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THE  HINDU



Kurukshetra

A JOURNAL ON RURAL DEVELOPMENT

Science
Reporter



YOJANA

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What made
Gandhi
Gandhi.

SOUL

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THE HINDU

⇒ NO DEAL ON

PARCHIN; IRAN-P5+1 TALKS TO CONTINUE

U.N. experts returned from Tehran on Friday without sealing a long-sought deal on Parchin. This could restart suspicion that Iran worked on atomic arms and add to doubts about success of the upcoming Iran-P5+1 talks. Herman Nackaerts, who headed the team of International Atomic Energy Agency (IAEA) experts, said the two sides would meet again in the Iranian capital on February 12. But even if those talks make progress, they will come too late for an Iran-P5+1 meeting, tentatively scheduled for the end of this month.

⇒ POLITICS OF TELANGANA

It took 40 (and more) years for the Telugu speakers of Madras Presidency to make the Tamils see the sense of the demand for Andhra Pradesh. The Telangana movement is already 40 (and more) years old; and it still hasn't quite achieved what it aimed for. Before the General Elections of 2004, the Telangana Rashtra Samiti allied with the Congress, which informally promised it would concede the TRS' main demand, while formally stating that it would create a States Reorganisation Commission if voted to power. The Congress alliance came to power in 2004, but a new SRC did not materialise. This led to a renewal of the protests, whereupon,

in December 2009, the then Home Minister, P. Chidambaram, promised that the demand for Telangana would soon be granted. But he quickly backtracked. More recently, the Bharatiya Janata Party has said that it would create a Telangana state within 100 days of coming to power at the Centre. As with the Congress in 2004, this promise may be opportunistic rather than principled — intended only to gain votes and seats for its alliance. Writing as both historian and citizen — is that while linguistic states were necessary in the first, early, stages of Indian independence, it may now be time for a further reorganisation of states. The proponents of Telangana, Vidharbha, and Gorkhaland all have a robust case. Their regions are well defined in an ecological and cultural sense, and have historically been neglected by the more powerful or richer parts of the State. Likewise, Uttar Pradesh is far too large to be administered as a single unit. Breaking it up into three or four states would lead to more effective and focused governance.

After 65 testing years of independence, there need no longer be any fear about the unity of India. The country is not about to Balkanise, nor is it about to become a dictatorship. The real problems in India today have to do with the quality of governance. Smaller states may be one way to address this problem.

⇒ PHILANTHROPY IN INDIA

In India, philanthropy is an ancient and venerable tradition. Apart from directly helping the poor and the underprivileged, people have always offered money to religious organisations, which in turn run orphanages, hospitals, and educational institutions. Even the poor are engaged in philanthropy by devoting a proportion of their income directly or indirectly to the needy.

In the last century, the trusts created by some prominent families formally organised giving, both by setting up institutions linked to the trusts, and by offering assistance to unaffiliated organisations. Formal giving thus transformed India's institutional landscape, leading to the creation of some of the country's finest institutions.

The phenomenal increase of wealth in India over the last few decades has reinvigorated philanthropy. Although, our economic, social, political, and environmental problems continue to worsen, "new" philanthropists can play a critical role in improving the human condition in our society

⇒ THE TARGET AREAS

Philanthropy in India has a number of targets: poverty, social and economic inequity, injustice, health, education and the environment, to name a few. Indeed, problems in these sectors are enormous and complex, and progress in their resolution calls for focused and sustained efforts. However, our deteriorating environment and declining natural resources receive proportionately less attention than other areas.

Unfortunately, our present environmental problems are acute and worsening. Air quality is declining, water is becoming scarce, land is being degraded, soils are losing their organic matter, and biodiversity is diminishing. We have a huge and

unique biodiversity. At the beginning of the last century, perhaps 50 per cent of our land area was covered by natural habitats. Today, it is less than 20 per cent. The value of biodiversity and associated ecosystem services, when translated into monetary terms, exceed the total annual Gross Domestic Product. The ecosystem services include water regulation, carbon sequestration, and provision of pollinators for agriculture, enemies of insect pests, and a vast range of products. They offer spiritual and aesthetic enrichment — yet they are universally taken for granted, considered "free" by society, and suffer benign neglect.

With ongoing climate change, it is the state of the environment that will determine the fate of human societies in the 21st century, and not merely our ability to clothe, feed, find shelter, combat disease and educate ourselves.

Diminishing biodiversity and degradation of habitats exact a heavy toll on rural communities, for whom local ecosystem resources sustain livelihoods. There are hundreds of millions of such people in our country. The Naxalite movement that has spread over much of India represents a long and bitter struggle of indigenous peoples for rights over their environmental assets, and frustrations over a development process gone awry. Yet, with a few exceptions, the ecosystems themselves, or the people dependent upon them, do not appear to be on the radar of "new" Indian philanthropy.

⇒ THE NEW APPROACH

An implicit goal of philanthropy is social transformation: the engagement of civil society to resolve complex problems when the state or its agents lack resources or the means to bring about change. One can try to transform society oneself,

or one can support new institutions that will be fully qualified for and engaged in the process of transformation. A diversity of institutions, often with overlapping missions, enriches ideas and approaches to address problems. India's vast geographic scale, its ethnic and cultural diversity and its aspirations as a model pluralistic society also require a diverse array of institutions, but the record of the "new" Indian philanthropists in creating and supporting new and emerging institutions, with a few exceptions, has not yet been stellar.

While a few older foundations, such as the Tata Trusts, have been run as purely donor agencies, the approach of the "new" Indian philanthropists has been more ambivalent, indicating a sense of wanting to fix things themselves. More often, foundation resources are devoted to direct implementation of specific projects dear to the heart of the founder. In several cases it is the attempt to alleviate poverty, improve health, or primary education in particular areas. More recently, such projects have taken the shape of private universities. These are all noble causes, clearly worthy of support, and it is to the credit of the "new" philanthropists that such initiatives for the betterment of society are increasing at a rapid pace.

Lacking for the most part, though, are grant-making programmes that benefit specialist institutions and organisations that can foster new ideas and innovations. The contrast with the situation in the United States, where professionals run the private foundations and income is disbursed in the form of grants is instructive. The system fosters a diverse array of ideas, institutions, and approaches to flourish and compete. The thousands of grantees — institutions and individuals — become agents of long-lasting change. The good news is that many

"bright stars" on the institutional skyscape in India are young, innovative environmental organisations receiving good support from some "new" philanthropists. As philanthropy and its vibrant non-governmental organisations mature in India, hundreds if not thousands of such stars will shine — together forging a better environment and a just society.

⇒ Y.V. REDDY TO

HEAD 14TH FINANCE COMMISSION

The government, announced the constitution of the 14th Finance Commission under the chairmanship of former RBI Governor Y. V. Reddy. The five-member panel is to submit its report by October 31, 2014. Apart from its recommendations on the sharing of tax proceeds between the Centre and the States which will apply for a five-year period beginning April 1, 2015, the Commission has been asked to suggest steps for pricing of public utilities such as electricity and water in an independent manner and also look into issues like disinvestment, GST compensation, sale of non-priority PSUs and subsidies. Apart from Dr. Reddy in the chair, other members of the Commission are former Finance Secretary Sushma Nath, NIPFP Director M. Govinda Rao, Planning Commission Member Abhijit Sen and Former Acting Chairman of National Statistical Commission Sudipto Mundle.

The Commission, the Finance Minister said, would review the state of finances, deficit and debt levels of the Centre and States, keeping in view, in particular, the fiscal consolidation roadmap recommended by the 13th Finance Commission.

Besides, the 14th Finance Commission would suggest measures for maintaining a stable and sustainable fiscal environment consistent with equitable growth.

⇒ RANGARAJAN PANEL SUGGESTS AVERAGE OF GLOBAL PRICES FOR GAS

The Prime Minister-appointed Rangarajan Committee has suggested mandating a price of domestically-produced natural gas at an average of international hub prices and cost of imported LNG instead of the present mechanism of market discovery.

The panel, in its report made public, suggested first taking an average of the U.S., Europe and Japanese hub or market price and then averaging it out with the netback price of imported liquefied natural gas (LNG) to give the sale price of domestically-produced gas. The panel headed by C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister, said the PSC provided for arm's length pricing and prior government approval of the formula or basis for gas pricing, subject to policy on natural gas pricing. "The committee recommended deriving one price from "the volume-weighted netback price to producers at (LNG) exporting country well-head for Indian imports for the trailing 12 months."

⇒ POLIO FREE DOES NOT MEAN PARALYSIS FREE

Identifying children who suddenly display muscle weakness, often not moving one or more of their limbs as a result, forms the cornerstone of polio surveillance. Such children could have "acute flaccid paralysis" (AFP) that is symptomatic of polio, a disease caused by a virus. But AFP can also arise for other reasons, including infection by non-polio pathogens.

No child in India has been diagnosed with polio for nearly two years now and all the indications are that the virus responsible for it is no longer circulating here. However, the

country's polio surveillance system has indicated a sharp increase during recent years in the number of non-polio AFP cases.

ALARMING DATA

Data published by the World Health Organisation show that close to 8,000 non-polio AFP cases were identified in India during 2003. They went up to over 12,000 the following year, more than 26,000 in 2005 and crossed 40,000 by 2007. In 2011, there were more than 60,000 non-polio AFP cases.

A good polio surveillance system ought to pick up all AFP cases among children so that they can be screened for poliovirus infection. On average, only about one child out of every 200 children carrying the poliovirus develops AFP. Such cases must be identified so that appropriate immunisation measures can be undertaken.

India's polio surveillance shows that the country is polio-free. But it also indicates that the country now has the world's highest rate of non-polio AFP cases. According to data published in WHO's *Weekly Epidemiological Record*, India's annualised non-polio AFP rate for 2011 stood at 15.06 per one lakh children below 15 years of age, compared to a global rate that year of 5.48. Moreover, most of the country's non-polio AFP cases occur in just two States — Bihar and Uttar Pradesh. They accounted for about 61 per cent of the 53,000-odd non-polio AFP cases identified in the country in 2012, according to data from WHO's National Polio Surveillance Project. As a result, the two States have far higher annualised non-polio AFP rates than other States — around 34 for Bihar and about 23 for Uttar Pradesh. The rate for the country as a whole is slightly over 12.

⇒ INTERNET TAX, A FLAWED IDEA

“We’ve become the bad gatekeepers,” lamented Sunil Mittal, CEO, Bharti Airtel. “When somebody watches YouTube on a mobile and ends up [with a] big bill, he curses under his breath at telecom operators. But YouTube is consuming a massive amount of resources on our network. Somebody’s got to pay for that.”

What Mittal suggested at the Mobile World Congress in Barcelona last year, and is gaining rapid popularity with service providers around the world, was an “inter-connect charge”, an effective Internet tax that would force companies such as Google and Facebook to pay network operators a levy similar to the termination fee that networks pay one another to complete a voice call. This growing clamour for an Internet tax was obliquely backed by the Government at a U.N conference, held last month.

The advantages for both telecom operators such as Airtel, and the Government (which too might look to levy a similar tax) are immediate and obvious. Telcos, which dole out huge investment for spectrum and network infrastructure, will be able to get a bigger slice of what goes to companies such as Google. This is exactly the new source of revenue that operators, which are suffering from shrinking revenue and rising costs, have been waiting for.

⇒ UNDERWATER MISSILE TAKES OFF SUCCESSFULLY

India achieved a major milestone by establishing underwater missile launch capability when K-15 missile, code-named B05, was successfully test-fired off the Visakhapatnam coast. The 10-metre-high Submarine-Launched Ballistic Missile (SLBM), lifted off from a

pontoon as it was ejected by a gas generator, rose to an altitude of 20 km and reached its full range of 700 km before splashing down in the waters of the Bay of Bengal with single-digit accuracy.

With the completion of developmental trials, the missile is now ready for integration with INS Arihant, the indigenously-built nuclear-powered submarine. In the coming years, India will have four nuclear-powered submarines. Besides Arihant, a nuclear-powered submarine is being built at the Visakhapatnam Naval Dock Yard and the hulls of two other submarines are under fabrication in Vadodara, Gujarat. India is the fifth country to have underwater missile capability. The other nations are the United States, France, Russia and China. On the development of the K-4 missile with a range of 3,000 km, he said that as was done in the case of the Agni family of missiles, a series of underwater K-series missiles would be developed.

Once integration was completed, Arihant would carry 12 nuclear-tipped missiles, each weighing six tonnes. The submarine would be powered by an 80 MWt (thermal) reactor that uses enriched uranium as fuel and light water as coolant and moderator. Meanwhile, sources in the Department of Atomic Energy said the 80MWt reactor would be commissioned in May or June 2013 as various tests were under way. “The harbour trials of Arihant would begin when the on-board reactor goes critical and starts producing steam.” For the tests under way, the steam was being produced from an external source from the land.

The hypersonic Shourya missile is the land version of the K-15 missile and the trials of the system have been completed. Shourya can be launched from canister too and the Army is

thinking of placing orders for the missile. ADRDO official, who watched the K-15 launch on Sunday from a nearby ship, called the missile “a deadly deterrent,” which would be armed with a nuclear warhead. Home-grown GPS ‘Gagan’ likely by 2014. India will launch this year the first of its series of navigation satellites required to provide regional navigation service, independent of the U.S.-controlled GPS (Global Positioning System).

Europe, Russia and China were either having or evolving their own navigation services independent of the GPS. The Indian Space Research Organisation too was planning to evolve indigenous navigation service to provide enhanced and more precise navigation. To provide this service, to be christened ‘Gagan,’ India needed to launch a number of satellites and the first of this series, the Indian Regional Navigation Satellite System (IRNSS), would be launched by the PSLV C-22 rocket, probably in the second half of this year. After all the required satellites were launched, India would be in a position to provide navigation service through ‘Gagan’ probably in 2014.

⇒ **FORMULA TO IDENTIFY “INVIOLEATE” FOREST AREAS WHERE MINING WILL BE BANNED**

In what seems to be a successor to the controversial “no-go zone” concept, mining and other harmful non-forestry activities could soon be completely banned from forest areas identified as “invioleate”, using a formula created by a high-level Environment Ministry panel.

Wildlife sanctuaries, tiger reserves, national parks – as well as a buffer zone of one km around such protected areas – compact patches of very dense forest, the last remnant of a forest type and forests very near perennial rivers will all be automatically placed within the invioleate zone,

according to a report of the Committee to Formulate Objective Parameters for Identification of Inviolable Forest Areas.

The panel was formed in the wake of the demise of the “no-go zone” approach, conceptualised by the former Environment Minister, Jairam Ramesh, which identified dense forest areas in nine major coal fields where forest clearances would be denied. Following intense pressure from the mining industry and the Coal Ministry, a ministerial group headed by then-Finance Minister Pranab Mukherjee vetoed the idea. However, in September 2011, the group of Ministers suggested that “identified pristine forest areas, where any mining activity would lead to irreversible damage, should be barred from any kind of non-forest activity.” Accordingly, the Environment Ministry, now headed by Jayanthi Natarajan, formed a panel to formulate parameters to identify such “invioleate” forest areas.

The panel submitted a report in July 2012, but the Ministry only made it public on Thursday. The next step is to actually prepare geo-referenced maps of inviolable areas using this formula. Apart from the automatic exclusions mentioned earlier, the formula calls for scoring of forest areas based on six principles: forest type, biological richness, wildlife value, forest cover, landscape integrity and hydrological value. The country will be divided into grids of one square kilometre each, which will be scored, mostly using existing data. An average score above 70, out of a possible 100, will also be declared inviolable.

⇒ **RECYCLE GREY WATER**

UN-Habitat has commenced a new global consultation to reiterate the crucial role of wastewater management in the water cycle and

explore policy options for a sustainable future. These consultations have also become necessary to set a future goal for water use, particularly for the years following 2015, which is the target year for the Millennium Development Goals. For India — a severely water-stressed region — this offers an opportunity to reflect on its policies and draw lessons from best practices across the world. The core challenge facing the country is the yawning gap between demand for water and the severely constrained supply.

From 813 billion cubic metres — the figure for 2010 — demand is set to reach 1,093 BCM by 2025. Conventional resources alone cannot meet this steep increase. There is a pressing need to explore alternative sources. In this context, policymakers have done well to promote water harvesting to improve supply. But they have utterly failed when it comes to reusing water. Industrial scale recycling would help, but it could be expensive. On the other hand, the often overlooked building level reuse of grey water — wastewater from kitchen sinks, showers and laundry fixtures — is a more effective strategy to pursue.

According to a Centre for Science and Environment estimate in 2011, kitchen use, shower and laundry consume more than 70 per cent of the 920 litres of water supplied per household per day. Building systems seldom trap this wastewater for non-potable use such as toilet flushing, fire fighting and gardening. Instead, they drain it out along with sewage, burdening the system. More important, the precious water is lost. In contrast, countries such as Japan extensively recycle water and successfully tide over their water deficit. Through a combination of strategies involving small treatment plants and

closed loop water supply at building level, Japan reuses more than 53 million litres of water every day. In addition, innovative bathroom fixtures conduct used sink water directly to the flush tank of the toilet and save about 22,000 gallons every year.

Recycling needs changes to plumbing arrangements in a building, but it is not hard to implement or monitor. What is missing is the will and regulatory framework. Cities such as Nanded have amended their building rules to make wastewater treatment in large buildings compulsory, but such provisions are present more on paper than in practice. If policymakers are serious about increasing water use efficiency through recycling — a goal set by the National Water Mission — buildings should be compelled to meet most of their non-potable water requirement through grey water reuse.

⇒ FAST GROWTH, LIMITED RESULTS

Yet, in a recent essay, the eminent economists Amartya Sen and Jean Drèze pointed to an important problem with equating India's economic performance with its GDP growth rate. They noted:

"There is probably no other example in the history of world development of an economy growing so fast for so long with such limited results in terms of broad-based social progress." Sen and Drèze were referring to the fact that for about 32 years now (since 1980), India has averaged annual GDP growth rates of approximately six per cent — whereas, the nation's ranking in terms of the Human Development Index has remained unchanged over that period: we were ranked an abysmal 134 in 1980, we were ranked exactly that in 2011. In 1980, about 80 per cent of our population subsisted

on less than two dollars a day, and that percentage has declined by as little as five per cent since then.

