Issue 1: September, 2016

GS SCORE CURRENT ANALYST

COVER STORY:

Acquisition Issue in India

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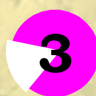

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Objective

With the changing pattern of IAS and preparation methodology, now the aspirant is facing the issue of information overload. The proper articulation of information is important for penning down one's thoughts in the Mains answer.

Thus GSSCORE is coming up with "CURRENT ANALYST" – a magazine that provides material on contemporary issues with complete analysis.

The material has been designed in lucid and QnA format so that an aspirant can develop thinking process from Basic to Advance while reading the topic.

This will enhance the informative and analytical knowledge of aspirants.

All the best !!!

Current ANALYST

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COVER STORY

LAND ACQUISITION ISSUE IN INDIA

Context

The Supreme Court has quashed the 2006 allotment of 997 acres by the then CPI(M)-led government in West Bengal to Tata Motors for the company's aborted project to start a Nano car plant in Singur, declaring that the "West Bengal" Government acquisition of agricultural land in Singur under emergency clause for industrial projects of private companies was illegal".

Land as a Resource

Land is the most important component of the life support system. It is the most important natural resource which embodies soil and water and associated flora and fauna involving the ecosystem on which all man's activities are based.

In a developing country like India, land is not only an important factor of production, but also the basic means of subsistence for majority of the people. Land is required for both agriculture and non-agricultural purposes, including establishment of industries, housing, roads, parks, railway lines, etc. The land related problems arises because market driven, albeit unplanned diversification as well as urbanisation often results in unsustainable patterns of development.

Fig. 1

Land Use Pattern for Non-Agricultural activities

Urbanization

Level of urbanization in India has increased from 17% in 1951 to 31% in 2011. According to the world population prospects by the UN, 55% population of India will be urban by the year 2050. The number of urban agglomerations, having a population of more than one million has increased from 5 in 1951 to 53 in 2011.

Most of the cities are traditionally located along the major rivers, around lakes and along the coastline, the agriculturally productive belt and environmentally sensitive areas. The urban land is about 2.35% of the country's total land area. However, several land use conflicts and environmental problems originate from urban area. The mega cities are mostly spilling over to rural-agricultural belt (peri-urban areas) due to abnormally high land price in the cities as compared to household income of the average citizens. The peri-urban areas or fringes of such agglomerations are under fast transformation resulting into haphazard growth of slums, unauthorized colonies, piecemeal commercial development, intermixes of conforming and non-conforming uses of land coupled with inadequate infrastructures, services and facilities.

The demand for non-farm land use will also increase further in future. There is a need for appropriate land utilisation and management strategy to cater to the growing urbanization needs.

Industrial Development

Industrial development, apart from urbanization, is the major driver of economic growth in India. The industrial development that is seen in the form of industrial estates, special economic zones, specialized industrial parks, investment zones, NMIZs, special investment regions, PCPIRs (petroleum, chemicals and petro chemical investment regions) and industrial corridors occupies a lot of land. The industrial development is associated with supportive development, viz, housing areas, transport, trade and commerce areas, wasteland, and waste water treatment and disposal areas, etc., which also require considerable amounts of land.

Industrial Corridors

The Delhi Mumbai Industrial Corridor covering an overall length of 1,483 km and passing through the States of Uttar Pradesh, Haryana, Rajasthan, Madhya Pradesh, Gujarat and Maharashtra and the National Capital Region of Delhi, will have 24 identified Industrial Areas and Investment Regions requiring large quantity of land for development not only for industrial areas but also for supporting population arising out of 3 million jobs that would be created. A similar Chennai-Bengaluru Industrial Corridor is proposed. Similar other mega industrial infrastructure projects will come up in the future in the country.

Special Economic Zones (SEZs)

The creations of large number of SEZs as per the Special Economic Zone Act of 2005, involving large extent of fertile agricultural land, have added substantially to already aggravated land relations in India. However, people lose access to farmlands, grazing grounds water bodies and other common resources. The agrarian protests against the SEZs are prevalent everywhere in India.

Mineral Industry

Land also has hidden treasure of vast resources of different kinds of minerals. India is rich in mineral resources such as bauxite, iron, copper, zinc, gold, diamonds etc. Minerals are basic raw materials for many industries and play a key role in the evolution of human society and the development of economies. The wide availability of the minerals in the form of abundant rich reserves/resources makes it very conducive for the growth and development of the mining sector in India. Presently, utilisation of land by mineral sector (excluding atomic, fuel and minor minerals) is about 0.17% of India's total land (as in 2010-11) and contributes about 2.72% to the GDP of India. The sector provides employment to over 5 lakh people directly. The needs of economic development of India make the extraction of the nation's mineral resources an important priority. The State Governments are the owners of minerals located within their respective boundaries. The Central Government is the owner of the minerals underlying the ocean within the territorial waters or the EEZ of India. Extraction of minerals involves use of land for undertaking mining.

Mining Sector

Mining industry, unlike other industries, is site specific and degradation of the land and other associated natural resources becomes inevitable. Mining areas are closely linked with forestry and environment issues. A significant part of the nation's known reserves of some important minerals are in areas which are under forest cover. Further, mining activity has potential to disturb the ecological balance of an area. For ensuring sustainable development, there is a need to properly plan and manage mining areas.

Transport Sector

The major land users in the transport sector are: railways (railway tracks, stations, workshops, etc.), roadways (roads, fuel pump stations, toll plazas, utilities etc.), airways (airports, runways, workshops etc.), waterways (ports, workshops, godowns, etc.). The total road network in India is 4.69 million km in length. In the case of roadways, under the National Highways Act, 1956, the Central Government has power to acquire land for National Highways.

Land plays an important role in all these matters. There is a need to prevent or at least minimize social conflicts arising from acquisition of lands or development of such activities that pose conflicts Hence there is a need for scientific, aesthetic and orderly disposition of land resources, facilities and services with a view to securing the physical, economic and social efficiency, health and well-being of communities.

Land Acquisition Procedure

Given the fact that Land Acquisition falls under the concurrent list both the State Government and the Central Government have amended the law, evolving it with time and according to the local needs.

The government has to follow a process of

- Purpose of land acquisition
- Declaring the land to be acquired
- Compensation
- Social Impact Assessment & Rehabilitation And Resettlement
- Use of the Acquired land
- Dispute Settlement

Purpose

Land can be acquired for the purposes listed under state and central list respectively. A land can be acquired by the state only for Public Purpose. Broadly speaking, public purpose would include a purpose, in which the general interest of the community, as opposed to a particular interest of the individual, in generally and vitally concerned. In a generic sense the expression public purpose would include a purpose in which where even a fraction of the community would be involved.

Declaration

The proceeding under the Land Acquisition is of an administrative nature and not of a judicial or quasi judicial character. When a government intends to occupy a land in any locality is has to issue a notification in the official gazette, newspaper and give a public notice which entitles anyone on behalf of the government to enter the land for the purposes of digging, taking level, set out boundaries, etc.

The notification puts forward the intention of the government to acquire and entitles government officials to investigate and ascertain whether the land is suitable for the purpose. The section also makes it mandatory for the officer or person authorised by the government to give a notice of seven days signifying his intention to enter any building or enclosed court in any locality.

Compensation

Making an award to persons claiming compensation as to the value of land on the date of notification is the next step. The award made must be under the following three heads:

- Correct area of land.
- Amount of compensation he thinks should be given.
- Apportionment of compensation.

But for the government and its agents, cash compensation seems to be the only panacea for the problems induced by displacement and the only policy of rehabilitation, whereas, in practice it is the most inadequate means for rehabilitation.

Package differs from project to project; normally cash component is invariably involved in all projects in addition to provide space for housing.

Rehabilitation and Resettlement

Acquisition of land for public purpose displaces people, forcing them to give up their home, assets and means of livelihood. Apart from that displacement has other traumatic psychological and socio-cultural consequences.

The Government of India recognizes the need to minimize large-scale displacement to the extent possible and where displacement is inevitable, the need to handle with utmost care and forethought issues relating to resettlement and rehabilitation of project affected families.

The benefits to be offered under this include:

- Land-for-land, to the extent government land would be available in the resettlement areas;
- Preference for employment in the project to at least one person from each nuclear family within the definition of the 'affected family', subject to the availability of vacancies and suitability of the affected person;
- Training and capacity building for taking up suitable jobs and for self-employment;
- Scholarships for education of the eligible persons from the affected families;
- Preference to groups of cooperatives of the affected persons in the allotment of contracts and other economic opportunities in or around the project site;
- Wage employment to the willing affected persons in the construction work in the project; and
- Housing benefits including houses to the landless affected families in both rural and urban areas; and other benefits.

Land acquisition and rehabilitation policy in India

Land acquisition is the process by which the government forcibly acquires private property for public purpose without the consent of the land-owner. It is thus different from a land purchase, in which the sale is made by a willing seller.

Though land is a state subject, "acquisition and requisitioning of property" is in the concurrent list. Both Parliament and state legislatures can make laws on this subject.

Land Acquisition Act, 1894

Till 2013, The Land Acquisition Act, 1894 (1894 Act) used to governs all such acquisitions. But the 1894 Act does not provide for rehabilitation and resettlement (R&R) for those affected by land acquisition. Various state legislatures have also passed Acts that detail various aspects of the acquisition process.

Various shortcomings of The Land Acquisition Act 1894 were

- *Forced acquisitions*
- *No safeguards:* There is no real appeal mechanism to stop the process of the acquisition.

- *Silent on resettlement and rehabilitation of those displaced.*
- *Urgency clause:* This is the most criticized section of the Law. The clause never truly defines what constitutes an urgent need and leaves it to the discretion of the acquiring authority.
- *Low rates of compensation.*
- *Litigation* and installation of projects.

In 2013, Parliament passed a new "Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" which governs the Land acquisition process.

Land Acquisition Act 2013

The main aim of the enactments is to ensure and adopt humane, participatory informed consultative and transparent process for land acquisition for industrialization and urbanization with the least disturbance to the owners of the land and other affected families; and to provide just and fair compensation to the affected families. The Act further seeks to ensure that the cumulative outcome of compulsory acquisition should be that affected persons become partners in development.

The salient provisions of the Act are:

A. *Purpose of Land Acquisition*

- Public private partnership projects, where the ownership of the land continues to vest with the government, for public purpose.
- Private companies for public purpose.

The definition of public purpose includes:

- Strategic purposes relating to naval, military, air force, and armed forces, any work vital to national security or defence of India or State police, safety of the people;
- For infrastructure projects including agro-processing, warehousing, cold storage facilities, marketing infrastructure for agriculture and allied activities such as dairy, fisheries, and meat processing, industrial corridors or mining activities, national investment and manufacturing zones, water harvesting and water conservation structures, sanitation, Government aided educational and research schemes or institutions, Project for sports, heath care, tourism, transportation of space programme;
- Project for project affected families;
- Project for housing;
- Project for planned development or the improvement of village sites or any site in the urban areas or provision of land for residential purposes for the weaker sections; and
- Project for residential purposes to the poor or landless or to persons residing in areas affected by natural calamities.

B. *Consent of Project Affected people for land acquisition*

- The Act makes mandatory provision for obtaining consent of atleast 80% project affected families in case of acquisition for private companies and consent of 70% project affected families in case of acquisition for public private partnership projects.
- This clearly specifies that when the government acquires land directly for declared public purpose, consent of project affected people is not required but when land is acquired for public private partnership project or for private company for production of public goods/ services, consent of 70%/80% project affected people is required to be obtained
- Further land transfer laws applicable in schedules areas shall be complied with before acquiring land in scheduled areas.
- The Act provides that provision for rehabilitation and resettlement shall be made when private company acquires land exceeding the limit proscribed by government through private negotiations or private company requests government for partial acquisition of land for public purpose.
- Provisions for compensation and rehabilitation and resettlement has been made for landowners, whose land is proposed to be acquired and landless also, whose livelihood is likely to be affected by the said acquisition such as agricultural labourers, tenants, fisherman, hunters, boatmen, etc.

C. *Social Impact Assessment Study*

Before acquiring land, the Government shall carry out social impact assessment study in consultation with Gram Sabha or equivalent authority in affected area covering following:

- Nature of public interest involved;
- Estimation of affected families;
- Study of socio economic impact upon families residing in affected area;
- Extent of land, public, private houses, other common properties likely to be affected by such proposed acquisition;
- Whether land acquisition at alternate place has been considered and was found not feasible; and
- Study of social impact from project, nature & cost of addressing them, including environmental cost.

The Act imposes a duty on government to ensure Social Impact Assessment study shall be completed within 6 months from the date of commencement.

Act also makes provision for open public hearing by the Government, widely publication of social impact assessment report and evaluation of report by independent multi disciplinary expert group appointed by government. If the Expert group is of opinion that project does not serve stated public purpose, or not in public interest at large or cost and other adverse impact will outweigh potential benefits, it shall make recommendation that project shall be abandoned immediately and no further steps will be initiated to acquire land.

Further the Social Impact Assessment Study shall be evaluated by an expert group constituted by government. Expert group shall make recommendation within 2 months from the date of its constitution.

The committee shall ensure that:

- There is legitimate & bona fide public purpose for proposed acquisition;
- The said public purpose is on balance of convenience & in long run, will serve large public interest;
- Only the minimum area of land required for project is proposed to be acquired; and
- There is no unutilized land, which has been previously acquired in the area.

Central government shall consider evaluation report of expert group before taking decision for acquisition of land.

Further Government may exempt social impact assessment study in case of urgency.

D. Restriction on acquisition of irrigated Land

Government shall not acquire irrigated multi cropped land. Such land may be acquired only in exceptional circumstances, but acquisition of irrigated land in aggregate for all projects in a district, shall not exceed the limit prescribed by government. Further, whenever irrigated land is acquired, an equivalent cultural wasteland shall be developed for agriculture purpose. Further linear projects such as railways, highways, road, and irrigation projects are exempt from these said restrictions.

For acquiring any land, government shall issue primary notification within 12 months from the date of social impact assessment report, other the same shall be treated as lapsed and a fresh social impact assessment report shall be required.

E. Rehabilitation & Resettlement

On publication of primary notification, administrator shall conduct a survey and prepare a rehabilitation and resettlement for project affected families. After public hearing, collector shall publish the Rehabilitation & resettlement scheme and government within 12 months from the date of preliminary notification shall public declaration for acquisition of land.

F. Compensation

Minimum compensation package shall constitute of following:

- Market value of the land shall be the minimum land value, as specified in Indian Stamp Act, 1899 or average sale price of similar land situated in nearest areas, or consented compensation as agreed in case of acquisition of land for private companies or for public private partnership whichever is higher. Market value of land situated in rural areas shall be multiplied by factor of two;
- Value of assets attached to land or building as determined by collector;
- Solatium, equal to 100% of total compensation; and
- The Company for whom land is being acquired may offer its shares upto 25% of the Compensation amount. In case the project affected family wishes to avail of this offer, an equivalent amount will be deducted from the land acquisition compensation package payable to it.

G. Role for Panchayati Raj Institutions especially Gram Sabhas

The Social Impact Assessment has to be carried out in consultation with the representatives of the Panchayati Raj Institutions. The reports prepared under the Social Impact Assessment are to be shared with these individuals in their local language along with a summary. The Expert Group has to have two members belonging to the Panchayati Raj Institutions. This is a powerful body that has the power to reject a project. In case where an affected area involves more than one Gram Panchayat or Municipality, public hearings shall be conducted in every Gram Sabha where more than twenty five per cent of land belonging to that Gram Sabha is being acquired. The Consent of Gram Sabha is mandatory for acquisitions in Scheduled Areas under the Fifth Schedule referred to in the Constitution.

Further the Rehabilitation and Resettlement Committee at Project Level has to have the Chairpersons of the Panchayats located in the affected area or their nominees as representatives. Panchayat Sabhas have to be provided as per the list of Infrastructural amenities given in the Third Schedule.

H. Special Provisions for Farmers

- ***Acquisition only if necessary:*** The Collector has to make sure that no other unutilised lands are available before he moves to acquire farm land.
- ***Enhanced Compensation:*** All farmers in rural areas will get up to 4 times the highest sales prices in a given area.
- ***Strict Restrictions on Multi-Crop Acquisition:*** The acquisition of agricultural land and multi-crop land has to be carried out as a last resort.
- ***Consent:*** Prior-consent shall be required from 70 per cent of land losers and those working on government assigned lands only in the case of Public-Private Partnership projects and 80 per cent in the case of private companies. This consent also includes consent to the amount of compensation that shall be paid.
- ***Return of Unutilised land:*** Land not used can now be returned to the original owners if the State so decides.
- ***Share in Sale of Acquired Land Increased:*** The share that has to be distributed amongst farmers in the increased land value (when the acquired land is sold off to another party) has been set at 40%.
- ***Income Tax Exemption:*** All amounts accruing under this act have been exempted from Income tax and from Stamp duty.
- ***Damage to crops to be included in price:*** The final award has to include damage to any standing crops which might have been harmed due to the process of acquisition (including the preliminary inspection).
- ***Share in Developed Land:*** In case their land is acquired for urbanisation purposes twenty per cent of the developed land will be reserved and offered to these farmers in proportion to the area of their land acquired and at a price equal to the cost of acquisition and the cost of development.

Grey areas of the 2013 Act were:

- Lack of sufficient clarity regarding public purpose.
- Government's unquestionable powers for acquisition.
- Limitations for taking back the land remaining unused.
- Ceiling for acquisition by government and for direct purchase by private entrepreneurs.
- Utilization of compensation.
- There is absence of sufficient protection for small land holders and marginal farmers.

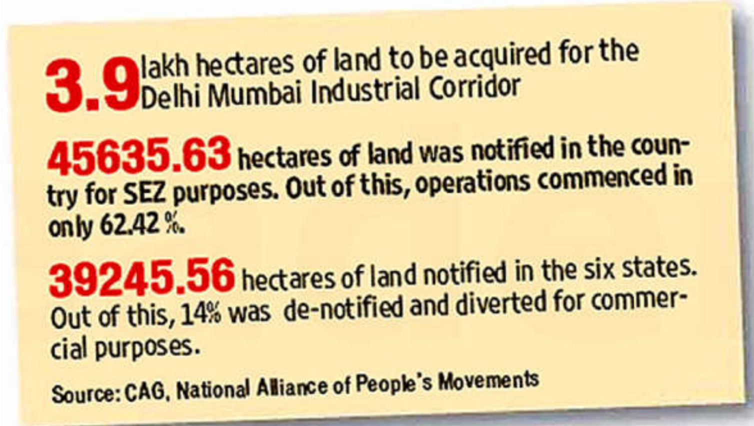

Fig. 2

Land Acquisition Bill, 2015

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Bill, 2015 has been introduced in Parliament. The Bill has been passed by Lok Sabha, with certain changes, and is pending in Rajya Sabha.

The Department of Land Resources (DoLR) is administering the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013. This Act came into force on 01.01.2014 by repealing the Land Acquisition Act, 1894. It was observed that some provisions of the Act were making the implementation of the Act difficult and this made it necessary to bring changes in the Act, while safeguarding the interest of farmers and affected families in cases of land acquisition.

Some of the major changes proposed by the **2015 Bill (as passed by Lok Sabha) relate** to provisions such as obtaining the consent of land owners, conducting an SIA, return of unutilized land, inclusion of private entities, and commission of offences by the government.

Here are the six important facts regarding the new 2015 bill -

- The Bill creates five special categories of land use:

- Defence,
- Rural infrastructure
- Affordable housing
- Industrial corridors
- Infrastructure projects including Public Private Partnership (PPP) projects where the central government owns the land.

- The Bill exempts the five categories from provisions of the LARR Act, 2013 which requires the consent of 80 per cent of land owners to be obtained for private projects and that of 70 per cent of land owners for PPP projects.
- The Bill allows exemption for projects in these five categories from requiring Social Impact Assessment be done to identify those affected and from the restrictions on the acquisition of irrigated multi-cropped land imposed by LARR Act 2013.
- The Bill brings provisions for compensation, rehabilitation, and resettlement under other related Acts such as the National Highways Act and the Railways Act in consonance with the LARR Act.
- The Bill changes acquisition of land for private companies mentioned in LARR Act, 2013 to acquisition for 'private entities'. A private entity could include companies, corporations and nonprofit organisations.

The Issue of Consent:

The 2013 Act provided that acquisition of land for private companies required consent of at least 80 per cent of those affected families and in the case of public private partnership projects of at least 70 per cent. The Bill excludes a range of more projects whether in the public or private sector from the condition of getting consent from the farmers. Projects to be excluded include all those relating to defence production, power projects and other projects for rural infrastructure, housing for poor, industrial corridors and PPP projects. Since most of land acquisition has been for such power and irrigation related projects, the exemption given from getting the consent of farmers will be disastrous for the farmers.

Thus the Bill reinstates the "Eminent domain" or power of the State to forcibly acquire Land without the owner's consent by the different exemptions given in the Bill. The amendments will remove distinction between acquisition for the State and for Private companies. It will bring private companies and their activities of unbridled profiteering into public purpose.

In a sense therefore these amendments are even more retrograde than the 1894 Act. Even though the 1894 Act allowed the use of the State's eminent domain to forcibly acquire land for public purpose, acquisition could not be done for "private purposes" of a company simpliciter, and had to be made in the "larger public interest". Further, acquisition for companies was not to be done without due consideration, simply on demand. But now all that is done away with.

The Issue of Social Impact Assessment and Safeguard for Food Security:

The 2013 Act stated for Social Impact Studies and Assessments. This is to have an impartial assessment as to how many families will be affected, is the land being acquired the minimum of what is actually required, whether any alternative site is available and so on. Corporates had strongly opposed this Chapter as often they have acquired land far in excess of the actual requirement, fudged figures of those affected and so on.

The Bill exempts all categories included in its new proposed described above entirely from having any Social Impact Assessment.

Similarly there is wholesale exemption from 'special provisions to safeguard food security. It categorically states "no irrigated multi cropped land shall be acquired under this Act." However it does give certain exemptions for "exceptional circumstances" and as a "demonstrable last resort."

They are deeply anti-farmer and pro-corporate.

The Issue of Government Acquisition for Private Sector:

The Act had excluded Government acquisition for private hospitals, private educational institutions and private hotels. The Bill however permits Government acquisition of land for private hospitals, hotels and educational institutions. Thus the very definition of "public purpose" gets converted to public purpose for private profit.

Public purpose must be defined as activities which are of direct benefit to the largest number of people and does not include the furtherance of private speculation and profit.

The provision to include private hospitals and private educational institutions under social infrastructure category thus to enable cheap and forcible acquisitions of land cannot be accepted.

New Addition of Private Entity:

An addition has been made to change the word 'public company' to "private entity" which includes

corporates, proprietorships and even non-profit organisations or any other entity under any law. This amendment widens the scope of those who can grab land.

The Issue of Unutilized Land:

Under the Land Acquisition Act, 2013 if land acquired remained unutilised for 5 years, it was to be returned to the original owners or the land bank.

According to the Land Acquisition Bill, 2014 the period after which unutilised land will need to be returned will be 5 years, or any period specified at the time of setting up the project, whichever is later.

This Amendment will ensure holding of land for a prolonged period even if unutilised and encourage speculative activity.

The Issue of Retrospective Effect:

The Land Acquisition Act, 2013 states that the Land Acquisition Act, 1894 will apply in those cases, where an award has been made under the 1894 Act.

However, if such an award was made five years or more before the enactment of the 2013 Act, and the physical possession of land has not been taken or compensation has not been paid, the 2013 Act will apply.

The Land Acquisition Bill, 2014 states that in calculating this time period, any period during which the proceedings of acquisition were held up: (i) due to a stay order of a court, or (ii) a period specified in the award of a Tribunal for taking possession, or (iii) any period where possession has been taken but the compensation is lying deposited in a court or any account, will not be counted.

As can be seen this Bill paves way for forcible and indiscriminate land acquisition by doing away with the need for consent of the land owners and Social Impact Assessment. The definition of public purpose is further diluted and will bring Private companies and their activities of unbridled profiteering into public purpose and promote further unregulated takeover of land by corporates. Food security will be compromised as it will now be possible to easily acquire multi-cropped fertile land as well as productive rain-fed and semi-arid land for industrial corridors, infrastructure projects including the PPP projects. The provision to substitute "private company" with "private entity" is a blatant attempt to widen the scope of land grabbing. The provision to include private hospitals and private educational institutions under social infrastructure category thus to enable cheap and forcible acquisitions of land cannot be accepted.

The Bill is merely an instrument for speedy expropriation and facilitation of land acquisition in a quick, cheap and easy way with little concern for consent, adequate compensation and rehabilitation of landowners and other dependents on land.

Development Induced Displacement

With the increasing pressures on land due to urbanization, the acquisition of land by the Government has increased. It raises the classic debate of *power of state versus individual rights*. Typically, government is thought to be representative of the collective, the voice of the public, as compared to the individual. For example, governments build street lights on the roads, because it is a collective interest and not just one person's.

Development-induced displacement can be defined as *the forcing of communities and individuals out of their homes, often also their homelands, for the purposes of economic development.* Use of coercion or force of any nature by State is central to the idea of development-induced displacement. But at the international level, it is viewed as a violation of human rights.

Thus in India, there are a rising number of protests against compulsory acquisition of land for construction of Special Economic Zone such as Nandigram or construction of large dams like Sardar Sarovar Dam on the river Narmada, which famously led to a cancellation of grant by World Bank due to protests under the argument that the tribal population was getting displaced under unfair conditions among other reasons such as environmental impact of the project.

The other main issue in news was Tata's Nano car in Singur, in which 997 acres of agricultural land was acquired to set up a factory for one of the cheapest cars in Asia, (the project was subsequently shifted to Gujarat).

About the Singur Issue

The land was legally acquired by the West Bengal Industrial Development Corporation (WBIDC). The WBIDC then granted a lease to Tata Motors, and handed over possession.

In May 2006, the then West Bengal chief minister, Buddhadeb Bhattacharya, and the then Tata group chief, Ratan Tata, announced that the Nano project would come up in the state. Massive demonstrations were held against the forcible land acquisition proposed for the project.

It became controversial because it was ***prime arable land*** that was forcibly acquired by the West Bengal government.

In 2008, a division bench of the Calcutta high court upheld the acquisition of the land, holding it to be in the interest of the public and for public purpose.

This was quickly challenged in the Supreme Court.

Timeline of the Issue

May 2006: Tata Motors announces Nano car plant at Singur in West Bengal.

July 2006: Mamata Banerjee opposes the plant on fertile land.

December 2006: Protests against the acquisition begins.

December 2006: Mamata Banerjee holds 26-day hunger strike against the land acquisition | Also read: Singur and political posturing

January 21, 2007: Tata Motors starts construction of Nano car plant in West Bengal.

January 18, 2008: Calcutta High Court upholds Singur land acquisition, following which farmers and NGO moved the Supreme Court challenging the HC order.

August 24, 2008: Mamata Banerjee starts indefinite dharna at Singur outside the car plant.

September 2, 2008: Tata Motors suspends work on Nano Plant at Singur.

September 3, 2008: Governor Gopal Krishna Gandhi plays mediator; CPI(M)-led Left Front government and Trinamool agree to hold discussions.

September 5, 2008: West Bengal government and Trinamool start negotiations.

September 7, 2008: Talks break down.

October 3, 2008: Tata Motors decides to move out of Singur. Read: We cannot run a plant with police protection, says Tata

October 7, 2008: Tata Motors announces new Nano Plant at Sanand in Gujarat.

May 20, 2011: Mamata Banerjee sworn in as Chief Minister of West Bengal, announces first Cabinet decision to return 400 acres of land to unwilling Singur farmers.

June 14, 2011: Singur Land Rehabilitation and Development Bill, 2011 passed in West Bengal Assembly.

June 22, 2011: Tata Motors moves Calcutta High Court challenging the Bill.

September 28, 2011: Calcutta High Court single bench upholds the Singur Land Rehabilitation and Development Act, 2011.

June 22, 2012: A division bench of Calcutta High Court strikes down the Bill on an appeal by Tata Motors.

August 31, 2016: Supreme Court sets aside January 18, 2008 order of Calcutta High Court, allows appeals filed by some farmers and NGOs

About Supreme Court Judgment:

The judgment questions - the former government's acquisition of the land over the objections raised by farmers and even proceeding to install equipment and factory machinery while the cultivators'' challenge to the acquisition was still pending in the courts.

Farmers alleged that the acquisition of land in the case was not for a public purpose, but for a company, Tata Motors, under the guise of a public purpose.

Acquisition for a public purpose is made under Part II of the LAA, whereas the acquisition for a company is made under Part VII of the LAA.

However, the Singur acquisition took place under Part II of LAA, rather than under Part VII.

SC said though it is "completely understandable" for the government to acquire land to set up industrial units, but the "brunt of development" should not be borne by the "weakest sections of the society, more so, poor agricultural workers who have no means of raising a voice against the action of the mighty State government."

