Supreme Court judgments of 1982, 1993 and 1998 be reconsidered to bring about clarity and consistency in appointments.
- The report, analysing the position in various countries, said: "In all other Constitutions either the Executive is the sole authority to appoint judges or the Executive appoints [judges] in consultation with the Chief Justice of the country. The Indian Constitution has followed the latter method.
- However, the 'second judges case Advocates on Record Association
  vs. the Union of India' of 1993 has completely eliminated and
  excluded the Executive and the opinion of the Supreme Court in the
  presidential reference of 1998 has reaffirmed this view with slight
  modifications."
- The recommendation for urgent and immediate review of the present procedure of appointment of judges was reinforced by Justice J. S. Verma, former CJI, who had written the lead judgment in the 1993 case, himself in an interview to Frontline (October 10, 2008 issue).
- Justice Verma said: "My 1993 judgment, which holds the field, was very much misunderstood and misused. It was in that context I said the working of the judgment now for some time is raising serious questions, which cannot be called unreasonable. Therefore, some kind of rethink is required."
- The Commission, said: "The Indian Constitution provides a beautiful system of checks and balances under Articles 124 (2) and 217 (1) for the appointment of judges of the Supreme Court and the High Courts where both

the Executive and the Judiciary have been given a balanced role. It is time the original balance of power is restored."

• In every High Court, the Chief Justice "is from outside the State as per the policy of the government. The senior-most judges who form the collegium are also from outside the State. The resultant position is that the judges constituting the collegium are not conversant with the names and antecedents of the candidates and, more often than not, appointments suffer from lack of adequate information," the Commission pointed out.

### Alternatives available to the government.

- One, is to seek a reconsideration of the three judgments before the Supreme Court. Otherwise, a law may be passed restoring the primacy of the CJI and the power of the Executive to make the appointments."
- Restoring the balance between the Judiciary and the Executive would improve the quality of selection and appointments, the report said.

#### **CBI** begins probe into Batcha's death

- Acting on the directions of the Supreme Court, the Central Bureau of Investigation on Tuesday registered a case and began a probe into the death of Sadiq Batcha (38), a close aide of the former Telecom Minister, A. Raja, who has been chargesheeted in the 2G spectrum scam case.
- Batcha had reportedly committed suicide at his house in Chennai on March 16.
- The Supreme Court on Monday directed the Centre to issue, within three days, a notification for transferring the probe to the CBI. Batcha's wife claimed that he committed suicide unable to cope with the pressure of the investigations into the 2G scam.
- Batcha was managing director of Greenhouse Promoters which, the CBI and the ED suspected, was a front company of Mr. Raja.

#### **Process for appointment of new CVC begins**

# http://indiancurrentaffairs.wordpress.com

- A month after the removal of P.J. Thomas as Central Vigilance Commissioner, the Centre on Wednesday began the process for appointing a new head of the top anti-corruption watchdog by writing to all Ministries, Departments and public sector units to suggest names.
- The action came after the PMO approved the guidelines prepared for appointing the CVC following a Supreme Court directive. "We have sent a letter to all Ministries, Departments and PSUs asking them to suggest names," Secretary in the Department of Personnel and Training Alka Sirohi said.



#### Obama declares himself candidate for re-election

- U.S. President Barack Obama declared himself a candidate for re-election in 2012 on Monday, jumping ahead of a slow-starting Republican field and hoping an economic recovery will boost his case for a new term.
- Obama's announcement set in motion a plan to tap donors and raise as much as \$1 billion, which would shatter the \$750 million campaign finance record he set in 2008.
- Five months after his Democrats were routed by Republicans in November congressional elections, Obama looks in fairly good shape for re-election when paired against any of a group of potential Republican challengers.
- The stubbornly high jobless rate was the leading factor in Republican victories
  last November and Americans weigh the state of their pocketbooks far
  more than anything else when they vote. The jobless rate has dropped a
  full percentage point to 8.8 percent in the last five months.
- Obama became the first black U.S. president in 2009, and scored big legislative victories when Congress approved reforms of healthcare and financial regulation laws last year. But the economy has been slow to recover from recession despite a stimulus package of more than \$800 billion.
- Obama's path to re-election will depend greatly on how he fares with independent voters, who were crucial to his 2008 victory but who abandoned Democrats last November.
- The president has adopted a more centrist tone in recent months in response to that midterm election loss, emphasizing his desire to work with both Democrats and Republicans.