Comparable growth rates sustained over similar lengths of time have utterly transformed societies in the 20th century: South Korea, Taiwan, Singapore, and large parts of China, to mention the most prominent ones. They have gone from largely poor, illiterate and agrarian societies to middle class, literate, urbanised and industrial societies with standards of living vastly superior to ours. Whatever may be said about India, it is obvious that no structural transformation of our largely poverty-stricken economy has occurred and what is more, none seems very likely in the immediate future.

Not only have three decades of high GDP growth gone unaccompanied by a societal transformation, we seem to have regressed on certain fronts. For instance, while India ranked either first or second in 1980 within South Asia (defined here as comprising India, Pakistan, Bangladesh, Nepal, Sri Lanka, and Bhutan) on most yardsticks such as life expectancy, female literacy, infant mortality, maternal mortality ratio, improved sanitation, child immunisation, and mean years of schooling, today we are ranked either fifth or last among the South Asian nations on these same yardsticks. Ironically, the only indicator in which we have done well is in the rate of GDP growth per annum.

A country like Bangladesh, whose annual GDP growth rate has averaged about half that of India's over these years, has done vastly better in terms of translating that growth to the quality of life for its poor, its young, and its females. On most yardsticks that matter, Bangladesh now outperforms India. That 30 years of more than

twice the much-disparaged "Hindu" rate of growth has left us at the absolute rock-bottom of the world tables in terms of malnourished children (44 per cent at the last count — significantly more than that anchor of all things sorry and sad about this world, sub-Saharan Africa whose percent of underweight children is 25 per cent) should tell us that there is something seriously amiss about looking at the annual growth rate of the GDP to measure the well-being of a society.

⇒ ON DEMOGRAPHIC DIVIDEND

The Goldman Sachs report argued that by the year 2050, if Brazil, Russia, Indian and China grew at a certain rate per annum, they would be among the world's six largest economies in terms of overall size.

This does not tell us anything about either per capita incomes (in terms of which these countries would remain well behind the more affluent nations) or the quality of life of the majority of people therein. The report based its projections mainly on something called the "demographic dividend." In simple terms, "young" societies like India and China have a disproportionately large percentage of people in the workforce relative to those outside it. The size of the working-age cohort is central to the overall attractiveness of an economy from the perspective of an investment bank like Goldman Sachs because it is likely to be in the market for all sorts of goods — homes, automobiles, appliances, electronics, cosmetics, fast-food, etc. The working-age cohorts' employment earnings, moreover, can support a social security net for those who have retired and now have to subsist on pensions and savings.

On a comparative yardstick, India's demographic profile was seen by the BRIC report

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GIST OF THE HINDU

as most favourable because this ratio of working to non-working populations would remain in favour of the former well into the 21st century in our case.

In the euphoria over the BRIC report (it was the basis for the disastrous “India Shining” campaign of the Bharatiya Janata Party; the same projections were echoed in speeches by Prime Minister Manmohan Singh, Union Finance Minister Chidambaram, Deputy Chairman of the Central Planning Commission Montek Ahluwalia; and they were quoted ad nauseam in the mainstream media) certain basic facts were glossed over.

Firstly, the GDP is a statistic from within the field of National Accounts whose very definition indicates its limited ambit: it is the total market value of all final goods and services produced in a country in a given year. In other words, it is a statistic that measures the quantity, not the quality or content, of economic activity in a society. When a country liberalises — either domestically as India began to do in 1980 or across its international borders as we began after 1991 — the increased volume of production, investment, trade and market exchanges will inevitably result in an increase in the GDP.

To infer from the growth in GDP any consequences for societal welfare is not logical. The GDP’s precursor was devised during the Depression of the 1930s as western governments (in Britain and the United States most prominently) tried to get a handle on the basic statistics of the different sectors of their economies in order to plan state policies to get them out of recession and on to growth. Simon Kuznets and John Maynard Keynes, both pioneers in its creation and measurement, warned against confusing GDP

with anything other than a measure of the sum of economic activity of a society, and especially against confounding it with societal welfare. Something like the Exxon Valdez disaster in Alaska will inevitably increase the GDP as the massive clean-up means billions of dollars will be spent, whereas the environmental impact of that disaster did nothing to diminish the GDP of the U.S. as damage to nature is rendered an externality. On the other hand, the positive impact of people in a community bartering or exchanging services (“I’ll baby sit for you this week while you fix the leak in my roof”) goes unregistered on the GDP metric.

Secondly, the BRIC report emerged not from an academic body or a policy think-tank. It came from an investment bank that was interested in getting people to put their money into a newly created “Emerging Market” fund. Creating a buzz about these economies, and finding some hard nugget or fact that seemed to suggest their fortunes were on the rise, is an inevitable part of the marketing of such funds. The “demographic dividend” argument offered a perfect empirical “fact” of just this sort.

The extrapolations into the future (projections were made as far as 2030 and even 2050) by a firm that could not foresee (and was in fact a substantial culprit in) the financial crisis that engulfed the world economy barely four years later were essentially meaningless. It was moreover a tautological argument in the sense that given the overall size of the BRIC economies it was inevitable that their GDPs would over time end up being among the largest in the world. The greater the buzz Goldman Sachs could create about the BRIC economies, the likelier the “success” of their Emerging Market funds in the

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short run, which added to their profits as the firm made money off every transaction therein.

The Goldman Sachs report should have been assessed as advertising copy rather than as unbiased prognostication about the future of the world economy. (By the late 2000s, as the BRIC economies with the exception of China failed to perform to expectations, Goldman Sachs had already lost interest in them and had started promoting MIST, another emerging market fund based on Mexico, Indonesia, South Korea and Turkey. The analogy to advertising sloganeering rather than economic analysis should be obvious to anyone here.)

Thirdly, for India (or any society) to realise its demographic dividend, at least three factors are critical: its youth need **(a)** quality education, **(b)** good health, and **(c)** jobs that pay a decent wage and enhance their intellectual and other skills. The story of India's post-independence development has been one of failure across all three of these sectors, and the picture has not improved post the economic liberalisation initiated in 1991. Recent studies have confirmed what every Indian already knows: the quality of public education at the primary and secondary levels has been abysmal. In large part this is because since 1947 we have emphasised tertiary education for a narrow middle-class and elite, and underinvested in primary and secondary education for the masses.

We have already seen that with the highest rate of malnourishment of children below the age of six in the entire world, and a public health infrastructure that exists more on paper than on the ground, especially outside the cities, large segments of our populace are not in good health. The difficulty of getting clean water, the unavailability of toilets, and decrepit or non-

existent sewage systems, have also meant high incidence of preventable diseases like cholera, typhoid, and dysentery. And when it comes to jobs, recent decades of high growth, especially since 2000, have been accompanied by either stagnation or even decline in the absolute numbers of those employed in the organised sector of the economy.

Unlike Korea or Taiwan or China (all three of whom also had a thoroughgoing land reform that eliminated landlordism and other feudal holdovers) whose growth was concentrated initially in relatively labour-intensive sectors such as manufacturing, ours has been skewed heavily towards skill- and education-intensive sectors like Information Technology, pharmaceuticals, and business process outsourcing.

The performance in these sectors has been stellar in terms of exports and their contribution to the GDP, but not in terms of their ability to generate large numbers of jobs. Twenty years after the onset of the phenomenal IT boom, even with the most expansive definition of its ambit, this sector only employs about nine million Indians while India produces about 13 million new entrants into the job market *every year*.

⇒ 140 COUNTRIES

AGREE ON TREATY TO LIMIT MERCURY USE

- Delegations from some 140 countries agreed to adopt a ground-breaking treaty limiting the use and emission of health-hazardous mercury, the U.N. said, though environmental activists lamented it did not go far enough.
- The world's first legally binding treaty on mercury, reached after a week of thorny talks, will aim to reduce global emission levels of the toxic heavy metal, also known as quicksilver, which poses

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risks to human health and the environment.

- “This was a herculean task ... but we have succeeded,” Achim Steiner, U.N. Under-Secretary General and head of the U.N. Environment Programme (UNEP), told reporters in Geneva.
- The treaty has been named the Minamata Convention on Mercury, in honour of the Japanese town where inhabitants for decades have suffered the consequences of serious mercury contamination.
- The text will be signed in Minamata in October and will take effect once it has been ratified by 50 countries — something organisers expect will take three to four years.
- Mercury is found in products ranging from electrical switches, thermometers and light-bulbs, to amalgam dental fillings and even facial creams. Large amounts of the heavy metal are released from small-scale gold mining, coal-burning power plants, metal smelters and cement production.
- “It is quite remarkable how much mercury in a sense has entered into use in our lives.... We’ve been creating a terrible legacy”
- The treaty sets a phase out date of 2020 for a long line of products, including mercury thermometers, blood pressure measuring devices, most batteries, switches, some kinds of fluorescent lamps and soaps and cosmetics. It, however, provides exceptions for some large medical measuring devices where no mercury-free alternatives exist.
- Switzerland and Norway, which initiated

the process a decade ago, had along with Japan pledged an initial \$3 million to get things started.

- Once up and running the treaty will provide funds to help transition away from mercury-linked products and processes through the U.N.’s Global Environment Facility (GEF), and probably also a second mechanism, organisers said.

⇒ WORK TO BEGIN IN LADAKH ON WORLD’S LARGEST SOLAR TELESCOPE

- Work on the world’s largest solar telescope is likely to commence in the Ladakh region of Jammu and Kashmir by the end of this year.
- Once ready, it would be one of the few solar telescope facilities in the world with a capability to do both day and night astronomy. It would also fill the longitude gap between Japan and Europe.
- The innovative design and backend instruments would further enable observations with an unprecedented high spatial resolution that would provide crucial information on the nature of magnetic fields.
- Satellites in low earth orbit face greater risk as during periods of heightened solar activity, the earth’s upper atmosphere swells up slightly in response to the extra heating, which in turn increases the rate of decay of these satellites.

⇒ WHY A NATIONAL WATER FRAMEWORK LAW

The idea of a national water framework law mooted by the Central government has run into strong opposition from the Chief Ministers of several States. The aim of this article is to clarify

the issues involved for the information of the general public.

⇒ ALAGH COMMITTEE

That draft was not adopted by the Ministry of Water Resources, but it did accept the *idea*, picked up the term 'framework law', and set up a new committee to draft the law under the chairmanship of Dr. Y. K. Alagh. That committee has presumably not yet concluded its deliberations, but meanwhile the idea of a national water framework law appears to have been mentioned at a Conference of Water Resources Ministers as well as the recent NDC meeting, and has drawn a negative response. That response is regrettable. A national law on water is very necessary, and it must be a framework law.

Why is a national law on water necessary? There are several reasons.

- (1) Under the Indian Constitution water is primarily a State subject, but it is an increasingly important national concern in the context of:
 - (a) the judicial recognition of the right to water as a part of the fundamental right to life;
 - (b) the general perception of an imminent water crisis, and the dire and urgent need to conserve this scarce and precious resource;
 - (c) the severe and intractable inter-use and inter-State conflicts;
 - (d) the pollution of rivers and other water sources, turning rivers into sewers or poison and contaminating aquifers;
 - (e) the long-term environmental, ecological and social implications of projects to augment the availability of water for human use;
- (f) the equity implications of the distribution, use and control of water;
- (g) the international dimensions of some of India's rivers; and
- (h) the emerging concerns about the impact of climate change on water and the need for appropriate responses at local, national, regional, and global levels.

It is clear that the above considerations cast several responsibilities on the Central government, apart from those of the State governments. Given these and other concerns, the need for an overarching national water law is self-evident.

- (2) Several States are enacting laws on water and related issues. These can be quite divergent in their perceptions of and approaches to water. Some divergences from State to State may be inevitable and acceptable, but extreme and fundamental divergences will create a very muddled situation. A broad national consensus on certain basics seems very desirable.
- (3) Different State governments tend to adopt different legal positions on their rights over the waters of a river basin that straddles more than one State. Such legal divergences tend to render the resolution of inter-State river-water conflicts extremely difficult. A national statement of the general legal position and principles that should govern such cases seems desirable.
- (4) Water is one of the most basic requirements for life. If national laws are considered necessary on subjects such as the environment, forests, wildlife, biological diversity, etc., a national law

on water is even more necessary. Water is as basic as (if not more basic than) those subjects.

- (5) Finally, the idea of a national water law is not something unusual or unprecedented. Many countries in the world have national water laws or codes, and some of them (for instance, the South African National Water Act of 1998) are widely regarded as very enlightened. The considerations behind those national codes or laws are relevant to India as well, although the form of a water law for India will clearly have to be guided by the nature of the Indian Constitution and the specific needs and circumstances of this country.

However, the framework law was intended to be justiciable in the sense that the laws passed and the executive actions taken by the Central and State governments and the devolved functions exercised by PRIs would have to conform to the general principles and priorities laid down in the framework law (on the basis of a national consensus), and that deviations can be challenged in a court of law. The point will become clearer if we think of the proposed national water framework law as something like the Directive Principles of State Policy, but different in the sense that it would be justiciable.

⇒ A SETBACK

This also explains why the Centre was unable to persuade the State governments to accept the idea of a national water framework law. The manner in which the Centre put forward that idea at the Water Resource Ministers' Conference and the NDC must have given indications of the underlying desire to strengthen

the hands of the Centre. In fact, though the Ministry uses the term 'framework law', what it has in mind is not really a framework law but a conventional operational one. This must have set the alarm bells ringing in the minds of the Chief Ministers.

⇒ RESERVE BANK EASES

RULES FOR FII INVESTMENT IN DEBT

- The Reserve Bank of India (RBI), notified the enhanced limit of investing in government securities (G-Secs) by foreign institutional investors (FIIs) and long-term investors by \$5 billion to \$25 billion from \$20 billion.
- It also hiked the investment limit in corporate bonds by these entities by \$5 billion \$50 billion from \$45 billion.
- Long-term investors include SEBI-registered sovereign wealth funds (SWFs), multilateral agencies, endowment funds, insurance funds, pension funds and foreign central banks.
- The RBI also relaxed some investment rules by removing the maturity restrictions for first time foreign investors on dated G-Secs. Earlier it was mandated that the first time foreign investors of G-Secs must buy securities with at least three-year residual maturity. "But such investments will not be allowed in short-term paper like Treasury Bills," the RBI added.
- Further, the central bank has also restricted foreign investors from buying certificates of deposits and commercial paper.
- In the total corporate debt limit of \$50 billion, the RBI stipulated a sub-limit of \$25 billion each for infrastructure and other than infrastructure sector bonds.

In addition, qualified foreign investors (QFIs) would continue to be eligible to invest in corporate debt securities (without any lock-in or residual maturity clause) and mutual fund debt schemes, subject to a total overall ceiling of \$1 billion.

- “This limit of \$1 billion shall continue to be over and above the revised limit of \$50 billion for investment in corporate debt,” the RBI added.
- As a measure of further relaxation, it has been decided to dispense with the condition of one year lock-in period for the limit of \$22 billion (comprising the limits of infrastructure bonds of \$12 billion and \$10 billion for non-resident investment in IDFs) within the overall limit of \$25 billion for foreign investment in infrastructure corporate bond.
- The residual maturity period (at the time of first purchase) requirement for the entire limit of \$22 billion for foreign investment in the infrastructure sector has been uniformly kept at 15 months. The five-year residual maturity requirement for investments by QFIs within the \$3 billion limit has been modified to three years original maturity.

⇒ A MOMENT OF TRIUMPH FOR WOMEN

The Report of the Committee on Amendments to Criminal Law headed by Justice J.S. Verma is our moment of triumph — the triumph of women’s movements in this country. As with all triumphs, there are always some unrealised possibilities, but these do not detract from the fact of the victory.

Rather than confining itself to criminal law relating to rape and sexual assault, the committee

has comprehensively set out the constitutional framework within which sexual assault must be located.

Perhaps more importantly, it also draws out the political framework within which non-discrimination based on sex must be based and focuses on due diligence by the state in order to achieve this as part of its constitutional obligation, with the Preamble interpreted as inherently speaking to justice for women in every clause.

If capabilities are crucial in order that people realise their full potential, this will be an unattainable goal for women till such time as the state is held accountable for demonstrating a commitment to this goal. Performance audits of all institutions of governance and law and order are seen as an urgent need in this direction.

The focus of the entire exercise is on protecting the right to dignity, autonomy and freedom of victims of sexual assault and rape — with comprehensive reforms suggested in electoral laws, policing, criminal laws and the Armed Forces (Special Powers) Act, 1958, and the provision of safe spaces for women and children. Arguing that “cultural prejudices must yield to constitutional principles of equality, empathy and respect” (p.55), the committee, in a reiteration of the *Naaz Foundation* judgment, brings sexual orientation firmly within the meaning of “sex” in Article 15, and underscores the right to liberty, dignity and fundamental rights of all persons irrespective of sex or sexual orientation — and the right of all persons, not just women, against sexual assault.

Reviewing leading cases and echoing the critique of Indian women’s groups and feminist legal scholars — whether in the case of Mathura or even the use of the shame-honour paradigm

that has trapped victim-survivors in rape trials and in *khap panchayats*, the committee observes: "...women have been looped into a vicious cycle of shame and honour as a consequence of which they have been attended with an inherent disability to report crimes of sexual offences against them." In terms of the definition of rape, the committee recommends retaining a redefined offence of "rape" within a larger section on "sexual assault" in order to retain the focus on women's right to integrity, agency and bodily integrity. Rape is redefined as including all forms of non-consensual penetration of sexual nature (p.111). The offence of sexual assault would include all forms of non-consensual, non-penetrative touching of sexual nature.

Tracing the history of the marital rape exception in the common law of coverture in England and Wales in the 1700s, the committee unequivocally recommends the removal of the marital rape exception as vital to the recognition of women's right to autonomy and physical integrity irrespective of marriage or other intimate relationship.

Marriage, by this argument, cannot be a valid defence, it is not relevant to the matter of consent and it cannot be a mitigating factor in sentencing in cases of rape. On the other hand, the committee recommended that the age of consent in consensual sex be kept at 16, and other legislation be suitably amended in this regard.