"In the instant case, what makes the acquisition proceedings perverse is not the fact that the lands were needed for setting up an automobile industry, which would help to generate employment as well as promote socio-economic development in the State, but that the proper procedure as laid down in the Land Acquisition Act was not followed by the State government".

SC asked government to quash the acquisition process of the land and return it to thousands of short-changed landowners, farmers and cultivators, who have been fighting a prolonged legal battle for over 10 years.

SC directed that the land be given back to the landowners, and compensation, if any, paid to them should not be recovered from them.

SC also held that those who had not collected the compensation would be free to collect it instead of damages for having been deprived of the land for 10 years.

SC agreed in quashing the acquisition and setting aside the high court judgment dated 18 January 2008.

SC directed a fresh survey of the lands acquired, and to be returned to the landowners/cultivators within 10 weeks of the order, and restoration of the lands to them within 12 weeks of the judgment.

The struggle of Singur established their rights over land.

Impact of verdict on industrial reforms in India:

More liberal land acquisition regulation is one of the main planks of industrial reform and growth proposed by the NDA government.

With the Supreme Court now having come down on the side of protecting individuals' rights, potential reform of land laws could meet even greater resistance now.

Impact of induced displacement on common people:

The effects of displacement spill over to generations in many ways, such as loss of traditional means of employment, change of environment, disrupted community life and relationships, marginalization, a profound psychological trauma and more.

As per the survey of Faction Aid and Indian Social Institute over 14 million people have been displaced from their homes in the four states of Andhra Pradesh, Chhattisgarh, Orissa and Jharkhand. A total of 10.2 million acres have been acquired for setting up of development projects such as mines industrial plants and dams in these states in the last decade. Out of the 14 million displaced persons in these four states, 79 percent were tribals. Studies on the social impact of development projects suggest that indigenous people and ethnic minorities are disproportionately affected. In India, adivasi or tribal people, although only representing 8 per cent of the total population, make up 40-50 per cent of the displaced. The decision on displacement adds to this ongoing sense of threat to their livelihood and the consequent feeling of insecurity. Similar is the situation with the dalits, particularly the landless labours among them who depend for their survival on the village as a community. Disappearance of the village is the threat to their livelihood. Where possible they react to this situation by trying to define their livelihood. They therefore need to defend themselves more than the middle farmers do. As a result of loss of land through displacement deprives them by their livelihood with the no other economic base to take its place. It impoverishes the tribals more than others. On the one hand for the developed countries the displacement problem is not so big due to balance of land and man ratio. On the other hand for the developing countries the displacement problem has emerged as an issue due to adverse land man ratio. According to the statistical estimates 2 core people out of which 85 lakhs are tribal have been displaced from their native places from 1957 to 1990 due to the construction, irrigation projects, mining projects and national highway projects. In a democratic country, where displacement takes place by government or private collaboration with government, it is the responsibility of the government to take care of the displaced people by providing rehabilitation and resettlement. According to the constitution, there is a provision for those who are migrated from their native place after partition in between Pakistan and India for the government of India to take care for their rehabilitation and settlement. But though there is a provision for reservation for the SCs and STs Population in different spheres, there is no provision in the constitution for those people who are displaced from their native places due to the construction of development projects by the government. According to the international labour organization (ILO) convention No.7 clear cut guidance has been mentioned particularly for STs rehabilitation and resettlement. An expert committee had suggested reservation plan for resettlement of tribal people in the 7th five year plan. In 1990 the ministry of social

justice and welfare department of the government of India had prepared a plan for resettlement of tribal people and wanted to know the opinion of the states in this regard. But the plan did not.

In addition forced resettlement tends to be associated with increased socio-cultural and psychological stresses and higher morbidity and mortality rates. Population displacement, therefore disrupts economic and socio cultural structures.

People who are displaced undergo tremendous stress as they lose productivity process-land otherwise in the adjustment process. But for the government and its agents displacement for development, cash compensation seems to be the only panacea for the problems induced by displacement and only policy of rehabilitation, whereas, in practice it is the most inadequate means for rehabilitation.

Another important, impact of displacement is the problem of scheduling and certification. The displaced people are generally not rehabilitated in the form of home and land but by money. Very few are given land in the new areas, which creates conflict with the already existing groups. They are not recognized as tribal in the areas of they do not have certificate of proof of residence in the new place and thus lose their tribal identity. Resetting the displaced poor, remote and economically disadvantaged is not always an easy task.

Most countries have land acquisition laws that require prompt and adequate monetary compensation for persons who lose their land and property. However, cash compensation has many negative consequences, particularly for tribal and other marginal populations. The sudden cash in their hands gave the false impression of wealthiest. They changed their life style, they are involved in gambling and drinking increased to an unprecedented level. Finally cash compensation disproportionately benefits some interest groups (i.e. big land lords) and not so much poor and small scale farmers and women. Though money plays an important role in our life, it cannot be the only way measuring everything. The market cantered economy and try to measure everything in terms of money. Can hard cash provide security and the livelihood to a poor farmer who owns only a few acres of land, has knew travelled beyond a few kilometres of his village, has deal with only few rupees or hundreds and who hardly knows to read and write, understand the logistics of money, market, industry, senses etc. of business man ? Basically the concept of cash compensation fails to understand the habits of farmers, tribal and the dalits in the villages who are unaccustomed to the handling of such huge money. Secondly in cash compensation it is only the owners of land who are considered. In villages it is not only the farmers but also many others who sharecroppers, agricultural workers, artists and pastoralists who will lose their livelihood.

Conclusion

The verdict is debatable on some technical grounds. But there is little doubt that it had practically ended the decade-long dispute.

Compensation is not a replacement for property, it is only indemnification for the losses of the private owner. So, the right to property cannot be regarded as merely a right to compensation and it cannot be said that a state has a power to take private property as long as it compensates the owner. Therefore in order to take private property by paying compensation there should be strong public necessity.

India has considerable amount of vulnerable populations in the rural, tribal and backward areas, many of whom do not have adequate access to basic amenities and proper livelihood. There are disadvantaged and vulnerable communities including tribal populations, economically weaker sections of people and backward communities. There are issues of livelihood, poverty eradication, inclusiveness and gender. There is a need to support for social development to address these issues.

Thus proper policies should be adopted to make the provisions citizen friendly.

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SPECIAL ISSUES

SILTATION AND RIVER DEGRADATION

Context

Recently Bihar Government demanded for removal of Farakka barrage in West Bengal, which has been stated as the reason behind the increasing silt in the Ganga. Hence, hereby analysing - how siltation leads to river degradation.

What is Siltation?

Water has a capacity to transport particles. the size and quantity of which are determined by the rate of flow; the faster the flow the larger the particle size supported and the greater the amount of sediment transported. When the particle load is excessive for any level of flow, particles are deposited, causing siltation. Conversely, if the load is less than the transport capacity of the water, particles will be picked up, causing erosion or scour.

Siltation is a natural feature along the length of rivers and normally results in a gradation of particle size from lower order streams with the coarsest material to higher order streams with the finest. This natural sedimentation contributes to the development of many of the morphological features of rivers, including levees, point bars, meander bends and, particularly, floodplains.

What is Silt?

Silt is a granular material derived from soil or rock, with a grain size between sand and clay.

Geological Classification

Silt is somewhere between the size of sand and clay, and is an important component in the sedimentary dynamics of rivers. Silt comes in several forms. It might be found in the soil underwater or as sediment suspended in river water. Silt is geologically classified by its grain size and texture going through a sieve. Letters are assigned to the grain of soil, whether it is gravel, sand, silt, clay, or organic. Then, it is further delineated as to whether the sample is poorly graded, well-graded, has a high plasticity, or low plasticity. The sample composition is determined by passing it through differently sized sieves, and the result is classified with the combination of letters assigned to it based on its physiochemical characteristics.

Chemical Composition

Silt is an aggregation that comes mainly from feldspar and quartz, although some other minerals could also be part of its composition. The erosion of these source minerals by ice and water starts the transformation that eventually turns these broken minerals into silt that are no more than .002 inches across. Silt, sand, clay, and gravel all mix to form soil. Silt is also determined by the naked eye and touch by its slippery, non-sticky feel when wet, as opposed to clay, sand, or gravel. It has a flour-like consistency when dry. Silt is found more in semi-dry environments than anywhere else.

Where the Siltation does occurs?

- Siltation in Dams

Fig. 3

- Himalayan rivers like Nepal rivers and Ganga and Himalayan rivers

Fig. 4

- Urban local rivers

Fig. 5

- Siltation In Canals

Fig. 6

How human practices affect natural Sedimentation?

Human activities all contribute to enrich natural sedimentation and cause sediment deficiency in rivers, lakes, and oceans. Some sources of increased sedimentation are given rise to by construction activities that require the clearing of land, river dredging, offshore dumping, and climate change. These activities all contribute to the pollution and degradation of aquatic resources. On the other hand, sedimentation control can be achieved by improved land use practices such as modified cropping, terracing, low tillage farming, creating buffer zones, and wetland conservation. Sedimentation is a crucial component of life in an aquatic ecosystem, but sedimentation can also damage the aquatic ecosystem. Even the United Nations recently acknowledged the importance of sediment flows in aquatic ecosystems.

Waste flowing into the river includes:

- Heavy Erosion in Hilly Upstream
- Industrial Waste
- Cultural Waste
- Debris from construction activities
- Encroachments on river banks in dry season
- Dumping of municipal solid wastes coupled with inadequate annual de-silting efforts
- Moreover, the flyover above the river has its pillars sunk in the river bank, affecting its flow
- Check dams built in the national park also affected the flow of the river
- Canals - Maintenance of contour canals in which depth is not uniform is critical and highly technical. In such canals, the depth runs from 20 feet to 30 feet and gets silted with mud falling from the bunds and along with water flow also silt accumulates.

What are the impacts of Siltation?

Increases in silt load resulting from changes in land or water use accelerate the natural evolution of the river system, but in so doing cause a number of problems.

The deposition of fine particles of silt suffocates the rheophilic organisms that normally inhabit such reaches, cutting down on the availability of food.

It also renders the substrate unsuitable for use as a spawning ground by those species requiring swift well aerated flows and clear pebble or boulder bottoms.

The silt provides an anchorage for vegetation, blocking low order streams and even diverting them into new courses.

Further down the river deposition of silt on levees and on the river bottom may lead to the progressive elevation of the whole channel until it stands above the level of the surrounding plain. An extreme flood in a channel in this state may cause the levee to be breached and the river to jump its bed to find a new channel, changing the river course often by some kilometres.

Excessive siltation on flood plains chokes the standing waters, which disappear faster than new ones are generated by erosion. Similarly, channels and dead arms of the river are filled and new channels are cut to such an extent that the whole delta of a river may shift along the coastline. At the same time, coastal deltaic flood-plains grow rapidly, especially at their seaward end, where new land continuously appears.

Benthic organisms such as coral, oysters, shrimps, and mussels are especially affected by silt, as they are filter feeders that may literally become "choked up" by silt-laden waters. Waterways and irrigation canals could also become affected in their functions by silt accumulations.

Other harmful impacts of siltation are:

- The loss of wetlands
- Coastline alterations
- Changes in fish migratory patterns.
- Dam Siltation
- Blockage of flow of fresh water
- Reduces water bearing capacity of the river
- Rivers transformed into Sewer near urban places
- Mangroves gets badly affected
- Groundwater pollution increases
- Canal Efficiency goes down

How to deal with Siltation?

In rural areas the first line of defense is to maintain land cover and prevent soil erosion in the first place. The second line of defense is to trap the material before it reaches the stream network (known as sediment control). In urban areas the defense is to keep land uncovered for as short a time as possible during construction, and to use silt screens to prevent the sediment from getting released in water bodies. During dredging the spill can be minimized but not eliminated completely through the way the dredger is designed and operated. If the material is deposited on land, efficient sedimentation basins can be constructed. If it is dumped in relatively deep water there will be a significant spill during dumping, but not thereafter, and the spill that does arise will have minimal impact if there are only fine-sediment bottoms nearby.

Other steps for mitigation are:

- Using modern technology
- Deploy divers to clear the silt and silt clearance work to be undertaken annually in the reservoir. The dam with a large reservoir area is prone to high level of siltation as the land, is inhabited by people, where various activities lead to soil erosion.
- Bioremediation
- Build walls on both sides of the river, leading to a reduction in the rivers silt deposits.
- Hilly Terrains - An abatement of human interference in the catchment areas of these rivers, and fodder/fuel wood plantation through the active participation of local people in their marginal land to decrease the human pressure on natural forests, are considered the two major easy, effective and economic methods to control the siltation hazard.
- Canals - Lining of the canal – either with used refractory bricks or fly ash.
- De-silting before Monsoon.
- "Watershed management" – including afforestation and the promotion of farming practices which reduce soil erosion – is frequently advocated as the best way of cutting sediment deposition in reservoirs.

CASE STUDY: Ganga Rejuvenation Plan

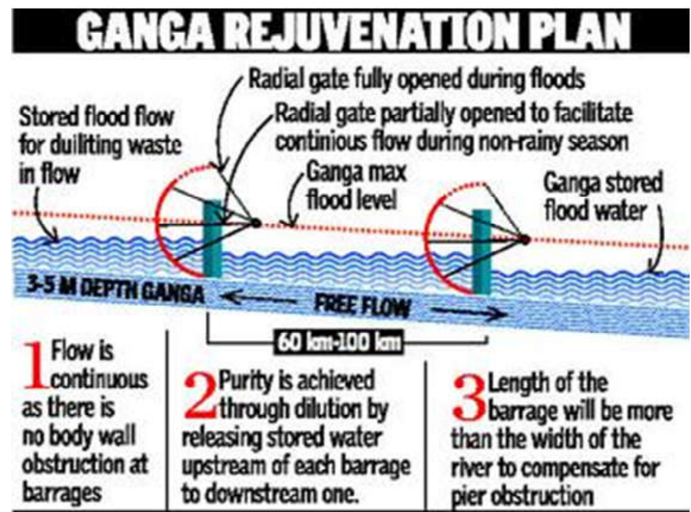

Fig. 7

'Ganga rejuvenation plan,' involved construction of barrages from Haridwar to Farakka, one below the other in such a manner that the stored water of the lower barrage touches the upstream one.

This would render the entire river a long reservoir limited to storing flood water within the flood zone of the river without submerging any village. A perennial flow of 'bathing quality' water is thus ensured through a self-purification process that takes care of waste water flowing into the river either directly or from dysfunctional sewage treatment plants, which has been the biggest challenge so far.

The Central Pollution Control Board had estimated that 4800 million litres per day of waste flowed into the Ganga in 2013. This works out to 1,964 cubic feet per second (cusecs) requiring a fresh water discharge of about 19,640 cusecs for its dilution by 10 times. This is required essentially during the dry period of four months as flood flows take care of the dilution in the remaining eight months.

Plan prefers building these barrages on the main river itself as it is virtually impossible to construct storage reservoirs elsewhere on the Gangetic plains or in the ecologically fragile Himalayan hilly regions. A design innovation proposed in the barrages is that

the bottom of the radial gate starts from the river bed apron level and is kept open to allow free normal flows and to wash down the silt. The water stored upstream in each barrage is released downstream to provide enough water for dilution of waste inflows.

There will be no siltation upstream of barrage as each vent will function as scouring sluice.

Besides purifying the Ganga basin, the project has advantages such as big ship navigation, hydro power generation, large-scale fishing for Hilsa and other species, assured environmental flows and conservation of mangrove of the wetlands.

A perennial flow of 'bathing quality' water is ensured through a self-purification process

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G-20 SUMMIT 2016

Context

On September 4-5, the 11th G20 Summit was held in Hangzhou, China. The theme of the Summit was "*Toward an Innovative, Invigorated, Interconnected and Inclusive World Economy*".

What is G-20?

The Group of Twenty (G20) is the premier forum for global economic and financial cooperation. It brings together the world's major advanced and emerging economies, representing around 85 per cent of global GDP and two-thirds of the world's population.

The presidency of the G20 rotates annually among its members. The presidency leads a three-member management group of previous, current and future chairs, referred to as the Troika, the purpose of which is to ensure transparency, fairness, and continuity from one presidency to another. The G20 does not have a secretariat of its own. A temporary secretariat is set up by the country that holds the presidency for the term of chairmanship.

Why the group was formed?

The G20 was created in 1999 in response to the financial crises in the late 1990s, the growing influence of emerging market economies on the global economy, and their disproportionately modest participation in the decision-making process. G20 Leaders met for the first time in 2008 in Washington, D.C. And at that time the G20 was to play a pivotal role in responding to the global economic and financial crisis.

The objectives of the G20 refer to:

- Policy coordination between its members in order to achieve global economic stability, sustainable growth;
- Promoting financial regulations that reduce risks and prevent future financial crises;
- Modernizing international financial architecture.

The G20's major achievements include strengthening the role of emerging economies, such as BRICS, reforming international financial institutions, improving discipline and tightening oversight over national financial institutions and regulators, improving the quality of financial regulations in economies whose regulatory problems led to the crisis, and creating financial and organizational safety nets to prevent severe economic slumps in the future.

How does the G20 differ from the G8?

The Group of Eight (G8), established as the G7 in 1976 but renamed after the admission of Russia in 1998, is an international forum for the eight major industrial economies. It comprises: Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States.

However since 2014 Russian membership has been suspended following the country's annexation of Crimea.

The G8 seeks cooperation on economic issues facing the major industrial economies, while the G20 reflects the wider interests of both developed and emerging economies.

G-20 Summit, 2016 Agenda

The 2016 G20 Hangzhou summit was the eleventh meeting of the Group of Twenty (G20). It was held on 4–5 September 2016 in the city of Hangzhou, Zhejiang.

Leaders adopted a Communiqué focusing on:

- Strengthening the G20 growth agenda
- Pursuing innovative growth concepts and policies
- Building an open world economy
- Ensuring that economic growth benefits all countries and people
- On the migration and refugee crisis G20 leaders agreed on the need for global efforts to address the effects, protection needs and root causes of the crisis. They called for strengthening humanitarian assistance and refugee resettlement.
- On the fight against terrorism, leaders reaffirmed their solidarity and resolve and their commitment to tackle terrorist financing.
- The summit also highlighted the importance of joining the Paris Agreement on climate change as soon as possible.

- The world's leading economies expressed their determination to use all policy tools, including monetary, fiscal and structural, to achieve strong, sustainable, balanced and inclusive growth. To this end, they launched the **Hangzhou action plan** and called for swift and full implementation of the growth strategies.
- The summit also initiated cooperation on innovation, the new industrial revolution and digital economy. Leaders endorsed the **G20 blueprint on innovative growth**, encompassing policies on these areas.
- They discussed how to continue building an open and resilient financial system and supporting international tax cooperation. Leaders also committed to enhance an open world economy and promote the benefits of trade and open markets, as well as to contribute to the implementation of the **2030 agenda for sustainable development.**

Significance of G-20, 2016 summit

Besides the G20 major economies, the Hangzhou meeting this year had more developing non-G20 countries in attendance than any previous one.

Countries, such as Laos, Kazakhstan, Egypt and Chad, have taken part in the summit. Leaders or representatives of seven major international organizations, namely, the United Nations, World Bank, International Monetary Fund, World Trade Organization, International Labor Organization, Organization for Economic Cooperation and Development, Financial Stability Board, also joined the summit.

During the two-day gathering, the annual informal leaders' meeting of BRICS nations — Brazil, Russia, India, China and South Africa — was also held on the sidelines of the summit. The five emerging countries have distinguished themselves in recent years through their large-scale, fast-growing economies and significant influence on regional and international affairs.

Recognising that economic growth has been too slow for too long and for too few, the communiqué does set out an agreed longer-term vision for the G20. This so-called "Hangzhou Consensus" calls on the G20 to deliver more inclusive economic growth through co-ordinated macroeconomic policy, open trade and innovation. In short, it reaffirms the group's core mandate: to make globalisation work for the benefit of all.

Salient outcomes:

- Strengthening Policy Coordination.
- Reaffirming the importance of addressing shortfalls in global demand to support short-term growth, there is need to address supply side constraints so as to raise productivity sustainably, expand the frontier of production and unleash mid- to long-term growth potential.
- Working for more Effective and Efficient Global Economic and Financial Governance.
- Working for Robust International Trade and Investment.
- Working for Inclusive and Interconnected Development.

G20- India Specific

India has emerged as an important member of G20 and has been able to contribute and influence the reshaping of the world economic and financial order. India had an ambitious multi-pronged agenda for the G20 summit in September 2016; ranging from deploying global surpluses for infrastructure development, inclusive development, energy efficiency to global action to mitigate terrorism and black money. India's core agenda at the summit was stable and sustainable global growth for employment generation, stable financial markets and global trading regimes. According to India's sherpa at the G20 Summit, the country pushed for poverty eradication and sustainable development, besides trade and investment.

India-China

Prime Minister had talks with Chinese President Xi Jinping besides G20 Agenda.

PM condemned the terrorist attack on the Chinese Embassy in Bishkek. He said that it was yet another proof of the continuing scourge of terrorism. He reiterated that response to terrorism must not be motivated by political considerations.

In the context of India and China, he said that our people also have the expectation that we make every possible effort to fulfil their dreams of progress, development and prosperity.

India-Australia

Prime Minister had talks with Australian Prime Minister besides G20 Agenda.

The two leaders discussed the possibilities of enhancing trade and investment ties between India and Australia. In the context of trade, both sides felt that there was not enough two-way trade and much more could be done. In this context, they felt that if the Comprehensive Economic Cooperation Agreement

(CECA) between India and Australia could be speeded up, it would certainly provide much greater momentum to India-Australia ties.

In terms of investment, Prime Minister sought support of Prime Minister Turnbull's in encouraging the Australian Pension Funds to invest in India.

Both Prime Ministers also discussed defense and security cooperation. In this context, both sides positively assessed the recently held naval exercises between the two sides and agreed to remain in touch.

Prime Minister then sought Prime Minister Turnbull's support for clean-coal technology. He also assessed positively the Australia-India Strategic Fund and said that we could use it for joint research in clean-coal, clean-water and nanotechnology.

The two leaders discussed the continuing scourge of terrorism. Prime Minister asked for Australian expertise in sports; this was in the context of the Rio Olympics. He also spoke on cooperation in education.

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CAUVERY WATER DISPUTE

Context

The Cauvery water dispute, which has been a bone of contention between Karnataka and Tamil Nadu for decades now, has again led to violence in the region after Supreme Court pronounced its order. Recently SC has directed Karnataka government to release 15,000 cusecs of water to its Tamil Nadu from Cauvery river for 10 days so that Tamil Nadu can cultivate samba crop.

What is the issue about?

The dispute is related to water sharing of the Cauvery river between Karnataka, Kerala, Tamil Nadu and Puducherry. The Cauvery basin covers a large expanse of land including major chunks in Karnataka and Tamil Nadu and also smaller areas in Kerala and Puducherry. Initially, the dispute was between Karnataka and TN but later Kerala and Puducherry also entered the fray.

Geographical location of river Cauvery

The 765-km. long river Cauvery cuts across two Indian states, Karnataka and Tamil Nadu. It originates at Talacauvery in Kodagu district in Karnataka. While it flows mainly through Karnataka and Tamil Nadu, a lot of its basin area is covered by Kerala and the Karaikal area of Puducherry.

Tributaries of Cauvery- Left- Hemavati, Shimsha, Arkavathy

Right- Kabini, Bhavani, Noyyal, Amaravati

CAUVERY: THE FACTS IN A NUTSHELL

KRS

Location: Across river Cauvery near Kannambadi village, Srirangapatna, Mandya district.
Type: Gravity dam of size stone masonry.
Length: 8597 ft
Height of dam (above river bed) 130.80 ft.
Catchment area: 10,619 sq km
Storage in TMC: Gross (49.452)
Dead (4.401)
Live (45.051)
Reservoir evaporation losses in TMC: 5.6
Filling period: June to September
Depletion period: October to May
Level of storage:
Full reservoir level 124.80 ft.
Dead storage level 60.00 ft
Quantity of silt deposited at KRS: 2.35 TMC
There is no overflow spillway. The floods are disposed of through 152 sluice gates situated at different elevations in the body of the dam. The gates are rectangular. It can discharge 3,45,868 cusecs through sluice gates

CAUVERY BASIN RESERVOIRS

Harangi: 8.5 TMC
Hemavathi: 37 TMC
KRS: 49 TMC
Kabini: 19.65 TMC

CATCHMENT STATES

Karnataka	34,273 sq kms
Kerala	2,866 sq kms
Tamil Nadu	43,868 sq kms
Karaikkal region of Pondicherry	148 sq kms

FROM KRS TO IT CITY

Amount of water required for Bangalore from Cauvery: 8-10 TMC annually

Quantity of water supplied to Bangalore from Cauvery basin: 885 MLD/day
Additional amount of water required from this year: 500 MLD (IV Stage II Phase)

CURRENT SITUATION OF WATER

76 TMC: currently available water for drinking and agriculture in the reservoirs of Cauvery basin
47 TMC: Existing level of water in Mettur dam
20 TMC: Quantity of water released to Tamil Nadu in 25 days with 9,000 cusecs every day.
56 TMC: Remaining amount of water in reservoirs after the release of water to Tamil Nadu
30 TMC: Quantity of water required to supply to Bangalore for potable purpose

KABINI RESERVOIR

Location: Across river Kabini near village Beechanahally, HD Kote taluk, Mysore district
Type: Masonry gravity dam with overflow and non-overflow sections with earthen flanks on either side.

Length: 8,965 ft
Height of dam (above River Bed): 95 ft.
Catchment area: 2141.90 sq km
Storage in TMC: Gross (19.52 TMC)
Dead (3.52)
Live (16.00)
Reservoir evaporation losses in TMC: 3.40 TMC
Filling period: June to November
Depletion period: November to May
Level of storage:
Full reservoir level 2,284.00 ft.
Dead storage level 2,249.00 ft

1TMC (Thousand Million Cubic feet) is approximately 2,800 crore litres of water; 1 Cusec (Cubic ft per sec) is 28.31 litres per second

Fig. 8

What is the background of the issue?

- The Cauvery dispute started in the year 1892, between the Madras Presidency (under the British Raj) and the Princely state of Mysore when they had to come to terms with dividing the river water between the two states. According to the 1892 and the 1924 agreements the river water is distributed as, *75% with Tamil Nadu and Puducherry, 23% to Karnataka, remaining to go to Kerala*.
- In the year 1910, both states started planning the construction of dams on the river. Further, in 1924, Britisher's presided an agreement signed between the two states regarding the rules of regulation of the Krishnarajsagar dam. Hence, the 1924 agreement gave both the Madras presidency and the Mysore state rights to use the surplus waters of the Cauvery. Madras had objected to the construction of the Krishnasagar dam and hence the agreement gave them the liberty to build the Mettur dam. However, the agreement also put restrictions on the extent of area irrigated by Madras and Mysore using the river water.
- The clause 11 of the agreement provided "for such modifications and additions as may be mutually agreed upon as the result of reconsideration" after a passage of 5 decades, this revision clause was only applicable to projects other than KRS. Conditions governing the construction and operation of KRS and that could not be subject to any review.
- The late 20th century, Tamil Nadu opposed the construction of dams on the river by Karnataka, and Karnataka in turn wanted to discontinue the water supply to Tamil Nadu pointing that, 1924 agreement had lapsed when its 50 years were up in 1974 and considering that the river originated in Karnataka, they had better claim over the river. They argued that they were not bound by the agreement struck between the British Empire and the Maharaja of Mysore.
- However, the dispute over distribution of Cauvery water continued and it was only in 1990 that the Cauvery Water Disputes Tribunal was set up. The tribunal announced its award in 2007.

What was the verdict of the tribunal?

- The Cauvery tribunal distributed the river water among four riparian states. It allocated 419 TMC feet of water to Tamil Nadu, 270 to Karnataka, 30 to Kerala and 7 to Pudducherry.
- The tribunal mandated Karnataka to release 192 TMC feet of water every water year i.e. between June and May. However, the verdict also stated that during poor monsoon the states must share water distress in the same proportion. This provision has led to perpetuation of water dispute between the two neighbouring states.

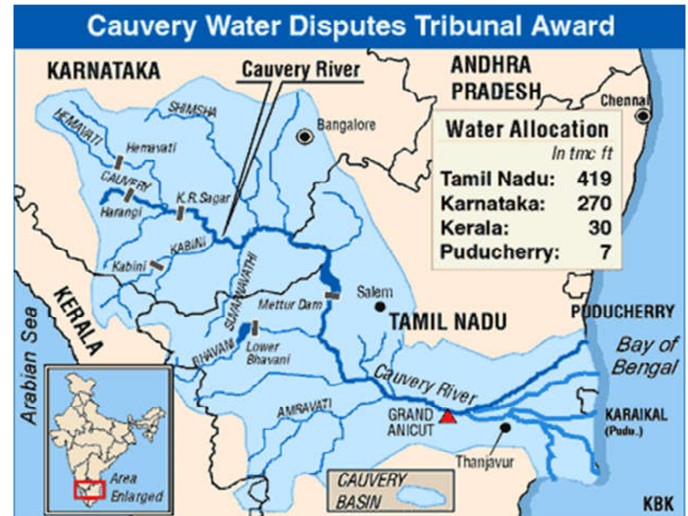

Fig. 9

Why the dispute continued till date?