#### Japan says not seeking exemption from Kyoto CO2 pledge

 Japan is not seeking an exemption from its Kyoto Protocol pledges to cut greenhouse gases despite the effect on power supplies of last month's earthquake and tsunami, a government official said on Tuesday.

# http://indiancurrentaffairs.wordpress.com

- Japan remains committed to its pledge to cut emissions by 6 percent from 1990 levels over the 2008-2012 period, said the director of the Climate Change Division of the Ministry of Foreign Affairs.
- The govt dismissed as "groundless" a report in the Nikkei financial daily that Tokyo had decided to seek an exemption from its Kyoto obligations and had asked for agreement from other signatories to the protocol.
- Penalties for failure by developed countries to meet their Kyoto pledges include requirements to deepen emission cut targets in the future.
- Japan is the world's third-biggest operator of nuclear power plants
  after the United States and France, and before the quake it met 30
  percent of power demand with nuclear reactors. The loss of TEPCO's two
  Fukushima plants alone reduces Japan's total power capacity by about 4
  percent.

# Yemen accepts Gulf Arab states' call for talks

- Yemen on Tuesday accepted an invitation by Gulf Arab states to hold talks on its weeks-old political crisis in Saudi Arabia as a drive to oust President Ali Abdullah Saleh from his three-decade rule gathered pace.
- The Gulf Cooperation Council (GCC) invited the Yemeni government and opposition representatives to talks in Riyadh in a bid to end the crisis, but a date has yet to be set.
- Aides to General Ali Mohsen, a key military leader who recently threw his weight behind the tens of thousands of protesters calling for Saleh's departure, said the general also accepted the call for talks in Saudi Arabia.
- But leaders from core political opposition groups had yet to give a response, saying they would only give an answer when they received details of the proposed talks in Riyadh.

# Security Council has political responsibility on Libya

 The United Nations Security Council is responsible for any political decisions on Libya, the International Criminal Court (ICC) prosecutor said on Tuesday, underlining his role is limited to investigating crimes.

- "My responsibility is to investigate crimes and to present (evidence) to the court. Judges will decide on criminal responsibility," ICC chief prosecutor Luis Moreno-Ocampo told Reuters in an interview.
- "The political responsibilities are in the hands of the Security Council ... any political decision will be taken by the Security Council, not by me."
- Moreno-Ocampo is investigating Muammar Gaddafi, his sons and inner circle, including former foreign minister Moussa Koussa, who defected to London last month saying he made the decision because of attacks by Gaddafi forces on civilians.
- The prosecutor said he wanted access to Moussa to talk about the crimes committed in Libya, but added that his defection will be "taken into consideration" in the investigation.

#### Haiti - Martelly sweeps Haiti's presidential election

- Michel Martelly, a singer and political outsider, won Haiti's presidential election in a landslide victory that tapped into deep popular desire for change in the poor, earthquake-battered Caribbean state.
- Preliminary results announced by on Monday gave the 50-year-old entertainer
  a clear win with nearly 68 percent of the vote, compared with just under 32
  percent for his rival, former first lady Mirlande Manigat.
- Celebrations erupted in the scruffy capital Port-au-Prince as cheering, jubilant Martelly supporters flooded the streets, singing, waving his portrait and setting off fireworks.
- Sweet Micky Martelly, an iconoclastic entertainer known for his sometimes
  provocative stage acts, had campaigned on a forceful promise to change the
  status quo, pledging to break with decades of past corruption and misrule and
  bring a better life to Haitians struggling to recover from a devastating 2010
  earthquake.
- As president, Martelly will face the huge challenge of trying to rebuild a small Caribbean country prostrated in poverty long before an earthquake killed more than 300,000 people and bludgeoned its fragile economy last year. Hundreds of thousands of destitute earthquake victims are still living in squalid tent and tarpaulin camps.