⇒ FOR AN INDIA-LED SECURITY ARCHITECTURE IN SOUTH ASIA

India's neighbours often cite the 'Bangladesh War' and the IPKF involvement in Sri Lanka to justify their apprehensions about Indian strategic interests and military reach in the region. In this, they do not acknowledge that it

was not Indian plotting that caused the Bangladesh War, but Pakistan's own failings; and that the IPKF went to Sri Lanka at the request of President J.R. Jayewardene, to be withdrawn equally fast, again at the express wish of his successor President Ranasinghe Premadasa. But India's smaller neighbours are not as concerned about the reach, if any, of outside powers in the region.

In this sense, the neighbourhood's concerns about India are distinct from India's own concerns. For India, the disputes with China — and Pakistan, too — are real, and not just theoretical. In this context, there is some substance in the demand by the Indian strategic community that smaller neighbours should share their security arrangement details with it, particularly if these involved powers from outside the region.

Ultimately, it is India that has to face these arrangements, if it came to that. Indian concerns on this score, at the official level in particular, are clearly independent of New Delhi's recognition of the sovereign right of individual nations in the neighbourhood to do business of their choosing with partners of their choosing.

None of India's smaller neighbours has the capacity to ward off extra-territorial security/military intervention. India alone is capable of this.

Hence, the expectation that smaller neighbours should keep India informed and updated about their concerns and arrangements on the geo-strategic front. The ideal, of course, would be for these countries to resist the temptation of inviting extra-territorial players into the region and providing them with political and strategic space. Be it the Hambantota port in Sri Lanka or the GMR issue in Maldives, or Chinese-

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funded civilian projects in either of these countries or other South-Asian neighbours of India, the strategic community in India is often over-heated with the perception that they have all done business with China behind the New Delhi's back.

⇒ **BRICS COUNTRIES AGREE TO COLLABORATE ON HEALTH ISSUES**

Recognising that multi-drug resistant tuberculosis (TB) is a major public health problem in Brazil, Russia, India, China and South Africa (BRICS) due to its high prevalence and incidence mostly among the marginalised and vulnerable sections of society, the health ministers of these countries on Friday agreed to collaborate and cooperate for development of capacity and infrastructure to deal with the disease.

Adopting Delhi Communique at the end of the two meeting of BRICS nations, the health ministers resolved to reduce the prevalence of TB through innovation for new drugs/vaccine, diagnostics and promotion of consortia of tuberculosis researchers to collaborate on clinical trials of drugs and strengthening access to affordable medicines and delivery of quality care.

The Ministers also agreed to adopt and improve systems for notification of TB patients, availability of anti-TB drugs at facilities by improving supplier performance, procurement systems and logistics and management of HIV-associated tuberculosis in the primary health care. They resolved to share experience and expertise in the areas of surveillance, existing and new strategies to prevent the spread of HIV, and in rapid scale up of affordable treatment.

Importantly, the nations committed to strengthen cooperation to combat malaria through enhanced diagnostics, research and development and to facilitate common access to technologies

developed or under development in the BRICS countries.

These nations will also focus on the research and development, manufacturing of affordable health products and capability to conduct clinical trials while emphasising on the importance of child survival through progressive reduction in the maternal mortality, infant mortality, neo-natal mortality and under-five mortality, to achieve Millennium Development Goals. BRICS is a platform of nations with developing economies representing 43 per cent of the world's population.

⇒ **JUDICIARY'S ASSAULT ON DEMOCRACY**

The judgment delivered on September 13, 2012 by Justice Swatanter Kumar, on behalf of himself and Justice A.K. Patnaik, belongs to an impressive lineage of Supreme Court rulings which create havoc and confusion in institutions — and even in the conduct of examinations — of which its judges were blissfully unaware. That this one called for a complete overhaul of the system of the Central Information Commission (CIC) and the many States' Information Commissions is the least of its blemishes. What is of graver import and long-term consequence is that it is a wanton and reckless assault on parliamentary democracy.

⇒ **INTEMPERATE COMMENTS**

Proceedings for its review had to be halted because its author Justice Swatanter Kumar retired last month and was immediately appointed Chairman of the National Green Tribunal; but not before delivering intemperate comments during the review proceedings. Like almost all Supreme Court judgments, this one is rich in florid prose, disdainful of brevity and is animated by a desire to legislate.

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A good copy editor would have reduced its 107 pages to one-third. The issue before the court was simple. Section 12 (5) and (6) of the Right to Information Act, 2005 prescribe, respectively, qualifications and disqualifications of the CIC and Information Commissioners. S. 15 (5) and (6) replicate them for their counterparts in the States. Briefly, the petition contended that the criteria for eligibility did not specify the qualifications or consultation with the judiciary. They perform judicial or quasi-judicial functions and should, therefore, have judicial experience. The Act must also prescribe a mechanism for consultation with the judiciary for such appointments.

S. 12 (6) of the Act which states the disqualifications is simplicity itself. "The Chief Information Commissioner or an Information Commissioner shall not be a Member of Parliament or Member of the Legislature of any State or Union Territory, as the case may be, or hold any other office of profit or connected with any political party or carrying on any business or pursuing any profession." How anyone can possibly object to these bars passes comprehension.

⇒ THE SHALE

REVOLUTION'S SHIFTING GEOPOLITICS

The shale energy revolution is likely to shift the tectonic plates of global power in ways that are largely beneficial to the West and reinforce U.S. power and influence during the first half of this century. Yet most public discussion of shale's potential either focuses on the alleged environmental dangers of fracking or on how shale will affect the market price of natural gas. Both discussions blind policymakers to the true scale of the shale revolution. The real impact stems from its effect on the oil market. Shale gas offers

the means to vastly increase the supply of fossil fuels for transportation, which will cut into the rising demand for oil — fuelled in part by China's economic growth — that has dominated energy policymaking over the last decade.

There are two major factors in play here. First, the same shale extraction technology of horizontal drilling and hydraulic fracturing can be employed whether the rocks are oil-bearing or gas-bearing. We have already seen over half a million barrels of oil a day flowing from the Bakken field in North Dakota.

The recent Harvard-based Belfer Center report — "Oil: The Next Revolution" — suggests that shale oil could be providing America with as much as six million barrels a day by 2020. The United States imported only 11 million barrels of crude oil a day in 2011. Given the potential for offshore and conventional domestic oil production, this would suggest that by 2020, America could be near energy independence in oil. However, many supporters of energy independence miss a key point:

The major geopolitical impact of shale extraction technology lies less in the fact that America will be more energy self-sufficient than in the consequent displacement of world oil markets by a sharp reduction in U.S. imports. This is likely to be reinforced by the development of shale oil resources in China, Argentina, Ukraine and other places, which will put additional pressure on global oil prices.

The second factor is the potential to use natural gas for transportation. Some analysts suggest that this will only be a realistic prospect for fleet and long-haul road transportation. But they are overlooking the immense advantage that natural gas has as a transportation fuel in America

and Europe, which have both developed a natural gas infrastructure in urban areas that takes piped natural gas into homes, offices and supermarkets. Once gas is cheap and widely available, it is possible to consider dealing with the “last mile” problem of providing home refuelling kits so consumers can fill up natural-gas powered cars in their own garages.

The incentives to develop shale oil and natural gas are very great. But so far, the United States has only experienced the first stage of low natural-gas prices and the reimportation of energy intensive industries such as chemicals and steel because of low gas prices.

The next stage of the shale revolution’s impact is going to be felt as major stimulus gets under way from lower oil prices. More broadly, the shale revolution will grant the United States a greater range of options in dealing with foreign states. For the Europeans, the shale revolution is also largely positive.

A greater variety of gas supplies from liquefied natural gas originally destined for the United States has been dumped in European markets; by 2020, shale gas in the form of liquefied natural gas is likely to begin arriving in Europe in significant quantities, and there is also the prospect of some domestic shale gas becoming available. Europe will also benefit from the second stage of the shale revolution as oil prices come under pressure.

However, American self-sufficiency in oil is of greatest concern to the European Union. The danger is that the United States will no longer have any direct interest in ensuring supply flows out of the Gulf. At the very least this will mean that Washington is likely to demand greater European investment in its own energy security.

One option for the European Union is to develop natural gas transportation as an energy security hedge. This would also increase pricing pressure on oil producers.

⇒ ABOUT CHINA

China has even greater incentives to develop its shale gas resources. According to the U.S. Energy Department’s Energy Information Administration, the country’s recoverable resources are larger than those of the United States at 36 trillion cubic meters. The main geostrategic reason for Beijing to develop shale gas for transportation is that the U.S. Navy controls the Pacific and most Chinese oil arrives by tanker. Large-scale use of natural gas for transportation would protect China from much of the effect of a U.S. blockade.

By contrast, the outlook for Russia and Saudi Arabia seems bleak. As the decade progresses, shale will be developed worldwide and natural gas infrastructures will be constructed. It is difficult to see how the markets will avoid dropping oil prices. Geopolitically, the shale revolution strengthens the United States, reduces China’s energy dependence, generates a major global stimulus, which takes the Western economies off the fiscal rocks, while potentially destabilising both the Russian Federation and Saudi Arabia. The incentives for the West and China to develop shale-based fossil fuel resources are so great that they will continue to press ahead with them

⇒ BIOINITIATIVE REPORT

The recently released BioInitiative Report 2012 (BIR-2012) on standards for electromagnetic radiation is a perfect clone of a similar report published in 2007. According to

many responsible agencies it is biased and unscientific. BIR-2012 claimed that the evidence for risks to health from wireless technologies and electromagnetic fields (EMFs) has substantially increased since 2007. The studies alleged a link between cell phone radiation and brain tumours. Agencies such as the World Health Organization, UK Health Protection Agency and the International Commission on Non Ionizing Radiation Protection (ICNIRP) do not support the conclusions.

⇒ A SELF APPOINTED GROUP

The BioInitiative Working Group which prepared the report originated as a self appointed group from a mini symposium during the annual meeting of the Bioelectromagnetic Society in 2006 and has no official status. BIR 2012 gave a shot in the arm of anti cell phone tower radiation enthusiasts and sellers of protective screens, and 'talisman' against electromagnetic radiation!

⇒ FINANCIAL STABILITY REPORT

The latest Financial Stability Report (FSR) of the Reserve Bank of India, the sixth in the series, is a half yearly assessment by an expert committee of the outlook for the stability and resilience of the financial sector. The report also suggests policy actions that are needed to contain the risks to stability. Compared to the previous report, the threats to financial sector stability have increased. While the environment of global and domestic macroeconomic instability remains unchanged, there is a realisation that the highly unconventional tools relied upon by governments and central banks across the world at the beginning of the crisis are losing some of their edge and effectiveness.

Despite all of this, financial markets in India have remained largely stable. But the corporate sector's ability to service its debt has been falling

since 2009-10. Some infrastructure companies have substantially increased their leverage. These and a few other factors are responsible for the increased stress on the asset quality of the banking system.

A large number of loans have been restructured recently. The banking sector on the whole has remained resilient to credit, market and liquidity risks and is capable of withstanding macroeconomic shocks given their comfortable capital adequacy. However, new provisioning norms require banks to tie up a larger amount of capital to take care of distressed assets. In the context of the imminent shift to Basel III norms, some banks may face challenges in mopping up additional capital.

⇒ How Good

ECONOMICS CAN FUEL POPULIST POLITICS

The total subsidy on petroleum products in 2011-12 was close to Rs.70,000 crore. With petrol prices already marked to market, cooking gas subsidy pruned by capping the number of subsidised cylinders per connection and now gradual elimination of diesel subsidy, the government has probably freed up at least Rs.50,000 crore in the coming fiscal for spending on its social programmes which are politically more rewarding. Imagine the ballast that this will provide for the government to dish out the lollies in the approach to elections in 2014!

If the economy picks up, as is the general expectation, then the government will have greater elbow room to spend on the social sector programmes that proved so rewarding for the UPA in the last general elections in 2009. So, there is obviously a larger game-plan that is being played out; diesel deregulation is only one part of that. Of course, there is going to be the inevitable political opposition to the move in the short-term

but that can be managed. We should also not forget that the government has attempted to mollify consumers by increasing the number of subsidised cooking gas cylinders per connection to 9 a year from 6 and by reducing petrol prices by a marginal 25 paise a litre.

⇒ PRUDENT ECONOMIC DECISION

Even so, the fact is that the decision couldn't have come at a better time for the economy. The Reserve Bank of India has been impatient with the government for not carrying out necessary fiscal corrections and the ratings agencies have put India on watch for a possible downgrade. The twin deficits have kept the markets nervous and the rupee under pressure. Small wonder then that on Friday the rupee shot up by 69 paise to close at a two-month high versus the dollar.

The RBI will announce its quarterly monetary policy later this month but it will be interesting to note how it views the diesel price adjustment. Will it be seen as a step towards fiscal consolidation (and hence add to the argument for cutting rates) or will it be seen as an inflationary move (and hence work against a rate cut)? Though it might not help prune the fiscal deficit this year materially, the decision to free diesel prices will be seen by rating agencies as a signal of the government's determination to rein in the fisc. And hopefully, put off any chances of a downgrade too.

⇒ COMPETITION IN OIL INDUSTRY

In the oil industry, the move is likely to unleash competitive forces. This is of course assuming that the government does not chicken out from its policy of gradually increasing retail pump prices till the subsidy is wholly eliminated. There have been at least two occasions in the past when deregulation of petroleum products were

announced but not carried through. For a start, we could begin to see competition in the bulk consumers segment where the oil companies now have the freedom to charge market prices. Reliance Industries and Essar, the two large private players, can charge a price lower than that of the oil companies and cut into the bulk supplies business. These two companies own large, state-of-the-art refineries that can process crude oil of inferior grades which are cheaper than that used by the national oil companies.

There is also Shell which has the licence to retail petroleum products and has been keeping a symbolic presence the last few years. The real competition, of course, will begin when retail prices are fully linked to the market. That is when the national oil companies will feel the full impact and consumers begin to reap the benefit.

⇒ FUEL-PRICING FLAW

Finally, the decision will also correct a serious flaw in fuel pricing because of which the upper-classes that drive high-end saloons and SUVs powered by diesel engines enjoyed subsidy while the middle-classes driving petrol cars and two-wheelers ended up paying free-market prices. The elimination of artificial price difference between petrol and diesel will probably be the biggest gain from the government's decision. And it will, hopefully, restore the balance between petrol and diesel passenger cars which was tilted towards the latter.

⇒ ISRO LINES UP SARAL FOR FEBRUARY, RESTORED GSLV FOR APRIL

- The Indian Space Research Organisation (ISRO) has slated its first launch of the year — ocean study spacecraft SARAL — for February 14.
- It will herald the 8 to 10 missions,

- including satellites and launch vehicles, which ISRO has planned this year,
- Flights of the GSLV rocket would be resumed and the first of the navigational spacecraft would be sent up, an ISRO official told *The Hindu*.
 - Along with the 450-kg Indo-French SARAL, the Polar Satellite Launch Vehicle (PSLV) will put into orbit six small experimental satellites built by western universities for a fee.
 - SARAL would be one of the very few such ocean-centric satellites and a vital cog in studying sea surface heights and other aspects, the official said.
 - It would be similar to ISRO's Oceansat-2, but with an altimeter (named 'Argos' here) to measure heights.
 - In October 2012, NASA relied on Oceansat-2 to get finer details of Hurricane 'Sandy' that wreaked havoc on the eastern U.S.
 - SARAL is short for S atellite with ARgos and ALtiKa, the two main devices on it which have been provided by French space agency CNES. Besides building the spacecraft, ISRO will launch and operate it through its life.
 - SARAL will come up two months later than the earlier planned fancy date of 12-12-12.
 - The December launch was put off to complete a few tests and validations, the official said.
 - Around April this year, ISRO expects to resume flying the GSLV rocket. The GSLV-D5 will lift the communications satellite GSAT-14 into orbit.
 - ISRO had put the GSLV programme on hold after it suffered two successive

failures in April and December 2010. The lapses were analysed and corrections made, the official said.

⇒ PUSHING AFRICA ASIDE IN MALI

In the last few months, the U.N. Security Council had placed Mali at the centre of its agenda, while co-opting the concerns and counsel of West African states along the way. Last year, the council adopted Resolutions 2056, 2071 and 2085 — each facilitating progressively tough measures — to tackle this conflict. The U.N.'s efforts, which France has now upended, were aimed at bringing African stakeholders on board. In July 2012, the UNSC emphasised dialogue between various stakeholders in Mali, while acknowledging the sovereign authority of Mali's interim government.

The Economic Community of West African States (Ecowas) mediated this dialogue, often interacting with fringe elements such as Ansar Dine, the Islamist group that has now coalesced with other Tuareg outfits in northern Mali. Negotiating and sustaining an agreement is feasible only if there is a mechanism to enforce its terms. The Ecowas and the African Union (AU) had therefore requested the Security Council's blessings for an African-led stabilisation force in Mali.

In late 2012, the AU and Ecowas made repeated appeals to the council to help deploy the African-led International Support Mission to Mali (AFISMA). In pursuit of their endeavour, African states drew up a Strategic Concept for the Resolution of the Crises in Mali as well a Concept of Operations that dealt with logistics, intelligence gathering, and even issues of internal displacement and humanitarian aid. The Security Council considered this blueprint, along with the

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U.N. Secretary General's ground report which highlighted the importance of a political settlement in Mali. As an important and responsible supra-regional actor, France could have helped bridge differences among Ecowas members and provide financial assistance as well as training to AFISMA at this stage, as the UNSC urged members to do. Then, Defence Minister Jean-Yves Le Drian advertised a hands-off approach, specifically suggesting France would not be directly involved in the intervention. Now, he is contemplating a troop deployment that could reach 2,500 in number.

⇒ eBIZ PORTAL LAUNCHED

As part of the UPA Government's National eGovernance Plan, the Commerce and Industry Ministry, on Monday, announced the launch of an eBiz portal aimed at providing Government-to-Business (G2B) services for India's investor and business communities. The portal was launched by Commerce and Industry Minister Anand Sharma at the CII Partnership Summit here. The portal was developed by Infosys in a public-private partnership (PPP) mode. Infosys has been selected as the concessionaire/ project implementation partner, and is responsible for the design, development, implementation and maintenance of the eBiz solution.