Even after the final award of Tribunal both the states Karnataka and Tamil Nadu were not satisfied and filed a review petition before the Tribunal. They demanded the share of water as follows:

- Karnataka- 465 billion cubic ft,
- Kerala- 99.8 billion cubic ft,
- Puducherry- 9.3 billion cubic ft, and
- Tamil Nadu- 566 billion cubic ft for itself (177 billion cubic ft for Karnataka)

Recently Tamil Nadu contended that even if it was to accept the Karnataka stand that due to deficient rainfall in the current year, the inflow of water into four major reservoirs in the State is less, the same (shortfall in inflow of water into the reservoirs) could not have been more than 28%.

The pro-rate formula as per the final order of the Cauvery Water Dispute Tribunal, the state was entitled to 68 tmcft of water at Billigundulu from 1 June to 31 August.

What are the directives of the Supreme Court?

- The Karnataka government must have release 15,000 cusecs of Cauvery river water every day to Tamil Nadu for next 10 days to meet the demands of the summer crop in the state, along with due consideration of the impact of non-availability of required water on the summer crops and the plight of farmers.

- A bench of Justice asked the Cauvery Supervisory Committee to look into Tamil Nadu's plea seeking direction to Karnataka to release 35 tmcft of water to make good for that much shortfall in the release of water for three months starting with 1 June to 30 August.

Difficulties on reaching a Solution

- **Karnataka doesn't want to follow SC order:** Because tension over Cauvery water becomes intense when there is less rainfall. This had happened in 1991, 2001, 2012 and it is happening even now. Karnataka has faced continuous drought. For two seasons, farmers have not been able to grow rice. Shortage of water will put the standing crops in Karnataka's Mandya district at risk, affecting everyone in Mandya, including some Tamils living in the district. At present, according to Karnataka government, the reservoirs in the Cauvery basin in Karnataka have only about 51 tmc of water. This may be sufficient only for the drinking water needs of people in south Karnataka and not enough for release to Tamil Nadu. Karnataka also claims that 63% of Cauvery basin area of Karnataka is drought affected whereas it is just 29% for Tamil Nadu.
- **Tamil Nadu's say:** It says that Samba crop farmers are mainly dependent upon Cauvery water, if the don't get water samba farmers will suffer. They also claim that they have more land under cultivation than that of Karnataka, thus they need more water. It also says that it has about 70% of geographical area of Karnataka but population is 120% of it.
- **Common problems:** Over the years, the Cauvery water dispute has influenced the politics of the region with political parties stirring emotions of people as the river has a deep cultural, economic and religious significance for them. This has now led to a situation where public opinion has become more rigid, making it difficult for political outfits to find a common ground.

Increasing urbanisation and industrial development demands increased water also contaminates and reduces the availability of drinking water. The effect of Climate change, and the frequent situations of drought in the peninsular river region has added worries to the already contending states and their farmers.

The basic problem at hand is the fact that the Cauvery basin is a water deficient one. As against a total average annual runoff of 790 tmcft the total demanded quantity of water is 1,135 tmcft. This implies that no matter what the method of apportionment there is always bound to be a shortfall if one looks to solutions within the Cauvery basin.

There is absence of a regulatory authority to implement the verdict of the tribunal.

Criticism of the tribunal award

To start with, the available quantum of water for apportionment (740 tmcft) is based on 50 per cent availability, which means that in one out of every two years there is bound to be a shortfall in this quantity. The standard is usually 75 per cent availability and if this is taken as the yardstick then the total availability in the Cauvery is just 671 tmcft — a clear shortfall of 69 tmcft over and above the existing apportionment. This is further aggravated by the fact that no clear distress sharing formula has been provided for in the award.

Solutions

The problem calls for a two-pronged approach:

- **An additional terminal storage reservoir of at least 50-60 tmcft capacity to store and carry over the flows from a healthy monsoon year to a drought year:** In 1998, the NHPC had proposed four hydro power projects on the Cauvery. These were Shivasamudram and Mekedatu in Karnataka and Rasimanal and Hogenakal in Tamil Nadu. The reservoirs at Mekedatu and Rasimanal would be of 130 tmcft capacity. Construction of a large terminal storage at one of these two points would ensure that considerable water is available to Tamil Nadu even during drought years.
- **Inter-basin transfer of water from external catchments into the Cauvery:** Transfer of water from the west flowing coastal rivers of Karnataka (total annual availability is 2,000 tmcft) into the Cauvery basin.The best bet is for inter-basin transfer of water from the Netravati into the Hemavathy, a major affluent of the Cauvery. However augmentations from other west flowing rivers of Dakshin Kannada and Udupi districts like the Chakranadi, Varahi, Swarna, Sita and Yennehole would be required. The Government of Karnataka had in fact set up a committee to probe the above option.

Headed by G.S. Paramashivaiah, it has already submitted two feasibility reports. The first report that aims to divert 90.73 tmcft of Netravati waters east to seven districts of Chikmagalur, Hassan, Mandya, Tumkur, Kolar, Bangalore Rural and Urban is of interest and should be pursued.

With the 90 tmcft of Netravati waters diverted east into the Cauvery basin and the terminal storage reservoir taking care of excess monsoon flows, the problem of shortages in the Cauvery basin in Karnataka and Tamil Nadu will be largely mitigated. In fact these measures should be placed on a fast track by the States concerned instead of waiting for a favourable judgment from the Tribunal on the water sharing dispute.

Further, an integrated water commission, suggested by the Mihir Shah committee, which will look after the inter-state water disputes and will ensure availability of drinking water and irrigational water, should be set up. Also a regulatory authority should be there for the enforcement of verdicts of the tribunal.

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TRIPLE-TALAQ AND UNIFORM CIVIL CODE

Context

Can a Muslim man divorce his wife simply by repeating "I divorce you" three times? Yes. It is a controversial practice called the talaq or 'triple-talaq.' Will implementation of UCC be able to bring change?

What is the concept of Triple-Talaq in Islam?

Under Islamic law, once a marriage is consummated, **a wife has no right to divorce her husband without his permission**, even though she may be cast out at will for any reason. According to Muslim personal law based on the Sharia, a Muslim man can divorce his wife by pronouncing talaq thrice, a practice seen as discriminatory against women, effectively throwing her out on the street and leaving him free to obtain a new wife. The government sees practices like triple talaq as discriminatory and believes it should be regulated under the ambit of law. A man may divorce his wife three times, taking her back after the first two (reconciling). After the third talaq they can't get back together until she marries someone else.

What is the meaning of Nikah Halala?

In Sharia law, a couple which undergoes a divorce cannot remarry unless the woman marries another man truly, and then her second husband dies or divorce her. In this case the marriage (**Nikah**) of the woman with her second husband is called 'Nikah Halala'.

Several women spoke of domestic violence, rape, mental torture, dowry demands or just a desire for remarriage in men culminating into talaq. In most cases, the women are left without any maintenance or means to support themselves or their children. Some Islamic scholars believe that it isn't right to do this in one sitting. They say that, there should be a period of time between the "three strikes."

Tripal-Talaq and India

India has separate sets of personal laws for each religion governing marriage, divorce, succession, adoption and maintenance. While Hindu law overhaul began in the 1950s and continues, activists have long argued that Muslim personal law, which has remained mostly unchanged since 1937, is tilted against women.

The Lex Loci Report of October, 1840 emphasized on the necessity for codification of Indian law relating to crimes, evidences, contract etc., but it recommended that personal law of Hindus and Muslims should be kept outside such codification. A formal declaration of the policy was made by Warren Hastings in the Administration of Justice Regulation, 1780, where it was pronounced that while dealing with disputes of marriage, divorce or inheritance, people would be governed by their personal laws.

Tripple Talaq is banned in more than 20 Islamic countries, including Pakistan and Saudi Arabia and Muslim majority in Bangladesh; regulate matrimonial laws as it is not supported by Sharia. Then why it cannot be banned in secular country like India? After all, this gives lot of relief to the Muslim women who are victims of the wrong use of triple Talaq. Women's rights groups in the Muslim world are waging an uphill battle to prevent governments from recognizing the triple talaq - with some success in the more moderate countries; however, it will always be honored by Islamic courts.

There is no mention of triple talaq in the Quran. The decision of talaq can be taken by both husband and wife, but there has to be an attempt at reconciliation, followed by mediation by friends and family. It is a procedure that takes place over a period of time.

However, in recent years, talaqs are often instantaneous and being communicated through text messages and over WhatsApp with women often left clueless of their husbands' intention of divorce till the last moment.

Some Muslim women have challenged the validity of age-old practices having gender bias; asserting their fundamental right to equality, right to non-discrimination and right to live with dignity.

Supreme Courts outlook on Triple Talaq

Right to religion is the weakest of all fundamental right as it's subject to public order, morality, health and all other fundamental rights. In

case of a conflict between right to religion and any other fundamental right, the former must give way to the latter.

Supreme Court asked the Centre to file a response in emergency basis on a bunch of petitions challenging the Muslim practices of **polygamy and triple talaq**. The petitioners had demanded scrapping of Section 2 of the Muslim Personal Law (Shariat) Application Act, 1937; it was unconstitutional and violated the fundamental rights guaranteed under Article 14 of the Constitution.

In the famous Shah Bano case in 1986, the Supreme Court had decided in favour of granting alimony to a Muslim woman after she was divorced. However, the Centre later enacted the Muslim Women (Protection of Rights on Divorce) Act, 1986, that virtually nullified the court directive.

Shayara Bano's challenge of the practice is the first instance of an individual from the community seeking legal recourse against the practice. In the case of, Shayara Bano of Uttarakhand, victim of the triple talaq filed a petition in the apex court seeking a ban on the practice. She had also challenged the practices of polygamy and nikah halala, which mandates that a woman has to marry another man and consummate it if she and her divorced husband wish to get back together. Shayara Bano in her petition said, the inhuman practice of triple talaq affected her fundamental rights, besides violating her dignity as a woman.

Government Perceptive about the Issue

Religious and patriarchal institutions, across religions, are not going to change, and they have to be compelled to change. Some Muslim women have challenged the validity of age-old practices having gender bias; asserting their fundamental right to equality, right to non-discrimination and right to live with dignity.

The government has referred the UCC issue to the Law Commission of India which will hold wide consultations, including discussions with various personal law boards and other stakeholders.

Why there is need to bring the Unified Civil Code (UCC) in the country?

Post-colonial period, the framers of the Indian constitution Dr. B.R. Ambedkar and Mr. Nehru, were convinced that a certain amount of modernisation is required before a uniform civil code is imposed on citizens belonging to different religions including Muslims. The term civil code is used to cover the entire body of laws governing rights relating to property and otherwise in personal matters like marriage, divorce, maintenance, adoption and inheritance.

- **Constitutional Provision**

The need for a uniform civil code is inscribed in Article 44 (Article 35 in the draft constitution). This article is included in Part IV of the Constitution dealing with the Directive Principles of State Policy. The legal nature of the Directive Principles is such that, it cannot be enforced by any court and therefore these are non judicial rights. The Constitution further calls upon the State to apply these principles in making laws as these principles are fundamental in the governance of the country.

The objective of this article is to effect an integration of India by bringing all communities into a common platform which is at present governed by personal laws which do not form the essence of any religion. As things stand, there are different laws governing these aspects for different communities in India. Thus, the laws governing inheritance or divorce among Hindus would be different from those pertaining to Muslims or Christians and so on.

Importance of Uniform Civil Code

- Uniform Civil Code will in the long run ensure Equality. Also, UCC will help to promote Gender equality.
- It will lead to national integration and draw minorities into the mainstream.
- It will encourage communal harmony.

In order to promote the spirit of uniformity of laws and accomplish the objectives enshrined in Article.44 of the Constitution, sooner it should bring into the actual implementation and practice. The Uniform Civil Code should act in the best interest of all the religions.

All India Muslim Personal Law Board's (AIMPLB) stand on the triple talaq:

The Centre's approach - opposing the triple talaq as a violation of the **fundamental rights of Muslim women** - is a strong rebuttal of the All India Muslim Personal Law Board (AIMPLB). Triple talaq was not an issue for Muslim women and that it was being raked up just to defame Islam. AIMPLB has defended the practice of polygamy and talaq and questioned the **court's authority to adjudicate a religious matter** derived from the Quran and Sharia law. In case of a discord, divorce was a better option available to a Muslim man than resorting to "criminal ways of getting rid of her (wife) by murdering her.

The **plea advanced by the All-India Muslim Personal Law Board** - that divorce by triple talaq is sanctified by the Sharia - is incorrect, and that the practice is a violation of the fundamental rights guaranteed by the Constitution in a secular state like India. It shows non-discrimination with a woman and the dignity of an individual which permeates the entire scheme of fundamental rights under the constitution". The fundamental right to religion cannot be confused with allowing a practice that is "unfair, unreasonable and discriminatory."

India allows different communities to practise certain personal laws – in areas such as marriage and property but has uniform criminal laws. It is better to divorce a woman than kill her and that men were emotionally more stable. The board has gone to the extent of saying that rights given by religion couldn't be questioned in courts and the SC could not "rewrite personal laws in the name of social reform".

The affidavit reflects the regressive mindset of those running the board and their ignorance of constitutional provisions.

Way Ahead

"So far Parliament and judiciary have adopted 'bottom up' approach leaving it to the Muslim community to reform these social practices. But history tells us this approach does not yield desired results in social reforms. It was for this reason that the British adopted 'top down' approach to ban Sati way back in 1829. Had it been left to the Hindu community to reform itself, perhaps it would have taken centuries.

In the recent years, India has witnessed a spate of litigation involving conflict between law and religion. Be it ensuring the entry of women into 'Haji Ali mausoleum' in Mumbai or their access to the 'Shani-Shingnapur temple in Maharashtra', it is the courts that have helped reform male-dominated social practices and deal with the clergy's refusal to be guided by logic, reason or law.

There is a nexus between the male-dominated Muslim clergy and elected representatives which allow Muslim men (some rigid mulla's) to interpret the laws according to their convenience, the legal discrimination of Muslim women. Instances of triple talaq have not gone up, but women today are more aware of their rights and are speaking up against it. While nowadays, some open-minded and educated men (group as, Muslim Men for Gender Justice) are lending their support to Bhartiya Muslim Mahila Andolan (BMMA) campaign against the triple talaq.

Several women spoke of domestic violence, rape, mental torture, dowry demands or just a desire for remarriage in men culminating into talaq. In most cases, the women are left without any maintenance or means to support themselves or their children. With the greed and womanizer nature or other reasons men can easily give talaq to their wife and opted for the multiple marriages, leaving behind the wife and children in neglect with their uncertain future.

The manner in which the SC adjudicates on these conflicts between law and religion would determine the direction in which India would move as a nation.

Conclusion

The issue of triple talaq is to do with gender justice; it should be non-discriminatory to women and protect the dignity of individuals. The right to practice one's faith is protected under the fundamental rights enshrined in the Constitution, and is not impacted by setting aside triple talaq. Moreover, it is commendable that, People in general have accepted courts as impartial arbiters and judicial verdicts as the last word on contentious issues. Anti-reservation agitation is the best example.

If, regulating matrimonial laws is acknowledged in Islamic countries and not considered contrary to the Sharia, how can this be treated as such in a secular country like India where fundamental rights are protected under the Constitution? **Talaq has to be just and fair in its nature**. A progressive and broadminded outlook is needed among the people to understand the spirit of UCC code. For this, education, awareness and sensitisation programmes must be taken up. A committee of eminent jurists should be considered to maintain uniformity and care must be taken not to hurt the sentiments of any particular community for an extent but seeking welfare of the society as well as nation.

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FUTURE OF PARALYMPIC SPORTS IN INDIA

Context

The 2016 Summer Paralympics, the fifteenth Summer Paralympic Games, held in Rio De Janeiro.

What are Paralympics Games?

The Paralympic Games are a major international multi-sport event for athletes with physical disabilities. This includes athletes with mobility disabilities, amputations, blindness, and cerebral palsy. Paralympic sports are organized competitive sporting activities as part of the global Paralympic movement.

How Paralympic Games have evolved over the history?

- Ludwig Guttmann of the Stoke Mandeville Hospital in England pioneered this approach by organizing sport competition as rehabilitation programme for injured ex-service members and civilians of World War II, particularly for wheel chair athletes. This Sport for rehabilitation grew into recreational sport and then into competitive sport.
- The first official Paralympic Games were held in Rome in 1960, attracting 400 athletes from 23 countries. The first Winter Paralympic Games were held in 1976 in Ornskoldsvik in Sweden.
- On 19 June 2001, an agreement was signed between the International Olympic Committee and the International Paralympic Committee aimed at protecting the organization of the Paralympic Games and securing the practice of "one bid, one city", meaning that the staging of the Paralympics is automatically included in the bid for the Olympic Games.
- This agreement came into effect with the Beijing 2008 Paralympic Games, followed by the Vancouver 2010 Paralympics Winter Games.
- Since the Salt Lake 2002 Games, one organizing committee has been responsible for hosting both the Olympic and the Paralympic Games.
- The 2016 Summer Paralympics, the fifteenth Summer Paralympic Games, were held in Rio de Janeiro, Brazil, from 7 September to 18 September 2016.India has claimed ten medals at the Paralympic Summer Games: Gold-3, Silver-3 and Bronze-4.

Which body is responsible for these games at International Level?

The International Paralympic Committee (IPC) is an international non-profit organization and the global governing body for the Paralympic Movement.

The IPC organizes the Paralympic Games and functions as the international federation for nine sports.

Founded on 22 September 1989 in Düsseldorf, Germany, its mission is "To enable Paralympic athletes to achieve sporting excellence and inspire and excite the world". Furthermore, the IPC wants to promote the Paralympic values and to create sport opportunities for all persons with a disability, from beginner to elite level.

Structure and function of Paralympic sport

A major component of Paralympic sport is classification. Classification provides a structure for competition which allows athletes to compete against others with similar disabilities or similar levels of physical function.

Athletes are classified through a variety of processes that depend on their disability group and the sport they are participating in. Evaluation may include a physical or medical examination, a technical evaluation of how the athlete performs certain sport-related physical functions, and observation in and out of competition. Each sport has its own specific classification system which forms part of the rules of the sport.

India and the Paralympics

India made its Summer Paralympics début at the 1968 Games, competed again in 1972, and then was absent until the 1984 Games. The country has participated in every edition of the Summer Games since then. It has never participated in the Winter Paralympic Games.

Summer Paralympics Rio 2016 - Recent Success

Fig. 10

Gold	Mariyappan Thangavelu
Athletics	Men's High Jump
Gold	Devendra Jhajharia
Athletics	Men's Javelin
Silver	Deepa Malik
Athletics	Women's Shot Put
Bronze	Varun Bhati
Athletics	Men's High Jump

Analysis of the status of physically challenged / disabled in India

As per the WHO, Disability is an umbrella term, covering impairments, activity limitations, and participation restrictions. Impairment is a problem in body function or structure; an activity limitation is a difficulty encountered by an individual in executing a task or action; while a participation restriction is a problem experienced by an individual involvement in life situations. Thus disability is a complex phenomenon, reflecting an interaction between features of a person's body and features of the society in which he or she lives.

What is the Distribution of Disabled people in India?

According to Census 2011, there are 2.68 crore Persons with Disabilities in India (who constitute 2.21 percent of the total population). Out of the total population of Persons with Disabilities, about 1.50 crore are male and 1.18 crore female. These include persons with visual, hearing, speech and locomotor disabilities; mental illness, mental retardation, multiple disabilities and other disabilities.

Rural areas have more disabled people than urban areas. In Maharashtra, Andhra Pradesh, Odisha, Jammu and Kashmir and Sikkim, the disabled account for 2.5% of the total population, while Tamil Nadu and Assam are among those where the disabled population is less than 1.75% of the total population.

The growth rate of disabled population is more in urban areas and among urban females. The decadal growth in urban areas is 48.2% and 55% among urban females. Among scheduled castes it is 2.45%.

Most of the disabled are those with movement disability. According to the census, 20.3% of the disabled are movement disabled followed by hearing impaired (18.9%) and visually impaired (18.8%). Nearly 5.6% of the disabled population is mentally challenged, a classification introduced in the 2011 census.

Disabled & their Rights

- **Human Rights**

Human rights are entitlements that every human being has to be happy, healthy, to be treated fairly and involved in society. These are based on values of fairness, respect, equality and dignity. The same principles apply to persons with disability also.

- **United Nations Convention on the Rights of Persons with Disabilities (2008)**

It is an international agreement drawn up by states with the involvement of disabled people which affirms that people with disabilities have the same rights as everyone else. The Convention protects the rights of all people.

- **Constitutional Framework**

a) **Preamble:** Our Preamble envisages a society based on equality, justice and fraternity. Hence a society which cares for persons with disabilities is considered to be inclusive and progressive, as disability affects not only the individual and family but also society and the nation.

b) **Article- 14:** Indian Constitution ensures equality, freedom, justice and dignity of all citizens of the country including persons with disabilities without any discrimination, which implies an inclusive society for all

c) **Article- 21:** ensures right to life to all, which includes persons with disability also.

d) **Article- 41:** of the Constitution of India relating to right to work, to education and to public assistance in certain cases, states that "the State shall, within the limits of its economic capacity and development, make effective provision for securing the right to

work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want."

e) **State subject:** Disability is mainly a state subject. "Relief of the disabled and unemployable" in the Seventh Schedule of the Constitution.

f) **11th & 12th Schedules:** "Disability" also appears in the 11th & 12th Schedules (pertaining to Panchayats & Municipalities) of the Constitution, Panchayats and municipalities to implement schemes for economic development and social justice.

- **Legal Rights**

Disability rights in India are protected by ***four basic legislations*** namely:

a) Rehabilitation Council of India Act, 1992;

b) Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995;

c) National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999; and

d) Mental Health Act, 1997.

Institutional Framework

In order to give focused attention to Policy issues and meaningful thrust to the activities aimed at welfare and empowerment of the Persons with Disabilities, a separate Department of Disability Affairs was carved out of the Ministry of Social Justice and Empowerment on May 12, 2012. The Department was renamed as ***Department of Empowerment of Persons with Disabilities*** on 08.12.2014. The Department acts as a Nodal Agency for matters pertaining to disability and Persons with Disabilities.

Social Stigma Attached With Disability

For thousands of years the sick and disabled were seen as a threat to one's own health, whether through contact, through magic, through possession, or though evil and disability was considered as a punishment for acts committed in earlier lives till mankind has understood the cause of illness and disability. But the stigma which developed over centuries is still continued in our modern society.

The culture of prejudices, social stigma and lack of disabled friendly infrastructure, severely restricts activity and discourage civic participation leading to isolation and discrimination of disables. This, in turn infringes upon rights of person with disability. There are many dimensions of rights provided to disables all over the world under Human Rights, Constitutional rights in India and statutory rights.

Promotion of Sports among Persons with Disabilities

The Ministry of Youth Affairs and sports formulated a scheme for promotion of sports and games among disabled during 2009. The objective of the Scheme is broad-basing participative sports among the disabled. The Scheme of Sports & Games for the Disabled has the following components:

- Grant for sports coaching and purchase of consumables & non-consumable sports equipment for Schools
- Grant for Training of Coaches
- Grant for holding District, State & National level competitions for the disabled.

In the wake of complaints of poor management in conduct of National Para Athletics Championships 2015, the Ministry issued guidelines to all recognized National Sports Federations on 23rd April 2015 for providing and making arrangements for requisite facilities relating to playing arena, its accessibility, neat and clean toilets, provision for drinking water, proper resting place, separate changing rooms for boys and girls, neat and clean lodging facilities, adequately equipped with toilets including disabled friendly toilets, proper transportation facilities for players and officials from the place of stay to the venue of championship etc.

What are the Initiatives taken by Indian Government?

- In a boost for Para-athletes in the country, the Sports Authority of India has sanctioned a Centre for Excellence (CoE) exclusively for Para sports at its Gandhinagar centre. The scheme will be applicable to five disciplines - athletics, badminton, power lifting, swimming and table tennis.
- Indian government recently passed a first-of-its-kind corporate social responsibility law requiring certain companies, based on their earnings and revenue, to contribute 2 percent of their profits to social development — including education, poverty and sport programs.
- The government also launched a Target Olympic Podium Scheme that has set aside a little over 300 million rupees, or more than $4 million, for the program. Recently Government announced Rs. 90 lakh cash reward for Rio Paralympics medalists.

National Paralympics Committee

The committee is promoting a strong and vibrant Paralympic Movement across the Nation.

Paralympic Committee of India is a non-partisan, non-profit organisation. Dedicated for the development and upliftment of Physically Challenged Sports, Athletes with mobility disabilities, Amputations, Blindness & Cerebral Palsy. NPC organise and motivate to participate in competitive sporting activities as part of the Global Paralympic Movement.

NPC help to identify potential Paralympians and assist athletes to prepare for competition by providing funds for coaching, equipment and travel to the Paralympic Games.

What are the Future Prospects of these Games?

- The gap between the Olympic and Paralympic performances is gradually blurring with disabled athletes breaking records after records as seen in Rio Olympics.
- The inspiring achievements of modern day record breaking parathletes are changing perceptions about disability.
- Disability is no longer a conversation about overcoming deficiency but about augmentation and potential.
- ***Technological innovation*** carries the promise of making sport more accessible to all people living with physical impairment which undoubtedly plays a key role in translating the dreams of many into reality.
- The ***Sports Innovation challenge*** offers a tiny glimpse of rich possibilities for the evolution of sport in the coming years.
- It helps in ***removing barriers to competition***. Innovations that enable able bodied and physically impaired athletes to compete side by side using the same equipment and following the same rules.
- These novel innovations that promise to broaden participation in sport by athletes with physical impairment and boost athletic performance generally. Turning insights into design opportunities.
- Further enhance the appeal of the Paralympic Games by ensuring a balanced as well as attractive sports programme with high-quality and comprehensible competition.
- Use the Pyeongchang 2018 and Tokyo 2020 Games to further improve the global reach of the Paralympic Games.
- Promote the value of the Paralympic Games by maximizing legacy opportunities and social impacts as well as by harnessing commercial potential.
- Leverage Paralympic Games existing know-how and the positive relations with the IOC, IFs and NPCs to maximize effectiveness of work with OCOGs.

Conclusion and Way Ahead

It is necessary that we have specialized facilities to meet the requirements of para-sport candidates. So far the coaching system SAI has focused on able-bodied athletes.

The Sports Authority of India (SAI) should open scholarships up to current and past Indian top level national and international sports-people to go abroad to get sports management training, conditional they return and put their newly acquired expertise to work. This way athletes are insured of future pathways once their competitive career ends.

Sufficient funds should be made available for facilities and technological innovations that are needed by Para-athletes while competing at global level.

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NATIONAL PARTY STATUS TO TRINAMOOL

Context

Recently, the All India Trinamool Congress is set to become the country's seventh national political party. The Election Commission of India has agreed to recognize the Trinamool Congress as a national party.

Political parties are political organizations of individuals that seek to influence government policy, usually by nominating their own candidates and trying to put them in political office. These parties participate in electoral campaigns, educational outreach or protest actions.

Political parties are indispensable to any democratic system and play the most crucial role in the electoral process – in setting up candidates and conducting election campaigns.

Recognition of National and State Parties

The Election Commission registers political parties for the purpose of elections and grants them recognition as national or state parties on the basis of their poll performance. The other parties are simply declared as registered-unrecognized parties. The recognition granted by the Commission to the parties determines their right to certain privileges like allocation of the party symbols, provision of time for political broadcasts on the state-owned television and radio stations and access to electoral rolls. Every national party is allotted a symbol exclusively reserved for its use throughout the country. Similarly, every state party is allotted a symbol exclusively reserved for its use in the state or states in which it is so recognized. A registered-unrecognized party, on the other hand, can select a symbol from a list of free symbols. In other words, the Commission specifies certain symbols as 'reserved symbols' which are meant for the candidates set up by the recognized parties and others as 'free symbols' which are meant for other candidates.

Conditions for Recognition as a National Party:

At present (2013), a party is recognized as a national party if any of the following conditions is fulfilled:

- If it secures six percent of valid votes polled in **any four or more states** at a general election to the Lok Sabha or to the legislative assembly; and, in addition, it wins four seats in the Lok Sabha from any state or states; or
- If it wins two percent of seats in the Lok Sabha at a general election; and these candidates are elected from three states; or
- If it is recognized as a state party in four states.