# Quake hits Indonesia's Sunda Strait

- A magnitude 5.4 earthquake hit Indonesia's Sunda Strait on Tuesday, shaking buildings in the capital Jakarta, the country's quake agency said.
- The agency said the quake was at a depth of 23 kilometers and about 83 kilometers southeast of Ujungkulon on Java island.

# **BUSINESS/FINANCE/ECONOMY**

# Iran-India oil trade halted in Germany

- India has agreed to stop paying for its Iranian oil imports via Germany, a
  German official said on Tuesday, ending a trade conduit that had drawn
  strong disapproval from the United States and Israel.
- The government official confirmed newspaper reports that billions of euros of payments from India to a Hamburg-based bank handling international trade for Iranian companies had been halted.
- The move followed discussions between Chancellor Angela Merkel and the Indian government in which "the Indian side explained they were moving to use a new way of payment in the future", the official said, denying that Merkel had exerted pressure at home or abroad to end the payment scheme.
- Earlier, a business daily said the chancellor had intervened by instructing
  Germany's central bank, the Bundesbank, to stop clearing payments
  from India headed to the bank, known as EIH, which is under U.S. but not
  EU sanctions.
- Israel, whose Prime Minister Benjamin Netanyahu meets Merkel this week, wants Germany to shut down EIH, saying it supports the spread of weapons of mass destruction by handling payments to participants in Iran's contentious nuclear programme.
- The United States, Israel and the European Union suspect Iran of seeking to acquire atomic weapons. It denies the allegations and insists its programme is for peaceful energy needs.

# Supreme Court lifts Karnataka iron ore shipments ban

- The Supreme Court lifted a ban on iron ore shipments from Karnataka on Tuesday, freeing up about a quarter of supplies from the world's third-largest exporter as strong demand from China keeps prices firm.
- The state had banned shipments of iron ore from 10 ports and stopped its transport to other ports for exports in July last year, citing a drive against illegal mining and the need to preserve the raw material for local steelmakers.

- The court ordered that after April 20 the state government order on the ban will be null and void.
- Karnataka's government will return to the court in the first week of May to report steps taken to curb illegal mining, an approach the federal government prefers to blanket export bans.
- India has quadrupled taxes on iron ore exports and raised freight rates to boost the domestic steel industry and create jobs.
- But it does not have the technology to absorb all of its low-grade fines locally and a total export ban could create problems of storage besides losing billions of dollars in export revenues.
- India ranks behind Australia and Brazil in output with most of its approximately 100 million tonnes of annual shipments landing in China, which has the world's largest steel industry.
- India's iron ore exports fell for an eighth consecutive month in February as Karnataka's ban cut sales.
- Tighter supply from India had helped global prices soar, with spot prices hitting a record near \$200 a tonne in mid-February.

#### India to step up defence, trade ties with Thailand

- India and Thailand on Monday agreed to intensify Defence and security cooperation as well as double bilateral trade over the next three years.
- A joint statement, which was released after the summit meeting between Prime Minister Manmohan Singh and his Thai counterpart Abhisit Vejjajiva, announced the establishment of a regular High-Level Dialogue on Defence Cooperation that would consider widening the scope of cooperation in the sector.
- The summit meeting saw both sides agreeing to intensify "coordinated patrolling", which would be aimed at sanitising the busy but narrow and vulnerable Malacca Straits.
- "India and Thailand have active exchanges in the fields of defence, counter-terrorism and security. We have agreed to further strengthen them, and to initiate a senior-official-level dialogue between our Defence Ministries. Both of us expressed our respective desire to cooperate with each other to secure the vital sea-lanes of communications which pass through the Indian Ocean. We

have identified other areas of cooperation, such as space technology, disaster management and science and technology," observed Dr. Singh.

- The bilateral trade had seen a six-fold increase in the last ten years.
   It was likely to touch \$10 billion by 2012 up from \$6.7 billion last year.
- Indian companies had invested \$2 billion in the Thai economy and companies from Thailand had invested nearly \$1 billion.