The online single-window concept was visualised to enable businesses and investors to save time and costs and improve the business environment. The project aims to create a business and investor-friendly ecosystem in India by making all business and investment-related regulatory services across Central, State and local governments available on a single portal, thereby obviating the need for an investor or a business to visit multiple offices or a plethora of websites," he said. eBiz will create a 24x7 facility for

information and services, and will also offer joined-up services where a single application submitted by a customer, for a number of permissions, clearances, approvals and registrations, will be routed automatically across multiple governmental agencies in a logical manner. An in-built payment gateway will also add value by allowing all payments to be collected at one point and then apportioned, split and routed to the respective heads of account of Central / State / parastatal (a quasi-governmental organisation, corporation, business, or agency) agencies along with generation of challans and MIS (management information systems) reports.

⇒ INDIA, BANGLADESH SIGN

EXTRADITION TREATY

India and Bangladesh on Monday signed two landmark agreements to extradite criminals and terrorists and liberalise the visa regime.

However, refusal provisions have been built into the extradition treaty, which India waited for long. If extradition of someone poses a threat to national security, either country may refuse the deportation request. No political detainee will be brought within the purview of the treaty. If a controversy arose during an extradition process, officials explained, the matter would be settled as per the laws of the country concerned. The other agreement provides for a friendlier visa regime for Bangladeshis. Businessmen will be given a five-year, multiple-entry visa. Those travelling on medical grounds will get a two-year, multiple-entry visa, extendable for one more year. Three attendants of a patient will also be entitled to visa. Until now, India has been granting Bangladeshi tourists visas for up to six months and has allowed one person to accompany a patient. Earlier in the day, the Bangladesh Cabinet approved the extradition treaty at its regular meeting presided

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over by Prime Minister Sheikh Hasina. The Indian Cabinet approved it on January 24.

The signing ceremony was attended by the International Affairs Adviser to the Prime

Minister, Gowher Rizvi, State Minister for Home Shamsul Haque Tuku, Bangladesh High Commissioner to India Tariq A. Karim and Indian High Commissioner Pankaj Saran.

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⇒ GOOD GOVERNANCE AT GLANCE

No theory of governance would be intelligible unless it is seen in the context of its time. In the beginning of the 21st century, it has become evident that those who want minimal government are having an upper hand against the advocates of the paternalist welfare state.

An efficient, effective and democratic government is the best guarantor of social justice as well as an orderly society. Similarly, there is also emphasis on the fact that the administrative system has to be country specific and area specific taking in view not only the institutions of governance and its legal and regulatory mechanisms but also its market, its civil society and cultural values of the people. The principal response of the state, therefore, would be to facilitate, to enable, and to coordinate. Neither the market nor the civil society can perform this role as effectively as the government and thus they cannot become substitutes for the government.

India is not excluded from this global debate or transition from socialist order to capitalist growth models. Fortunately, the Indian State does not have the monopoly of the public sphere. The civil society is increasingly more concerned with public sphere issues and government intervention is considered necessary to provide welfare schemes to cover social safety needs,

upgrade health-care to protect children, and help provide opportunities for women and the minorities.

India's political leadership, policy makers and business brains are actuated by a strong desire to make the country an economic super-power in the 21st Century. The imperatives of democracy, however, are forcing Indian political leadership to look deeper into the causes of poverty, inequality and suffering of the common man.

Good Governance

Citizens all the world over look up to the nation-state and its organs for high quality performance. It is necessary that citizens are allowed to participate freely, openly and fully in the political process. Good governance is associated with accountable political leadership, enlightened policy-making and a civil service imbued with a professional ethos. The presence of a strong civil society including a free press and independent judiciary are pre-conditions for good governance.

What is 'good' governance in the Indian context? The central challenge before good governance relates to social development. In his famous 'tryst with destiny' speech on 14 August 1947, Jawaharlal Nehru articulated this challenge as 'the ending of poverty and ignorance and

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disease and inequality of opportunities'. Good governance must aim at expansion in social opportunities and removal of poverty. In short, good governance, as I perceive it, means securing justice, empowerment, employment and efficient delivery of services.

Securing Justice

There are several inter-related aspects of securing justice including security of life and property, access to justice, and rule of law.

Threats to Peace

The most important public good is the ensurance of security especially security of life and property. The Indian nation-state is aware of complexities of the situation and the need is to show greater determination and be relentless in support to its instruments of law and forces of democracy and social cohesion to defeat the elements of terror, insurgency and naxalite violence.

Access to Justice

Access to justice is based upon the basic principle that people should be able to rely upon the correct application of law. In actual practice there are several countervailing factors. Some citizens do not know their rights and cannot afford legal aid to advocate on their behalf. The most severe challenge relates to complexity of adjudication as legal proceedings are lengthy and costly and the judiciary lacks personnel and logistics to deal with these matters. Systematic solutions are, therefore, needed for strengthening access to justice. At the same time ad hoc measures are required to provide immediate assistance to the needy citizens.

Rule of Law

The concept of good governance is

undoubtedly linked with the citizens' right of life, liberty and pursuit of happiness. This could be secured in a democracy only through the rule of law.

The rule of law is expressed through the axiom that no one is above the law. One has to clearly understand that the rule 'of' law is different from the rule 'by' law. Under the rule 'by' law, law is an instrument of the government and the government is above the law while under the rule 'of' law no one is above the law not even the government. It is under this framework that rule of law not only guarantees the liberty of the citizens but it also limits the arbitrariness of the government and thereby it makes government more articulate in decision-making. The rule of law as Dicey postulated is equality before law. This is secured through formal and procedural justice which makes independent judiciary a very vital instrument of governance.

In our constitutional system, every person is entitled to equality before law and equal protection under the law. No person can be deprived of his life or personal liberty except according to the procedure established by law. Thus the state is bound to protect the life and liberty of every human being. The courts have the final authority to test any administrative action on the standard of legality. The administrative or executive action that does not meet the standard of legality will be set aside if the aggrieved person brings an appropriate petition in the competent court.

A necessary corollary of this phenomenon is called 'judicial activism'. A large number of Public Interest Litigations (PILs) are filed in High Courts and the Supreme Court against the apathy of the executive. This has served us admirably

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but it has also highlighted the need for circumspection and self-restraint on the part of the judges in performance of this task.

Another matter of significance in the context of good governance relates to the fact that there are virtues of 'judicial creativity' but this phenomenon must not stifle 'executive creativity' particularly of officials working at grassroots level for they are in day-to-day contact with citizens and interact with them in myriad ways.

Empowerment

An empowering approach to poverty reduction needs to be based on the conviction that poor people have to be both the object of development programmes and principal agency for development.

Our Constitution is committed to two different set of principles that have a decisive bearing on equality. **First**, is the principle of equal opportunities to all and the **second**, the principle of redress of educational and social backwardness. The question is, not only of the extent to which reservation in Government employment can really change things for the better, but how it could be used, in order to benefit the socially, educationally and economically backward ones.

In providing protectionist regulations in government employment, no special care was taken for the poor students since the Constitution only recognized "educational and social backwardness" and not economic backwardness as a norm to be applied in formulation of preferential policies in government employment.

The Supreme Court in a landmark Judgment (Indira Sawhney & Others Vs. Union of India and Others) delivered on 16.11.1992,

while upholding the reservation of 27 percent of vacancies in the civil posts and services in the Government of India in favour of other backward classes (OBCs), provided for exclusion of socially advanced persons/sections among them commonly known as "the creamy layer". The Supreme Court further directed the Government of India to specify socio-economic criteria for exclusion of "the creamy layer" from the OBCs. Subsequently, the children of persons holding eminent positions in Government and also of rich farming families were made ineligible from reservation in services. Recently, the Government of India has stipulated that sons and daughters of persons having gross annual income of Rs. 2.5 lakhs per annum and above would be excluded from reservation of services.

Today India has 3.3 million elected representatives in Panchayats in nearly half a million villages out of whom over one million are women. Direct elections have also brought into the village national life and consciousness about strengths of democracy and the need for democratic behaviour in terms of the Constitution of India. The print and electronic media in particular have strengthened this process.

Employment

Generation of gainful employment for the youth is the most challenging task facing India's political economy.

The need is to prepare the youth with such education that would help them acquire vocational skills and mastery over new technology, including internet. This would make the youth employable in the job-market and also help those who want to work on their own. In addition, there is an imperative requirement to pay special attention to generation of employment opportunities in

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agriculture, expand area of coverage of rural employment guarantee schemes, and accelerate the pace of implementation of Bharat Nirman schemes and several other programmes. Similarly, it would be essential to encourage private sector partnership and support movement of self-help groups and micro-financing institutions.

Capacity Building

Capacity building at all levels of an organization is widely perceived as the most important approach to achieve quality of services and customer's satisfaction.

In a federal democracy, decentralization of power is viewed as necessary to empower people in rural and urban areas to improve their lot. The empowerment of the local levels of administration would foster confidence and enable more individuals even outside the bureaucracy to come forward to handle community needs and enhance public good effectively without hesitancy or the need of approval by higher level authorities.

The most crucial element in capacity building is leadership. Good leadership aimed at improvement of organizational culture is integral to capacity building. Capacity building demands staff to behave responsibly and produce desired and agreed upon results. It means a collegiate effort in which an individual or an organization could be made accountable and responsible for any action that they take. Access to information, participation, innovation and accountability are needed to build an environment for capacity building.

Other Major Challenges to Good Governance

At the obvious risk of generalization, I would like to refer to criminalization of politics and

corruption as major challenges to good governance.

Criminalisation of Politics

The criminalisation of the political process and the unholy nexus between politicians, civil servants, and business houses are having a baneful influence on public policy formulation and governance. Political class as such is losing respect. It is true that public is not a mute spectator to this phenomenon nor is the media. The process of judicial accountability has succeeded in sending several legislators and ministers to jail. But new methods have also been devised to fiddle away with the processes of law. Criminals facing prosecution get out on bail and even go scot-free. It is necessary to debar criminals from contesting elections. It is imperative, therefore, to amend Section 8 of the Representation of the People's Act 1951 to disqualify a person against whom the competent judicial authority has framed charges that relate to grave and heinous offences and corruption.

DO YOU KNOW?

What are Non Performing Assets?

Non Performing Assets (NPAs) are the debts for which the bank has not received any interest or principal repayment for an extended period of time. Since no income accrues to the lending institution from these debts, these are classified as NPAs. We can say that NPA refers to loans that are in jeopardy of default.

If a loan instalment is not paid to a bank or financial institution for three months continuously, it is considered NPA and the bank records it as NPA in its book of accounts. NPAs create burden on the financial institutions and hence they are

often good indicators of the health of a financial institution.

What is Digital Signature?

The digital counterpart of the handwritten signature is Digital Signature. Just as a paper document is authenticated with handwritten signature, digital signature authenticates the identity of the owner of the document in the digital world. It gives the assurance about the sender of the document as also the fact that the document has not been altered. Digital Signature is a kind of stamp which is very difficult to duplicate and forge. The Information Technology Act, 2000 requires the use of Digital Signatures to ensure security and authenticity of all electronically filed documents.

Digital Signature certificates (DSC) can be purchased from Certification Agencies (CAs) approved by the Controller of Certifying Authorities. Currently MTNL CA, TCS, IDBRT, Safetycrypt (Sat yam), nCode Solutions, NIC, and e-Mudhra are the authorised Certification Agencies for individuals in India. The Digital Signature Certificates (DSCs) generally have a validity of one year or two years and are legally admissible in a court of law.

What does the PAN Number represent?

Permanent Account Number (PAN) is a ten digit Alpha-numeric number issued by the Income Tax department. The purpose of allotting PAN is to link financial transactions of an individual or firm with the Income Tax department. PAN facilitates linking of the various documents such as Income Tax Return, Tax Deduction at Source (TDS), Tax Arrears and Refund to an individual and acts as an identifier. It is an important mechanism to check tax evasion and to broaden the tax base.

However, the ten Alpha-numeric digits of the PAN have a specific meaning. We can take a sample PAN and find out what various digits and numbers stand for-First three characters-Alphabetic series running from AAA to ZZZ which is randomly allocated.; Fourth Character-Status of the PAN-holder. Here, P stands for Individual, F stands for Firm, C stands for Company, H stands for HUF, T stands for Trust etc.; Fifth Character- It is the first letter of the surname of the PAN holder. If a person changes the surname after marriage or for any other reason, the PAN does not change.; Sixth to ninth Character- These are sequential numbers running from 0001 to 9999. This is also allocated randomly.; Tenth Character- It is the alphabetic check digit which is generated by applying a formula to the preceding nine numbers and digits.

What is Cheque Truncation & How it works?

Cheque Truncation System (CTS) is used by the banks to stop the movement of a physical cheque from the bank where it is presented to the bank which had issued it. Under this system, an electronic image of the cheque is transmitted to the drawee branch along with the necessary information inputs like Magnetic Ink Character Recognition (MICR) code, date of presentation and details of the bank presenting the cheque.

The new system of Cheque Truncation will cut the time that was earlier consumed in the physical movement of cheques from presenting branch to the drawee branch. At present, the outstation cheques take around seven days to get cleared. Once the system is in force in the whole country, it will take one or two days to clear a cheque. The settlement cycles of the bank will also be drastically reduced. There will be no fear

of loss or damage to the cheque in physical transfer. Alteration in cheque is not accepted in this system.

⇒ GOVERNANCE AND DEVELOPMENT

- As the State withdraws from direct delivery governance would need to establish a regulatory framework for the functioning of the economic and social sectors; and also lay down the institutional framework, the incentive and disincentive mechanisms and fiscal structures for civil society institutions to function, like decentralised, local institutions of Government, Cooperatives, NGO's and newer 'mixed' forms of similar organisations.
- Non-renewable resource scarcities will be far more severe particularly of resources, like water, quality land, and energy and sustainability concerns will be acute.
- There will be a much greater emphasis on the rights of individuals and groups, including participatory forms of decision making. This in turn will demand greater fairness and self-restraint in the use of Government Power. Related to it will be demands on transparency and right to information.
- There will be the demand for protecting vulnerable groups, either the historically underprivileged, or the victims of marketisation, concerns for human rights and particularly of specific groups such as women, children, the minorities, the adivasis, the mentally and physically challenged.
- On the flip side modern technology will be seen as providing cutting edge

knowledge based solutions to emerging scarcities or problems, and therefore greater use of information technology, biotechnology, systems networking, the new materials and strategic management responses.

- Thoughtful groups will see security concerns becoming more acute, arising from socio-economic political dichotomies and resultant tensions as also the more basic issues of energy security, food and water security and institutional dimensions of addressing these.

⇒ CONSTITUTIONAL AND LEGAL PERSPECTIVES: HUMAN RIGHTS AND ENVIRONMENTAL LAW

The Constitutional and legal dimensions of Public administration determine the powers, functions and accountability of the government. A major change in the evolution of civil services in India occurred with the adoption of a democratic constitution incorporating the ideas of rule of law, guaranteed rights and parliamentary government. The 73rd and 74th Constitutional amendments envisage a further change in the same direction. Services under the Union and the States find a prominent place in the constitution itself. An autonomous Commission with vast powers for recruitment to the services is another important aspect which emphasises its role in constitutional governance.

Looked at in the above context we need to understand the significance of rule of law and the concept of limited government under a written federal-type Constitution. The values of the constitution written into Preamble, Fundamental rights, Fundamental Duties and Directive Principles have to become part of the system. As

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an instrument of governance the provisions of the Constitution and its interpretation by courts constitute a point of reference to all government action. These are subject to judicial review which is the foundation of rule of law under a scheme of constitutional government.

The primary agency of the government to protect human rights, more particularly of weaker sections of society is the bureaucracy because they are the enforcers of the law. The Court steps in only if the executive fails to implement the laws or implement it contrary to law and selectively.

A constitution which proclaims secularism and social justice based on equal protection of the laws puts a heavy burden on government, both at the central and state level. Hence the importance of constitutional perspective.

Another dimension which conditions the functioning of civil society in modern times is the profusion of laws, national and international relating to economy, ecology, technology and international treaty obligations. The change in the concept of property from something tangible to forms which are intellectual and intangible brought almost a revolution in the laws of trade and commerce.

Intellectual property law and trade related intellectual property rights have become critical in economic governance globally. Added to this is the revolution in information and communication technology which threw up a new legal framework for doing business within and outside government. Globalisation is happening not only in relation to market but in respect of all conceivable aspects of organised life to the fast changing legal climate in all these matters influencing both policy development and administration.

Yet another legal dimension impinging public governance at all levels is the jurisprudence of sustainable development. There are today legal parameters in the use of administration which have to be accommodated within sustainable limits. These are some of the significant legal perspectives which are critical for civil society in the future.

⇒ E-GOVERNANCE:

NEED FOR A BOTTOM-UP APPROACH

On its journey to Improve services for citizens, the government has undertaken several successful e-governance initiatives such as MCA21 (to improve the speed and certainty in the delivery of the services of Ministry of Company Affairs), online submission of income tax returns, Passport Seva Kendra (PSK), etc. Also, to roll out all the planned 1,100 e-governance services by 2014, the government is making huge investment - up to Rs 40,000 crore. This investment will cover the cost of all kinds of hardware and software that will be required for capacity building.

‘At your service’ or Mee Seva is Government of Andhra Pradesh’s window to its citizens. Nearly 6,000 Mee Seva Counters are servicing over 50,000 requests ‘per day, which are geared to handle 100,000 transactions a day. It has converged all National e-Governance Programme (NeGP) initiatives in rendering G2C services in a fast and secure way thus ended the “tyranny of ink signatures”. Back-end applications interact with database and pull out information and front-end application receives the citizen’s request and communicates with departmental application - therefore gives a single view of the citizen. It involves departments like revenue, registration, municipal administration, education and other

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service delivery channels. Reduction in cost, increase in storage, flexibility, information access from anywhere and no worries about keeping software up to date are but few considerations that encouraged Government of Maharashtra to pioneer a MahaGov Cloud.