Conditions for Recognition as a State Party:

At present (2013), a party is recognized as a state party in a state if any of the following conditions is fulfilled:

- If it secures six per cent of the valid votes polled in the state at a general election to the legislative assembly of the state concerned; and, in addition, it wins 2 seats in the assembly of the state concerned; or
- If it secures six per cent of the valid votes polled in the state at a general election to the Lok Sabha from the state concerned; and, in addition, it wins 1 seat in the Lok Sabha from the state concerned; or
- If it wins three per cent of seats in the legislative assembly at a general election to the legislative assembly of the state concerned or 3 seats in the assembly, whichever is more; or
- If it wins 1 seat in the Lok Sabha for every 25 seats or any fraction thereof allotted to the state at a general election to the Lok Sabha from the state concerned; or
- If it secures eight per cent of the total valid votes polled in the state at a General Election to the Lok Sabha from the state or to the legislative assembly of the state. This condition was added in 2011.

The number of recognized parties keeps on changing on the basis of their performance in the general elections. At present (2013), there are 6 national parties, 51 state parties and 1415 registered unrecognized parties in the country. The national parties and state parties are also known as all-India parties and regional parties respectively.

Recognised National Parties and their Symbols

Sl.No.	Name of the Party (Abbreviation)	Symbol Reserved
1.	Bahujan Samaj Party (BSP)	Elephant*
2.	Bharatiya Janata Party (BJP)	Lotus
3.	Communist Party of India (CPI)	Ears of Corn and Sickle
4.	Communist Party of India (Marxist) (CPM)	Hammer, Sickle and Star
5.	Indian National Congress (INC)	Hand
6.	Nationalist Congress Party (NCP)	Clock

How AITMC got recognition?

Since it has fulfilled one of the three conditions laid down in the Symbols Order, 1968. According to the criteria set by the poll panel, a “national party” needs to win at least two per cent of the total seats in the Lok Sabha (11 seats) from at least three different states, or get at least six per cent votes in four states in addition to four Lok Sabha seats, or be recognized as a “state party” in four or more states.

The Trinamool Congress has met the last condition. It is a state party in West Bengal, Tripura, Arunachal Pradesh and Manipur.

The upgrade would not have happened had the Election Commission not amended its Symbols Order in recent to allow all political parties to retain their state and national party status for every two election cycles or every 10 years. Earlier, this was reviewed every five years.

Had this rule not changed, the Trinamool Congress would have lost its state party status in Arunachal Pradesh after its poor showing during the 2014 Lok Sabha elections — party secured only 1.5 per cent of the vote share. In order to retain its state party status the party should have polled at least 8 per cent of votes. But the amendment now requires all state parties to meet this criterion every 10 years, instead of five. The party was recognized as a state party in Tripura following its impressive performance in the last Lok Sabha 2014 polls.

It secured 9.74 per cent vote share, which made the party eligible for national party status.

Benefits of recognition as a National party

The party recognized as National Party are entitled to exclusive allotment of its reserved symbol (in case of AITMC flower and grass) to fight Assembly and Lok Sabha elections anywhere in the country.

Recognition as a national or a State party ensures that the election symbol of that party is not used by any other political entity in polls across India. Other registered but unrecognized political parties have to choose from a pool of “free symbols” announced by the commission from time to time.

Besides, these parties get land or buildings from the government to set up their party offices. They can have up to 40 ‘star campaigners’ during electioneering. Others can have up to 20 ‘star campaigners’.

Candidates from a national party require only one proposer to file their nominations and are entitled to two sets of electoral rolls free of cost. National parties get dedicated broadcast slots on public broadcasters Doordarshan and All India Radio during the general elections. Further, political parties are entitled to nominate ‘star campaigners’ during general elections. A national party can have a maximum of 40 ‘star campaigners’ while a registered unrecognized party can nominate a maximum of 20 ‘star campaigners’, whose travel expenses are not accounted for in the election expense accounts of candidates.

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INDIA - VIETNAM RELATIONS

Context

India and Vietnam recently signed 12 agreements that cover IT, space, double taxation and sharing white shipping information among others. India and Vietnam build *Comprehensive Strategic Partnership Defence* ties to strengthen India's 'Act East Policy' and India has extended USD 500 million to Vietnam for defence cooperation.

What is the history of India-Vietnam Relations?

India-Vietnam relations have been exceptionally friendly and cordial since their foundations were laid by founding fathers of the two countries - The traditionally close and cordial relations have their historical roots in the common struggle for liberation from foreign rule and the national struggle for independence.

In recent times, political contacts have strengthened as reflected in several high-level visits by leaders from both sides. Trade and economic linkages continue to grow. India's thrust under the 'Look East' policy combined with Vietnam's growing engagement within the region and with India has paid rich dividends.

Indian and Vietnam in Regional and International Cooperation

Vietnam is an important regional partner in South East Asia. India and Vietnam closely cooperate in various regional forums such as ASEAN, East Asia Summit, Mekong Ganga Cooperation, Asia Europe Meeting (ASEM) besides UN and WTO.

Economic and Commercial Relations

India's relations with Vietnam are marked by growing economic and commercial engagement. India is now among the top ten trading partners of Vietnam. In 2014, the two sides decided to make economic cooperation a strategic thrust in the India-Vietnam Strategic Partnership. In 2015, five key sectors were identified as thrust areas including garment and textile, pharmaceuticals, agro-commodities, leather & footwear and engineering. Both sides have agreed on a new trade target of US$ 15 bn by 2020. India now has 132 projects with total investments of about US 1.07 billion.

Upgrading relation to Comprehensive strategic partnership

The recent visit of Indian Prime Minister to Vietnam carried with it significant expectations in upgrading the strategic and defence cooperation to a comprehensive one, strengthening people to people contact and bolstering India's Act East Policy. The visit assumes importance in view of the fact that Prime Minister Narendra Modi visited Hanoi before attending the G-20 Summit at Hangzhou, China.

In the process of enhancing strategic cooperation to Vietnam, PM Modi pointed out the effects of Indo-Vietnam joint cooperation, which assisted Vietnam in becoming the world's third largest rice exporter.

While strengthening the trait of religion diplomacy, the PM recalled the historical Buddhist and Hindu roots, inviting Vietnamese to India, the land of Buddha, and particularly to his parliamentary constituency, Varanasi.

While narrating the two-thousand-year-old civilization linkages between India and Vietnam, he applauded the Vietnamese leadership's support for upgrading India-Vietnam relationship to a "Comprehensive Strategic Partnership".

What is the difference between bilateral relations, strategic partnership and Comprehensive Strategic Partnership?

Bilateral Relationship

Bilateral relationship generally has economic and commercial purpose. They may exchange different products like power, general commodities, or any defence equipment but purpose will be economic benefit of both countries only. If this kind of relationship appear between more than two nations then it is called

multilateral relationship. Foreign trade agreement (FTA), Foreign direct Investment (FDI) are few document which are generally signifies bilateral relationship. Pakistan and India can have bilateral relationship but cannot become strategic partners.

Strategic Relationship

Strategic partnership is anything relating to long term interests and goals; a strategic partnership, by extension, would relate to long term shared interests and ways of achieving them. It's based on diplomatic, economic and security factors. It is more target oriented partnership. Such a partnership manifests itself in a variety of relationships. India has signed "strategic partnerships" with more than 30 countries.

Strategic partnerships are declarative instruments of policy for India- an effort to underline its commitment to build a long term relationship by deepening ties and promoting congruence on issues of mutual interest. But India doesn't immediately fast track relations to expand along all axis. It rather takes time and weigh the pros and cons of deeper engagement very seriously.

An alliance is a relationship based on formal documentation and a Treaty is a sort of relationship which is based on obligatory document for both/all signatories. A declaration is necessary for strategic relationship. It is very unlikely of becoming enemy countries and strategic partners at the same time.

Comprehensive Strategic Partnership

Comprehensive partnership is of the next and deeper level relationship with the partner country which includes people to people and cultural and religious connections besides strategic.

What are the sectors neglected by both courtiers for cooperation?

Apart from the traditional sectors of cooperation, the bilateral meeting did not emphasise on the hitherto neglected areas of cooperation like promoting tourism between the two countries. Tourism in Vietnam remains a neglected sector that grew out of the misconceptions developed around media circles that the country lacks attractive tourist destinations. More people to people contacts can help to create avenues which can alter the general misconceptions about tourism in Vietnam.

Why India did choose Vietnam for strategic partnership?

India's eastern islands are only about 90 miles from the western approach to the Strait of Malacca, and the ***South China Sea connects the two great oceans*** on which India increasingly depends for its prosperity.

India is separated from the rest of Asia by the Himalayas, so Indian businesses are especially dependent on sea-borne commerce. About ***55 percent of its trade***, for instance, crosses the South China Sea.

China's consolidation of power in the South China Sea will have a direct bearing on India's interests in its own ***maritime backyard***, the Indian Ocean.

India understands its interests are affected by events far from its borders, which explains why PM Modi is the first Indian Prime Minister to travel to Vietnam in 15 years. Also it explains why India is developing and announcing India's comprehensive strategic partnership with Vietnam.

What are the Implications of India-Vietnam ties on China?

Vietnam wanted to strengthen their defence sector in the wake of *China's aggressive expansion* in South China Sea. In this regard, growing India-Vietnam ties will act as a veiled caution to China.

The *South China Sea dispute* has plagued the region for over a decade, with the impasse showing no signs of breaking. About 3.5 million square kilometres area is being disputed by China, Philippines, Vietnam, Brunei and Taiwan. China imposed its claim by building islands and using naval patrols. The vast mineral deposits in Paracel and the Spratly Islands offer lucrative economic interest for the countries to claim the territory on the South China Sea.

India has been urging for *freedom of passage* in international waters which compromises China's interest. Vietnam's policy encourages international navies in the disputed South China Sea.

China has objected in the past to India's Oil and Natural Gas Commission *(ONGC) undertaking exploration* at the invitation of Vietnam in the SCS, which is believed to be rich in undersea deposits of oil and gas.

Both the countries urged to respect United Nations Convention on the Law of Sea (UNCLOS) in maintaining peace, security and uninterrupted trade and commerce in the region. The regional dispute has become a global concern.

What are the other Important Bilateral Developments?

Vietnam has shown a keen interest cooperating with India in:

- Air and defense production.
- India's L&T will build offshore high speed patrol boats for Vietnamese Coast Guards, while a pact was signed on cooperation in UN peacekeeping matters.
- Indian Navy and Vietnam Navy will cooperate in sharing of white shipping information.
- India's trade with Vietnam is worth USD 8 billion currently, and is expected to hit the USD 15 billion mark by 2020.
- India is also working to build oil and gas reserves off the Vietnam coast.
- India has already invested USD 1.8 billion in a **thermal power project** in Vietnam, making it one of the top 10 investors in the country.
- Discussions are also on for India to sell its **supersonic Brahmos cruise missiles** to Vietnam and also provide technical assistance for the maintenance of the hardware.
- The Prime Minister also announced a grant of USD 5 million for the establishment of **a Software Park in the Telecommunications** at University in NhaTrang.
- The framework agreement on **Space Cooperation**, India would allow Vietnam to join hands with Indian Space Research Organisation to meet its national development objectives.
- The Archaeological Survey of India could soon start the conservation and restoration work of the **Cham monuments at My Son** in Vietnam. Also work is going on for an early establishment and opening of the Indian Cultural Centre in Hanoi.

What can be possible outcomes for India?

The defence cooperation will strengthen the bilateral ties not only between the two nations, but more significantly, will connect the ASEAN region.

India believes that by elevating strategic ties to comprehensive partnerships will take bilateral relations to a new level and that indicates close association between India and Vietnam.

Vietnam has strategic partnership with only Russia and China. Military cooperation between India and Vietnam will gather momentum after this development. Economic and defence cooperation between India and Vietnam is also expected to strengthen the ASEAN region globally.

Conclusion and Way Forward

When nations are interested in right earnest to improve relations, regional and international developments strengthens the will of the leadership to come closer. There still remain multiple areas of convergence of interests that can be developed and strengthened in the near future. It is the determination of the two governments that can forge closeness between the two nations, and thereby set an example for others to follow.

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RUSSIA-USA REACH TENTATIVE AGREEMENT FOR SYRIA CEASEFIRE

Context

Recently, Russia and the United States Reach New Agreement on Syria Conflicton a new plan to reduce violence in the Syrian conflict that, if successful, could lead for the first time to joint military targeting by the two powers against Islamic jihadists in Syria.

The US and Russia have agreed a tentative ceasefire deal for Syria, intended to lead the way to a joint US-Russian air campaign against Islamic State and other extremist groups and initiate the new negotiations on the country's political future.

The deal was announced by John Kerry, the US secretary of state, and his Russian counterpart, Sergey Lavrov, in Geneva.

Hereby, we are firstly analyzing the Syrian crisis, then move to the salient features of agreement.

Fig. 11

Background of Syrian Crisis

Pro-democracy protests in Syria erupted in March 2011 in the southern city of Deraa after the arrest and torture of some teenagers who painted revolutionary slogans on a school wall. After security forces opened fire on demonstrators, killing several, more took to the streets.

The unrest triggered nationwide protests demanding President Assad's resignation. The government's use of force to crush the dissent merely hardened the protesters' resolve. By July 2011, hundreds of thousands were taking to the streets across the country.

Opposition supporters eventually began to take up arms, first to defend themselves and later to expel security forces from their local areas.

Violence escalated and the country descended into civil war as rebel brigades were formed to battle government forces for control of cities, towns and the countryside. Fighting reached the capital Damascus and second city of Aleppo in 2012.

The conflict is now more than just a battle between those for or against Mr Assad. It has acquired sectarian overtones, pitching the country's Sunni majority against the president's Shia Alawite sect, and drawn in regional and world powers. The rise of the jihadist group Islamic State (IS) has added a further dimension.

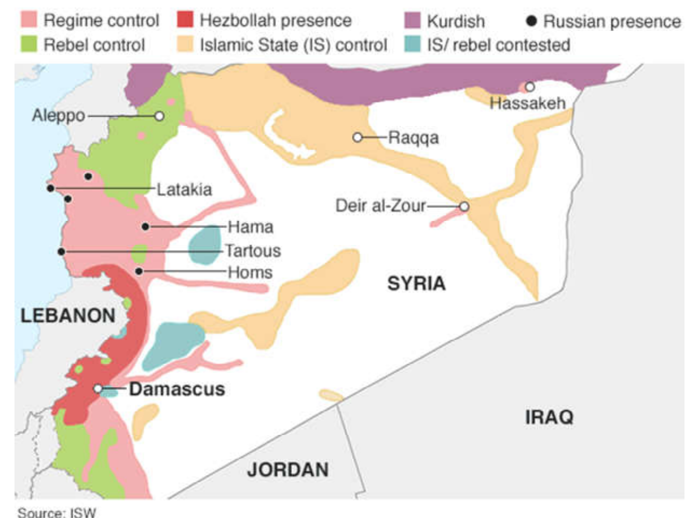

Fig. 12

What are the Impacts of the Civil War?

Syria's civil war is the worst humanitarian crisis of our time. Half the country's pre-war population — more than 11 million people — have been killed or forced to flee their homes.

Families are struggling to survive inside Syria, or make a new home in neighbouring countries. Others are risking their lives on the way to Europe, hoping to find acceptance and opportunity. And harsh winters and hot summers make life as a refugee even more difficult. At times, the effects of the conflict can seem overwhelming. Bombings are

destroying crowded cities and horrific human rights violations are widespread. Basic necessities like food and medical care are sparse.

The U.N. estimates that 6.6 million people are internally displaced. Well over half of the country's pre-war population of 23 million is in need of urgent humanitarian assistance, whether they still remain in the country or have escaped across the borders. According to the U.N., it will take $7.7 billion to meet the urgent needs of the most vulnerable Syrians in 2016.

In October 2015, Russia began launching airstrikes at ISIS (Islamic State of Iraq and Syria) targets in Syria. The bombings have continued, so far killing at least 2,000 civilians and forcing even more Syrians to flee for safety.

In early February 2016, fighting around Aleppo city intensified and the main route for humanitarian aid was cut off. This has severely limited access. The ability to provide life saving aid throughout the region has been severely jeopardized.

How it has taken the shape of refugee crisis?

Many Syrian refugees are living in Jordan and Lebanon. In the region's two smallest countries, weak infrastructure and limited resources are nearing a breaking point under the strain.

In August 2013, more Syrians escaped into northern Iraq at a newly opened border crossing. Now they are trapped by that country's own insurgent conflict, and Iraq is struggling to meet the needs of Syrian refugees on top of more than 1 million internally displaced Iraqis.

An increasing number of Syrian refugees are fleeing across the border into Turkey, overwhelming urban host communities and creating new cultural tensions.

Hundreds of thousands of refugees are also attempting the dangerous trip across the Mediterranean Sea from Turkey to Greece, hoping to find a better future in Europe. Not all of them make it across alive. Those who do make it to Greece still face steep challenges — resources are strained by the influx, services are minimal and much of the route into western Europe has been closed.

The risks on the journey to the border can be as high as staying: Families walk for miles through the night to avoid being shot at by snipers or being caught by soldiers who will kidnap young men to fight for the regime.

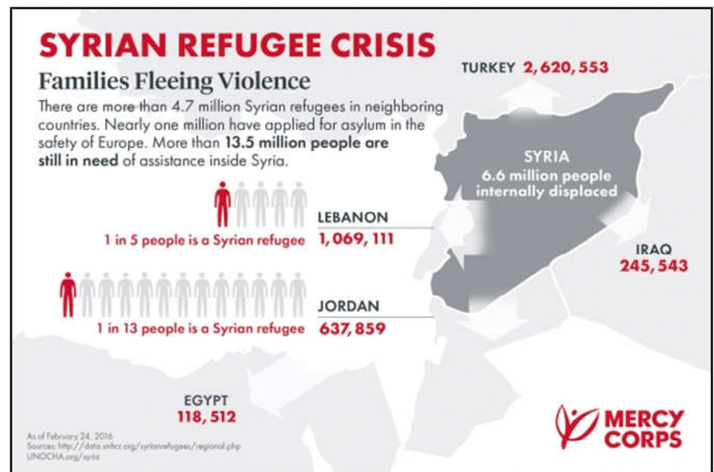

Fig. 13

Who is fighting against 'Islamic State'?

The conflict in Syria has drawn in major global powers, supporting and opposing President Bashar al-Assad and the myriad rebel groups ranged against him.

In Syria, the US-led air campaign began in September 2014. Since then, more than 5,000 strikes have been carried out by coalition forces, which include Australia, Bahrain, France, Jordan, the Netherlands, Saudi Arabia, Turkey, United Arab Emirates and the UK.

Russia is not part of the coalition, but its jets began air strikes against what it called "terrorists" in Syria in September 2015.

Russian planes have targeted deep into opposition-held territory, and helped Syrian government forces to surround rebels in the city of Aleppo.

On 30 October 2015, world powers meeting in Vienna agreed to a nine-point plan they hope will pave the way for a ceasefire in Syria - but they remain divided on what happens to President Assad.

Russia's Stand

Russia is one of Syrian President Bashar al-Assad's most important international backers and the survival of the regime is critical to maintaining Russian interests in the country.

It has blocked resolutions critical of President Assad at the UN Security Council and has continued to supply weapons to the Syrian military despite international criticism.

Russia wants to protect a key naval facility which it leases at the Syrian port of Tartous, which serves as Russia's sole Mediterranean base for its Black Sea fleet, and has forces at an air base in Latakia, President Assad's Shia Alawite heartland.

In September 2015 Russia began launching air strikes against rebels, saying the so-called Islamic State (IS) and "all terrorists" were targets. However, Western-backed groups were reported to have been hit.

President Vladimir Putin has though said that only a political solution can end the conflict.

United States

(The US insists President Assad cannot be part of Syria's future)

The US has accused President Assad of responsibility for widespread atrocities and says he must go. But it agrees on the need for a negotiated settlement to end the war and the formation of a transitional administration.

The US supports Syria's main opposition alliance, the National Coalition, and provides limited military assistance to "moderate" rebels.

Since September 2014, the US has been conducting air strikes on IS and other jihadist groups in Syria as part of an international coalition against the jihadist group. But it has avoided attacks that might benefit Mr Assad's forces or intervening in battles between them and the rebels.

A programme to train and arm 5,000 Syrian rebels to take the fight to IS on the ground has suffered embarrassing setbacks, with few having even reached the frontline.

Saudi Arabia

(Saudi Arabia provides military and financial assistance to several rebel groups)

The Sunni-ruled Gulf kingdom says President Assad cannot be part of a solution to the conflict and must hand over power to a transitional administration or be removed by force.

Riyadh is a major provider of military and financial assistance to several rebel groups, including those with Islamist ideologies, and has called for a no-fly zone to be imposed to protect civilians from bombardment by Syrian government forces.

Saudi leaders were angered by the Obama administration's decision not to intervene militarily in Syria after a 2013 chemical attack blamed on Mr Assad's forces.

They later agreed to take part in the US-led coalition air campaign against IS, concerned by the group's advances and its popularity among a minority of Saudis.

Turkey

(Turkey has led calls for Assad to step down since the start of the Syrian uprising)

The Turkish government has been a staunch critic of Mr Assad since the start of the uprising in Syria. President Recep Tayyip Erdogan has said it was impossible for Syrians to "accept a dictator who has led to the deaths of up to 350,000 people".

Turkey is a key supporter of the Syrian opposition and has faced the burden of hosting almost two million refugees. But its policy of allowing rebel fighters, arms shipments and refugees to pass through its territory has been exploited by foreign jihadists wanting to join IS.

Turkey agreed to let the US-led coalition against IS to use its air bases for strikes on Syria after an IS bomb attack in July 2015.

They have though been critical of coalition support for the Syrian Kurdish Popular Protection Units (YPG) - an affiliate of the banned Turkish Kurdistan Workers' Party (PKK) deemed a terrorist group by Turkey, the EU and the US.

Iran

(Iranian commanders have helped Syrian forces against the rebels)

Regional Shia power Iran is believed to be spending billions of dollars a year to prop up President Assad and his Alawite-dominated government, providing military advisers and subsidised weapons, as well as lines of credit and oil transfers.

Mr Assad is Iran's closest Arab ally and Syria is the main transit point for Iranian weapons shipments to the Lebanese Shia Islamist movement, Hezbollah.

Iran is also believed to have been influential in Hezbollah's decision to send fighters to western Syria to assist pro-Assad forces. Militiamen from Iran and Iraq who say they are protecting Shia holy sites are also fighting alongside Syrian troops.

Iran has proposed a peaceful transition in Syria that would culminate in free, multi-party elections. It was involved in peace talks over Syria's future for the first time when world powers met in Vienna.

SYRIAN Government's stand

Syrian President Bashar Assad believes that his forces would recapture all of Syria, including Aleppo but he would prefer to do so using local deals and amnesties that would allow rebels to leave for other areas.

Assad feels that US did not have the will to reach a peace agreement that would involve allowing airstrikes against Al-Nusra Front, now called Jabhat Fateh al-Sham, because the group was its only "concrete and effective card in the Syrian arena."

Besides, US has classified Al-Nusra Front as a terrorist organisation and repeatedly warned other rebel groups not to work with it.

What does the Agreement Say?

A nationwide ceasefire by Russia backed Syrian Government's forces and the US-backed opposition forces is set to begin across Syria. It will set off a seven-day period that will allow for humanitarian aid and civilian traffic into Aleppo, Syria's largest city, which has faced a recent onslaught by rebel groups.

The US and Russia will begin preparations for the creation of a Joint Implementation Centre that will involve information sharing needed to define areas controlled by the Jabhat Fateh al-Sham group (formerly known as Al-Nusra Front) and opposition groups in areas of active hostilities. The centre is expected to be established a week later, and is to launch a broader effort towards delineating other territories in control of various groups.

As part of the arrangement, Russia is expected to keep Syrian air force planes from bombing areas controlled by the opposition. The US has committed to help weaken Jabhat Fateh al-Sham that has intermingled with the US-backed opposition in several places.

The Joint Implementation Center, will share targeting data, and begin to coordinate bombing of militants of the Nusra Front and the Islamic State.

Why the current US-Russia Deal assumes importance?

The agreement was reached after 10 months of failed attempts to halt the fighting and of suspended efforts to reach a political settlement to an increasingly complex conflict that began more than five years ago in 2011.

The conflict has left nearly half a million people dead, created the largest refugee crisis since World War II and turned Syria into a prime incubator of recruiting for the Islamic State and the Al-Nusra Front, an affiliate of Al Qaeda.

What makes the agreement different?

The US and Russia, ultimately, are to find themselves fighting together against ISIL and Jabhat Fateh al-Sham (Al Nusra Front), and embarking on unprecedented information-sharing, aimed at dispelling long-standing mistrust between the two powers over the Syria conflict.

Will the Agreement Work?

For the agreement to work, Russia will need to persuade the Syrian air force to stop strikes on anti-government positions, which have killed large numbers of civilians.

In turn, US has to get the opposition groups to separate themselves from Jabhat-Fateh al-Sham, which has allied itself with a range of rebels at different points in the fluid conflict.

A truce agreed in February and endorsed by the United Nations Security Council has been repeatedly broken by both sides.

What is Expected from the Agreement?

US hope that the plan will reduce violence, suffering and resume movement toward a negotiated peace and a transition in Syria.

Russia hopes that the ceasefire would lead to the prompt resumption of negotiations over Syria's political future.

The UN's special envoy for Syria, called the agreement a window of opportunity and said he would consult the UN secretary general, Ban Ki-moon, on the timing of new political negotiations.

What are Possible Challenges in Implementing the Deal?

Delineating the zones deemed to be controlled by Al-Nusra Front was one of the thorniest issues in the negotiations, as the extremist group has fought with a range of other rebel organisations on different fronts in western Syria. Disentangling them from their allies on the ground will be one of the biggest challenges of maintaining the ceasefire deal.

The issue is the possibility of Russia to halt Mr. Assad's fighter jets. Though Russia wields strong influence over Syria, it has in the past expressed uneasiness over the stubbornness of the regime. The regime is now making gains in the battlefield. Even if Mr. Assad agrees to suspend the bombing, it is not clear if he will be prepared to make any meaningful compromises in the peace talks.

Another Challenge is that the rebels fighting the regime are not a unified force. Russia wants Jabhat-Fateh al-Sham, a former affiliate of al-Qaeda, to be singled out and attacked. The U.S. has agreed to this suggestion in principle, but its practicality is uncertain.

Conclusion and Way Forward

The agreement reveals as much by what it contains as what it omits. Previous United Nations Security Council Resolutions, were much more expansive in their understanding of the conflict and the measures needed to propel a resolution. This included recognition of the need for political transition and a political solution to the conflict. No such provisions appear to have made their way into this final agreement, with key questions of what will come after the conflict left unaddressed.

Any agreement or process to end the conflict must stretch beyond geopolitics and address the serious, long-term issues that are important to Syrians, including refugee repatriation, prisoners' whereabouts, transitional justice and reconstruction.

Unfortunately, the recent agreement between Russia and the United States represents a retreat from past efforts to include these dimensions of the conflict as part of any deal. Focusing solely on the military aspect renders Syrians invisible and portends a bleak future for Syria as a frontline state against ISIL, ensuring continued violence in the country.

However there is an urgent need for the key countries to come together to help those in need. To do the lifesaving work, helping people survive conflict and build brighter futures.

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ACID ATTACK IN INDIA

Context

Recently a special Mumbai court has sentenced Acid attacker to death for throwing acid at 23-year-old nurse.

Acid throwing, also called an acid attack, is a form of violent assault defined as the act of throwing acid or a similarly corrosive substance onto the body of another "with the intention to disfigure, maim, torture, or kill." Perpetrators of these attacks throw acid at their victims, usually at their faces, burning them, and damaging skin tissue, often exposing and sometimes dissolving the bones.

The use of acid as a weapon began to rise in many developing nations, specifically those in South Asia. Records on Allahabad High Court proceedings indicate that, one acid attack had taken place on 20th June 1932 somewhere in the area of its jurisdiction. Acid attacks in India, like Bangladesh, have a gendered aspect to them at least 72% of reported attacks included at least one female victim. However, unlike Bangladesh, India's incidence rate of chemical assault has been increasing in the past decade. Delhi and NCR (trans-Yamuna area and outer Delhi) accounted for the highest number of acid attack however Uttar Pradesh and Madhya Pradesh recorded large number of cases in the country.

The rising number of acid attack cases, from 83 in 2011 to 349 in 2015, shows India's inability to grapple with this heinous crime. Cases continue unabated in various parts of the country, showing the pan-Indian character of this form of assault. Over the last few months, cases of acid violence have been reported from Rajasthan, Punjab, Madhya Pradesh, Tamil Nadu, Kerala, Bihar, Assam and Delhi, underlining the fact that little has been done to regulate the availability of acid.

India has the highest number of acid attacks in the world, but the worst conviction rates. As is often the case with other crimes against women, acid attacks are treated with official apathy and societal indifference.