  Complementary strengths of our industry make us natural partners and the advantages of geography only reinforce this relationship.
- On the security side, the two Prime Ministers resolved to improve sharing of intelligence, develop more effective counter-terrorism policies and increase interaction between law enforcement agencies.
- In this respect, they decided to expedite discussions on some of the building blocks, such as the Extradition Treaty, the Mutual Legal Assistance Treaty in Civil and Commercial Matters.

# Indirect tax mop-up exceeds revised target

- Signalling a strong economic recovery even in the wake of partial withdrawal
  of stimulus measures last fiscal, indirect tax collections in 2010-11 have
  exceeded the revised estimate of Rs.3.34 lakh crore by a significant
  margin, having already touched Rs.3.40 lakh crore.
- In an interaction with the media, **Central Board of Excise and Customs** (CBEC) Chairman S. Dutt Majumder indicated that the total mop-up could well be Rs.7,000 crore higher than the revised target set for the fiscal.
- Mr. Majumder indicated that revenue collections by way of service tax in 2010-11 were in excess of Rs.70,000 crore and equalled non-oil Central excise revenues.
- This marked a 20 per cent growth over service tax collections in the previous fiscal. At present, the services sector accounts for about 55-60 per cent of the country's gross domestic product (GDP) as compared to the manufacturing sector's share of 16 per cent.
- The government plans to increase the share of manufacturing to 25 per cent of the GDP in the next ten years.

• In 1994, only three services were in the tax net. Now, **a total of 119** services are being taxed. "This shows a robust growth and increasing contribution of the services sector in the national economy."

# Anil Ambani faces parliament panel in telecom probe

- Anil Ambani, the chairman of Reliance ADA group, appeared on Tuesday before a parliamentary panel investigating a 2G spectrum scam that has rocked the country's political and business establishment.
- Ambani testified days after police indicted officials and a unit of his group for conspiracy, cheating and other offences during a flawed 2007-08 telecoms licence grant process that may have cost the state up to \$39 billion in lost revenue.
- Police accuse Reliance Telecom, a unit of Reliance Communications, and three Reliance ADA officials, of conspiring to set up Swan Telecom as a front company to gain valuable radio spectrum. Indian rules bar an existing licence holder from owning more than 10 percent in another operator in the same market.
- The committee's recommendations are not binding on the government but its proceeding could have broader effects.

#### Radiation hazard: India slaps three-month ban on Japanese food imports

- With rising fears of nuclear radiation contaminating the Japanese food chain, the Indian government has decided to ban the import of all food items from Japan for at least the next three months.
- The suspension of imports will be "for a period of three months or till such time as credible information is available that the radiation hazard has subsided to acceptable limits," according to a statement issued by the Health Ministry on Tuesday.
- The Food Safety and Standards Authority of India (FSSAI) will carry out weekly reviews of the situation.
- India has been testing food from Japan ever since last month's tsunami triggered a nuclear crisis there, with several reactors facing threats of meltdown, and releasing radiation into the air and water.





## Cricket - Sangakkara quits as Sri Lanka ODI, T20 skipper

- Kumar Sangakkara has stood down as captain of Sri Lanka's limited overs team after their World Cup final loss to India on Saturday but plans to carry on as the interim test skipper until a replacement is found.
- The 33-year-old led by example at the World Cup, finishing as the third highest scorer with 465 runs behind team mate Tillakaratne Dilshan (500), who many pundits believe may succeed him as the next captain, and Indian Sachin Tendulkar (482).
- "I would like to announce that after careful consideration I have concluded that it is in the best long-term interests of the team that I step down now as national captain," Sangakkara said in a statement.
- "I have offered to continue as the Test captain for the forthcoming series with England and possibly Australia if the selectors believe this would help the new captain and aid the transition."
- The left-hander, however, dismissed any talk of retirement.
- Sangakkara took over the captaincy reins from Mahela Jayawardene in 2009 and under him, Sri Lanka won five of their 14 test matches and 27 out of 45 one-day internationals.