Implemented in State Data Centre, it is being used by departments for website and application hosting. Out of 42 government departments, 25 are already on the cloud that hosts 70 different applications. Using feature of thin provision of storage and memory, resources are efficiently utilized and allocated as per the requirement and performance. It is helping the SDC team to manage planned maintenance without requiring any downtime of the application, thus has increased procedural efficiencies.

⇒ APPLICATION OF E-GOVERNANCE FOR (INCLUSIVE DEVELOPMENT)

The Fig. shows how a transition is feasible from 'open doors to open hearts', with the application of ICT. The application of e-governance can create an open door administration and transparent government. To describe the designing message for rural development through e-governance, it is considered that it should have citizen-centric services and dependable. In this system, the selection of appropriate (dependable, maintainable and cost-effective) technologies for rural connectivity and information processing solutions should focus on the betterment of society. However, we should keep in mind that the inequity of economic condition of rural masses should not create any hindrance to access their required information, which is considered one of the basic constraints in any participatory development.

RURAL E-GOVERNMENT INITIATIVES

It aimed at facilitating the District Rural Development Agency (DRDA) in the monitoring of exercise of poverty alleviation programmes through Computer based Information System. Till date your version of CRISP application software packages have been developed. Rural soft 2000 allows online monitoring of processes right from the desktop of monitoring agencies at Centre and State and enables a common man to access information using a browser based interface.

National E-Governance Action Plan (2003): National E-Governance Action Plan suggested a list of core policies: (1) Overall vision, mission strategy approach. (2) E-Governance technology architecture, framework and guidelines. (3) Human Resource Strategy. (4) Policy for front end facilitation counters, kiosks, integrated service centres. (5) Policy on back-end department automation.

State Wide Network Area Project (SWAN): This project aims at providing high speed, high connectivity network connecting offices at block level for faster access to Governance services.

⇒ CORRUPTION, PARTICIPATORY DEVELOPMENT AND GOOD GOVERNANCE

Corruption is one of the most serious consequences of poor governance. A country with widespread corruption invariably has low investment rates, poor economic growth and limited human development. There are few countries in the world, like as Indonesia, Kenya, Angola, Madagascar, Paraguay, Nigeria, Bangladesh, and India - where it pervades every corner of public life. The public will find the cost of delivering this service inordinately high. Corruption has no positive effects. It hits the poor

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hardest, it makes a mockery of financial systems and it actively works against the legitimacy of the state. Poverty, development, growth and investment - all suffers at the hands of corruption. Its effects are extremely damaging, far reaching and all pervasive. For India, the world's largest democracy, it is a painful irony that despite a good foundation of democratic institutions, she has a score of only 2.7 out of 10 in 2002, was ranked 71st out of 102 countries for corruption. As per Transparency International's Corruption Perception Index (2005), India scored 2.9 out of 10. Since then, her ranking has kept falling. A survey conducted by Transparency International cites India as far worse than China and refers to her as a country where bribery and corruption are among the worst in the world. In a developing country, resources are always scarce and demand greater than supply. The recipients of public services are mostly the poor, illiterate, ignorant and weak. Thus it is the ordinary men who suffer most from misgovernment and corruption. In India, even the highly educated lack the power to protest. There is no accountability or transparency among public servants. It is difficult to define corruption. There is no consensus on the definition of corruption, because what is perceived to be a corrupt activity is based on a society's acceptance and level of tolerance. Corruption is generally defined as a kind of illegitimate favor for immediate or future personal gain for doing an official work which one is supposed to do free of charge and objectivity. In most of the developing countries, corruption is like a virus. It has infected almost every social and economic activity.

⇒ CONCEPTUAL FRAMEWORK OF GOOD GOVERNANCE

The philosophy of good governance has its origin dated back to the early days of human

civilization. The description of Indus Valley and Vedic civilizations bear the details of the concept. Today the term 'Governance' has come to occupy a central place in the development discourse. Among the several development strategies governance is considered as an important element. There are many means of achieving good result in governance. Traditional texts such as Upanishads and in later period Kautilya's 'Arthashastra' delineate many methods of achieving the good results which has gained new momentum after the collapse of the totalitarian states in East European countries and the cry for democracy in several developing countries of Asia, Africa and Latin America.

The term government and governance appear synonymous in dictionary. Government refers to formal and institutional processes which operate at the level of nation state to maintain public order and facilitate collective action. It is a formal institution of the state with their monopoly of legitimacy, coercive power. It refers to various forms of political system or the manner in which state exercises its power in utilizing socio-economic resources. Governance signifies new process of governing or changed condition of ordered rule of new method by which society is governed. Rhodes defined governance in eight ways. They are minimal state, governance according to private enterprise model, new public management, good governance, a social cybernetic system and a series of self organized social network. The Commission on Global Governance defines governance as "governance is the sum of many ways individuals and institutions, public and private manage their common affairs. It is a continuing process through which conflicting and diverse interests may be

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accommodated and cooperative action taken. Governance is the creation of structure or an order, which cannot be extremely imposed but is the result of the interaction of multiplicity of governing and each others influencing actors.” The Human Development Report, 2002 has given a new perspective to governance by terming it as democratic governances, which is essential for better human development.

⇒ ANTI - CORRUPTION MEASURES IN INDIA

Indian democracy has taken various measures for anti - corruption in public life. Government of India set up Special Police Establishment (SPE) in 1941, to investigate cases of bribery and corruption. On April, 1963, the Central Bureau of Investigation (CBI) was set up. The CBI plays a supplementary rule to the states police forces. The cases which essentially and substantially involve central government employees or their officers, or certain state government employees are referred to the CBI. CBI can also take up cases against employees of statutory bodies or public undertakings established and financed by the government in India.

Two types of vigilance organizations at the department level exist: a) the Administrative Vigilance Division of Home Affairs and b) the Vigilance Units in the respective ministers and department and their counterparts in the public sector undertakings.

The Administrative Vigilance Division was established in 1955. It assumed the overall responsibility and provided the necessary drive, direction and coordination to ensure sustained and vigorous action by individual ministers and departments. The Central Vigilance Commission (CVC) consists of three directorates, viz,

Directorate of general compliant and redress, the Central Police organization and the Directorate of Vigilance. It undertake an enquiry into any transaction in which a public servant is suspected or alleged to have acted for an improper purpose or in a corrupt manner. It also investigates into any complaint against a public servant who has exercised or refrained from exercising his powers for improper or corrupt purposes. Apart from this Central Vigilance Commission (CVC) there is a State Vigilance Commission (SVC) in each state. The state vigilance commission deals with matters within executive powers of the state concerned. At the Divisional level, a Divisional Vigilance Board has been set up. At the District level, District vigilance Officer heads the vigilance organizations. The Administrative Reforms Commission recommended in 1966 the adaption of the Ombudsman type of institution in India. The Congress government under Mrs. Indira Gandhi proposed to set up the institution of ‘Lokpal’ at the central level, but the bill lapsed in 1971. This bill introduced in Parliament in many times in 1977, 1985, 1989, 1998, 2001 and in a strong form in 2011. Government of India drafted the bill and tabled in Lok Sabha in 2011. But this bill even today is hung due to the unwillingness of our parliamentarians. The government of India introduced Public Procurement Bill in Lok Sabha to check corruption and ensure transparency in public procurement. The bill seeks to regulates award of government contracts of over Rs. 50 lakh with the object of ensuring ‘transparency, accountability and probity’.

The bill of objects and reasons will codify the basic norms to regulate public procurement and provide for deferring bidders found engaged in corrupt practices. The bill also provide for Jail

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term ranging from six month to five years for public servants found guilty of demanding and accepting bribes from bidders of government contracts.

⇒ FEATURES OF GOOD GOVERNANCE

- Good education facilities offered by the government having greater employability,
- Development of basic infrastructures like roads, bridges, power, telecom, airport, irrigation and transport
- Creating new employment opportunities in the government and private sectors,
- Effectiveness and efficiency of working of government and its staffs,
- Good business environment with free-market economy,
- Reducing inequalities in the society through positive discrimination in favour of poorest of the poor
- Providing total freedom of speech, of religion, of work and attitude of non-interference by government.
- Provision of more concessions to citizens and free from bias,
- Good business environment and
- Citizen centric services.

⇒ MAJOR INITIATIVES

Recently two major initiatives have been taken up in India for empowering common man and effective functioning of governance which include Right to Information and E-Governance.

⇒ RIGHT TO INFORMATION

The Right to Information Act has been enacted on 12th October, 2005 which marks a significant shift in the Indian democracy and ushered a new era of empowerment of common man in India. Through this act one can examine,

audit, review and assess the government works and decisions to ensure that these are consistent with the principles of public interest, integrity and justice. The greater the access of the citizen to the information, the greater would be the responsiveness of the government to community needs. Right to information therefore promotes openness, transparency and accountability in administration by making the government more open to public scrutiny. Without information, the common man cannot adequately exercise his rights and responsibilities or make informed choices. So Right to Information is the most effective instrument to check corruption where the citizen has the right to take the initiatives to seek information from the state and thereby enforce transparency and accountability.

⇒ CHALLENGES TO GOOD GOVERNANCE IN INDIA

While evaluating India's stand amongst other countries of the world, it is revealed that India is compared favourably with many developing countries though it has long way to go to attain the level of developed countries. The criminalization of politics and corruption are two major challenges of good governance in India which need to be addressed on urgent basis.

The corruption has virtually spread in almost all aspects of public life. The person lying on the street is left to struggle incessantly with corruption throughout his life. Corruption is relatively inherent in terms of client public puzzle, harassed by opaque rules and procedures, excessive delay in disposal of public matters. It not only averts the benefits of globalization to reach the common men but also denies transparency, accessibility and accountability, confuses rules and procedures, proliferate mindless control and poor commitments at all levels. Hence, there is

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foremost need to check corruption at all levels through raising public consciousness and strong commitments not to make dishonest compromises which would put down the moral values and ethics of life.

India being the largest democratic country in the world is struggling hard to emerge as world class leader in the fields of social and economic development. However, the nexus of crime and politics is so strong that the common citizens of the country have no stand to say or exert their rights. In order to prevent such misuses on May 2, 2002, the Supreme Court of India has given a historic judgement following the public interest litigation (PIL) led by an NGO that, every candidate contesting an election to Parliament, State Legislatures or Municipal Corporations has to give true declarations of candidate's educational qualifications, criminal charges and financial records. Though, many commissions and committees have been framed to bring improvement in the situation, these reformative measures are just a drop in the ocean. So a new beginning is necessary to ameliorate criminalisation from politics and the seriousness of matter should be properly worked out. The educated youngsters should be encouraged to enter into Indian politics and these young leaders should be properly nourished by the patriotic commitments and abide by the core principles of democratic governance.

⇒ EVOLUTION OF BANK REGULATION IN INDIA

A robust regulatory framework prerequisite for the development of banking system. Prior to 1949, the banking companies, along with other companies, were governed by the Indian Companies Act, 1913. This Act, however, contained very few provisions specifically

applicable to banks. There were also a few *ad hoc* enactments, such as the Banking Companies (Inspection) Ordinance, 1946, and the Banking Companies (Restriction of Branches) Act, 1946, covering specific regulatory aspects. There was no separate legislative framework for regulation of the banking system.

In March 1949, a special legislation, called the Banking Companies Act, 1949, applicable exclusively to the banking companies, was passed. This Act was renamed as the Banking Regulation Act in March 1966. The Act vested in the Reserve Bank, the responsibility relating to licensing of banks, branch expansion, liquidity of their assets, management and methods of working, amalgamation, reconstruction and liquidation. Various amendments in several provisions of the Act were made from time to time addressing the evolving imperatives of the banking sector developments.

The overarching philosophy underlying banking regulation in India has been to ensure that the growth of the financial sector remains in alignment with the growth of real sector and that there is a harmonized development of real and financial sectors. While recognizing the significance of innovation for efficient allocation of resources and increased competition, the regulation adopted a measured approach, striking a balance between costs of misadventures and benefits of growth. In recognition of Indian regulatory approach, RBI was awarded the 2012 *Dufrenoy Prize* for facilitating responsible innovation in finance.

⇒ STRENGTHENING AND RESTRUCTURING OF ICDS SCHEME

The integrated Child Development Services (ICDS), scheme run by the Ministry of Women

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and Child Development, is all set for a major strengthening and restructuring with an accent on convergence of the scheme with nodal ministries and Panchayati raj Institutions. There were various reasons why the need for strengthening and restructuring was felt. The rapid universalisation did not match the human and financial resource. There were also several programmatic gaps absence of building and facilities at the Aanganwadi level shortage of quality human resource. There was also an inadequate focus on children under the age of three and early childhood education. The AWCs were perceived as merely feeding centres. There was inadequate convergence and low involvement of states in programme planning.

There were also several operational gaps like insufficient accountability, irregularity in the functioning of AWCs and fund transfer mechanism marked with delays, weak concurrent monitoring and a single Aanganwadi worker at each AWC burdened with non-ICDS functions.

The ICDS is going to be set in a mission mode with institutional mechanisms at the central state, district and block level as well as adequate human and financial resources being linked to accountability and outcomes. It will be in mission mode as is the case with other flagship programmes like National Rural Health Mission (NRHM) and Sarva Shiksha Abhiyan.

A senior official in the ministry said that they were putting up the entire thing in the public domain. There would be programmatic change, managerial intervention and institutional changes. The reforms have been planned on these lines and they would give a certain flexibility to the state so that they submit their annual plan based on their local needs. The state could suggest any

innovation or funding or any pilot to be done.

One of the major weakness of ICDS was that there wasn't any support for the functioning of Aanganwadi Centres (AWCs). This is going to be addressed through the restructuring. A strong convergence with other programmes like NREGA and NRHM and is being envisaged. For instance water and sanitation problems will be solved by convergence with the water and sanitation department. The official added that over the next five years, they had a target to fill up the maximum gaps. They were experimenting for setting up AWC cum day-care centres. About 70,000 AWCs are going to be converted into creche day care centres. The focus is hence going to be redefined, the official added. Additional workers will be sent into nearly 200 districts, which would be high-burden districts. For instance, if a district had burdened with under nutrition, it would get more workers. On a cluster of three to four AWCs would be a link worker. There would be a decentralized approach, states would be left free to devise their own strategies.

The focus will be on making ICDS a vibrant institution. The accent would be on pre-school non formal education, the age group of 3-6 years. The ministry is taking steps for policy finalization, quality and standards. This, coupled with training and capacity building of workers, would improve the situation. There would be an interface with parents and elders for focus on early childhood education. The ICDS has come under fire for siphoning off of funds and not letting them reach the concerned beneficiaries. The official asserted that they had a social audit in place to check this. The effort was being made to take measures to stop this corrupt practice. There would be vigorous monitoring and more community mobilization. The infrastructure would be

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developed to make the services more child-friendly. More space would be provided and play facilities would be enhanced for the children. Even the curriculum would be revised to make it more child friendly.

There is a plan to roll out Strengthened and Restructured ICDS in three years beginning with 200 High Burden districts in the first year 2012-13; additional 200 districts in second year (2013-14) including districts from special category States namely Jammu & Kashmir, Himachal Pradesh and Uttarakhand and North East Region and remaining 243 districts in the third year (2014-15) of the 12th Five Year Plan. The financial implications during 12th Five Year Plan is estimated at Rs. 1,23,580 crore. Programmatic, management and institutional reforms will be initiated with widened and revised package of services to focus on under-3 children, maternal care, and Early Childhood Care Education (ECCE) as per the broad framework for implementation with necessary changes in financial norms/allocations and outcomes along with flexibility to the States with scope for innovations. There will be continued implementation of ICDS Scheme in 12th Five Year Plan and ICDS in Mission mode.

For greater focus and reaching children under three and pregnant and lactating mothers, a package of six services has been redesigned with new components. There will be new childcare and nutrition counselling services. There will be increased investment in infrastructure and childcare facilities. To enhance nutritional impact additional nutrition counselor will be added to the AWCs. States will be given flexibility to provide community based care to moderately and severely undernourished children. The mission mode will allow improved growth monitoring and

community participation through use of joint Mother and

Child Protection Cards. It ensures a better health care by ensuring a continuum of care from family to A WC to community to health sub-centres and so on. It will strive to improve the quality of early learning through a comprehensive training and curriculum framework. The objectives of the ICDS mission would be to institutionalize essential services and strengthen structures at all levels. It will also enhance capacities at all levels. Other objectives include ensuring proper inter-sectoral response, raising public awareness and participation, and creating a data base and knowledge base of child development services.

ICDS introduced in 1975, has been universalised mainly after 2005-06 and finally in 2008-09 through 7076 approved Projects and 14 lakh A WCs across the country. The universalisation, however, did not match with the concomitant human and financial resources as a result of which programmatic, management and institutional gaps have crept in. This necessitated the strengthen and restructuring of ICDS.

⇒ CENSUSINFO INDIA SOFTWARE LAUNCHED

The CensusInfo India Software has been launched by Dr. C. Chandramouli, Registrar General & Census Commissioner, India.

The specially developed CensusInfo India Software is an innovative and flexible database technology used for the dissemination of Population and Housing Census results.

The software has been developed by the United Nations Statistics Division, in partnership with UNICEF and UNFPA, to help countries disseminate their census results at any relevant geographical

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level, on CD-ROM and also on the web. CensusInfo India on Houses, Household Amenities and Assets based on Census 2011 data provides access to the dataset on a number of indicators at State and District level.

The user is able to extract information quite easily and generate charts and maps depicting the data. This powerful data dissemination tool would not only reduce the burden of statistical drudgery, but

at the same time would make using census data an enjoyable experience.

RURAL BUSINESS HUB SCHEME

The Rural Business Hubs (RBH) Scheme aims at synergistically linking the strengths of rural areas/ producers with industry and marketing organizations so that rural products reach wider market and benefits of value addition are shared.

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KURUKSHETRA

Sanitation is an integral component of public hygiene and health care. In India, 736 million [71.7%] people out of total population of 1027 million, lack basic sanitation facilities resulting in high mortality and morbidity. Sanitation in broad term refers to disposal and management of solid wastes, wastewater, human and cattle excreta etc. in such a way that it does not affect adversely domestic personal hygiene. Sanitation is a for human health. It contributes to clean and improved environment, social development and generates significant economic benefits.