Previously classified under grievous harm, acid attack became a specific offence in India in 2013 after public pressure forced the government to improve laws to protect women following the fatal gang rape of a young women on New Delhi bus in 2012 well known as the 'Nirbhaya case'. There were 222 cases reported in 2015 compared to 309 the previous year. Although acid attacks occur all over the world, including in Europe and the United States.

What are the available sources of this acid?

- The most common types of acid used in these attacks are sulfuric and nitric acid. Hydrochloric acid is sometimes used, but is much less damaging. The long term consequences of these attacks may include blindness, as well as permanent scarring of the face and body, along with far-reaching social, psychological, and economic difficulties.
- A positive correlation has been observed between acid attacks and ease of acid purchase. Sulfuric, nitric and hydrochloric acid are most commonly used and are all cheap and readily available in many instances. For example, often acid throwers can purchase a liter of concentrated sulfuric acid at motorbike mechanic shops. Nitric acid is available for purchase at gold or jewelry shops, as polishers generally use it to purify gold and metals. Hydrochloric acid is also used for polishing jewellery, as well as for making soya sauce, cosmetics and traditional medicine/amphetamine drugs.
- Due to such ease of access, many organizations call for a stricter regulation on the acid economy. Specific actions include required licenses for all acid traders, a ban on concentrated acid in certain areas, and enhanced system of monitoring for acid sales, such as the need to document all transactions involving acid. However, some scholars have warned that such stringent regulation may result in black market trading of acid, which law enforcements must keep in mind.

What are the factors behind such attacks/ the Causes?

- Un-counseled anger and frustration is as much as behind the crimes as pre-disposition to sociopathic traits and violence and societal chauvinism (85% of the victims are women).

- But the real culprit to blame is the ease to get away with it. Anger over rejection (41% of attacks in India from 2010-2013 was from spurned lovers) causes the desire to lash out and inherent disregard for women in specific and human suffering in general seeds the thought, but the lax laws - both to limit availability and to counter the crime - is what lets the perpetrators (who happen to list from white collar officials to migrant workers) convert their thoughts in to action.

  The motives behind these are revenge, sadism, and coercive action furthermore the causes which includes in this issues are:

  - Family disputes; domestic violence; relationship conflicts
  - Refusal of indecent proposals or unacceptable propositions
  - Land or money disputes; business conflicts
  - Vengefulness and status jealousy
  - Suspicion of infidelity
  - Theft or robbery
  - Mistaken identity; accidental; collateral
  - Nemesis: perpetrator inflicts self-injury
  - Sex crimes, rape, and sodomy - leading to victim's death in worst cases

Most vulnerable section is women 11-30 age group and men 20-40 age group. 85% of victims are women, so acid attack can overwhelmingly be classified as gender violence. For the 15% male victims, the primary cause of attack is property dispute.

Health Effects

- The long term consequences of these attacks may include blindness, disfigurement, breathing problem as well as permanent scarring of the face and body along with far-reaching social, psychological, and economic difficulties. Acid attack is possibly the worst infliction on another human, leading to complete debilitation, loss of income and opportunity, and even social sequestration.
- The most notable effect of an acid attack is the lifelong bodily disfigurement. There is a high survival rate amongst victims of acid attacks. Consequently, the victim is faced with physical challenges, which require long term surgical treatment, as well as psychological challenges, which require in-depth intervention from psychologists and counselors at each stage of physical recovery. These far-reaching effects on their lives impact their psychological, social and economic viability in communities.

Physiological and Medical Effect

- The medical effects of acid attacks are extensive. As a majority of acid attacks are aimed at the face, several articles thoroughly reviewed the medical implications for these victims. The severity of the damage depends on the concentration of the acid and the time before the acid is thoroughly washed off with water or neutralized with a neutralizing agent. The acid can rapidly eat away skin, the layer of fat beneath the skin, and in some cases even the underlying bone. Eyelids and lips may be completely destroyed, the nose and ears severely damaged. Acid attack victims reported higher levels of anxiety, depression, and many mental health issues like, psychological distress due to one's concern for their appearance.
- Victims suffer psychological symptoms such as depression, insomnia, nightmares, paranoia and fear for facing the outside world, headaches, weakness and tiredness difficulties in concentrating and remembering the things. They feel perpetually depressed, ashamed, worried and lonely. Acid attack victims face the possibility of septicemia, rental failure, skin de-pigmentation, and even death.

Social Stigma and Trauma

- Many social implications exist for acid survivors especially women, these attacks usually leave victims handicapped in some way. Rendering the victims on either their spouse or family for everyday activities like eating and running errands. Much acid survivors are not able to find suitable work, due to impaired vision and physical handicap resulted into, negative impact on their economic viability, causing hardship on their family. Which resulted into the, high divorce rate with abandonment by husband found in 25% of acid attack cases in Uganda, moreover the unmarried acid attack survivor almost certainly become ostracized from society, effectively running marriage prospects.
- These acid attack victims face a lifetime of discrimination from society and they often become lonely. They are embarrassed as they think people may stare or laugh at them, and may hesitate to leave their homes fearing adverse reactions from the outside world.

The tendency of most of the acid victims is, they do not want to indulge themselves in the any legal action or the procedures because; they thought attacker's arrest is not going to change or help anything.

Acid attack violence is shrouded by a 'culture of silence' and acid attack as they provoked their own assault; fear further reprisals from the perpetrators or are unaware of medical, legal or social service available.

Many acid attack survivors live in rural communities and as the processes for collecting information on acid attacks are inadequate or unreliable. Adding to the complications of accurate and the rigorous data collection of acid attackers are that there are unreliable classifications of injuries as being due to either accidental workplace acid burns or to pre-meditated acid attacks at some medical facilities.

These problems are exacerbated by a lack of knowledge of how to treat burns: many victims applied oil to the acid, rather than rinsing thoroughly and completely with water to neutralize the acid. Such home remedies only serve to increase the severity of damage, as they do not counteract the acidity. Many NGO's and government organization provides the free medical treatment and surgical care for acid attack victims in the country.

Laws Concerning to Women and Acid Attack

- Before insertion of Sections 326A-326B of Indian Penal Code (as recent as 2013), acid attack could only be prosecuted as violence against women. This tremendously hindered data availability and made arrest and punishment subjective and lenient. The Indian Penal Code amendment on the 2nd of April 2013 included provisions for prosecution of perpetrators, treatment and rehabilitation of the victim.
- New provisions made in the Criminal Procedure Code under the Criminal Law (Amendment) Act 2013 (addition to Section 100 above) – "An act of throwing or administering acid or an attempt to throw or administer acid which may reasonably cause the apprehension that grievous hurt will otherwise be the consequence of such act," In addition, there have been several directions issued by the Hon'ble Supreme Court of India regarding – "compensation, free medical treatment and regulating sale of acids all of which have been welcomed".
- **326A-** Whoever causes permanent or partial damage or deformity to, or burns or maims or disfigures or disables, any part of parts of the body of the person or causes grievous hurt by throwing acid on or by administering acid to that person, or by using any other means with the intention of causing or with the knowledge that one is likely to cause such injury or hurt, shall be punished with imprisonment of either description for a term which shall not be less than 10 years but which may extend to imprisonment for life, and with fine.
- **326B-** Whoever throws or attempts to throw acid on any person or attempts to administer acid to any person, or attempts to use any other means, with the intention of causing permanent of partial damage or deformity of burns or maiming or disfigurement or disability or grievous hurt to that person, shall be punished with imprisonment of either description for a term which shall not be less than 5 years, but which may extent to 7 years and also be liable to fine.
- Even securing rehabilitation and government compensation as provisioned by law now (mere 3 lakh in comparison to average 50 lakh needed for 50-60 surgeries depending on the severity of the attack) remain painstakingly slow process.
- However the scope of the definition ' Acid Attack' is very narrow and does not deal adequately with the issue because:
  - It does not cover various kinds of injuries inflicted because of an acid attack
  - The section does not cover the act of administering acid attack i.e. planning it.
  - The sections give wide discretion to the courts as far as punishment is concerned.
  - Not having clear Provision for awarding compensation to the victim.

Supreme Court's Guidelines

- The Supreme Court has given very clear guidelines that **"you cannot easily sell acid over the counter and it is responsibility of local authorities to do surprise checks to see if acid is being sold illegally."**
- India's top court in 2013 ordered the government to curb the sale of acid to control attacks on women. It made mandatory for anyone wishing to buy the chemical, which is cheap and used as an everyday household cleaning product, to be over 18 years of age (acid cannot be sold to minors) and have an identity card (issued by the government). Seller should also maintain a register to specify the reason and the purpose for purchasing acid.
- Apex court had made the acid attack a non-billable offence). It is shocking that, despite the Supreme Court guidelines, acid is so easily available to people.

Way ahead

- The tragedy, size and complexity of the problem of acid violence in India need to be understood in the context of the socio-cultural and politico-economic transformation that is taking place in the country since the last century. Right to self-defense against acid attack and control of acid sales, the laws however, for sure is 'too late', might also be 'too little' in their current state.
- Awareness campaigns appealing to public to not sell, distribute, or use - especially with listed consequences of high profile convictions and warning women to be aware of the signs and to take threats seriously.
- There should be tougher punishment, role of implementing control, and fast track courts executed. Most victims lose the motivation to pursue the fight after the initial months pass as the irreversibility of their condition become apparent to them. Hopelessness and depression sinks in replacing anger and motivation for justice, lowering further the rate of prosecution and conviction of assailants.
- There is a need to have central government allocated funding. Same is needed for widely publishing immediate first aid steps (acid burns need to be treated fast and right to minimize damage). Elimination of bureaucra tie hurdles is needed for victim rehabilitation (most are unable to continue previously held jobs; many are shunned and ostracized by their families).
- In India, nationwide figures and motivational trends on acid attacks are largely not known because of problematic reporting mechanisms, and the sheer population and geographical scale of the country.
- However, the sources of the information for these cases are newspapers, crime and police reports, internet and NGO publications.

Conclusion

Poverty, Lack of education and awareness about human rights amongst the masses aggravates the situation. Social tension and ugly frictions are inherent in such conglomerate and disparate society ridden with caste and class conflicts, outdated customs and hierarchical obsessions. This is a fertile breeding ground for crime and violence. We need to continue shuddering until every women and men in India is safe against acid violence. Additionally, stricter regulation of acid sales to combat this social issue should be established.

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SANITATION

Context

Recently, the results of National Sample Survey Office Sanitation Survey and Swachh Survekshan - 2016 were announced.

Sanitation generally refers to the provision of facilities and services for the safe disposal of human urine and feces. Inadequate sanitation is a major cause of disease world-wide and improving sanitation is known to have a significant beneficial impact on health both in households and across communities. The word 'sanitation' also refers to the maintenance of hygienic conditions, through services such as garbage collection and wastewater disposal.

The government has launched the Swatchh Bharat Mission which has two sub-Missions - Swachh Bharat Mission (Gramin) and Swachh Bharat Mission (Urban). The two missions will fall under the Union Ministry of Drinking Water and Sanitation (for Rural) and the Union Ministry of Urban Development (for Urban) respectively.

The main objectives are:

- To bring about an improvement in the cleanliness, hygiene and eliminating open defecation and manual scavenging system and to bring behavioral changes among Indian people regarding maintenance of personal hygiene and practice.
- To accelerate sanitation coverage all over India to achieve the vision of Swachh Bharat by 2nd October 2019.
- To motivate Communities and Panchayati Raj Institutions to adopt sustainable scientific Solid & Liquid Waste Management sanitation practices and facilities through awareness creation and health education.

Swachh Bharat Mission is aimed at ensuring door-to-door garbage collection and proper disposal of municipal solid waste in all urban areas by 2019. The mission seeks the active participation of various stakeholders including the private sector and the citizens for Swachh Bharat to become a mass movement.

Why there should be focus on sanitation?

The poor sanitation has following impacts:

a) On Economy

The economic impacts of inadequate sanitation fall into the following categories:

- **Health-related impacts:** Premature deaths, costs of treating diseases; productive time lost due to people falling ill, and time lost by caregivers who look after them.
- **Domestic water-related impacts:** Household treatment of water; use of bottled water; a portion of costs of obtaining piped water; and time costs of fetching cleaner water from a distance.
- **Access time impacts:** Cost of additional time spent for accessing shared toilets or open defecation sites; absence of children (mainly girls) from school and women from their workplaces.
- **Tourism impacts:** Potential loss of tourism revenues and economic impacts of gastrointestinal illnesses among foreign tourists.

The figures are as follows:

- The health-related economic impacts of inadequate sanitation, costs Rs. 1.75 trillion (US$38.5 billion), accounts for the largest category of impacts. Access time (productive time lost to access sanitation facilities—shared or public toilets—or sites for defecation) and drinking water-related impacts are the other two main losses, at Rs. 487 billion (US$10.7 billion) and Rs. 191 billion (US$4.2).
- 79% of the premature mortality-related economic losses, under health impacts was due to deaths and diseases in children below 5 years. Under the health-related impact of Rs. 1.75 trillion (US$38.5 billion), diarrhea is the largest contributor, amounting to 2/3rd of the total impact. This is followed by Acute Lower Respiratory Infection (ALRI), accounting for 12% of the health-related impacts.
- The poorest 20% households living in urban areas bear the highest per capita economic impacts of inadequate sanitation of Rs. 1,699 (US$37.5)—this is 75% more than the national average per capita losses (Rs. 961 or US$21, that exclude mortality impacts), and 60 percent more than the urban average (Rs. 1,037, US$22.9). Rural households in the poorest quintile bear per capita losses in excess of Rs. 1,000 (US$22)—which is 8% more than the average loss for households in

rural areas (Rs. 930, $20.5). The total losses for the rural households in the poorest quintile is substantial (Rs. 204 billion, US$4.5 billion) as compared to their counterparts in urban areas (Rs. 16 billion, US$0.35 billion).

Swachh Survekshan 2016

The Union Ministry of Urban Development (MoUD) is responsible for achieving the objectives of Swachh Bharat Mission in urban cities and towns.

The Ministry commissioned an extensive survey across 73 cities, as a prelude to encourage cities to improve the level of cleanliness, sanitation and hygiene, including 53 cities with population of more than 1 million and state capitals.

The survey, the first for Swachh Bharat Mission, was conducted by Quality Council of India and has been aptly named as 'Swachh Survekshan'. The methodology, process and outcome indicators of the survey were designed by MoUD.

The survey confirmed ***work done by 73 municipalities*** on construction of individual household toilets, community and public toilet seats, door-to-door collection of garbage &waste management and treatment.

The performance of each ULB has also been benchmarked across 6 areas of evaluation:

- Strategy for Open Defecation Free town (ODF) and Integrated Solid Waste Management (SWM)
- Information, Education and Behavior Change Communication (IEBC) activity
- Door to door Collection, Sweeping, Collection & Transportation
- Processing and Disposal of Solid Waste
- Public & Community Toilet Provision
- Individual Toilets

Based on the findings of the Survekshan, this report ranks the cities on various parameters in the area of cleanliness, hygiene and sanitation.

The assessment reveals that the cities vary in terms of progress made under Swachh Bharat Mission. Some municipalities like Mysuru, Chandigarh and Tiruchirappalli are leaders in the area of sanitation, health and hygiene.

The survey offers a comprehensive assessment of the level of cleanliness, and the respective Municipal Corporation's level of preparedness in urban India and would help the government to mentor and guide cities on the basis of needs and gaps.

What was the Survey Methodology?

The ranking of the cities was based on data-collection from 3 sources, on the basis of which the survey has been segregated into 3 main areas:

- **Service Level Status Data (1,000 marks):** Preliminary data was collected in advance by a process of self-assessment from municipals as per the questionnaire. Assessors visited 73 municipalities to review the documentation and collected the data systematically ensuring that the process is independent and unbiased.

AREA OF EVALUATION	WEIGHTAGE
Strategy for Open Defecation Free town (ODF) and Integrated Solid Waste Management (SWM)	5%
Information, Education and Behavior Change Communication (IEBC) activity	5%
Door to door Collection, Sweeping, Collection & Transportation	40%
Processing and Disposal of Solid Waste	20%
Public & Community Toilet Provision	15%
Individual Toilet	15%

Fig. 14

- **Independent Observation Data (500 marks):** The collection of data for this part was based on physical observation by assessors. A questionnaire was designed to facilitate data collection. The survey assessors used maps and simple handheld recording formats to record their observations and findings along with photographs. Assessors systematically collected photos as evidence for field observations ensuring that the location, date and time are tagged on all the pictures. As part of direct observation, the whole municipal jurisdiction was divided into 4 zones.
- **Citizen Feedback Data (500 marks):** Minimum sample size of 1000 surveys or 0.1% of city population (whichever is less) was considered for City ranking in 2016. Feedback from Citizens was obtained using IVR surveys, wherein 6 questions related to cleanliness, hygiene and sanitation were asked to the citizens.

2016 ranking for top 5 cities		2016 ranking for bottom 5 cities	
Mysuru	- 1	Meerut	- 69
Chandigarh	- 2	Patna	- 70
Tiruchirappalli	- 3	Itanagar	- 71
Delhi-NDMC	- 4	Asansol	- 72
Visakhapatnam	- 5	Dhanbad	- 73

NSSO Survey on Sanitation

To evaluate the implementation and progress of the Swachh Bharat Mission at central and state level, a survey was conducted by the National Sample Survey Office (NSSO) during May-Jun 2015. Based on findings from the survey, states have been ranked in this report to capture their performance on access and usage of sanitary toilets in India. It is hoped that the ranking will sensitize the states on their performance and instill a sense of positive competition among them.

A survey on swachhta status was conducted by NSSO May-Jun 2015 covering 73, 176 households in 3788 villages across India.

Parameters and weightages of assessment for districts

This reports ranks districts on their status of sanitation, which has been assessed on the following four parameters:

Parameter-	Weightage
Household having access to safe toilets and using them	-40
Households having no litter around	-30
Public places with no litter on the surrounding	-20
Households having no stagnant wastewater around	-10

Method of state ranking

Based on findings of the survey, a state ranking was derived on the basis of percentage of households having sanitary toilets and using them. This percentage has been derived by multiplying

- The percentage of households having sanitary toilets, and
- The percentage of people using household/ community toilets (of the people having access to toilets)

Method of district ranking

Districts including 22 from North East and special category states, across the country were shortlisted on the basis of their performance on following two indicators (as per the data available with ministry of drinking water and sanitation).

- Improvement in toilet coverage since the launch of Swachh Bharat mission (2nd October 2014)
- Percentage of ODF villages in these districts.

Equal weightages were assigned to these indicators. Since 50% weight was assigned to “improvement in toilet coverage since the launch of Swachh Bharat Mission”, some of the districts already having very high toilet coverage did not feature in the list of 75 districts thus shortlisted.

State ranking based on NSSO 2015 survey

- Sikkim
- Kerala
- Mizoram
- Himachal Pradesh
- Nagaland

District ranking based on NSSO 2015 survey

The survey covered 53 districts located in the plains and 22 in hill states and the North-East.

Sindhudurg in Maharashtra emerged as the cleanest district in the country.

Among the other cleanest districts in the plains were Nadia (West Bengal), Satara (Maharashtra), Midnapore East (West Bengal) and Kolhapur (Maharashtra).

Dungarpur, Pali and Ajmer in Rajasthan were found to be the laggards - all three ranked in the bottom five. As many as 13 out of the 53 districts chosen were from Gujarat. But three districts in PM’s home state — Ahmedabad, Anand and Panchmahal -lagged on all four parameters.

Benefits of the Survey

It will help the ULB in assessing their performance vis-a-vis other ULBs and identify areas of improvement. The findings will also enable the ULBs to learn about best practices being implemented in other cities and to adopt them, tailored to their own requirements. The survey aims to foster a spirit of competition among the cities in urban areas.

In the long run, an effective reform involves a sustained and knowledge based process that requires benchmarking, consultation, sharing of information and most importantly monitoring and evaluation.

Conclusion

The state ranking based on NSSO survey and Swatchh Survekshan reveals that there is significant difference in the level of sanitation in the states. States such as Sikkim, Kerala and Mizoram stand

as clear leaders while the states such as Odisha, Jharkhand, and Chhattisgarh exhibit scope for improvement.

Thus the key challenges faced by the Mission and way forward are discussed below:

- About 590 Million persons in rural areas defecate in the open. The Mindset of a major portion of the population habituated to open defecation needs to be changed. Many of them already have a toilet but prefer to defecate in the open. The biggest challenge therefore is triggering behaviour change in vast section of rural population regarding need to use toilets.
- Need for availability of water for use of toilets.
- Inadequate dedicated staff at the Field Level for implementation of rural sanitation.
- There is no professional expertise in the Municipal Corporation to keep the city clean. Combined with total apathy, it creates an irremediable situation. This deplorable situation is compounded by corruption. There is virtually no supervision when a civil work contract is given by the Municipal Corporation or Municipality, for example, for road repair. It is the responsibility of the contractor to remove all the construction material or waste, but it is just pushed to the side of the road to save money that would be otherwise spent on its transportation and disposal — and no one cares. Not surprisingly **the only places that are clean are the military and the defence areas**. Common garbage bins, where they are provided by the government, are overflowing, besides being an eyesore.
- The lack of any resources for maintenance of school toilets and community sanitary complexes could result in rapid deterioration and subsequent non-usage of these over time, severely impacting the sustainability of the programme.
- The reliance on PPP for the implementation of project could constrain the ability of the government to address the already existing inequities based on caste, class and gender in both rural water and sanitation. In fact, it has been argued that the experience of PPP in sectors such as drinking water has often raised concerns, particularly for the vulnerable and disadvantaged sections of the population.

The report is inspired by the notion that, **"What gets measured gets done"** and "Competition makes us strive to be better" and therefore, it is intended to trigger a multi-stakeholder, participatory and reform-driven process.

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NITI AAYOG RECOMMNEDATIONS ON GUIDELINES FOR FLEXI-FUND FOR CSS

Context

Government has issued fresh flexi-fund guidelines that will give more freedom to states in spending money under the Centrally Sponsored Schemes (CSS) to meet local developmental requirements.

What are centrally Sponsored Schemes (CSS)?

Normally as per the constitutional dispensation, all activities in Government are categorized as those falling in: Central List, State List and Concurrent List. While there is no ambiguity with regard to the Central List, activities which fall under the State and Concurrent List are often subject to over-lapping jurisdiction between the Government of India and the State Governments. For example while the State Governments have the primary responsibility to provide better quality of education to the people, it is the overall responsibility of the Government of India to achieve certain monitorable national goals in terms of levels of education. Thus to fulfill these national goals the concept of Centrally Sponsored Schemes came up in successive five year plans.

Centrally Sponsored Schemes (CSSs) are extended by the Union Government to States under Article 282 of the Constitution. The Centrally-Sponsored Schemes are normally identifiable responsibilities of the Central Government while the responsibility for implementation of these programmes is normally vested with the State Governments. These schemes are formulated with monitorable targets at the central level with adequate provision of funds in the Union Budget under various Ministries. The objectives, strategy and methodology of implementation are prescribed and funds are released to the States based on their requirements. CSSs aim to promote equitable and sustainable human development.

The CSSs are implemented to achieve social objectives like poverty reduction,improving health services, raising food production, etc.

What is the process of flow of funds from Union to State?

The Centrally Sponsored Schemes (CSS) do not fall within the subjects allocated to the Union Government in List I of the Seventh Schedule of the Constitution. However, they are funded by the Union Government to achieve certain national objectives. The CSS have formed an important part of successive Five Year Plans. The flow of funds from the Union Government to the ultimate implementing agencies for any scheme is through one of these two channels:

- Funds are transferred to the Consolidated Fund of the State Governments which spend the money through the implementing agencies. In such cases, the agency banks at the field level, honour the payment claims made by authorized officers of the State Government and, in return, place the claim on the State Government through the RBI office at the State Headquarters.
- The Union Government transfers funds directly to implementing agencies in the States through normal banking channels. These agencies distribute funds progressively to lower level field formations through banking channels. The banks honour cheques up to the amount lying as credit in their respective bank accounts.

Actual expenditure under the CSS is incurred only when payment is made either to a beneficiary of the scheme or to the supplier of goods and services. However, due to the lack of a proper information system, the tracking of fund flow and correlation between the amount released and expenditure made could not be determined without a degree of uncertainty. Further, when funds are transferred directly to the implementing agencies in the States, it has to be done in advance which results in a substantial accumulation of funds in the pipeline.

The basic issues here are:

- Whether the simple release of funds by Union Government Ministries/ Departments to State Governments/other implementing agencies, NGOs, societies etc in the States for implementing various centrally sponsored schemes could be termed as expenditure in their accounts,

- Whether real time information about the use of funds so transferred is available,
- Whether such use of funds gets adequately reflected in government accounts, and
- How to minimize the costs of raising the financial resources which are lying unutilized.

Thus, it was pointed out that in case of expenditure incurred on Centrally Sponsored Schemes through the State Budget, the Accountants General (Accounts & Entitlements) in the States would not be able to link such expenditure unless the expenditure incurred on a scheme can be ascertained across all functional Major Heads of Accounts involved. Further, even the accounts compiled by Accountants General (A&E) would not capture the data distinctly under each Centrally Sponsored Schemes in the absence of uniform plan-budget link and a distinct sub-head for the each of the Centrally Sponsored Schemes. Moreover, the expenditure booked in the State Accounts consists of expenditure for the end-use as well as advances to implementing agencies without any distinction between them. There is no coding or accounting rules prescribing coding of the expenditure by their type (enduse, advance etc.)

Further, in many cases, transfers are recorded in registers and not made through account books. This further aggravates the position and the link to end use gets lost in transition. In case of transfers to societies, NGOs etc., their accounts do not get reflected in the governmental accounts. The problem of absence of coding by the type of expenditure exists here also, in the same manner as with the State Government.

It was, therefore, suggested that the following aspects, inter alia, would need to be taken care of:

- As in the case of funds from the State Budget, a provision / system should be mandatory for autonomous bodies and NGOs to capture their expenditure that can be identified to the particular Centrally Sponsored Schemes and the type of expenditure.
- A system may be put in place to track the amount in transit to the end-use through accounts / subsidiary accounts rather than through registers.

What are the impacts of Centrally Sponsored Schemes on Centre-State relations?

The proliferation of Centrally Sponsored Schemes, whose design and implementation are totally determined by the Centre without adequate consultation with the State Governments, is another serious problem. These excessively centralised and rigid formats of these schemes often make them ill suited for the specific needs of the States. Since the State Governments have to bear a part of the expenditure behind such schemes in most cases, the States find it difficult to make proper allocation of their own resources keeping their own priorities in view. Moreover, conditionalities are often imposed through these schemes, which impinge upon the autonomy of the States.

All Centrally Sponsored Schemes under the State subject, as well as those under panchayats and municipalities, should be transferred to the States with funds. Broad guidelines can be worked out on the basis of discussions between the Centre and the States and also an appropriately periodic joint Centre-State review. However, the formulation and implementation of the schemes should be left to the States along with transfer of funds. Besides ensuring decentralisation, transfer of the Central schemes to the States would also reduce the cost of programme implementation and save Central resources.

What are flexi-funds under CSS?

The introduction of a **flexi-fund component** within the Centrally Sponsored Schemes(CSS) has been made to achieve the following objectives:

- To provide flexibility to States to meet local needs and requirements within the overall objective of each programme or scheme;
- To pilot innovations and improved efficiency within the overall objective of the scheme and its expected outcomes;
- To undertake mitigation/restoration activities in case of natural calamities in the sector covered by the CSS.

The flexi-fund would continue to be part of the parent Centrally Sponsored Scheme. It may be operated at the level of the Scheme, Sub-scheme and its Components, but not at the level of the Umbrella Program, for example, flexi-funds can be spent on any sub-scheme or component, including creation of a new innovative component, under the primary education scheme, but cannot be used to move primary education funds to the higher education or to any other sector. However, it would be permissible to use flexi-funds to converge different schemes under an umbrella program to improve efficiency and effectiveness of outcomes, for example, nutrition mission can be used to converge anganwadi services with maternity benefits, and health care networks can be used to provide a continuum of health care services across the primary, secondary and tertiary levels.

It may also be noted that the purpose of flexi-funds is to enable the States to satisfy local needs and undertake innovations in areas covered by the Centrally Sponsored Schemes. Flexi-funds should not be used to substitute State's own schemes and project expenditures. It should also not be used for construction/repair of offices/residences for government officials, general publicity, purchase of vehicles/furniture for offices, distribution of consumer durables/non-durables, incentives/rewards for staff and other unproductive expenditures.

What are the salient provisions of the new Guidelines?

Under the new norms, flexi-funds in each CSS have been increased from the current 10 per cent to 25 per cent for states and 30 per cent for Union Territories.

The States, who want to avail of the flexi-fund facility, should constitute a State Level Sanctioning Committee (SLSC) on the lines of RKVY to sanction projects or activities under the flexi-fund component. However, participation of the concerned Central Ministry would be mandatory in the SLSC before the flexi-fund facility is invoked under any Centrally Sponsored Scheme.