Human excreta, among all forms of wastes, are the principal sources of many enteric diseases and almost cause 80% of the diseases in developing countries. Studies reveal that over 50 types of infections can be transmitted from diseased persons to healthy ones by various direct and indirect routes from human excreta. Human excreta are the most hated object and anything connected with the latrine is considered so defiling that in India in the past, one was expected to take a bath immediately after coming out of the toilet and before entering into the kitchen due to religious taboos. Sanitation has, however, been seen as a matter of individual understanding and initiative rather than a collective responsibility of the community. Investment to promote environmental sanitation in this fast changing socio-cultural background is accorded the low priority.

A UN study in 2010 observed more people in India having access to a mobile phone than to a toilet. India's mobile subscribers totaled around 894 million at the last count, enough to serve more than half of the country's 1.2 billion people. But just 366 million people [30.5%] had access to proper sanitation.

A recent UNICEF report says 638 million people [54%] defecate in the open in India as against just 7% each in Brazil and Bangladesh. Only 6% rural children below five years in India used toilets and about 50% of all Indians regularly wash their hands with soap after contact with excreta. Union Minister for rural development Shree Jairam Ramesh has called for making India "*an open defecation free*" country by 2017.

Finance: Experts have observed that Government spending on sanitation and drinking water is grossly inadequate. According to the Center for Budget and Government Accountability, Government spending under these heads declined from 0.59% of GDP in 2008-09 to 0.54% in 2009-10 and further to 0.42% in 2010-11. Union Minister for rural development Shree Jairam Ramesh has acknowledged that, "*investment in sanitation and drinking water is as important as investment in defense*". He further adds "*you can invest in missiles and tanks, in aircrafts, but if you don't have clean*

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drinking water, if you don't have sanitation then the population is not going to be healthy. More investment in these sectors will result into better health of the people". The budget for 2012-13 has increased allocation by 27% for rural sanitation and drinking water from Rs. 11,000 crore in 2011-12 to Rs.14,000 crore. A major initiative would be to strengthen Panchayats across the country through Gram Panchayat Sashaktikaran Abhiyan and capacity building of panchayats.

Government of India's first socio-economic census and comprehensive population survey, 2011, reveals developments on certain basic amenities to sustain human life. The number of houses increased from 250 million in 2001 to 330 million [132%] in 2011 whereas Government's biased policy and enhanced purchasing power of millions in urban and metropolitan centers facilitated them easy access to state-of-the-art technologies and consumer goods, due to complex transition process experienced during post-market economy, in sharp contrast to a large number of rural households lacking access even to the most rudimentary facilities as per Census 2011. For example, while rural households [167,826,730] accounted for 68.03% of total 246,692,667 HHs only 17.9% rural HHs have access to treated source of tap water as against 62.0% urban HHs and 62.5% rural HHs depend upon firewood for cooking as compared with 20.5% urban HHs. It is shocking that only 30.7% rural HHs have latrine facilities as compared to 81.4% urban HHs. Of this, as high as 63.2% rural HHs have toilets with no drainage as against meager 18.2% urban HHs and just abysmally as insignificant as 2.2% rural HHs have piped sewer system as compared with 18.2% urban HHs.

⇒ VISION 2022

India as an emerging economy and targeting double digit annual growth will have to resolve the problem of open defecation and providing toilet facilities with piped sewer system for disposal of human waste from the long-term perspective. Indeed neither the Government, nor local authorities or beneficiaries can bear the total capital costs and recurring operations and maintenance costs of sewerage system. For this purpose, vision 2022 may need to be initiated focusing on sharing national and international experiences and best practices with developed countries. This could be through mobilizing financial resources from international financial institutions, viz. World Bank, Asian Development Bank etc.; harnessing technical expertise, technologies and equipment from reputed international professional agencies; formulating perspective plan to be implemented in phases to cover all cities and villages progressively in 10 years in a mission mode.

⇒ WOMEN'S ROLE IN PROMOTING SANITATION: SOME STUDY-BASED REFLECTIONS

As far as the scenario of rural sanitation is concerned, the access to water supply and sanitation services is still largely inadequate. While the overall Indian scenario reflects that an estimated 55% of all Indians or close to 600 million people still do not have access to any kind of toilet but in rural areas, the scale of the problem is particularly daunting, as 74% of the rural population still defecates in the open. Despite an investment of more than Rs. 6 billion and construction of over 9 million latrines in rural areas, rural sanitation grew at just 1% annually throughout the 1990s and the Census of 2001 found that only 22 per cent of rural households

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had access to a toilet, with combined rural and urban coverage as 36.4 %. (UNICEF 2008)

**ROLE OF WOMEN IN PROMOTING
RURAL SANITATION: STUDY-BASED
OBSERVATIONS FROM WEST BENGAL**

Almost one out of two persons live without a toilet in India. In rural West Bengal, percentage of using sanitary latrine/toilet is very less. Women often face major problems if there is no toilet at home having to wait until nightfall to relieve them-selves. This is risky behaviour as it exposes them to multiple health hazards and also snake bites, harassment and even rape. In one of the recent micro-level studies conducted by the author himself covering 50 rural households of Birbhum district of West Bengal - with an aim to explore the role of women in promotion and management of rural sanitation, which brought into light the following observations-

- (1) Women always play the decisive role in promotion and proper management of household-level sanitation in a family
- (2) In absence of a toilet at home, women and young girls suffer the most, which also make them vulnerable to different diseases
- (3) Interestingly it was also found that women from 65% of the selected households, happily invested their money earned from self-help-group (SHG) activities while installation of their household toilets
- (4) Compared to men, women pay more attention towards basic sanitation and hygiene principles, which we apply in our daily life
- (5) Children from female-headed families were found much more conscious and concern about personal hygiene norms than that of male-headed families

- (6) Strategies of Total Sanitation Campaign (TSC) would have been much more effective to ensure full-sanitation coverage in rural areas, if the gender component had been given much more priority

The study-result also exhibits that rural women have always been the key educator in inculcating the sense of personal hygiene among their children and at the same time they were found to be much more interested in sanitation-related issues in comparison to their male counterpart, which ultimately ensures a better and safer environmental sanitation within a rural community.

Studies indicate that in absence of a sanitary latrine at home, it is the women's dignity which is found to be at stake especially in rural India. Rural women suffer more than men from the indignity of being forced to defecate in the open, at risk of assault and rape. Women, generally being responsible for the home and for children and other dependents, are most affected by a lack of sanitation, and by the indignity of living without sanitation. The study conducted by Mitik and Decaluwe (2009) in South Africa shows that women, in particular, spend a considerable proportion of their time in the household's common sanitation related activities such as fetching water, harvesting fodder, and collecting firewood especially in rural areas of developing countries. They further suggested and concluded that for ensuring the success and sustainability of any sanitation programme women must be given enough space and opportunity to take active part in it. While the study by Ilahi (2000) suggests that women has always been a better manager in comparison to their male counterpart in the

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context of promoting the state of household level sanitation. Reddy's (1999) study conducted in rural Haryana reveals that even illiterate women performs the role of a hygiene educator in better way than that of the literate male members of the same family; and this is more evident in the context of rural parts of Haryana and Andhra Pradesh. Narayan (1995) while studying 121 Rural Water Supply and Sanitation projects of India found that women's participation is among the crucial variables associated with sanitation project's effectiveness. Without the effective participation of women it is not possible to ensure sustainability of any sanitation programme. At the same time he has found that at household level more 70% of the sanitation related activities are carried out by women, so they must be considered as the key player in ensuring success of any rural sanitation programmes or projects.

⇒ NEW LAW OF MANUAL SCAVANGERS

On June 17, 2011, Prime Minister Manmohan Singh referred to manual scavenging as "*one of the darkest blots on [India's] development process*" and asked all state Ministers in the country to pledge to eliminate this scourge from every corner of India in *the next six months, by the end of 2011*. Government was duty bound to enact a new comprehensive law for total emancipation of sanitary comprehensive law for total emancipation of sanitary sewerage cleaning and septic tank cleaning Within a time frame. Tamil Nadu Assembly on September 10, 2011, acknowledging the fact that old law 10 too weak and needs to be replaced with a new central laws binding all State legislatures, was prompt to pass a unanimous resolution urging the Union of India to enact suitable amendments to the 1993 Act by

modifying certain clauses to make it comprehensive and unambiguous, *inter alia*, widen the definition of manual scavenging, appointment of implementing authorities, power of executing authority to prevent environment pollution.

The law must strengthen public accountability mechanisms and shift the *focus to human dignity from mere sanitation* and automatically binding on all State Governments. On March 12, 2012 Ms Pratibha Patil, then President of India, while addressing the Parliament promised for social justice and said, "*her Government will introduce a new Bill in the Parliament for eliminating manual scavenging and insanitary latrines. This will also provide for proper rehabilitation of manual scavengers in alternative occupations so that they are able to lead a life of dignity*". A similar commitment was made to the Supreme Court four days later. The bill was proposed to be introduced in the monsoon session of the Parliament, which also came only after the matter was brought before the Supreme Court following an order of the Madras High Court that the personal appearance of high dignitaries, including those in the Prime Minister's Office, might be required if the Center failed to amend the law. The 1993 Act defined a manual scavenger as "a person engaged in or employed for manually carrying human excreta" whereas the definition of scavenger in the 2012 new bill is elaborate, inclusive and includes *a person engaged or employed for manually cleaning, carrying, disposing of, or otherwise handling in any manner, human excreta In an unsanitary latrine or in an open drain or pit into which the human excreta from the insanitary latrine*

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is disposed of, or on a railway track". However, the scope of definition saying that "excreta with the help of such devices and using such protective gear, as the Central Government may notify in this behalf, shall not be a manual scavenger" is just sufficient to continue the demeaning practice. Besides, cleaning railway tracks should be included.

⇒ DRINKING WATER

- In 2008 while urban areas witnessed 96% improvement in respect of access to safe drinking water sources, rural areas have yet to satisfy with 73% improvement.
- According to the Joint Monitoring Program of the World Health Organization and UNICEF, the use of improved sanitation coverage in rural India has increased to only 21% in 2008. Besides, 65,000 villages are still "no source" villages and estimated 200 million people access unhygienic water.
- Number of villages are not only deprived of having a dependable source of drinking water but many others have, also, been experiencing impact of hazardous chemicals in the aquifers of groundwater. A high proportion of the rural population in India obtain their drinking water supplies from shallow and private bore holes, which suffer to a much greater extent from the impact of chemical fertilizers and pesticides as well as other elements injurious to health viz. fluoride, nitrate, chloride, arsenic, sulphide, iron, zinc, chromium and salinity.
- Already the Government and other agencies have identified 185 locations/districts throughout the country where these pollutants cause harmful effects.

The gravity of the problem can best be understood from the fact that [i] fluoride is present in 37 districts of nine States [ii] salinity [inland] in 12 districts of five States [iii] salinity [coastal] in 11 districts of four States [iv] nitrate in 68 districts of 12 States [v] chloride in 17 districts of five States [vi] arsenic in four districts of one State [vii] sulphide in three districts of one State [viii] iron in 26 districts of seven States [ix] zinc in six districts of three States and [x] chromium in one district.

⇒ DRAFT WATER POLICY 2012

The draft on water policy, among others, suggests that [i] the Government may withdraw from its role as a service provider in the water sector [ii] communities and the private sector should be encouraged to play the role of service provider [iii] Government should abolish all forms of water subsidies to the agricultural and domestic sectors [iv] subsidies and incentives should be provided to private industry for recycling and reusing treated effluents [v] people displaced by large water projects should be made partners and given a share in the benefits comparable to the project-benefitted families. The policy suggests that the cost of rehabilitation and compensation to the project affected families be partly borne by the project-benefitted families through adequate pricing of water.

Approach predicted on realizing the costs that go into supply of water can only distort access and prices in the long run, affecting less affluent citizens. For example, the State should exit the service provider role and become a regulator is only a step away from abandoning the equity objectives. Evidently, private partnership imposes the burden of extra costs.

In 2005, a World Bank document recommended that 'if India is to have sustainable economic growth, the role of the Indian water state must change from that of a builder and controller to creator of an enabling environment and facilitator of the actions of water users large and small'. The document, *inter alia*, suggested 'stimulating competition in and for the market for irrigation and water and sanitation services.

⇒ **eTOILET INDIA'S**

FIRST ELECTRONIC PUBLIC TOILET

Through this unique product, the company has attempted to address the inherent challenges of public sanitation. In a perfect situation, a public toilet should have the capabilities to address waste management, effective water usage and sustainability as core challenges among various other issues. eToilet is positioned as the perfect solution which addresses all these effectively; it is cost effective, appropriate and suitable for the geographic and demographic patterns of any location. It is working on a mission to have all Indian Cities with modern sterilized public sanitation system. To further improve Urban Sanitation Infrastructure, such projects with huge social relevance are inevitable.

⇒ **GLOBAL WATER SHORTAGE**

The amount of water in the world is finite. A third of the world's population lives in water-stressed countries now. By 2025, this is expected to rise to two-thirds. There is more than enough water available, in total, for everyone's basic needs. The UN recommends that people need a minimum of 50 liters of water a day for drinking, washing, cooking and sanitation. In 1990, over a billion people did not have even that. Providing universal access to that basic minimum worldwide

by 2015 would take less than 1% of the amount of water we use today. But we're a long way from achieving that. The total domestic water demand in 1995 and 2025 under the three scenarios. Total domestic demand under CRI is 60 cubic kilometers in developing countries including India. Urbanization and rapid growth in urban population can dramatically increase per capita use of freshwater. Fast population growth with accelerated urbanization, combined with scarce water supplies means that the governments all over the world often cannot supply enough water to meet demand.

⇒ **WATER SCARCITY IN INDIA**

In India the pumping of underground water is now estimated to be double the rate of aquifer recharge from rainfall. The International Water Management Institute, the world's premier water research group, estimates that India's grain harvest could be reduced by up to one fourth as a result of aquifer depletion. In a country adding 18 million people per year, this is not good news.

In addition to population growth, urbanisation and industrialisation also expand the demand for water. Industrialisation takes even more water than urbanisation. Some 70 per cent of the water consumed worldwide, including both that diverted from rivers and that pumped from underground, is used for irrigation, while some 20 per cent is used by industry, and 10 per cent for residential purposes. In the increasingly intense competition for water among sectors, agriculture almost always loses. The 1,000 tons of water used in India to produce one ton of wheat worth perhaps \$200 (Rs. 10,000) can also be used to expand industrial output by \$10,000 (Rs. 5,00,000), or 50 times as much. This ratio helps explain why, in the American West, the sale of

irrigation water rights by farmers to cities is an almost daily occurrence. In India, overall water demand will increase from 552 BCM to 1050 BCM by 2025, which will require the use of all the available water resources in the country (World Bank 1999). Of the present water usage, 92% is devoted to agriculture, with roughly 3% used in industry and only 5% for domestic purposes like drinking water and sanitation (WRI 2000). Demand from the industrial and domestic sectors is expected to increase with the growing population urbanization and industrialization.

⇒ **MEASURES TO OVERCOME WATER CRISIS**

- Protection of forests, soil and water resources.
- Promotion and coordination of traditional and environment friendly technologies in agriculture and water conservation.
- Water conservation measures from domestic level
- Ensure recharging of groundwater to meet increasing dependability on groundwater
- Rainwater harnessing •
Improvement of irrigation technology to avoid overuse and loss in water conveyance
- Good network of data collecting centres
- Improved observation standardization of data •
Free access to data in websites, especially remote sensing data, for researchers
- More facilities for research, including computers and broadband Internet
- Adequate training for the staff in meteorological and water resources departments
- Better international cooperation in research and technology permanent

mechanism to monitor climate change impacts

- Region wise, in-depth study of the water balance
- Develop better institutional capacity for water resources management
- Special task force and special funds for the extreme climate conditions
- emphasis on urban hydrology
- Conservation and management strategies to cope with any extremes in water balance
- Fostering an awareness of water as a scarce resource and its conservation as an important principle - through NGOs
- New management approaches
- empowering people for equitable sharing of water, creating a political will and good governance, and developing and sharing knowledge and technology to improve water resources management
- Control of all water resources by the Central administration to avoid disputes.

⇒ **MGNREGA AND SOCIAL AUDIT**

Social audit is a process in which, details of the resources, both financial and non-financial, used by public agencies for development initiatives are shared with the people, often through a public platform such as the Gram Sabha in rural India. Broadly, the process of social audit involves following three components: a) availability of information b) organising the beneficiaries/people and c) scrutiny of the information by the beneficiaries / people. Social audit is seen as a means of promoting (i) transparency (ii) participation (iii) consultation and consent (iv) downward accountability and (v) redressal of grievances in public matters.

The Social Audit Unit shall be responsible to:

- (a) build capacities of Gram Sabhas for conducting Social Audit and for this

- purpose identify, train and deploy suitable resource persons at village, block, district and State level, drawing from primary stake holders and other civil society organizations having knowledge and experience of working for the rights of the people.
- (b) prepare Social Audit reporting format, resource materials, guidelines and manuals for the Social Audit process.
 - (c) create awareness rights and entitlements under MGNREGA .
 - (d) facilitate verification of records with primary stakeholders/beneficiaries and work sites/assets created.
 - (e) facilitate smooth conduct of Social Audit, Gram Sabhas for reading out and finalizing decisions after due discussions.
 - (f) host the Social Audit Report including the Action Taken Report in the public domain.
 - (g) act as a liaison agency with civil society groups and NGOs on issues of transparency and accountability.

⇒ “SWABHIMAAN” –

THE FINANCIAL INCLUSION CAMPAIGN

In order to further extend the reach of banking to the rural hinterland, banks were advised to provide appropriate banking facilities to habitations having population is excess of 2000 by March, 2012 using various models and technologies including branchless banking through Business Correspondent Agent (BCAs). This Financial Inclusion Campaign named “Swabhimaan” was formally launched by the Government in February, 2011. Banking facilities to 74,194 such villages have been provided and about 3.16 crore financial accounts have been opened under this Campaign by end of March, 2012. Further, in terms of Finance Minister’s Budget Speech 2012-12 it has been decided to extend the “Swabhimaan” campaign to habitations with population of more than 1000 in North Easter and hilly States and to other habitations which have crossed population of 2011. Accordingly about 45,000 such habitations have been identified to be covered under the extended “Swabhimaan” campaign.