States can use the fund to undertake mitigation or restoration activities in case of natural calamities, or to satisfy local requirements in areas affected by internal security disturbances.

States may, if they so desire, set aside 25 per cent of any CSS as flexi-fund to be spent on any sub-scheme or component or innovation that is in line with the overall aim and objective of the approved Scheme.

The flexi-fund facility is not for CSS which emanate from legislation, like MGNREGA.

Niti Aayog Recommendations on Monitoring & Evaluation

Web-based reporting for the use of flexi-funds may be designed by adding modules to the existing MIS. Outcomes (medium term) and outputs (short term) should be part of the MIS along with pictures/ images and good practices to ensure greater transparency and learning across States.

Evaluation of flexi-funds may be done through the existing evaluation mechanism, including those set by the Ministries, NITI Aayog, or by independent third parties. Terms and conditions for evaluation may be designed in such a manner that outcomes of the Scheme as a whole, as well as the flexi-funds are well identified and measurable.

Flexi-funds within each CSS will be subject to the same audit requirements as the parent Centrally Sponsored Scheme, including audit by the Comptroller & Auditor General.

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ANALYSIS OF COMPETITION COMMISSION OF INDIA

Context

The Competition Commission of India (CCI) has imposed penalties upon 10 cement companies and their trade association i.e. Cement Manufacturers Association (CMA) for cartelisation in the cement industry. Thus, hereby analysing the working of CCI.

Introduction

Competition is the best means of ensuring that the 'Common Man' has access to the broadest range of goods and services at the most competitive prices. With increased competition, producers will have maximum incentive to innovate and specialize. This would result in reduced costs and wider choice to consumers. A fair competition in market is essential to achieve this objective. Our goal is to create and sustain fair competition in the economy that will provide a 'level playing field' to the producers and make the markets work for the welfare of the consumers.

Why Competition Commission of India needed?

India adopted a new economic order in the early 1990s. This empowers the invisible hands of the market, namely, demand for and supply of goods and services to determine two major outcomes i.e. quantities to be produced in the economy and prices at which these are to be exchanged.

Commission's endeavour is to strengthen these invisible hands. This unleashes competition among the enterprises to do better than others and thereby harnesses allocative efficiency, productive efficiency and dynamic efficiency (innovation) for economic growth. The outcome of this approach has been seen in terms of growth rate since 1990s.

The invisible hands of demand and supply may occasionally malfunction in the presence of information asymmetry or externalities. State usually intervenes to address these concerns. However, two sets of visible hands may also interfere in the working of the invisible hands. The first set is the enterprises themselves: one or a few of them use market power to influence either the quantity and/or the price of goods or service. The second is the State: the authorities pursue public interest through various policies and legislation which, if not carefully crafted and implemented, restrict the economic liberty of enterprises. These visible hands need to be guided to ensure that they inadvertently don't become a hindrance to free and fair competition and do not come in the way of doing business.

Competition Commission of India

The Competition Act, 2002, as amended by the Competition (Amendment) Act, 2007, follows the philosophy of modern competition laws. The Act prohibits anti-competitive agreements, abuse of dominant position by enterprises and regulates combinations (acquisition, acquiring of control and M&A), which causes or likely to cause an appreciable adverse effect on competition within India.

The objectives of the Act are sought to be achieved through the Competition Commission of India (CCI), which has been established by the Central Government with effect from 14th October 2003. CCI consists of a Chairperson and 6 Members appointed by the Central Government.

It is the duty of the Commission to eliminate practices having adverse effect on competition, promote and sustain competition, protect the interests of consumers and ensure freedom of trade in the markets of India.

The Commission is also required to give opinion on competition issues on a reference received from a statutory authority established under any law and to undertake competition advocacy, create public awareness and impart training on competition issues.

What are the objectives of CCI?

The Competition Commission of India (CCI) was established under the Competition Act, 2002 for the administration, implementation and enforcement of the Act, and was duly constituted in March 2009. **The following are the objectives of the Commission.**

- To prevent practices having adverse effect on competition.

- To promote and sustain competition in markets.
- To protect the interests of consumers and
- To ensure freedom of trade

Consequent upon a challenge to certain provisions of the Act and the observations of the Supreme Court, the Act was amended by the Competition (Amendment) Act, 2007. The Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act) repealed and is replaced by the Competition Act, 2002, with effect from September, 2009.

Competition Policy and Competition Law

Competition policy and competition law guide and moderate the influence of State and Enterprises and thereby strengthens the mechanism of demand and supply.

Competition law in India aims at preventing practices having adverse effect on competition, promoting and sustaining competition in markets, protecting the interests of consumers and ensuring freedom of trade carried on by other participants in markets. It does so by two sets of measures: advocacy and sanctions targeted at enterprises. While these two measures are complementary, advocacy 'ex ante' ensures freedom of trade by enterprises that bring in economic prosperity. Sanctions serve as deterrent for potential offenders. However, excessive reliance on sanctions may not always help foster competition. Given the complex nature of competition issues, if there is a wrong determination, one ends up deterring an efficient business and the cost of which is very high. The law also provides for remedial measures, including compensation for consumers, in certain circumstances. A judicious mix of proactive, punitive, and remedial measures is necessary to promote the ultimate objective of 'fair competition for greater good'.

The competition regime consists of competition policy and competition law. The competition policy addresses competition distortions in policies relating to trade, commerce, industry, business, investment, disinvestment, fisc, taxation, IPR, procurement, etc. and endeavours to provide competitive neutrality and level playing field. The competition law addresses anti-competitive conduct of the enterprises by a mix of preventive, punitive and remedial measures.

Recent verdict of CCI

The Competition Commission of India (CCI) has imposed more than Rs. 6,700 crore penalty on 11 cement companies - UltraTech, Binani, Ramco, Jaiprakash Associates, JK Cement, Lafarge, India Cements, ACL, ACC, Century, Shree Cement, besides Cement Manufacturers' Association (CMA) – for cartelisation.

It also held the lobby group of these manufacturers guilty of facilitating price collusion.

It was noted by CCI that the cement companies used the platform provided by CMA and shared details relating to prices, capacity utilisation, production and dispatch and thereby restricted production and supplies in the market, contravening the provisions of Section 3(1) read with Section 3(3)(b) of the Act. Further, CCI also found the cement companies to be acting in concert in fixing prices of cement in contravention of the provisions of Section 3(1) read with Section 3(3)(a) of the Act.

This collusion allowed them to restrict supplies in the market. CCI also found the cement companies to be acting in concert in fixing prices of cement.

The cement companies and CMA have been directed to cease and desist from indulging in any activity relating to agreement, understanding or arrangement on prices, production and supply of cement in the market. CMA has been further directed to disengage and disassociate itself from collecting wholesale and retail prices through member cement companies or otherwise. Also, CMA has been restrained from collecting and circulating the details relating to production and dispatch by cement companies.

Thus the action of the cement companies and CMA is not only detrimental to the interests of consumers but also as detrimental to the whole economy, as cement is a critical input in construction and infrastructure industry - and thus vital for the economic development of the country.

Analysis of Working of CCI

India's regulatory landscape continues to evolve with change being the only constant. It's been a legislative journey from the command and control mindset that prevailed at the time of Licence Raj to a more modern regulatory regime with the objective of enhancing consumer welfare by sustaining competition in the marketplace.

In this globalized era, the business activities in any part of the world can impact the Indian market, and vice versa. This process of integration will only grow in the future. The Competition Commission of India (CCI) is empowered to take cognizance of such anti-competitive effects in the Indian market.

The legislative mandate of the sector regulator is to focus on the industry concerns within the terms of licences and policies issued by the government; frame regulations and consultation papers based on domain knowledge; and address economic issues like fixation of tariffs and issues relating to licences.

The objective of CCI is to play an overarching role as a market regulator across all sectors with the focus on anti-competitive behaviour of enterprises that may distort competition.

Sector rules and regulations are framed ex ante (laying down performance criterion) after consultation with industry and consumers, and reviewed from time to time for correction, whereas the market regulator, CCI, performs mostly ex post functions only to curb concentration in the market (laying down criterion for fair play).

Here, lies the essential difference in their approaches as anti-competitive activities or any conduct that may harm competition usually involve collusion/cartelization or strategies to concentrate in a particular market. Legislation with regard to sectors neither defines cartels or abuse of dominance nor provides the investigative mechanism to establish such economic irregularities. Therefore, the Competition Act, 2002, has overriding effect and envisages that it shall have jurisdiction in addition to and not in derogation of other laws.

The idea to oversee deals ex ante before they are executed is to pre-empt combinations that could potentially have an adverse impact on competition in the relevant market. The analysis of competition concerns in any market invariably require an assessment of market power to see if the market dynamics would allow the parties to concentrate and deny market access to new entrants. Competition authorities intervene only for prevention of market failures, restriction or removal of anti-competitive practices, and promotion of public interest.

While the market dynamics keep changing with additional players and varied spectrum of services, how can the sector regulators gauge the impact of harm or benefit of consolidation in the market until the terms of a deal are assessed with the market structure at that time?

On the other hand, mergers and acquisitions control by CCI is based on size of business test (as opposed to market share). On triggering of the thresholds specified under the Competition Act, CCI will look at the terms of the deal and impact on market from prevailing circumstances.

On perceived conflict between CCI and sectoral regulators, it can be said that - broadly, the market regulator is a generalist while the sector regulator is a specialist. It is a misconception that when there are sector regulators, there isn't the need for another (market) regulator. While both competition authorities and sector regulators share the common goal of protecting public interest and play complementary roles in fostering competitive markets and safeguarding consumer welfare, they employ different approaches and have different perspectives on competition matters.

The starting point, however, is for both to try and appreciate the difference between the technical domain of the sector regulators and anti-competitive behaviour within the domain of competition authorities. This would help in delineating the roles of the two regulatory bodies. The success of the competition regime lies in the benefit reaching the common man.

The shift from the previous competition regime to the current one is from structure to conduct and from rule of law to rule of reason. To enable this task, robust powers are granted to CCI in terms of enhanced authority, penalizing provisions, and a dedicated appellate authority. A competition law expert can test all haphazard ways of commercial life to iron out distortions and market strategies that are not desirable for healthy competition. CCI is a new paradigm. No wonder the cartels in the cement industry and bid rigging in government procurements by liquid petroleum gas cylinder manufacturers and explosive manufacturers had not been brought to book till now.

Regulatory bodies are institutionalized for independent management of the sector. The Supreme Court has recently enunciated the important role of a regulator while considering the powers/competence of the Telecom Regulatory Authority of India. However, several high courts are failing to appreciate the role of regulators, particularly CCI. Its jurisdiction is still questioned and high courts are brisk in stalling investigations initiated by them.

Way Forward

India needs a progressive competition law. Indian law and competition regulators seem to have taken the age-old wisdom of 'living in the present' rather too seriously. Economic literature is awash with possibilities of smaller players indulging in anti-competitive practices to capture markets unfairly, and jurisdictions such as Korea have provisions to deal with the same. India too needs a sagacious law clamping down on predatory pricing, to usher in a truly free market.

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UN REPORT: DELINK DRUG PRICES FROM R&D COSTS

Context

United Nations High-Level Panel on Access to Medicines has called for delinking drug prices from research and development (R&D) costs.

United Nations adopted the Sustainable Development Agenda. This agenda includes Sustainable Development Goal (SDG) 3 that aims to ensure healthy lives and promote the well-being of all people of all ages. SDG 3 is an important vehicle for realizing the right to health and the right to share in the benefits of scientific advancements.

Its objective is to support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all.

Thus for greater availability of medicines at affordable prices to all, specially the poorer masses, delinking of R&D cost from drug pricing is must.

What are the Current Problems in Drug Pricing Scenario?

Market-driven R&D has been credited for producing a number of important health technologies that have improved health outcomes significantly worldwide.

However, the Commission on Intellectual Property Rights, Innovation and Public Health, in its Report in 2006, categorically stated that, the current patent based incentive model of pharmaceutical R&D is a failure in addressing public health issues, especially in developing countries.' It failed, both in incentivizing investments in R&D on developing country specific health issues and in providing affordable access of the available R&D products to the poor people belonging to developing countries. It has also affected access to new pharmaceutical products to the uninsured and under-insured people belonging to developed countries. Under the current, patent based incentive model, the incentive to invest in R&D activities is the monopoly profits the inventor/ investor would earn, when he sells the products of such R&D at monopoly price. Thus, it addresses market demand rather than public health needs.

High prices for new medicines have led to increasing rationing of access, even in high-income countries. The existence of high prices in the United States and other high-income countries is leading to enormous pressures on other countries to accept high prices, through such measures as new intellectual property norms, exercised both formally and infonnally. The greatest flaw of the current system of financing R&D for new medicines is that it always attempts to tie the incentive for R&D to the price of products. Therefore, the exclusive rights regime proves to be highly expensive and inefficient, resulting in high deadweight loss. These factors persuaded health activists to seek alternative incentive models delinking price of pharmaceutical products from the costs of medical R&D.

As a result, new technologies are rarely developed for health conditions which cannot deliver high returns, such as bacterial infections that only require antibiotics. Rare diseases that affect comparatively small proportions of the population have not traditionally attracted investments although this is changing.

Various efforts are being undertaken by governments, philanthropic organizations, international entities, civil society groups and the private sector to resolve the incoherence between market-driven approaches and public health needs.

However, such efforts tend to be fragmented, disparate and insufficient to deal with priority health needs on a sustainable, long-term basis. A much greater effort must be directed to supplementing the existing market-driven system by investing in new mechanisms that delink the costs of R&D from the end prices of health technologies.

Drug Pricing Mechanism in India

The drug prices in India are controlled using the Drugs (Prices Control) Order (DPCO). The DPCO is an order issued by the government under Section 3 of the Essential Commodities Act, 1955 empowering it to fix and regulate the prices of essential bulk drugs and their formulations.

The current DPCO 2013 has three primary aims:

- Expanding the National List of Essential Medicines (NLEM),
- Authorizing the National Pharmaceutical Pricing Authority (NPPA) to regulate prices of India's NLEM, and
- Authorizing the NPPA to regulate price increases of non-essential medicines.

The DPCO uses market-based mechanisms to set price ceiling (the ceiling price is decided by taking the simple average of prices of brands with more than 1% market share). In the case of each bulk drug, which is under price control a single maximum selling price is fixed that is applicable throughout the country and that is called as ceiling price. It works differently, depending on how many products are in a category.

The categorization is done based on the number of competitors in that category - if there are many drugs in the same category then the price cap is calculated based on the average price of the available drugs which collectively have at least 1% market share in category (for which we want to calculate the price ceiling, this ceiling price does not include pharmacist margin) and if the drug is the "only" drug available in the product category then the price cap for that drug is the "fixed percent" and this fixed percent calculations are based on the price reduction done in similar drug categories, of the current drug price.

This Market Based Pricing (MBP) move initiated by the Government of India is highly debatable and under has come under severe criticism from various Non-Governmental Organizations (NGOs).

The traditional cost base pricing method which is used more for regulating prices in India uses cost components like cost of API, cost of excipients, cost of duties applicable, cost of labour and overheads, and cost packaging material and then on this price the margins/profits are added. But even in this price method the issue of transfer pricing mechanism (method used mainly by MNC's) is under scanner by various NGO/s and RTI activists.

Although for essential category of medicines this method is still considered an appropriate method. Unfortunately Market based pricing has bearing with cost of medicine, directly it has no relation with cost of medicine; it is simply based on the competitors price prevailing in that therapeutic category.

The MBP strategy is certainly not working in favour of common masses-there is strong demand that essential drugs should be sold under generic name- a strategy which India's neighbouring country is pursuing since last 3 decades and as per 2011 statistics the NMR (Neonatal Mortality rate, per thousand live birth) of India and Bangladesh is 34 and 30 respectively; even the U5MR (Under five mortality rate, per thousand live births) of India and Bangladesh is 64 and 52 respectively.

What are the Recommendations of the UN Panel?

A landmark report by the United Nations High-Level Panel on Access to Medicines has called for delinking drug prices from research and development (R&D) costs.

The report calls for human rights to be placed over intellectual property laws and all countries must freely be able to use flexibilities granted under TRIPS to access affordable medicines.

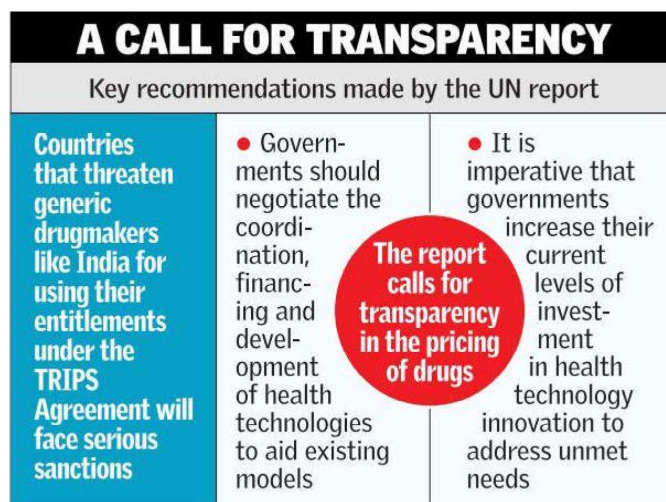

Fig. 15

It is imperative that governments **increase their current levels of investment** in health technology innovation to address unmet needs.

Stakeholders, including governments, the biomedical industry, institutional funders of healthcare and civil society, should test and implement **new and additional models for financing** and rewarding public health research and development (R&D), such as the **transaction taxes and other innovative financing mechanisms.**

Building on current discussions at the WHO, the United Nations Secretary-General should initiate a process for governments to **negotiate global agreements** on the coordination, financing and development of health technologies.

This includes negotiations for **a binding R&D Convention** that **delinks the costs of research** and development from end prices to promote access to good health for all.

The Convention should focus on public health needs, including but not limited to, innovation for neglected tropical diseases and antimicrobial resistance and must complement existing mechanisms.

Conclusion

Identification of global health priorities is necessary to efficiently distribute scarce health resources, to substantially improve the health status of populations and to enhance global preparedness for future health crises.

The current patchwork of public, private and philanthropic funding cannot sufficiently and sustainably improve access to health technologies. Greater and more sustainable financial commitments are needed from both the public and private sectors and should be coordinated to achieve maximum utility and effect.

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INDIA TO GRANT PERMANENT RESIDENCY STATUS FOR FOREIGN INVESTORS

Context

The Union Cabinet has approved the scheme for grant of Permanent Residency Status (PRS) to foreign investors.

The Union Cabinet has approved the scheme for grant of Permanent Residency Status (PRS) to foreign investors with permanent residence status and to provide financial support to domestic industry for trade with south-east Asian nations Cambodia, Laos, Myanmar and Vietnam which is considered as the gateway for market access to China and Europe.

The scheme is in line with similar incentives offered by jurisdictions such as Hong Kong and Singapore, which are among the top investment destinations in the world.

What is the Present Mechanism?

According to existing rules, all foreigners (including those of Indian origin) visiting on a long term (more than 180 days) student visa, medical visa, research visa or employment visa are required to book with the Foreigners Registration Office concerned, having jurisdiction over the place the person intends to stay, within 14 days of arrival. Pakistani nationals have to register within 24 hours of arrival.

What are the Major Provisions of the New Scheme?

- It will be granted **for a period of 10 years** with multiple entry. This can be reviewed for another 10 years if the PRS holder has not come to adverse notice. The scheme will be applicable only to foreign investors fulfilling the prescribed eligibility conditions, his/her spouse and dependents.
- In order to avail this scheme, the foreign investor **will have to invest a minimum** of Rs. 10 crores to be brought within 18 months or Rs. 25 crores to be brought within 36 months.
- Further, the foreign investment **should result in generating employment to at least 20 resident** Indians every financial year.
- PRS will serve as a **multiple entry visa** without any stay stipulation and PRS holders will be exempted from the registration requirements.
- PRS holders will be allowed to purchase one residential property for dwelling purpose.
- The spouse/dependents of the PRS holder will be allowed to take up employment in private sector (in relaxation to salary stipulations for Employment Visa) and undertake studies in India.

Why Government Opted for such a Policy?

- In recent times, a number of countries, faced with the economic crisis, have sought **to generate economic growth** by offering investors citizenship or residence in return for economic investment.
- Government is in **need of FDI** to undertake new projects in private and public sector, to generate revenue and for new technology.
- For India, **employment generation and skill development** are the top priorities needed to tackle global challenges, warning that the demographic dividend would otherwise become a challenge.
- These schemes generally **target high net worth individuals** as these individuals are searching for more tax-effective means to structure their global investments.
- Moreover, a second passport adds enhanced travel flexibility which can help **overcome the political circumstances** that make it difficult for citizens of certain countries to travel abroad since they are subjected to strict visa requirements when entering other countries.

How India will Benefit by the Scheme?

- The scheme is expected to encourage **foreign investment** in India and facilitate the Make in India programme.
- Total foreign direct investment inflow was $36 billion in 2013-14, rose to $44.2 billion in 2014-15 and $55.4 bn in 2015-16, the highest so far in a year. This will further increase that.

- **Employment generation** is major dividend of this scheme as it clearly lays down employment generation norm as one of the precondition for citizenship.
- **Tax revenues** of the government will increase the property and investment will subject to taxation policies of government of India.
- This is another **avenue for FDI inflow** in India. FDI has been a vital non-debt financial force behind the economic upsurge in India.
- This will also **encourage 'Start up' environment** as these high net worth individuals may act as angel investors.

What are Potential Problems with Permanent Residency Status Policy?

- Many critics argues that these programs facilitate **institutional corruption, damage public trust** in citizenship.
- It may **corrode the institution of citizenship** and break the link between residency/attachment to a state and the grant of citizenship.
- These programs lead to a **differentiation in the treatment** of applications for residence/ citizenship between non-investors and investors and may be viewed as a class issue due to **discrimination based on wealth**.
- It may undermine the **economic stability** and the investments need to be verified.
- Also as this policy offers residence status to other family members too, it needs **scrutiny for security** purpose.

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WEST BANK SETTLEMENT HOMES

Context

Israel approved on 463 new housing units for Jewish settlements in the occupied West Bank at a time of heightened international concern over a construction drive on the land which Palestinians seek for a state.

Brief History of Israel-Palestine Dispute

As part of the 19th-century Zionist movement, Jews had begun settling in Palestine as early as 1820.

At the time of World War I the area was ruled by the Turkish Ottoman empire. Turkish control ended when Arab forces backed by Britain drove out the Ottomans. Britain occupied the region at the end of the war in 1918 and was assigned as the mandatory power by the League of Nations on 25 April 1920.

During the 1930s, Jews persecuted by the Hitler regime poured into Palestine. However, the postwar acknowledgment of the Holocaust—Hitler's genocide of 6 million Jews—increased international interest and sympathy make way for settlement for Jews. However, Arabs in Palestine and surrounding countries bitterly opposed pre-war and post-war proposals to partition Palestine into Arab and Jewish sectors. The British mandate to govern Palestine ended after the war, and, in 1947, the UN voted to partition Palestine. When the British officially withdrew on May 14, 1948, the Jewish National Council proclaimed the State of Israel.

Arab forces from Egypt, Jordan, Syria, Lebanon, and Iraq invaded the new nation. By the cease-fire on January 7, 1949, Israel had increased its original territory by 50%, taking western Galilee, a broad corridor through central Palestine to Jerusalem, and part of modern Jerusalem. Chaim Weizmann and David Ben-Gurion became Israel's first president and prime minister. The new government was admitted to the UN on May 11, 1949.

The next clash with Arab neighbors came when Egypt nationalized the Suez Canal in 1956 and barred Israeli shipping. Coordinating with an Anglo-French force, Israeli troops seized the Gaza Strip and drove through the Sinai to the east bank of the Suez Canal, but withdrew under U.S. and UN pressure. In the Six-Day War of 1967, Israel made simultaneous air attacks against Syrian, Jordanian, and Egyptian air bases, totally defeating the Arabs. Expanding its territory by 200%, Israel at the cease-fire held the Golan Heights, the West Bank of the Jordan River, Jerusalem's Old City, and all of the Sinai and the east bank of the Suez Canal.

In the face of Israeli reluctance even to discuss the return of occupied territories, the fourth Arab-Israeli war erupted on October 6, 1973.

However, a continual source of tension has been the relationship between the Jews and the Palestinians living within Israeli territories. Palestinians living on the West Bank and the Gaza Strip fomented the riots begun in 1987, known as the *intifada*. Violence heightened as Israeli police cracked down and Palestinians retaliated. Continuing Jewish settlement of lands designated for Palestinians has added to the unrest.

What is West Bank?

The West Bank is a landlocked territory near the Mediterranean coast of Western Asia, forming the bulk of the Palestinian territories.

Geographical extent of West Bank

The West Bank shares boundaries (demarcated by the ***Jordanian-Israeli armistice of 1949***) to the west, north, and south with Israel, and to the east, across the Jordan River, with Jordan. The West Bank also contains a significant section of the western Dead Sea shore.

- Land area - 5,640 km2
- Water area of 220 km2, consisting of the northwest quarter of the Dead Sea.

Population Composition in West Bank

As of July 2015, The West Bank, including East Jerusalem, has an estimated population of

- Palestinians - 2,785,366
- Israeli Settlers - approximately 371,000 and
- Jewish Israelis in East Jerusalem - approximately another 212,000

Treaties and Accords till today

- 1949 – Jordan Israeli Armistice
- 1967 – Occupation of the west bank by Israel
- 1993 – Oslo Accords
- 1994 – Israel Jordan Peace Treaty Line

West Bank Territory was formerly part of Palestine, after 1949 administered by Jordan and since 1967 is occupied by Israel. Since mid-1994 limited Palestinian self-rule has existed in portions of the West Bank. Israelis who regard the area as properly Jewish territory often refer to it by the biblical names of Judaea and Samaria. The largest and most historically important cities are Hebron, Nablus, Jericho, and Bethlehem. East Jerusalem is regarded as part of the West Bank by Arabs, however, Israel has incorporated it into the larger Jerusalem economy and municipality.

What are these Jewish Settlements?

Israeli settlements are Jewish Israeli civilian communities built on lands occupied by Israel since the **1967 Six-Day War**.

The 1967 Six-Day War left Israel in control of:

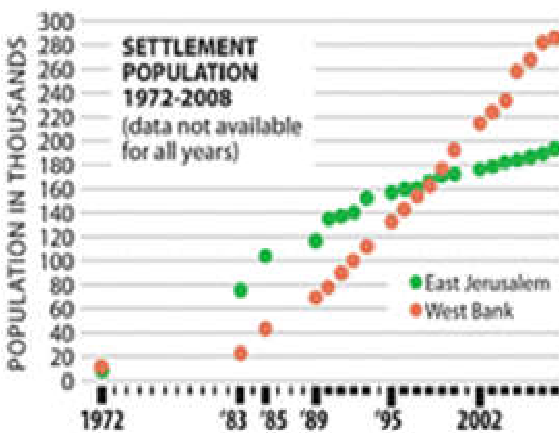
- From **Jordan** - The entire **West Bank** of the Jordan River, including parts of Jerusalem i.e. East Jerusalem.
- From **Egypt** - The entire **Sinai Peninsula** up to the Suez Canal and the **Gaza strip**.
- From **Syria** - Most of the **Golan Heights**, administered under the Golan Heights Law, since 1981.

Israeli settlements are being built on these Israeli occupied lands since 1967. These settlements are built as civilian communities. Such settlements currently exist in the **West Bank, East Jerusalem, and in the Golan Heights.** Settlements previously existed in **the Sinai Peninsula and Gaza Strip** until Israel evacuated the Sinai settlements following the 1979 Israel-Egypt peace agreement and from the Gaza Strip in 2005 under Israel's unilateral disengagement plan.

The basis for Israeli settlement in the West Bank is the **Allon Plan**. It implied Israeli annexation of major parts of the Israeli-occupied territories, especially East Jerusalem and West Bank.