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As mandated by the Article 280 of the Constitution, the Government has constituted the Fourteenth Finance Commission consisting of Dr. Y.V.Reddy, former Governor Reserve Bank of India, as the Chairman and the following four other members, namely: -

1.	Prof Abhijit Sen Member, Planning Commission	Member (Part Time)
2.	Ms. Sushma Nath Former Union Finance Secretary	Member
3.	Dr. M.Govinda Rao Director, National Institute for Public Finance and Policy, New Delhi	Member
4.	Dr. Sudipto Mundle Former Acting Chairman, National Statistical Commission	Member

Shri Ajay Narayan Jha shall be the Secretary to the Commission. The Commission shall make its report available by the 31st October, 2014, covering a period of five years commencing on the 1st April, 2015.

The Commission shall make recommendations regarding the sharing of Union taxes, principles governing Grants-in-aid to States and transfer of resources to local bodies.

Terms of Reference and the matters that shall be taken into consideration by the Fourteenth Finance Commission in making the recommendations are as under:—

(i) the distribution between the Union and

the States of the net proceeds of taxes which are to be, or may be, divided between them under Chapter I, Part XII of the Constitution and the allocation between the States of the respective shares of such proceeds;

- (ii) the principles which should govern the grants-in-aid of the revenues of the States out of the Consolidated Fund of India and the sums to be paid to the States which are in need of assistance by way of grants-in-aid of their revenues under article 275 of the Constitution for purposes other than those specified in the provisos to clause (1) of that article; and
- (iii) the measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats and Municipalities in the State on the basis of the recommendations made by the Finance Commission of the State.

The Commission shall review the state of the finances, deficit and debt levels of the Union and the States, keeping in view, in particular, the fiscal consolidation roadmap recommended by the Thirteenth Finance Commission, and suggest measures for maintaining a stable and sustainable fiscal environment consistent with equitable growth including suggestions to amend the Fiscal Responsibility Budget Management Acts

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currently in force and while doing so, the Commission may consider the effect of the receipts and expenditure in the form of grants for creation of capital assets on the deficits; and the Commission shall also consider and recommend incentives and disincentives for States for observing the obligations laid down in the Fiscal Responsibility Budget Management Acts.

In making its recommendations, the Commission shall have regard, among other considerations, to –

- (i) the resources of the Central Government, for five years commencing on 1st April 2015, on the basis of levels of taxation and non-tax revenues likely to be reached during 2014-15;
- (ii) the demands on the resources of the Central Government, in particular, on account of the expenditure on civil administration, defence, internal and border security, debt-servicing and other committed expenditure and liabilities;
- (iii) the resources of the State Governments and the demands on such resources under different heads, including the impact of debt levels on resource availability in debt stressed states, for the five years commencing on 1st April 2015, on the basis of levels of taxation and non-tax revenues likely to be reached during 2014-15;
- (iv) the objective of not only balancing the receipts and expenditure on revenue account of all the States and the Union, but also generating surpluses for capital investment;
- (v) the taxation efforts of the Central Government and each State Government and the potential for additional resource mobilisation to improve the tax-Gross

Domestic Product ratio in the case of the Union and tax-Gross State Domestic Product ratio in the case of the States;

- (vi) the level of subsidies that are required, having regard to the need for sustainable and inclusive growth, and equitable sharing of subsidies between the Central Government and State Governments;
- (vii) the expenditure on the non-salary component of maintenance and upkeep of capital assets and the non-wage related maintenance expenditure on plan schemes to be completed by 31st March, 2015 and the norms on the basis of which specific amounts are recommended for the maintenance of the capital assets and the manner of monitoring such expenditure;
- (viii) the need for insulating the pricing of public utility services like drinking water, irrigation, power and public transport from policy fluctuations through statutory provisions;
- (ix) the need for making the public sector enterprises competitive and market oriented; listing and disinvestment; and relinquishing of non-priority enterprises;
- (x) the need to balance management of ecology, environment and climate change consistent with sustainable economic development; and
- (xi) the impact of the proposed Goods and Services Tax on the finances of Centre and States and the mechanism for compensation in case of any revenue loss.

In making its recommendations on various matters, the Commission shall generally take the base of population figures as of 1971 in all cases where population is a factor for determination of

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devolution of taxes and duties and grants-in-aid; however, the Commission may also take into account the demographic changes that have taken place subsequent to 1971.5.

The Commission may review the present Public Expenditure Management systems in place including the budgeting and accounting standards and practices; the existing system of classification of receipts and expenditure; linking outlays to outputs and outcomes; best practices within the country and internationally, and make appropriate recommendations thereon.

The Commission may review the present arrangements as regards financing of Disaster Management with reference to the funds constituted under the Disaster Management Act, 2005(53 of 2005), and make appropriate recommendations thereon.

The Commission shall indicate the basis on which it has arrived at its findings and make available the State-wise estimates of receipts and expenditure. The Commission shall make its report available by the 31st October, 2014, covering a period of five years commencing on the 1st April, 2015.

FM Statement on Current Account Deficit (CAD); Confident to Finance the Cad ithout Drawing Upon Reserves; Appeal to the People to Moderate the Demand for Gold as IT Leads to Large Imports of Gold

The text of the Union Finance Minister Shri P.Chidambaram's Statement about Current Account Deficit (CAD) is as follows: I have spoken about the Current Account Deficit (CAD) on a number of occasions. The Current Account Deficit, for the first half of the current year (2012-13) stood at US\$ 38.7 billion or 4.6% of GDP.

The main contributors to the CAD were:—

- Exports recorded a sharp decline of 7.4%, while imports recorded a smaller decline of 4.3% leading to widening of the trade deficit. Of the imports, gold imports amounted to US\$ 20.25 billion.
- This was partly made up by an increase in services exports of 4.2% and, consequently, surplus in services which amounted to US\$ 29.6 billion.
- Remittances of US\$ 32.9 billion.

Notwithstanding the widening of the CAD, the positive aspect is that the CAD was financed without drawing on reserves. This was mainly due to adequate inflow of FDI (US\$ 12.8 billion) and FII (US\$ 6.2 billion). In addition, external commercial borrowing amounted to US\$ 1.7 billion. The net result is that we have not drawn on the foreign exchange reserves and, in fact, there is a marginal accretion of US\$ 0.4 billion to the foreign exchange reserves. As would be evident, gold imports constituted a substantial chunk of the imports and is a huge drain on the Current Account.

Suppose gold imports had been one half of the actual level, that would have meant that our foreign exchange reserves would have increased by US\$ 10.5 billion. I would therefore appeal to the people to moderate the demand for gold which leads to large imports of gold. I may add that we may be left with no choice but to make it a little more expensive to import gold. This matter is under Government's consideration. While the CAD is indeed worrying, I think it is within our capacity to finance the CAD, thanks to FDI, FII and ECB. I would like to once again underscore the crucial importance of FDI and FII. As I have said before, attracting foreign funds to India has become an economic imperative. I am confident

that even if the year ends with a slightly larger CAD than last year, we would be able to finance the Current Account Deficit without drawing upon reserves.

YEAR END REVIEW-2012

NATIONAL SAMPLE SURVEY OFFICE

(NSSO) The National Sample Survey Office (NSSO) under the Ministry of Statistics & Programme Implementation is responsible for carrying out surveys on socio-economic aspects of Indian Economy by collecting data from households and enterprises located in villages and in the towns with a view to update data base for sound planning for development and administrative decisions. Towards this end and objective of the organization, the major achievements during 2012 are as follows:

SURVEY UNDERTAKEN/ LAUNCHED

- (i) The field work of two sub-rounds of NSS 68th round on Household Consumer Expenditure & Employment and Unemployment was completed during the year and the field work for NSS 69th round, a six month duration survey, on Drinking Water, Sanitation & Hygiene and Housing Conditions (including slums) started in July 2012 and now has been completed.
- (ii) Agricultural Statistics Survey on Sample check on area enumeration and supervision of crop cutting experiments under the scheme for 'Improvement of Crop Statistics (ICS)' for the agricultural years 2011-12 and 2012-13. While the Survey for 2011-12 is completed, the Survey for 2012-13 will continue up to June 2013.

- (iii) Regular price collection surveys in rural areas for compilation of Consumer Price Indices for Rural and Agricultural Labour by Labour Bureau and in urban areas for Consumer Price Index (Urban) by Central Statistics Office (CSO).
- (iv) Assistance to Department of Industrial Policy & Promotion (DIPP) in collection of wholesale prices from selected units/factories for compilation of Wholesale Price Index.
- (v) The data collection work of Annual Survey of Industries for 2010-11 and 2011-12.

NEW INITIATIVES UNDERTAKEN

- (i) All India Periodic Labour Force Survey (PLFS) is in progress in 3 States viz, Gujarat, Himachal Pradesh and Orissa. The primary objective of the survey is to measure the dynamics in labour force participation and employment status in the short time interval of 3 months.
- (ii) Experimentation of use of Hand-held devices / gadgets for data collection in the socio-economic surveys in the field.
- (iii) Use of RDBMS system of data processing.
- (iv) Data entry at field level in NSS 68th and 69th rounds in the states of Goa, Jammu & Kashmir, Sikkim and Puducherry.

REPORTS RELEASED

- (i) 96th issue of the NSSO Journal 'Sarvekshana'.
- (ii) Reports/ Results based on NSS rounds.

NSS 66TH ROUND

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- (b) Nutritional Intake in India
- (c) Household consumption of various goods and services in India
- (d) Energy Sources of Indian Households for Cooking and Lighting
- (e) Employment and Unemployment Situation Among Social Groups in India
- (f) Household Consumer Expenditure Across Socio-Economic Groups
- (g) Home based workers in India

NSS 67TH ROUND

- (a) Key Results of Survey on Unincorporated Non-Agricultural Enterprises (Excluding Construction) in India
- (b) Operational characteristics of Unincorporated Non-agricultural Enterprises (Excluding Construction) in India

NSS 68TH ROUND

- (a) Provisional Results of Household Consumer Expenditure Survey, NSS 68th round (July 20011 - June 2012)

SOCIAL STATISTICS DIVISION

The Social Statistics Division released five publications namely, Manual on Disability Statistics, Manual on Labour Statistics (I), SAARC Social Charter-India Country Report 2012, Women and Men in India 2012, Children in India 2012 – A Statistical Appraisal. The Ministry has constituted two national awards viz, Prof.C.R.Rao award for young Statistician and Prof.P.V.Sukhatme award for life time achievement in Statistics for Indian national in

Pune University. The award carries a prize money of Rs.5 lakhs, a citation and a memento.

MPLAD SCHEME

- **Objective:** The Member of Parliament Local Area Development Scheme (MPLADS) was launched in December, 1993 to provide a mechanism for the Members of Parliament to recommend works of developmental nature for creation of durable community assets and for provision of basic facilities based on locally felt needs. The annual MPLADS funds entitlement per MP under the scheme has been enhanced from Rs.2 crore to Rs.5 crore w.e.f. 2011-12.
- **Nature of the Scheme:** under the scheme funds are released in the form of Grant-in-aid as Special Central Assistance directly to the Districts. The Ministry of Statistics and Programme Implementation has prescribed a set of guidelines for implementation and monitoring of the scheme. The guidelines are revised from time to time to make it more responsive to the local needs without compromising the basic principles of the scheme. The Guidelines of November, 2005 have been revised and the revised guidelines have been issued in August, 2012. As many as reform circulars on guidelines have been issued in this year till date.
- **Impact:** With a view to assess the implementation of the scheme for mid-course correction, a mechanism of physical monitoring of MPLADS works in selected Districts by an independent Institution has been put in place. Third party monitoring of MPLADS works in 208 Districts have been completed during

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the period 2007 to 2011 by NABCONS. Currently third party physical monitoring has been assigned to M/s AFC Ltd. And is underway in 100 Districts.

- Physical and Financial Progress of the Scheme since inception:
- Rs. 26960.25 crore has been released (including release of Rs. 1962 crore up to 30.11.2012 during the financial year 2012-13 since inception of the Scheme. As reported by the Districts, an expenditure of Rs. 24070.88 has been incurred under the Scheme. The percentage utilization over release of 89.28
- So far 13,87,151 works have been sanctioned and 12,382,87 works been completed. Percentage of works completed to sanction is 89.27.

COORDINATION AND PUBLICATION (CAP)

- For Five year Plan 2012-17, the Ministry has been allocated Rs. 3709 crores excluding Member of Parliament Local Area Development Scheme (MPLADS).
- Under India Statistical Strengthening Project (ISSP), Ministry has signed MOUs with 13 States and released Rs. 130.86 crores.
- An MOU was signed with EURO STAT for statistical cooperation.

INFRASTRUCTURE & PROJECT MONITORING DIVISION (IPMD)

The Infrastructure & Project Monitoring Division (IPMD) monitors the implementation of Central Sector Projects (costing Rs. 150 crore and above) in 14 Infrastructure Sectors as well as the performance of 11 key infrastructure sectors.

As per the latest Report for the month of September, 2012 there are 566 such ongoing Central Sector Projects (costing Rs. 150 crore and above whose original cost of implementation was about Rs. 7,90,572.38 crore and anticipated completion cost likely to be Rs.9,23,573.57 crore. This reflects a cost overrun of 16.8%. 46.5% of the Projects i.e. 263 Projects are delayed, with the average time overrun being about 17.3 months for all projects and 37.1 months for the delayed project.

The infrastructure performance recorded positive growth during the year 2012-13 (April- September) over the corresponding period of the previous year in various sectors such as power generation (4.8%), Production of coal(8.1%), Production of finished steel (2.0%), cement (7.4%), refinery (5.4%), up-gradation of Highway by NHAI (38.8%), goods traffic carried by Railways (4.8%), passengers handled at International terminals (2.6%) of the airports and net addition in switching capacity of telephone exchanges (59.1%). The negative growth over the performance with respect to the previous year was observed in some sectors namely fertilizers (6.0%), crude oil (0.7%) & natural gas (12.5%), & up-gradation of Highway by State PWD and Border Road Organisation(BRO) (9.3%), cargo handled at major ports (3.3%), Cargo handled at airport –[Export (1.6%) & import cargo (9.2%)] and passenger handled at domestic terminals of the airports (3.1%).

RECENT INITIATIVES

To facilitate resolving of various extraneous issues/bottlenecks such as land acquisition, encroachments, delay in issue of clearances and shifting of utilities, etc. Which are increasingly having a bearing on the implementation of Central

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Sector Projects, all States have been requested to constitute Central Sector Projects Coordination Committees under the Chief Secretaries in which concerned PSU s in the State, the concerned Departments of State Government and Agencies etc. are also represented.

Recognizing the importance of Project Management in the improving the project implementation, this Ministry is supporting various initiatives in promoting the Project Management discipline and training. Five-day training for public sector employees in project management is being organized by this Ministry once in each quarter. Over 200 executive have benefitted from it.

The Review meeting on the implementation of Projects in the state of Odisha have been taken up, by the Hon'ble Minister with the IOCL, RVNL, MCL & NHAI. The minute have been circulated for taking necessary action to all concerned.

Field visits to various project sites of JNPT, MbPT, NHAI & IOC etc. have been taken to understand the constraints and appropriate suggestion were made to resolve the same.

TWENTY POINT PROGRAMME (TPP)

The Twenty Point Programme (TPP) was launched by the Government of India in the year 1975 and has been restructured thrice in 1982, 1986 and again in 2006. The restructured programme, known as Twenty Point Programme (TPP) – 2006, became operational with effect from, 1st April, 2007. The TPP-06 is meant to give a thrust to schemes relating to poverty alleviation, employment generation in rural areas, housing, education, family welfare & health, protection of environment and many other schemes having a bearing on the quality of life, especially in the rural areas. The Twenty Point Programme (TPP) –

2006 consists of 20 points with 65 items which are monitored on annual basis. Out of the 65 items, 20 items are monitored on monthly basis also on the basis of progress report submitted by state Government. UT Administrations and concerned Central Nodal Ministries. Performance of 15 of the 20 items is monitored against pre-set targets which are fixed by concerned Central Nodal Ministries.

The Ministry releases a Monthly Progress Report (MPR) on implementation of monthly monitored items. During the financial year 2012, MPR's have been released for the months of October, 2011 to September, 2012 respectively. In addition to MPR, an Annual Review Report on TPP- 2006 covering progress of implementation of all items during the year under TPP-2006 is also released. During 2012, Annual Review Report for 2010-11 has been released.

In order to strengthen the monitoring of the implementation framework of schemes/ programmes covered under TPP-06 TPP Division of the Ministry has been mandated to undertake Monitoring and Impact Assessment Studies on selected programmes/schemes covered under TPP-2006. So far, the Ministry has undertaken two Impact Assessment Studies. First relates to impact of MGNREGA in 3 selected districts of North Eastern States namely Mon (Nagaland), , Saiha (Mizoram), Dhalai (Tripura), The second study related to rehabilitation of Disabled persons under Deendayal Disability Rehabilitation Scheme (DDRS) in the States of Delhi, Karanataka, Madhya Pradesh and West Bengal.

Twenty Point Programme was last revised in 2006 which came into operation in April 2007. Since then, the priorities of the Government have shifted from 10th Plan to 11th Plan to 12th Plan.

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Beside these the Government has taken initiatives in the form of “Bharat Nirman” and other Flagship Programmes. In order to accommodate these policy changes and thrusts, the Ministry has initiated a proposal to revamp the TPP.

Ministry of Statistics & PI also undertakes review meeting at National and State levels as part of monitoring and consultation mechanism. Two National Review Meeting of TPP-06 have been successfully held so far on 28.10.10 and 11.11.11 respectively. These review meeting are held to review the overall progress of schemes/programmes so to improve the implementation of schemes/programmes covered under TPP. These meetings addressed the core issues with States Govts/UT Administrations and with concerned nodal Ministries viz. State-wise performance of programmes and Schemes covered under Twenty Point Programme, variation in reported performance figures by States/UTs and furnished by Central Nodal Ministries. Delay in reporting of monthly performance figures, Constitution of TPP Monitoring committees at State, District & Block levels and their meetings at regular interval, Target fixation approach taken by central nodal ministries, suggestions for revamping of TPP-2006, need for a single portal of TPP, difficulties faced by the implementing agencies in the implementation of schemes/programmes and suggestion for dropping obsolete schemes/programmes and inclusion of new schemes in view of the Bharat Nirman and new flagship programmes of Govt. of India.

PM's GLOBAL ADVISORY COUNCIL OF OVERSEAS INDIANS MEETS AT KOCHI

The Prime Minister Dr. Manmohan Singh chaired the fourth meeting of the Global Advisory Council of Overseas Indians on 8 January 2013

at Kochi. Thirteen eminent Overseas Indians from across the world attended the meeting. Shri Vayalar Ravi, Minister of Overseas Indian Affairs; Shri Anand Sharma, Minister of Commerce and Industry; Shri Salman Khursheed, Minister of External Affairs; Shri M.M. Pallam Raju, Minister of Human Resource Development; Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission; and senior officials of Government of India also attended the meeting.

The Eminent Overseas Indians present included Shri Karan F.Bilimoria, Shri Swadesh Chatterjee, Ms. Ela Gandhi, Lord Khalid Hameed, Dr. Renu Khator, Shri Kishore Mahbubani, Shri L.N.Mittal, Lord Bhiku Chotalal Parekh, Shri Sam Pitroda, Tan Sri Dato' Ajit Singh, Mr. Neville Joseph Roach, Prof. Srinivasa SR Varadhan and Shri Yusuffali M.A.

During the meeting, the participants exchanged views on key international issues and their implications for India, including the global economic situation; developments in West Asia and the Gulf region; energy security; and trends in the Asia Pacific region. The members also gave their perspectives on strengthening engagement between India and the Overseas Indians as well as between India and various countries in the bilateral sphere. Prime Minister thanked the members for their perspective and constructive suggestions.

Prime Minister's Global Advisory Council of Overseas Indians was constituted in 2009 and meets annually. Its objective is to draw upon the experience and knowledge of eminent Overseas Indians in diverse fields from across the world, to develop a comprehensive agenda for engagement between India and the Diaspora.

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**NATIONAL ELECTRIC
MOBILITY MISSION PLAN LAUNCHED TODAY**

The Hon'ble Prime Minister today unveiled the National Electric Mobility Mission Plan (NEMMP) 2020 in the presence of Shri Praful Patel, Minister for Heavy Industries & Public Enterprises and Shri Montek Singh Ahluwalia, Dy. Chairman, Planning Commission. The ceremony was attended by eminent leaders from the automotive industry, academia and research institutes, officers of stakeholder Ministries, National Manufacturing Competitiveness Council.

The principal end objectives of the National Mission for Electric Mobility (NMEM) are National energy security, mitigation of the adverse impact of vehicles on the environment and growth of domestic manufacturing capabilities. The NEMMP 2020, the mission document for the NMEM that was approved by the National Council for Electric Mobility (NCEM) on 29th August, 2012, sets the vision, lays the targets and provides the joint Government – industry vision for realizing the huge potential that exists for full range of efficient and environmentally friendly electric vehicle (including hybrids) technologies by 2020.

The NEMMP 2020 is a well researched document and relies on in-depth primary data based study conducted jointly by the Government and the Industry which indicates that high latent demand for environmentally friendly electric vehicle technologies exists in the country. As per these projections, 6-7 million units of new vehicle sales of the full range of electric vehicles, along with resultant liquid fuel savings of 2.2 – 2.5 million tonnes can be achieved in 2020. This will also result in substantial lowering of vehicular

emissions and decrease in carbon di-oxide emissions by 1.3% to 1.5% in 2020 as compared to a status quo scenario.

However, in view of the significant barriers that exist today for these frontier technologies, the global experience indicates that this is an area where Governments need to focus their efforts and provide support that is necessary for creation of the eco system and viable self sustaining business in the near future. This includes providing initial impetus through demand support measures that facilitate faster consumer acceptance of these expensive newer technologies. In addition, Government will also need to facilitate automotive R&D and put in place charging infrastructure. It is estimated that the Government will need to provide support to the tune of Rs 13000 – Rs 14000 Crore over the next 5-6 years. The industry will also need to match this with a much larger investment for developing the products and creating the manufacturing eco-system.

The NEMMP 2020 projections also indicate that the savings from the decrease in liquid fossil fuel consumption as a result of shift to electric mobility alone will far exceed the support provided thereby making this a highly economically viable proposition. Therefore on all counts encouraging the faster adoption of hybrid & electric vehicles and their manufacture in India is a wise investment for our future generations.

NMEM is amongst the most significant interventions of the Government that promises to transform the automotive paradigm of the future by lessening the dependence on fossil fuels, increasing energy efficiency of vehicles and by providing the means to achieve ultimate objective of cleaner transportation that is compatible with sustainable renewable energy generation. This

Intervention will also help encourage the Indian Automotive Industry to shift to newer, cleaner technologies so that it builds its future competitive advantage around environmentally sustainable products, high end technologies, innovation and knowledge.

The implementation and roll out of the NEMMP 2020 will be done through various specific schemes, interventions, policies that are currently under formulation and will be considered by the Government in the near future.

**ALIGNING 'NATIONAL INVESTMENT FUND'
OPERATION TO ENHANCE
'DISINVESTMENT POLICY'**

The Cabinet Committee on Economic Affairs today approved the following:

- (i) The disinvestment proceeds with effect from the fiscal year 2013-14 will be credited to the existing "public account" under the head National Investment Fund (NIF), and they would remain there until withdrawn/invested for the approved purposes.
- (ii) The NIF will be used for the following purposes:
 - (a) Subscribing to the shares being issued by the Central Public Sector Enterprise (CPSE) including Public Sector Banks (PSBs) and Public Sector Insurance Companies, on rights basis so as to ensure that 51 percent ownership of the Government is not diluted.
 - (b) Preferential allotment of shares of the CPSE to promoters as per Securities and Exchange Board of India SEBI (Issue of Capital and Disclosure Requirements)

Regulations, 2009 so that Government shareholding does not go down below 51 percent, in all cases where the CPSE is going to raise fresh equity to meet its capex programme.

(c) Recapitalization of PSBs and Public Sector Insurance Companies.

- (iii) Fund Managers presently managing the NIF will stand discharged of their responsibility from the date the funds and the interest income are transferred to the fund.

The NIF was constituted by the Cabinet Committee on Economic Affairs on 27th January 2005. The objectives structure and administrative arrangements, investment strategy were notified in November, 2005, and the NIF started functioning from October, 2007. As on 31st August 2012 the corpus in the NIF consisted of Rs.1814.45 crore, comprising the disinvestment proceeds of Power Grid Corporation of India and the Rural Electrification Corporation Limited done during 2007-08. This corpus is presently invested through three Public Sector fund managers (SBI, LIC and UTI Mutual Funds).

**EXECUTIVE COMMITTEE ON
CLIMATE CHANGE CONSTITUTED**

The Prime Minister has decided to constitute an Executive Committee on Climate Change to assist the Prime Minister's Council on Climate Change. The Executive Committee on Climate Change would focus on the following tasks:

1. Assist the PM's Council on Climate Change in evolving a coordinated response to issues relating to climate change at the National level.

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2. Regularly monitor the implementation of the eight national missions and other initiatives on Climate Change.
3. Advise the PM's Council on Climate Change on modifications in the objectives, strategies and structure of the missions, as may be necessary.
4. Co-ordinate with various agencies on issues relating to climate change.

The Chairman of the Executive Committee on Climate Change will be the Principal Secretary to the Prime Minister and Secretary, Ministry of Environment and Forests will be the Member-Convenor. Other members of the Committee include Cabinet Secretary, Finance Secretary, Secretary, Planning Commission, Secretary, Ministry of Power, Secretary, Ministry of New & Renewable Energy, Secretary, Ministry of Urban Development, Secretary, Water Resources, Secretary, Department of Science & Technology, Secretary, Department of Agriculture

& co-operation, Secretary, Department of Agricultural Research & Education, Secretary, Department of Earth Sciences, Secretary, Ministry of Coal, Secretary, Ministry of Petroleum & Natural Gas, Secretary, Department of Economic Affairs. The Chairman of Executive Committee on Climate Change may invite any other officer/Expert to the meetings as may be necessary. The PM's Council on Climate Change and the Executive Committee on Climate Change would be serviced by Ministry of Environment and Forests. The Prime Minister's Council on Climate Change was constituted in 2007, in order to co-ordinate National Action for Assessment, Adaptation and Mitigation of Climate Change. The National Action Plan of Climate Change (NAPCC) was released by the Prime Minister in June 2008. Under the NAPCC, with the approval of PM's Council on Climate Change, eight national missions are being implemented.

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SCIENCE REPORTER

WILDLIFE CONSERVATION

India's wildlife is passing through an extremely critical period, Almost all the protected areas and species are under human-related pressures in some way or the other. Common species such as House Sparrow, Black Drongo, and Indian Roller are becoming uncommon, The countryside that used to harbor Indian Fox, Jackal, and Blackbuck in large numbers is becoming harsh to them. The destruction deplorably continues, at times, at an alarming rate, The depletion of the wildlife can be attributed largely to deforestation and inroads of human civilization into the forest areas, Despite a growing appreciation of wildlife, the explosive growth of the human population has led to soaring demand for food, timber and housing, which has led to the destruction of India's natural habitats and of the beautiful wildlife heritage, Laws exist to protect the wildlife from slaughter and to regulate poaching, but unfortunately, the legal measures do not fully serve the desired purpose. The Indian landscape, once a broad mosaic of natural habitats ideal for wildlife, is now left with only scattered tracts of suitable 'wildland', This deteriorating condition calls for efficient wildlife management plans,

⇒ WILDLIFE MANAGEMENT-HUGE CHALLENGE

Wildlife management and the challenge of

conserving especially large mammals is complex and dynamic, involving ecological, economic, institutional, political, and cultural factors and any attempt to solve these issues must take them into account. Realistically, no single agency, organization, or institution will be able to solve wildlife conservation issues alone, No single plan or strategy can be completely comprehensive and correct, Recognizing these opportunities and the need to build strong partnerships with land managers, researchers, citizens, government officials, and adopting integrated wildlife management should be the way forward, It is important to look at the following areas to bring about practical and tangible changes in wildlife related matters.

Identifying the gaps: A collective capacity is still sorely lacking due to an enormous list of gaps and needs, These need to be identified - from global to national to local and from international conservation organizations to local community groups to governments to research institutions.

Training and capacity building: Training and capacity building are needed for individuals and institutions at all levels dealing with all aspects of wildlife conservation, including the development and implementation of institutional procedures and principles, site-specific programmes and processes, and governing laws

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and policies, Training programmes are especially essential at local levels to ensure the effective use of facilitation techniques and increased awareness of resources, best practices, tools, processes, and approaches for effective running.

Training should target forest managers, researchers and protected area officials who may have to deal with challenging wildlife questions, There is also heightened need to indulge conservation organization staff who may be managing conservation wildlife programmes for protected areas or regions, but do not have a complete set of skills or expertise to address the complex, multidisciplinary nature of wildlife management.

Creating coexistence: Wildlife related organizations, community leaders, and other groups and institutions should share experiences and lessons learned to enhance and refine the approach and incorporate more “out of the box” thinking and application in the work.

In the Indian system of wildlife management, adaptive management and applied research play an important role where wildlife interactions need to be informed by a more systematic understanding, use, and application of biological, social, and cultural knowledge and norms, Adaptive management in terms of wildlife protection needs to be more responsive to disagreements; more proactive in using research, best practices, and other resources; and more assertive in learning about, developing, and implementing solutions.

Meraj Anwar, Senior Project Officer, WWF-India, feels, “Wildlife management should include social, cultural, historical, biological, ecological, political, historical, economic, and geographical components and should be made

and reviewed, along with any action plans, by all stakeholders. Training, expert facilitation, and applied research focused on wildlife related issues, causes, effects, and solutions will improve overall management efforts. More *effective* monitoring and evaluation of all aspects of wildlife conservation need to occur and should be fed back into management and research plans.”

Sufficient funding: Funding is *very* essential when it comes to biodiversity conservation or wildlife conservation *per se*. Nachiketh Sharma, Wildlife Researcher at Center for Ecological Science, Indian Institute of Science, Bangalore, feels, “There is a clear relationship between the amount and reliability of conservation funding available, and the extent and quality of wildlife protection and restoration that can be carried out.” Funding is needed at local, national, and global levels. Local funding is essential to ensure that “best practices” are being developed and implemented soundly and effectively, and that multidisciplinary, multi-tactic, and comprehensive programmes are given adequate support to ensure the best chance of success. At the *global level*, funding is needed to ensure that the progress and lessons learned locally are appropriately made available to the wider community. Globally informed and developed resources, exchanges, innovations, and efforts require funding to ensure that local efforts continue to act with state-of-the-art knowledge and practice.

Committed research and researchers: With these research and applied management strategies in wildlife, it is vital to understand the role of core scientific research and researchers in wildlife. It is perhaps, one of the key areas that is often neglected.

⇒ **NEW BIRD SPECIES IN INDIA**

A new species of bird belonging to the family Rallidae has been discovered in the Great Nicobar Islands, the largest Island of Nicobar Group. The credit for the discovery of this new species of Crake previously unknown to science goes to the scientist of the Zoological Survey of India (Andaman & Nicobar regional centre) Mr. S. Rajesh Kumar and Mr. C. Ragunathan. The news of this amazing discovery was published in the 17 June 2102 issue of Bulletin of the Oriental Bird Club (OBC). Professor Pamela Cecile Rasmussen, a renowned American Ornithologist and an authority on Indian birds, has confirmed the discovery of this new species of bird. Pamela Rasmussen is known the world over as the coauthor of the acclaimed Birds of South Asia: The Ripely Guide (Volume 1 and 2).

Post Independence this is the third instance of the discovery of a bird species in India. The first bird species to be discovered in independent India was in the year 1948 when India's birdman Late Dr. Slim Ali and American ornithologist Late Sidney Dillon Ripley reported the discovery of a new bird species Rusty-throated Wren babbler *Spelaornis badeigularis* from the Mishmi Hills of Arunachal Pradesh. Salim and Ripley had got a Single dead female Specimen of the bird. The species was reported again by American ornithologists Ben King and Julian P. Donahue in the year 2006.

The second instance of a discovery of a new species of bird in India was in the year 2006. Raman Athreya, a professional astronomer and an amateur ornithologist, reported the finding of a new species of *Liocichla*, an Asian babbler near Eaglenest wildlife sanctuary in western Arunachal Pradesh. It was named Bugun *liocichla* (*Liocichla bugunorum*) after the local Bugun community. A live bird was successfully netted in 2006. After a period of six years another new

species of bird has been discovered in India, S. Rajeshkumar found a single Croke at Govind Nagar tsunami shelter on the east coast of Great Nicobar on 21 November 2011. The bird was observed foraging for insects in the open for about fifteen minutes at a range of four meters and provided good views. As he photographed the bird, it was silent throughout the encounter and when disturbed instead of taking flight ran away quickly and hid up a steep slope. For convenience the new found croke is being called the "Great Nicobar croke", The bird will not be scientifically named till a type specimen (normally a dead bird) is collected.

When a new species is described a dead individual is preserved in a museum as the 'type specimen', which proves the existence of the species and displays the features that distinguish it from other species. The newly discovered Great Nicobar croke is about the size of an adult White-breasted waterhen with a thick bill and fairly short tail.

⇒ **NEW LEASE OF LIFE FOR NORTHERN RIVER TERRAPINS**

The Northern River terrapin *Satagur baska* is now restricted to parts of North-eastern India (Orissa and the Sundarbans region of India), part of Sundarbans in Bangladesh and possibly Myanmar.

It is a critically endangered species. There are no known active nesting sites and no population data exists for this species but it is clear that wild populations have crashed with only remnant survivors remaining (Brian D. Horne, TSA 2011 Magazine). These rare terrapins are feared extinct in the wild because for the past few years there has not been a single sighting. Only a few remnants have been recorded from village ponds of the Indian and Bangladesh Sundarbans where people keep turtles as pet and a source of eggs. In November 2010 a wild male

was seen slaughtered at a market in Dhaka providing evidence of a few remaining species in the wild but the picture in the Indian part of the Sundarbans is much more grim.

⇒ **WILD ASS NATIONAL PARKE**

Little Rann of Kutch, situated in the Thar Desert of Gujarat, was established in January 1972 as a sanctuary for the last population of Indian wild ass (*Equus hemionus khur*), locally known as khur. The only other two subspecies of wild asses live in the high arid plateaus of Tibet. Around 150 kilometers off Ahmedabad, the wild Ass Wildlife Sanctuary covers an area of roughly 5,000 square kilometers. The climate of the region is extreme with May being the hottest month. The average temperature during this time is around 31°C. January is the coldest month with an average temperature of 11°C. During the monsoon, the whole region becomes flooded with rainwater. They are slightly bigger than a donkey, and are fast and strong like a horse. Few animals

in the animal kingdom can match the wild ass in terms of speed and stamina. They are capable of marathon runs at a pace of about 24 kilometers per hour for as long as two hours, reaching a top speed of 70 kilometers per hour over short distances.

The khur inhabits hills during the monsoon, and in the dry season descends and forages along the edge of the Little Rann, where it frequently raids cultivated fields during darkness. Apart from the wild ass, the region is inhabited by other wild animals also much as the chinkara, desert fox, jackal, desert cat, carracal, nilgai, wolf, blackbuck, and striped hyena.

The Khur was given full legal protection in 1952. The other threats to this last refuge of the Indian Wild Ass are from vehicular traffic that damages the fragile ecosystem, cutting trees to make charcoal, and extensive illegal salt mining operations that are eating into the sanctuary and causing pollution.

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