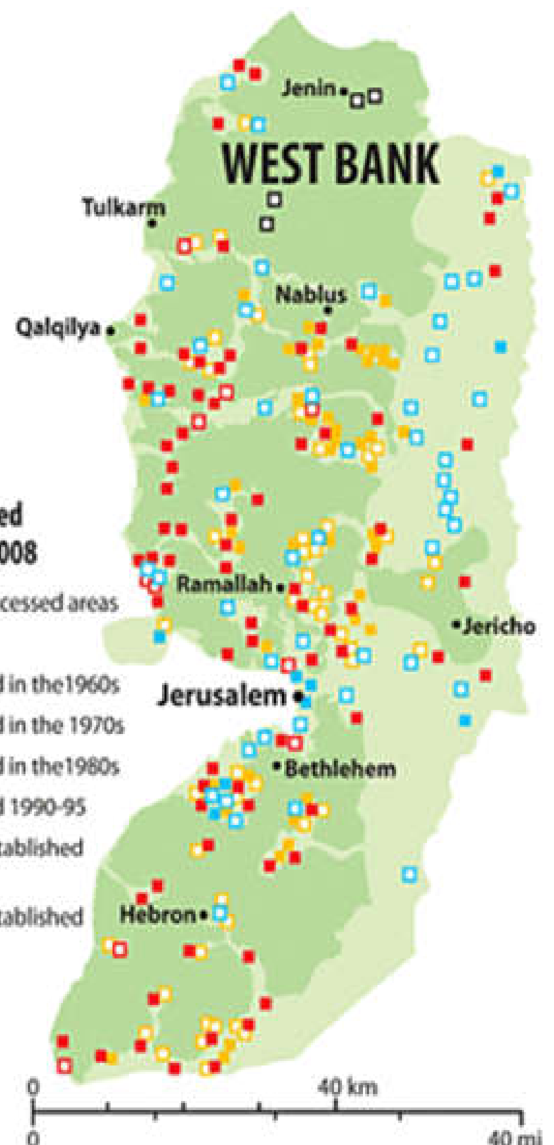
Where settlers have built

Settlements have grown steadily since the 1967 war. The West Bank now has more than 121, with a population of more than 300,000. About 17,000 Israelis live in the Golan Heights, and 193,000 in East Jerusalem.



SOURCES: Israel's Central Bureau of Statistics (CBS), Foundation for Middle East Peace

RICH CLABAUGH/STAFF



Settlements established and evacuated 1967-2008
- Palestinian-used and accessed areas
- Settlement areas
- Settlements established in the 1960s
- Settlements established in the 1970s
- Settlements established in the 1980s
- Settlements established 1990-95
- Settlement outposts established before March 2001
- Settlement outposts established after March 2001
- Settlements evacuated in September 2005

Fig. 16

The Settlers and their Impact

- Some Israelis have moved to settlements because housing is cheaper and there are other inducements, e.g. in the form of lower taxes. Other settlers are ideologically motivated, believing it is their religious duty to occupy all of what they consider to be 'Greater Israel'.
- The settlements, their infrastructure, and the military presence needed to secure them all have a hugely negative impact on the lives of nearby Palestinians. Israel can declare an area to be 'state land', or closed for 'security purposes'. Also, buildings that have been left empty by refugees can be taken. In all, there are 38 statutes in force enabling Israel to expropriate land. For Palestinians, challenging this process through the courts is a frustrating and frequently futile process.
- Settlements are strategically located to control access to resources. They cover 80 per cent of renewable water sources in the West Bank. Each Israeli settler is allocated 1450 cubic metres of water per year; Palestinians are allowed just 83 cubic metres per year. The building of the settlements and their accompanying infrastructure means a reduction in land available for the expansion of farms, villages and towns for Palestinians, who are forced into ever-shrinking and overcrowded enclaves. The confiscation of agricultural land, the closing of stone quarries and destruction of houses have impoverished many Palestinians.
- The whole process of establishing the colonies is a violent one, which does not end once the settlement is built. The settlers themselves act largely with impunity in disrupting normal Palestinian life. Road blocks are set up, cars burned, windows smashed and crops destroyed: settler violence is clearly intended to force Palestinians to leave, so that the colonisers can take further control over their lands.
- In addition, major 'by-pass roads' have been constructed to connect the settlements to each other, and back to Israel. Palestinians are not allowed to use these roads. For every 100km of bypass road, Israel confiscates around 2,500 acres of Palestinian land, destroying whatever homes or farms happen to be in their way. The roads often separate farmers from their lands and markets, damaging the economic life of the territories. John Dugard, UN Special Rapporteur, reported that 'a system of road apartheid has been introduced which keeps the highways for the exclusive use of settlers and relegates Palestinians to second-class roads, obstructed by checkpoints and roadblocks'

Growth of the settlements

1967: First Israeli settlement built on the Golan Heights.

1978: US President Carter criticises Israel, asking why 9,000 Israelis are now living in the Occupied Territories in 13 colonies.

1980: Israel seizes 1,000 acres in East Jerusalem to build a Jewish-only quarter. Two-thirds of the land had been owned by Arabs, who are evicted.

1982: Settlers total 21,000. 1994: Settlers total around 200,000. Israel continues to expand its settlement programme while it engages in the Oslo peace process.

2000: Settlers total around 390,000.

2005: 8,500 settlers withdrawn from Gaza; 15,000 new settlers in the West Bank during the same period.

2008: Despite Israel's commitment during the Annapolis Summit to freeze all settlement activity, construction almost doubles in that year.

2009: US President Obama calls on Israel to halt all settlement expansion immediately; Israeli PM Binyamin Netanyahu announces his intention to continue. President Obama backs down.

2010: Settlers total about 500,000. Evictions of Palestinian families in East Jerusalem are stepped up.

What is the International Perspective on Israeli Settlements in West Bank?

The international community considers *Israeli settlements* in the West Bank, *including East Jerusalem*, illegal under international law, though Israel disputes this.

- Settlements are illegal under international law as they violate Article 49 of the Fourth Geneva Convention, which prohibits the transfer of the occupying power's civilian population into occupied territory. This has been confirmed by the International Court of Justice, the High Contracting Parties to the Fourth Geneva Convention and the United Nations Security Council.
- Seizure of land for settlement building and future expansion has resulted in the shrinking of space

available for Palestinians to develop adequate housing, basic infrastructure and services and to sustain their livelihoods. These and related measures have contributed to the forced displacement of families and communities.

- The failure to respect international law, along with the lack of adequate law enforcement vis-à-vis settler violence and takeover of land has led to a state of impunity, which encourages further violence and undermines the physical security and livelihoods of Palestinians. Those demonstrating against settlement expansion or access restrictions imposed for the benefit of settlements (including the Barrier) are regularly subject to arrest or injury by Israeli forces.
- Israeli civil law is de facto applied to all settlers and settlements across the occupied West Bank, while Israeli military law is applied to Palestinians, except in East Jerusalem, which was illegally annexed to Israel. As a result, two separate legal systems and sets of rights are applied by the same authority in the same area, depending on the national origin of the persons, thereby discriminating against Palestinians.
- Continuing settlement construction, expansion and encroachment on Palestinian land and water resources is an integral part of the ongoing fragmentation of the West Bank, including the isolation of East Jerusalem. This fragmentation undermines the right of the Palestinian people to self-determination, which is to be realized with the creation of a viable and contiguous Palestinian state alongside Israel. Similar criticism was advanced by the **EU** and the **US**.
- **Israel** disputes the position of the international community and the legal arguments that were used to declare the settlements illegal.
- **Amnesty International** argues that Israel's settlement policy is discriminatory and a violation of Palestinian human rights. Israeli travel restrictions impact on Palestinian freedom of movement.

What are the Arguments for Settlements?

- Jews had been living in the West Bank before they were expelled in 1948 wanted to return home (Zionist view).
- After the Six-Day War, some Israelis believed that war might break out again. They built settlements on hilltops to act as observation posts for an early warning system.
- Israelis were afraid that if strategically important lands were returned, Israelis would be in danger. Like for years, Syria had been firing from the Golan Heights into the kibbutzim of the valley. If Syria got back the Golan Heights, they would resume firing on the Israelis below.
- If Israel constructed a military base, the soldiers could be ordered to leave, but if they created a settlement – a civilian presence, then no one could just order a withdrawal.
- Israeli leaders believes that grabbing as much territory as possible for Jewish residents, improve Israel's bargaining position in any future peace talks.
- Settlement has an economic dimension, much of it driven by the significantly lower costs of living in Jewish settlements compared to the cost of living in Israel. Government spending per citizen in the Jewish settlements is double that spent per Israeli citizen in Tel Aviv. Most of the spending goes to the security of the citizens living there.

Way Forward

- **The two-state solution** envisages an independent State of Palestine alongside the State of Israel, west of the Jordan River.
- **The three-state solution** has been proposed as another alternative. In effect, the result would be Gaza returning to Egyptian rule, and the West Bank to Jordanian.
- **Proposal of dual citizenship** - Proposal of granting of Palestinian citizenship or residential permits to Jewish settlers in return for the removal of Israeli military installations from the West Bank.

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NEED FOR ECONOMIC INTEGRATION OF SAARC

Context

The SAARC Finance Ministers' conference was held in Islamabad, which proposed establishment of a South Asian Economic Union.

What is an Economic Integration?

Economic integration is an agreement among countries in a geographic region to reduce and ultimately remove tariff and non-tariff barriers for the free flow of goods or services and factors of production among each other. Simply it is any type of arrangement in which countries agree to coordinate their trade, fiscal, and/or monetary policies are referred to as economic integration. The economic integration is a step by step process which starts from Free Trade Agreement (FTA) and highest form of integration is achieved in the form of Political integration for example European Union (EU).

What is the Objective of Economic Integration?

An increase of welfare has been recognized as a main objective of economic integration. The increase of trade between member states of economic unions is meant to lead to the increase of the GDP of its members, and hence, to better welfare.

What are the Different Stages of Economic Integration?

The degree of economic integration can be categorized into five stages which differ in the degree of unification of economic policies, with the highest one being the political union.

- **Free Trade Agreement (FTA)** forms when at least two states partially or fully abolish custom tariffs on their inner border. Examples Central European Free Trade Agreement (CEFTA), North American Free Trade Agreement (NAFTA).
- **Customs union** is a type of trade bloc which is composed of a free trade area with a common external tariff and common external trade policy among member countries.
- **Single or Common market** is a type of trade bloc which is composed of a customs union with common policies on product regulation, and freedom of movement of the factors of production (capital and labour) and of enterprise. A Common Market adds the unification of economic policies (tax, social welfare benefits etc.).
- **Economic and monetary union** is a type of trade bloc which is composed of a single market with a common currency. Example: Economic and Monetary Union of the European Union.
- **Complete integration (political union)** is a type of union in which the member countries aregoverned by common set of policies and function as a single political entity which is also recognized internationally.

What is SAARC?

The South Asian Association for Regional Cooperation (SAARC) is regional inter-governmental organization and geopolitical union of 8 countries in South Asia. Its member states include ***Afghanistan, Bangladesh, Bhutan, India, Nepal, the Maldives, Pakistan and Sri Lanka.***

It represents 1/5th of the World's humanity bound together by shared history, common geography and very close culture and accounts for 9 % of global trade.

The South Asian Association for Regional Cooperation (SAARC) Forum was established in 1985, although it had been proposed 5 years earlier in 1980. The First SAARC Summit was held in Dhaka on December 7-8, 1985.

Fig. 17

The main objectives laid down in the SAARC Charter adopted at the Summit are

- To promote the welfare of the peoples of South Asia.
- Accelerate economic growth and social progress.
- Promote active collaboration in the economic growth and social progress; promote active collaboration in the economic, social, cultural, technical and scientific fields.
- Strengthen cooperation in international forums on matters of common interest.
- Cooperate with international and regional organizations with similar aims and purposes. Decisions at all levels in SAARC are taken on the basis of unanimity.

What could be the possible benefits of an Economic Integration of SAARC?

Common efforts will be more fruitful than individual ones and it is here that common economic integration will help -

- Improvement of Human Development Index – poverty eradication, health and education.
- Leverage to be Economic powerhouse both inter and intra-regional, facilitated by cheap labor, tremendous natural resource, long coast line, agriculture, terrestrial connection to Middle East Asia, central Asia as well as South East Asia.
- Environment mitigation & Disaster Management – will help to tackle issues such weather, global warming, pollution, wetlands, marine ecosystem and any calamity more effectively.
- Peace, counter terrorism, intelligence sharing – the reason can together fight terrorism, extremism, smuggling, poaching and piracy. It will also help to guard the world's busiest oil routes.
- Political & Diplomatic – as a singular bloc it can represent and defend its regional interests internationally.
- Creation of a large domestic market which will boost demand and boost GDP growth of the member and demands for regional products will increase in another region providing variety of tastes to people and extra earning to suppliers of such products.
- Curtail Impact of Global Economic Phenomenon – as all the above factor will lead to economic stability it will definitely help in curtailing the impacts of global economic phenomenon as the demand will be internally driven.
- 8% of global trade in goods and services among SAARC countries can be enhanced.
- Cooperation in the field of science and technology, R&D, IT.
- Promotion of tourism capacity of the region as a whole. It will help in better allocation of resources such as raw material, labor and create opportunities for a person in one part in another part and thus inter-linking common interests which will help in bridging the inequalities.
- Also it will increase people to people contacts which will help them to understand each other and may lead to peaceful co-existence.

Initiatives taken

Past initiatives

- Trade relations- signing up of SAFTA and implementation since 2006.
- Cultural relations- South Asian Archaeological congress, South Asian festival
- Setting up SAARC development goals on line of MDGs to alleviate poverty
- Regional institutions like South Asian University (SAU), SAARC development fund, SAARC food bank
- Bringing up of semi-official organizations like SA free media association, SAARC youth festivals and most important of all SAARC people's meet.

Recent SAARC Summits

18th Summit - The Kathmandu summit of the SAARC emphasised and encouraged inter regional connectivity. This triggered a deal between India, Bangladesh, Nepal and Bhutan - which will result in seamless transit of passengers and cargo among these countries crossing each others' border hassle free.

Recent initiatives (salient ones at 18th SAARC summit, Kathmandu)

- Determination for "deeper integration for peace and prosperity"
- SAARC motor vehicles agreement (executed as by Varanasi-Kathmandu bus transit)
- SAARC regional railways agreement, SAARC energy pact for electricity trading.
- Declaration of 2016 year as SAARC year of cultural heritage and decade 2010-2020 as year of intraregional connectivity.
- Proposal of SAARC satellite (a gift of India).

> ***19th SAARC*** summit was a diplomatic conference, which was originally scheduled to be held in Islamabad, Pakistan on 15–16 November 2016. The summit was to be attended by the leaders of the eight SAARC member states and representatives of observers and guest states.

What are the issues in present economic scenario within SAARC?

SAARC has been able to establish SAU (South Asian University) and ratify SAFTA (South Asian Free Trade Agreement) and SAPTA (South Asia Preferential Trading Agreement) for intermember trading. However, the former confines to goods and excludes services and the later which could have offset any trading imbalance has not yet been operationalize.

➤ *Issue in Trade Liberalisation*

SAFTA was the first step towards such union. The South Asian Free Trade Area (SAFTA), enforced exactly a decade back, has been hailed as an important milestone on the road to SAEU. However, SAFTA has, at best, made a very modest contribution in boosting intra-SAARC trade. At the time of its adoption, all South Asian countries decided to place many products in what is known as a 'sensitive list' to exclude them from tariff liberalisation. Consequently, 53 per cent of intra-regional import trade was excluded from tariff liberalisation under SAFTA in 2006.

In 2012, under phase two of tariff liberalisation under SAFTA, countries agreed to prune their sensitive lists. However, this trimming was not significant. For example, while India brought down the number of products in its sensitive list by 95 per cent for Least Developed Countries (LDCs) of South Asia (Nepal, Bhutan, Bangladesh, and Afghanistan), it reduced its sensitive list for non-LDC countries only by around 30 per cent. Pakistan shortened its sensitive list for all countries by about 20 per cent. More is expected from the two biggest economies in the region.

Additionally, intra-SAARC trade also suffers from complex non-tariff barriers, poor infrastructure, lack of connectivity and bureaucratic red tape at borders. This cumulatively increases the costs of doing trade in South Asia. Consider this: it takes 35 days for a container to go from Delhi to Dhaka because it has to go via Colombo or even Singapore whereas it can reach in five days if there is direct connectivity. The recently signed Motor Vehicles Agreement between Bhutan, Bangladesh, India and Nepal is expected to improve connectivity but only on the eastern side of South Asia. No wonder, according to World Bank, intra-SAARC trade is even lower than 5 per cent of total trade whereas in East Asia it is 35 per cent and in Europe 60 per cent. Similarly, trade in services in South Asia is very low notwithstanding the signing of the SAARC Agreement on Trade in Services in 2010, aimed at liberalisation of trade in services.

➤ *Poor Investment Liberalisation*

An integral component of economic integration is investment liberalisation. Despite its potential, South Asia has failed to emerge as a prime destination for foreign investment. The World Investment Report, 2016, of the United Nations Conference on Trade and Development reveals that while FDI inflows to South Asia increased from $36 billion in 2013 to $50 billion in 2015, it is significantly less compared to East and Southeast Asia where these numbers stand at $350 billion and $448 billion for 2013 and 2015, respectively. South Asia's share in world FDI inflows in 2015 stood at a meagre 2.9 per cent whereas East and Southeast Asia attracted 25 per cent of world FDI flows.

A key characteristic of FDI inflows in East and Southeast Asia is the ever-increasing intra-regional FDI inflows. Within the Association of Southeast Asian Nations (ASEAN) region alone, intra-ASEAN FDI accounts for 18 per cent of total FDI flows in the region. On the other hand, barring few success stories of Indian garment companies investing in Bangladesh, intra-SAARC FDI is very low.

Arguably, a SAARC investment treaty, on the lines of the ASEAN investment agreement that has helped increase intra-ASEAN investment, will help further intra-SAARC FDI. In the just-concluded SAARC Finance Ministers' meeting, all countries renewed their commitment to finalise the investment treaty, which is pending since 2007.

However, India adopting a new model Bilateral Investment Treaty (BIT) in 2015 has thrown a spanner in efforts to have a SAARC investment treaty. India's model BIT offers limited protection to foreign investment and also limited means to enforce their rights. Will India ask all countries to base the SAARC investment treaty on the Indian model? If that happens, the investment treaty will not have any noticeable impact on boosting intra-SAARC FDI inflows.

➤ *Other Issues*

There are however constraints to achieving the level of cooperation that is required. To realize transformations in the investment climate, preconditions have to be created where perceptions of political hostility and attendant security threats to investors, particularly from India will have to be put to rest.

- The real apprehensions remain invisible and in the mindset of the policy makers in the respective countries. There is mistrust among member countries due to Historical burden of partition and political instability.
- The barriers to communication are also politically motivated and prevent the region from reaping many benefits. A shipment of cotton from Pakistan now takes 40 days to get to Bangladesh whereas it could have reached here within 4 days. Had there been no barriers, Nepal, Bhutan and North East India could have ended their landlocked status with the use of Bangladeshi ports.
- In the energy sector, the idea that the supply and demand must be balanced within a country does not make much sense in a region where countries such as Nepal and Bhutan see energy as their major export and some other countries are major importers of energy. It would make sense for South Asia to move towards considering energy security in regional terms.
- Although there are other complications involved in achieving these ends the main barrier remains the politicization of what in most other regions would have been economic and commercial decisions.
- State sponsored cross border terrorism from Pakistan, illegal migrants from neighboring countries, illegal smuggling and trafficking of human and goods are and will remain bone ofcontention particularly for India as Pakistan has been persistently denying any co-operation.
- There is fear of Indian hegemony among member countries as India is larger in size and economically, politically, militarily powerful.
- Non-existent infrastructure coupled with Lack of financial commitment.
- Exclusion of bilateral and contentious issues in SAARC charter.
- Global trend of prominence to bilateral engagements.
- Increasing Chinese influence in the region.
- Widespread socio-economic problems- hunger, terrorism, ethnic rivalries, political turmoil, and leadership crisis.
- Indo-Pak relations (opposition to motor vehicles agreement) and alleged Big Elephant policies of India- plays a common allergy with India.
- Cross border terrorism in South Asian region.

These barriers make neither commercial nor logistical sense and originate in the pathologies of inter-state and domestic politics.

Hence, apart from bringing out a regional economic bloc, SAARC's new vision should be to go for greater regional integration and wiping out the contentious issues by incorporation of conflict resolving mechanisms at all levels.

What can be the possible approach to mitigate and minimize the challenges?

- Member countries should discuss the possibilities of co-operation regarding contentions of other countries and flexible for co-operation.
- Creation of an action plan that would be acceptable to all members and executing it effectively.
- It is the responsibility of the Governments, the political parties, the business community and the media to create preconditions where regional economic cooperation can take place for the greater good of all countries involved.

Conclusion

India should take the lead and help in mitigating the apprehensions, at the same time its internal security should not be compromised as one must not forget that Brexit was due to internal security issues and issues regarding loss of jobs in prosperous member like Britain. Also members must learn from events like Greek Economic Crisis and put proper safeguards anticipating problems while pursuing the economic integration of SAARC.

Success on this front will further pave for possibilities of Political Union like European Union and failure on this front will be not prosperous.

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EXTRADITION TREATY WITH AFGHANISTAN

Context

In a bid to boost security and legal cooperation with Kabul, India and Afghanistan exchanged agreements on a mutual legal assistance treaty, for peaceful uses of outer space and an extradition treaty. Afghanistan President visited India on September 14th-15th.

During the visit of NSA of India to Afghanistan, they focused on cooperation in the political, security and economic areas including the current situation in Afghanistan and the region. Both NSAs discussed and exchanged views on mutual efforts in fighting terrorism in line with the provisions of the Strategic Partnership Agreement. The extradition agreement is one of the key steps in that direction signed recently.

The treaty would provide a legal framework for seeking extradition of terrorists, economic offenders and other criminals from and to Afghanistan. India clearing the extradition treaty is a positive development, as this will help Afghanistan deal with terrorism.

What is Extradition Treaty?

Extradition is an official process by which a suspected or convicted criminal is transferred between concerned countries. Extradition treaty is signed between countries for the legal transfer of an accused from one state or country to another state or country that seeks to place an accused on trial.

The process dates back to at least 13th century BC, when an Egyptian Pharaoh, Ramesses II, Negotiated treaty with Hittite King, Hattusili III.

Extradition treaties define an offence as an extraditable offence if it is punishable under the laws in both the contracting states by imprisonment for a period of at least one year.

India has extradition treaties with at least 37 countries. An agreement with Afghanistan will be noteworthy, since the country shares borders with Pakistan and many terror groups operate along the Afghan-Pakistan border.

India-Afghanistan Relations in the Present Times

"A timeless link of human hearts" was a poetic metaphor that PM Modi used to describe the relationship between India and Afghanistan.

A long history

During the Soviet-Afghan War (1979-89), India was the only South Asian nation to recognise the Soviet-backed Democratic Republic of Afghanistan. India also provided humanitarian aid to the Afghan President Najibullah's government.

Following the withdrawal of the Soviet forces, India continued to provide Najibullah's government with humanitarian aid.

Over the past decade and a half, India and Afghanistan have seen their ties deepening — the process started with the Taliban government getting toppled in December 2001.

The New Delhi-Kabul ties have come under stress in recent months following an apparent warming of Mr Ghani towards Pakistan and China, marking a shift from Karzai's openly critical view of Pakistan and its role in destabilizing Afghanistan.

Highlights

- ***Bilateral trade***

India's bilateral trade with Afghanistan stood at $684.47 million in 2014-15, an increase of 0.20 per cent over $683.10 million a year earlier, and 20.41 per cent higher than $568.44 million in 2010-11. India's exports to Afghanistan in 2014-15 stood at $ 422.56 million, while its imports from that country were worth $261.91 million. Despite the lack of direct land access, India is the second-largest destination for Afghan exports.

- ***Defence***

India, delivered three Russia-made Mi-25 attack helicopters to Afghanistan in December last year. India also committed to deliver three Cheetal Helicopters for non-lethal use, to Afghanistan.

- ***Parliament building***

PM Modi and Ashraf Ghani on December last year inaugurated the newly built Afghan Parliament building. India has constructed the new building at a cost of about $90 million, as a sign of friendship.

- ***'Heart of Asia' conference***

India hosted the 'Heart of Asia' conference on Afghanistan in April 2016. The previous iteration of the meet was held in Pakistan in December last year. The conference saw India and Pakistan attempt to sort out their strategic concerns regarding Afghanistan. Pakistan, in particular, has been opposed to any growth in Indian influence in the country and views Afghanistan as essential for achieving strategic depth.

Despite India's requests for direct land access to Afghanistan, Pakistan has refused to provide such facility over its strategic concerns. Commenting on the alternate routes India could use to access Afghanistan in the absence of direct land access and for that India is also working with Afghanistan and Iran to develop trilateral transit. Participation in development of Chahbahar will augment our connectivity with Afghanistan and beyond.

- ***India's developmental role***

India has played a constructive role over several past years inside Afghanistan. India has so far given financial assistance worth over $2 billion to Afghanistan and has been involved in massive developmental efforts in the war-torn country. India has ploughed in $2 billion in multifarious reconstruction efforts in Afghanistan that includes building the critical Zaranj to Delaram highway, the Afghan parliament, the Salma dam and several hospitals, especially child clinics. India has also contributed immensely in the form of technical assistance, training of Afghan National Army officers and parliamentarians.

Besides India's commitment to reconstruction and resurgence of a modern and stable Afghanistan India also had a word of caution for those trying to destabilise a friendly, neighbouring country. In a veiled reference to Pakistan and its covert interference in Afghanistan's internal affairs, often seen as an attempt to rule Kabul by proxy, the India has pitched for a positive and constructive approach from neighbours, including an end to support for violence.

About Extradition Treaty

Signing of this extradition treaty is a part of increasing bilateral engagements between Afghanistan and India in parlance of security. This treaty will enable India to get the criminals who hide in those border areas and put them on trial according to Indian Laws.

The need for the extradition treaty:

- The treaty would provide a legal framework for seeking extradition of terrorists, economic offenders and other criminals from and to the Afghanistan.
- The refusal of a country to extradite suspects or criminals to another may lead to international relations being strained.
- The Pakistan-Afghanistan border areas are populated by tribal groups and the governments do not exercise effective control over them and thus naturally they become secure havens for terror groups, drug peddlers and criminals to hide and operate from there.
- India faces security problems mainly from Pakistan sponsored terrorist groups from north-west side and thus naturally these Afghan-Pakistan borders become secure areas for the terrorist groups to operate and evade Indian laws as it is beyond Indian borders.
- Counter terror cooperation is set to grow stronger in the days to come against the backdrop of a host of recent developments, including the emerging ISIS threat and reports of the Afghan Taliban and the Al-Qaeda conspiring to destabilise the country, with more than a little help from Pakistan's ISI establishment. Last May, the Indian consulate was attacked and several Indian and Afghan security personnel were killed in the attack.

What can be the Impact of this treaty on India?

- There is a possibility that offenders that evade Indian laws and hide into Afghanistan will be caught and transferred to India.
- This may lead to less use of Afghan borders for activities against India.
- This will also help Afghanistan in reducing terror menace which will ultimately reduce volatility internally and bring peace.
- Bringing peace to the region will ultimately help both the countries as India has heavy investments in Afghanistan and it needs protection.
- In several instances Indian criminals has fled abroad into the countries with which India has no extradition treaty and there has been problem in their transfer to India. For example: LalitModi, Vijay Malya. Thus, this treaty will prevent such instances.

India-Afghanistan in South Asian Geopolitics

For India, Afghanistan has immense strategic potential.

- In a bid to offset the inroads China is making into South Asia via PoK with massive infrastructure projects like the China-Pakistan economic corridor stretching from Kashgar to Gwadar, India can play a big role in achieving President Ghani's vision for Afghanistan's prosperity.
- India believe that Afghanistan's direct surface link to India and the rest of South Asia, and increased connectivity to sea, could turn Afghanistan into a hub that connects Asia's diverse regions and beyond.
- Another significant takeaway was India's declaration of intent to conclude a bilateral Motor Vehicles Agreement that would facilitate the entry to Afghan trucks at the Integrated Check Post (ICP) at Attari and promote trade.
- India, is also prepared to join the successor agreement to Afghan Pakistan Trade and Transit Agreement, re-establishing one of the oldest trading routes of South Asia.
- Besides the infrastructure work India has initiated and completed, it has also signed the **TAPI pipeline project** that aims to bring natural gas from Turkmenistan through Afghanistan via Pakistan to India.
- More important, a friendly, stable regime in Kabul is geopolitical insurance against Pakistan's deep state. Both countries share concerns about Pakistan's good-terrorist-bad-terrorist nuancing.

India should not deter from playing a bigger role in a country whose stability is vital for its regional ambitions and whose people traditionally count India as a well-meaning friend. As the Chabahar agreement brought together India, Afghanistan and Iran, New Delhi should work to bring together more regional powers invested in Afghanistan's stability and economic development.

Conclusion

Afghanistan government is still not capable in handling its internal security issues due to lack of capable manpower and required infrastructure. In such circumstance the treaty would be less fruitful as the possibility of capturing law invaders will remain dim. So it becomes imperative for India to address these issues as India is associated with Afghanistan in training its forces and building required infrastructure.

In the long term India is focussed on 'enduring commitment' which was not only 'limited to the period of transition or the decade of transformation'.

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CONCEPT OF MUNICIPAL BONDS

Context

Centre and the Securities and Exchange Board of India (SEBI) are working towards creating awareness about the municipal bonds.

Introduction

Currently Municipal bodies rely majorly on their own revenue sources (tax and non-tax) and the grants they get from the State and Central Governments. However, given the fast pace of reforms being witnessed in the country and the objective of creating smart new cities, the requirement for funding would increase over the next decade or so; for instance, the 'smart cities' programme plans extensive coverage to facilities such as- Water, Sanitation, Waste and Garbage treatment, Sewerage, Urban transport, Street lighting, Roads maintenance, etc.

Additionally, large scale urban migration also exerts pressure on the ULBs to create new urban infrastructure while also maintaining/upgrading the existing facilities that have been built over the years.

The overall funding requirement for these projects is enormous. The Smart City programme introduced by the Centre itself has envisaged infrastructure spending to the tune of Rs. 7 lakh Crore over the next 20 years (i.e. Rs. 35,000 Cr. each year).

These two primary sources are not expected to suffice given the scale of infrastructure development and upgradation that is required to meet the growth aims at various levels (i.e. State level and at the Centre).

Present Status

12th five year draft plan has highlighted that the Infrastructure of India's present towns is very poor. Sewage, water, sanitation, roads, and housing are woefully inadequate for their inhabitants. The worst affected are the poor in the towns. As more urban conglomerations form and grow without adequate Infrastructure, the problems will only become worse. The draft plan approach has thus highlighted the challenges:

- It is estimated that a total of about Rs. 40 lakh crore (2009/10 prices) as capital expenditure and another about Rs. 20 lakh crore for operation & maintenance (O&M) expenditure for the new and old assets will be required over the next twenty years.
- It lays emphasis on need to strengthening of urban governance by making significant changes in administrative rules.
- Strengthening of governance structures, the enormous weakness in the capacity of human and organizational resources to deal with the challenges posed by the sector.
- To give adequate emphasis to long term strategic urban planning to ensure that India's urban management agenda is not limited to 'renewal' of cities. It must also anticipate and plan for emergence and growth of new cities along with expansion of economic activities.
- To address the basic needs of the urban poor who are largely employed in the Informal sector and suffer from multiple deprivations and vulnerabilities that include lack of access to basic amenities.

What is a Municipal Bond?

A municipal bond is a debt obligation issued by a local authority with the promise to pay the bond interest on a specified payment schedule and the principal at maturity.

They can be either general obligation bonds, where the principal and interest are guaranteed by the issuer's overall tax revenues or they can be revenue bonds, where the principal and interest are secured by revenues from a particular project of the ULBs. It could be derived from tolls, charges or rents from the facility built with the proceeds of the bond issue.

The two basic types of municipal bonds are:

- **General obligation bonds:** Principal and interest are secured by full faith and credit of the issuer and usually guaranteed by either the issuer's unlimited or limited tax paying power.
- **Revenue bonds:** Principal and interest are secured by revenues of ULBs derived from tolls, charges or rents from the facility built with the proceeds of the bond issue. Public projects financed by revenue bonds include toll roads, bridges, airports, water and sewage treatment facilities, hospitals and subsidized housing.

For ex - Say a city corporation wants to set up a new Metro rail network. It can issue municipal bonds to fund the project. Institutional investors as well as the public can buy these bonds. Revenues from the Metro will then be used to repay the interest and principal on these bonds.

What are the Benefits of Municipal Bond?

- Municipal bonds have advantages in terms of the size of borrowing and the maturity period which may extend up to 20 years. Both these features are suitable for urban infrastructure financing.
- Further, if properly structured, municipal bonds can be issued at interest costs that are lower than the risk-return profile of individual.
- The municipal bond mode of financing allows both the borrowers and the lenders to have greater flexibility. Local government bond issuers are likely to be less restricted by annual budget cycles and the capital grants' decisions of higher levels of government.
- Further, they can unbundle their functions, which enables them to make separate decisions about the placement of their liquid deposits and about obtaining advice regarding the financial and/or technical components of their infrastructure projects. However, it should be noted that the danger of such unbundling is that a credit partner who understands various aspects, especially the financial impacts of different activities of the ULB on each other, would be absent (Peterson, 2003).
- The flexibility available to the lenders arises out of the possibility of trading municipal bonds prior to the end of their tenor in the secondary bond market. Liquidity in such a market is essential for the development of the primary municipal bond market.

What is the Status of Municipal Bond market in India?

The market for municipal bonds in India is almost non-existent unlike US and many developing countries like Russia, Mexico, where it is one of the principal mode of financing urban infrastructure. Various initiatives are:

- The Government of India allowed ULBs to issue tax-free municipal bonds in 1999-2000 and has amended the Income Tax Act (1961 vide the Finance Act 2000) inserting a new clause (vii) in Section 10(15), whereby interest income from bonds issued by local authorities was exempted from income tax.
- The GOI issued guidelines *for* ***issue of tax-free municipal bonds*** in February 2001. It has been clearly specified that the funds raised from these tax-free municipal bonds are to be used only for capital investments in urban infrastructure like potable water supply, sewerage or sanitation, drainage, solid waste management, roads, bridges and flyovers; and urban transport.
- In India, the ***Bangalore Municipal Corporation was the first municipal corporation to issue a municipal bond*** *of* Rs. 125 crore ***with a State guarantee*** in 1997. However, the access to capital market commenced in January 1998, when *the* ***Ahmedabad Municipal Corporation (AMC) issued the first municipal bonds*** in the country ***without State government guarantee*** for financing infrastructure projects in the city. AMC raised Rs. 100 crore through its public issue.
- ***Ahmedabad Municipal Corporation*** (AMC) was the first ULBs in India to issue tax-free municipal bonds for water and sewerage projects. In April 2002, AMC issued a tax-free 10-year bonds worth Rs 1000 crore followed by ***Tamil Nadu Urban Development Fund*** (TNUDF) in 2003 which issued a bond by pooling 14 municipalities for commercially viable water and sewerage infrastructure projects. Subsequently, the ***Government of Karnataka*** used the concept of pooled financing to raise debt from investors for the Greater Bangalore Water Supply and Sewerage Project (GBWASP).
- ***Brihanmumbai Municipal Corporation*** – the richest municipal body of India – earned 33 per cent of its revenue in 2015-16 from octroi, which would go away once Goods and Services Tax kicks in.
- Among others, Hyderabad, Nashik, Visakhapatnam, Chennai and Nagpur municipal authorities have issued such bonds, however, there is no provision as yet for listing and subsequent trading of muni bonds on stock exchanges in India.

What is the new regulatory framework issued by SEBI?

In ***July 2015, SEBI*** notified a ***new regulatory framework*** for issuing municipal bonds in India for streamlining the system of the municipal bond market in India. But after that there has been no such bond issue. The last municipal bond issued was in 2010. Rating agency CARE estimates that large municipalities in India could raise Rs. 1,000 to Rs. 1,500 crore every year through municipal bond issues.

Some of the main features for new regulatory framework include -

- Investment grade ratings for ULBs,
- No default in last 365 days and positive net worth,
- A mandated guarantee from the State Government or Central Government,
- Compliance with the state's municipal account standards or the National Municipal Accounts Manual to be eligible for the issue, etc.

What are the challenges in Developing Municipal Bond market in India?

The municipal bond market is largely untapped in India. Some of the causes for this are -

- Easy availability of government funds could also be a constraint.
- Lack of a secondary market for the trading of such bonds was another hindrance
- In India, there is non-availability of any municipality floating public bonds because the municipal balance sheet is stretched.

What are successful stories for issuing such bonds in the world?

- According to government statistics, a cumulative amount of Rs. 1,750 crore has been raised through municipal bonds in India while South Africa saw $1.8 billion being raised through such bonds in a single quarter alone. Incidentally, $304 billion was raised in the U.S. through municipal bonds in just one single year.
- US - Municipal bonds have been successful in raising capital for infrastructure investments in US cities because the government granted tax-free status to municipal bonds and public disclosure of financial information is mandated. The total market size of municipal bonds in the US was close to $3.6 billion in 2014.
- Developing countries like South Africa, Hungary, Russia, and Mexico also have relatively well developed municipal bond markets. One leading example is the Infrastructure Finance Corporation Limited (INCA) of South Africa.

The municipal bond market is largely untapped in India. It has a huge potential for fulfilling the massive investment requirement in the urban infrastructure sector. However, we need to increase the penetration and efficiency of the market by working on the various supply and demand constraints that exist in the market to harness the full potential of the instrument.

What is the International Experience regarding Municipal Bond Regulation?

Worldwide municipal bonds are issued and subscribed by private institutions, insurance companies financial institutions sovereign wealth funds, mutual funds.

Three main approaches to the regulation and control of municipal borrowing can be identified internationally (World Bank).

- ***Market-based*** where decisions about municipal borrowing are made by the borrowers and lenders within an overall legal framework and some level of administrative oversight. (Example: USA and South Africa).
- ***Rules-based*** where decisions about borrowing are made within a more tightly circumscribed set of parameters outlined in a detailed set of rules that are constant. (Example: Serbia, Poland).
- ***Direct control*** where the emphasis is on the ad hoc approval of specific municipal transactions by higher levels of government, which have extensive discretionary powers in respect of the approval process.

How can Municipal Bond Market be developed in India?

SEBI has recently asked urban bodies to upgrade their services and charges as well as adopt ***modern accounting practices*** to secure better credit ratings. If local bodies do not have the right accounting practice, it will affect the rating and they will not be able to issue bonds.

- As per SEBI Chairman, there is price ceiling of 8 percent now. There is need of some flexibility in this such as linking it with 10-year government security yields.
- Also experts say that sectoral regulators and agencies such as pension funds and mutual funds should be preferred to invest in municipal bonds.
- Some experts have called upon municipalities to tap the capital markets to meet their funding needs.
- A long-term roadmap to financial self-sufficiency of municipalities needs to be drawn up covering powers over revenues and borrowings, efficiency of revenue administration (both assessments and collections) and systematic measurement, reporting and review of revenue performance. Such a roadmap will require collaborative effort between the Centre and the states.
- There is a crying need to professionalise financial management in municipalities. The scale of funding

required for public expenditure in our cities cannot be met with the human resources (both in terms of numbers and skills and competencies) that they currently possess. The revenue and finance departments of municipalities need to be urgently professionalised and made market-oriented. The Institute of Chartered Accountants of India can play a significant role here.

- There needs to be a deliberate creation and positioning of the municipal bond brand to make it popular among citizens, and a slew of enabling measures to make them attractive.
- Municipalities need to produce audited balance sheets each financial year and get themselves credit-rated so that they are able to access the municipal bond market in a credible and sustained manner.
- However, we need to increase the penetration and efficiency of the market by working on the various supply and demand constraints that exist in the market to harness the full potential of the instrument.

What is relevance of credit rating in promoting Municipal Bond?

Credit rating is necessary to help urban local bodies float municipal bonds in India. Central Government has directed the officials to follow up with States and ULBs regularly to ensure that all ***ULBs get credit rating*** at the earliest which is necessary to float municipal bonds for mobilizing resources.

Government has urged that the cities work toward achieving decent enough credit ratings from agencies approved by the Securities and Exchange Board of India.

The process for the ***credit rating of 85 cities*** had already been initiated under the Atal Mission for Rejuvenation and Urban Transformation ***(AMRUT)***, and all the 500 Mission cities shall complete this process in one year.

Conclusion

A vibrant market for municipal bonds can go a long way to help provide long-term funding for India's urban infrastructure requirements - as in the US, where the related market had over $3.7 trillion outstanding in early 2012. But the market has been effectively dead in India.

India's municipal bond market faces hurdles of low ratings, reluctant investors and unclear regulation. Most municipal corporations in India have a limited understanding of bond market. Again, the bigger and better-rated municipalities are flush with funds and, as such, are naturally reluctant to turn to the debt markets. Others, especially the lower-tier and mid-tier municipalities, have no access to bond markets and mostly rely on state-owned Housing and Urban Development Corp for their funding needs.

Capacity building is the biggest hurdle for the municipal bond market in India. Investors may still have concerns about the ability of municipalities to increase revenues and fund themselves due to regular political interference.

However, GOI is making every effort to revive its municipal bond market to meet the mounting funding requirements of rapid urbanization. Some weaker municipal bodies, such as those in Tamil Nadu and Karnataka, have successfully experimented with pooled financing structures. The bigger municipal bodies should be encouraged to issue bonds so that a yield curve is created for others to follow.

The central government is also closely following a World Bank report on the regulatory framework for municipal borrowing in India. This indicates the fortitude of the government to promote the market in a better way in the coming days.

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MISCELLANEOUS NEWS

Context

Hereby compiling the important topics of September (1 to 15), 2016 in short.

A. ARMY DESIGN BUREAU (ADB)

Indian Army is taking a plunge to launch its own design wing 50 years after the Indian Navy established the Naval Design Bureau, to conceive and support home-grown missions.

As a part of the governments 'Make in India' initiative Indian Army has set up Army Design Bureau (ADB) in an attempt to Indianise procurement and reduce import dependence. Moreover, it will integrate various stakeholders in its long-term requirements. Army also launched the 'Make in India Army Website', meant to serve as a one stop platform for information to vendors.

Fig. 18

What are the functions of Army Design Bureau (ADB)?

- It will help Indian Army in tracking the army's procurement process and help in modernization.
- It will provide a better understanding of the Army's requirements to the academia, research organisations and the industry for developing high tech defence products.
- It will be the interface of the Indian Army for a single point contact for all stakeholders which would help R&D fraternity in developing indigenous solutions.
- It has introduced as a wake of rapid changes in technology and consequent changes in war fighting techniques.

The Army has identified ten projects under 'MAKE' category for manufacturing by domestic defence industry. These include 125 mm smooth bore barrel guns, improved ammunition for T-72 and T-90 tanks, 1000 HP engines for T-72 tanks, environment control unit and auxiliary power units for T-90 tanks, advanced pilotless target aircrafts, maneuverable expendable aerial targets among others.

The idea behind ADB is to bring together academic institutions and the industry to develop indigenous knowhow and for this the Army is open to sharing parts of its long-term plans.

Rapid changes in technology and consequent changes in war fighting techniques, requires the user i.e. Army to be constantly involved at every stage from conceptualization, design, development, trials and production for sustenance. Army hopes that with the setting up of ADB, it could interface in a better manner with DRDO, academia, Defence PSUs, Ordnance Factory Boardss and private industry to deliver for high quality defence products.

B. GSLV SUCCESSFULLY LAUNCHES INDIA'S WEATHER SATELLITE INSAT-3DR

India Successfully launched the country's weather satellite INSAT-3DR, into a Geosynchronous Transfer Orbit (GTO), on board the Geosynchronous Satellite Launch Vehicle (GSLV-F05) from the Satish Dhawan Space Centre on Sriharikota Island.

GSLV-F05 is the tenth flight of India's Geosynchronous Satellite Launch Vehicle **(GSLV). GSLV-F05** is the flight in which the indigenously developed Cryogenic Upper Stage (CUS) is being carried on-board for the fourth time. The 2211 kg INSAT-3DR is the heaviest satellite to be launched from the Indian soil.

On 6 January 2014, ISRO launched the first Geosynchronous Satellite Launch Vehicle— the **GSLV-D5**—with an indigenous cryogenic engine, joining the US, Russia, Japan, China and France in a select club of nations capable of developing such technology. The earlier launches using this technology—**GSLV-D5** and **GSLV -D6**—were a success. The GSLV class of satellites also includes EDUSAT, which is used for distance education and other academic purposes.

Fig. 19

What is cryogenic engine?

A cryogenic rocket engine is a rocket engine that uses a cryogenic fuel or oxidizer, that is, its fuel or oxidizers (or both) are gases liquefied and stored at very low temperatures.

What is Cryogenic Upper Stage?

The GSLV-F05 rocket has three stages, and the last and upper stage is fitted with the cryogenic engine which provides a thrust 1.5 times greater than in vehicles propelled by conventional liquid rocket engines. Once launched, the rocket's engines burn and fall off in stages. At the last stage, the cryogenic engine comes to life and takes the satellite to space.

Why is INSAT-3DR special?

- The INSAT-3DR joins KALPANA-1 and INSAT-3D meteorological satellites currently orbiting in space. INSAT-3D which was launched in 2013 counted features like using Atmospheric Sounding System to monitor weather.
- The INSAT-3DR can send night-time pictures of low clouds and fog, and provide a much higher spatial resolution in visible and thermal infrared bands.
- INSAT-3DR will be capable of imaging in two thermal infrared bands for estimation of sea surface temperature with better accuracy.

Conclusion

The GSLV tasked with the INSAT-3DR launch was a Mark II vehicle (engine made by using all Indian components), featuring India's indigenous cryogenic upper stage (CUS). This is the fourth flight involving the CUS. GSLV further highlights the success of ISRO in mastering the highly complex cryogenic rocket propulsion technology.

C. MAGNETARS

Astronomers picked up strange X-ray bursts using NASA's Swift telescope. These strange bursts were very similar to that of a Magnetar—an extremely dense neutron star that can produce magnetic fields trillions of times stronger than our sun's. The magnetar, called 1E 1613 rotates once every 24,000 seconds (6.67 hours). Its located at the centre of RCW 103, and the remains of a supernova explosion, about 9,000 light years from Earth.

Fig. 20

What are magnetars and how do they form?

Magnetars are very dense neutron stars. Neutron stars are formed when stars more massive than our sun explode as supernovae. Just a regular neutron star has a magnetic field of a trillion gauss. Magnetars are 1,000 times more powerful than that, with a magnetic field of a quadrillion gauss. The earth's core has a magnetic field of 25 gauss. Magnetars can cause starquakes, or earthquakes on stars. Because of its properties, the magnetar releases a blast of radiation that can be seen clear across the Milky Way. The most powerful starquake ever recorded came from a magnetar called SGR 1806-20, located about 50,000 light years away. In a tenth of a second, one of these starquakes released more energy than the sun gives off in 1,00,000 years.

How does a neutron star form?

Neutron stars are formed when stars more massive than our Sun explode as supernovae. When these stars die, they no longer have the light pressure pushing outward to counteract the massive gravity pulling inward. Made by the neutrons, this enormous inward force is so strong that it overcomes the repulsive force that keeps atoms from collapsing. Protons and electrons are forced into the same space, becoming neutrons.

One gets pulsars when neutron stars first form, when that entire former star is compressed into a tiny package. The conservation of angular motion spins the star up to tremendous velocities, sometimes hundreds of times a second.

But when neutron stars form, about one in ten does something really strange, becoming one of the most mysterious and terrifying objects in the Universe and then they become Magnetars.

D. MOTHER TERESA – A SAINT

'Spread love everywhere you go. Let no one ever come to you without leaving happier.'
– Mother Teresa

Mother Teresa, a Catholic nun who devoted her life to helping India's poor, has been declared a saint in a canonization Mass held by Pope Francis in the Vatican.

Who is Mother Teresa?

Mother Teresa grown up as a model for her joyful dedication to society's outcast, a catholic that goes to the peripheries to find poor, wounded souls. She is the merciful saint who defended the lives of the unborn, sick and abandoned who takes a strong anti- abortion stand which often put her at odds with progressives around the world. She worked for the poor, sick, orphaned and dying on the streets of Kolkata before her death in 1997 at the age of 87.

She recognizes as Holiness in a nun who lived most of her adult life in spiritual agony sensing that god had abandoned her. She described as the greatest poverty in the world today (of feeling unloved) she herself was living in relationship with Jesus. Mother Teresa not only shared the material poverty of the poor but the spiritual poverty of those who feel "unloved, unwanted, and uncared for." United Nations has been observing September 5 every year as the International Day of Charity to commemorate the anniversary of the passing away of Teresa.

Mother Teresa to be canonised

Pope Francis approves sainthood for the missionary nun

Aug 26, 1910 Born in Macedonia to Albanian parents. Baptised Agnes Gonxha Bojaxhiu

1928 Becomes a Catholic nun in Ireland as Sister Mary Teresa

1929 Starts missionary and charity work in Kolkata, India. Teaches at St Mary's School for Girls until 1948

March 15, 2016 Pope Francis says Mother Teresa will be elevated to sainthood on Sept 4, 2016

2015 Credited by the Vatican with healing a Brazilian man of brain tumours (2nd *miracle*)

2003 Beatified by Pope John Paul II for helping heal a Bengali woman of cancer (1st *miracle*)

1997 Dies in Kolkata

1979 Awarded the Nobel Peace Prize

1950 Founds the Missionaries of Charity order; Opens centres for people with leprosy, dysentry, tuberculosis; The order today: 610 foundations in 123 countries

The process of sainthood
May take several years

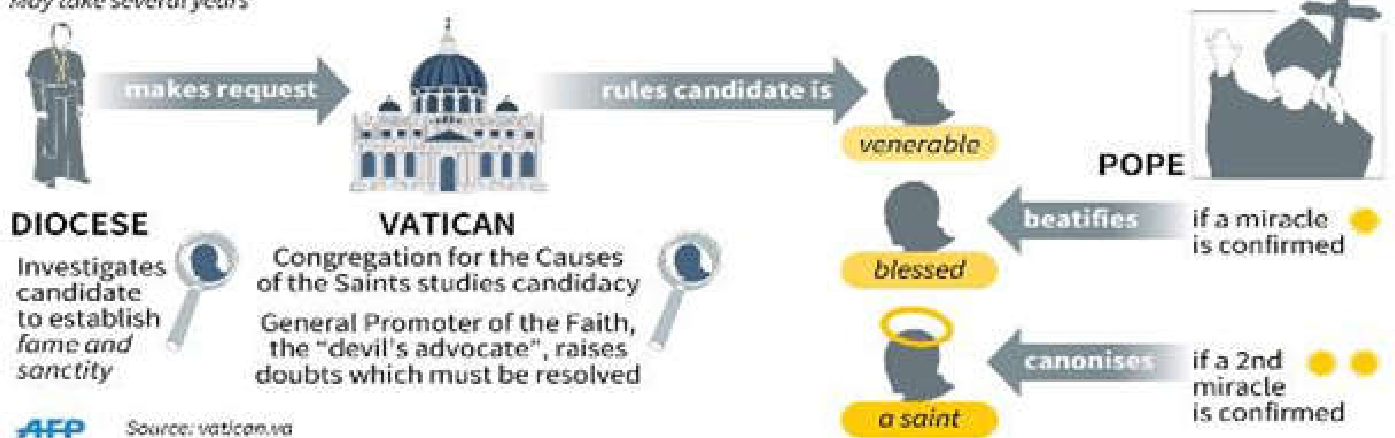

Fig. 21

How someone does achieves Sainthood?

- **Step 1: Wait for five years-** The process to make someone a saint cannot normally start until at least five years after their death. This is to allow time for emotions following the death to calm down, and to ensure that the individual's case can be evaluated objectively. Some have to wait a long time before they reach Catholic sainthood.

- **Step 2: Become the 'Servant of God'-** Once the five years are up, or a waiver is granted by the pope, the bishop of the diocese where the person died can open an investigation into the life of the individual, to see whether they lived their lives with sufficient holiness and virtue to be considered for sainthood.

  Evidence is gathered on the persons' life and deeds, including witness testimonies. If there is sufficient evidence, the bishop asks the Congregation for the Causes of Saints, the department that makes recommendations to the Pope on saints, for permission to open the case. Once the case is accepted for consideration, the individual can be called a "servant of God".
- **Step 3: Show proof of a life of 'Heroic virtue'-** The Congregation for the Causes of Saints scrutinizes the evidence of the candidate's holiness, work and signs that people have been drawn to prayer through their example.
- **Step 4: Verified miracles-** To reach the next stage, beatification, a miracle needs to be attributed to prayers made to the individual after their death. The prayers being granted are seen as proof that the individual is already in heaven, and hence able to intercede with God on others' behalf. Incidents need to be verified by evidence before they are accepted as miracles. There is one exception to the miracle requirement-a martyr, someone who died for their faith, can be beatified without a verified miracle.
- **Step 5: Canonization-** Canonization is the final step in declaring a deceased person a saint. To reach this stage, a second miracle normally needs to be attributed to prayers made to the candidate after they have been beatified. Martyrs, however, only need one verified miracle to become a saint.

Awards and Achievements:

- Ramon Magsaysay Award for peace and International Understanding- 1962
- Padma Shree- 1962
- Jawaharlal Nehru Award for International Understanding- 1969
- Pope John XXIII Peace Prize- 1971
- Templeton Prize- 1973
- Albert Schweitzer International Prize- 1975
- Pacem in Terris Award- 1976
- Balzan Prize for Humanity- 1978
- Peace and Fraternity among Peoples- 1978
- Nobel peace prize- 1979
- Patronal Medal- 1979
- Bharat Ratna- 1980
- Order of the Smile, Order of Australia- 1982
- Order of Merit -1983
- Presidential Medal of Freedom- 1985
- Golden Honour of the Nation- 1994
- Grand order of Queen Jelena- 1995
- Congressional Gold Medal- 1997
- Canonization of Saint- 2016

E. NCRB - CRIME REPORT SHOWS 327% RISE IN AGRARIAN RIOTS IN 2015

The National Crime Records Bureau (NCRB) Tuesday released data for all crimes recorded in the country in 2015. Under various parameters, data has been classified to show how states and major cities fare on the crime graph.

What did the Crime Report say?

NCRB reported that the recorded incidents of agrarian riots jumped 327 per cent from 628 in 2014 to 2,683 in 2015. The number of people arrested increased from 3,540 to 10,353.

Incidents of riot remained almost the same in 2015 as compared to 2014, but **as communal riots decreased**, big increases were seen in other categories — agrarian, sectarian and student riots and caste conflicts, data from the ***"Crime in India" report for 2015*** released by the National Crime Records Bureau (NCRB).

Sectarian riots — Defined as violence between sects of the same religion not considering caste conflict — showed a significant jump in incidents and convictions from a low base in 2014. Much of these incidents occurred in Uttar Pradesh.

Communal Riots - The decrease in **communal riots** recorded by NCRB — from 1,227 in 2014 to 789 in 2015 — however does not mesh with data released by the Ministry of Home Affairs in July 2016. Ministry data showed a slight increase from 644 incidents in 2014 to 751 in 2015.

State wise distribution

- ***Lowest in Chennai***

Chennai recorded the lowest rate of total crimes among major cites (154.3 per 1 lakh population). Among all cities, only Surat (86.9), Kannur and Dhanbad had better rates.

- ***Kerala hotbed of riots***

Twenty per cent of the overall 65,255 riots were reported in Bihar followed by Maharashtra (8,336) and Uttar Pradesh (6,813). ***Kerala tops the crime rate list***, with 16.3 riot cases per lakh people, followed by Bihar (12.9) and Karnataka (10.6).

More than half of the total 1,960 political incidents occurred in Kerala. Uttar Pradesh had the maximum number of caste conflicts (724) followed by Tamil Nadu (426).

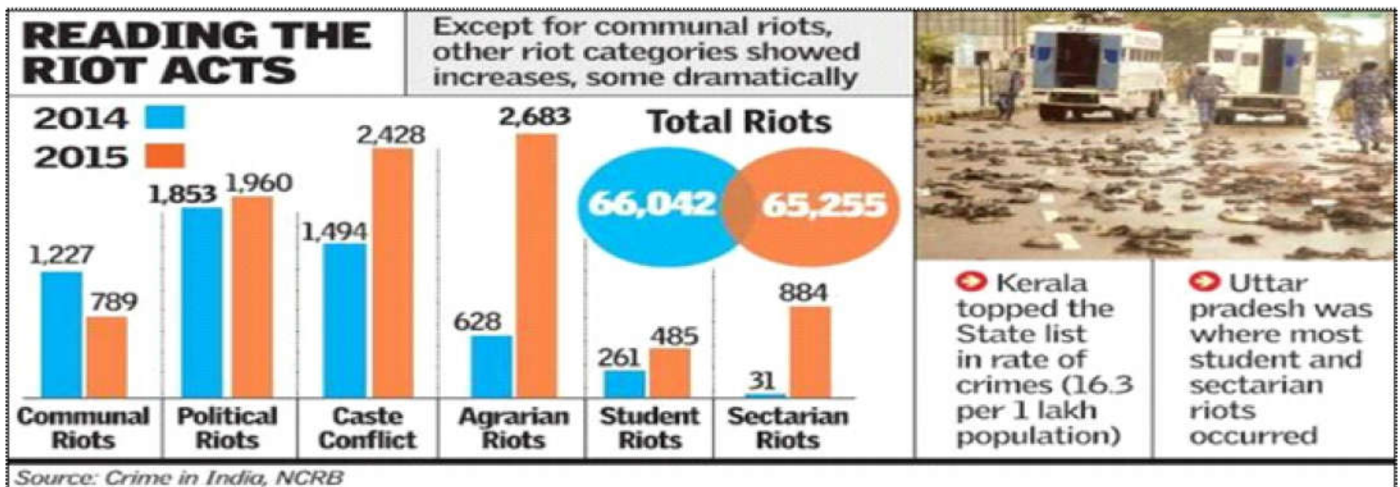

Fig. 22

What is the difference in data from NCRB and MHA?

NCRB data are based on FIRs, and there could be duplication in the number of cases registered. MHA data source is mostly concerned with the number of incidents alone.

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