

# **Business and Politics in Muslim World**

**India**

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## **National Summary**

Rebel Yashwant Sinha regains his position in BJP as party decided to give him the chairmanship of the Parliamentary Standing Committee on External Affairs. All party meeting to sort out the resolution of Telangana dispute ended without any outcome as all stake holders could not come to any acceptable combine opinion. PM Manmohan Singh emphasis to check the expansion of extremist ideologies and declares it a threat to world peace and security.

BJP's former president Rajnath Singh proposed to redefine the term minority. According to him the criteria to define minorities in term of religion is not appropriate, the suitable criteria for Indian society region based definition.

Chhattisgarh, Bihar and Orissa governments are concentrating on carrying operation against Maoist and Naxal rebels. Mamata Banerje describes government operation against rebels a failure as it could not produce positive outcome. A report shows that Maoist and Naxal insurgents recruit teenagers and kids to enhance their manpower for their training they own a separate education setup in occupied areas where they teach train them in fighting and using weapons.

Food inflation causes a serious concern for growing Indian economy. Corporate sector in India decided to train 1.1 lakh jobless youth for 3 to 4 months. Market saw a boost on New Year start. In the last quarter of 2009, Indian exports also witnessed improvement but domestic demand helped Indian economy to gain stability.

India shows its concern over China's arm supply to Pakistan. China's investment in Pakistan's held Kashmir is also a cause of concern for India. India criticized the Gigit Bultistan development in Pakistan and declared it the part of Kashmir. In a Gallup survey Afganis shows more confidence in India than any other country. India is the largest Asian investor in Afghanistan and 6<sup>th</sup> largest in the world.

Kashmir witnessed less violent activities in 2009 as compared to last two decades.

Manmohan Singh is not satisfied with Copenhagen's proceedings as it was not up to India's expectations. Cold wave in country claims 125 lives in the country, northern region and UP was among major affected areas.

New Delhi signed Testtia river agreement with Dhaka to resolve water dispute. The increasing incidents of torture and killing of Indian students in Australia cause serious concerns for Indian government and it conveys it to Australian government. India is determined to reestablish the strong and close ties with Africa, vice president Ansari said in a statement while leaving for African countries tour.

Sena and BJP has started a joint movement to increase the membership of parties among masses to counter increasing influence of MNS in Maharashtra.

### **Regional Summary**

Soren took the oath as a new governor of Chhattisgarh.

Telangana issue is still unresolved but Congress is trying to settle the dispute with consensus of all parties.

The Kerala High Court on Tuesday directed the State government and the Kerala State Industrial Development Corporation (KSIDC) to ensure that a newly formed banking company, said to be based on Islamic principles, did not commence its operations until further orders.

## **National Report**

### **Politics:**

#### **Rao had no knowledge of plan to demolish Babri Masjid: Prasad**

Former Prime Minister P V Narasimha Rao had no knowledge of the plan to demolish Babri Masjid and he believed in the assurance given by top BJP leaders concerning the march to Ayodhya in 1992 by VHP and security at the disputed site, Rao's former media adviser PVRK Prasad said. Prasad, then additional secretary at the Centre, was speaking during a book release function on Rao's biography, which was compiled by himself (PVRK). Prasad said "Rao believed in the promises made by senior BJP leaders Atal Bihari Vajpayee and L K Advani on the march which was undertaken by the Sangh parivar to Ayodhya". Rao also believed the promise made by the then UP Chief Minister Kalyan Singh on the Law and order situation as well as the protection of Babri Masjid, the former IAS officer said. "Unfortunately, Rao was blamed for the entire issue and he as criticised by all groups," Prasad said, adding, the former Prime Minister acted as per the constitutional provision, that law and order is a state subject and the Centre does not interfere in it. "Though some senior Congress leaders advised him to impose President's rule in UP, Rao did not act against the provisions of Constitution," he said. "At that time, Governor did not send any report on the deterioration of Law and order. How could Rao take such a measure to impose President's rule," Rao's former adviser said. Prasad also claimed that Vajpayee and Advani had no knowledge of the conspiracy behind the demolition of the centuries old mosque. (The Indian Express)

#### **Yashwant back in BJP good books**

The BJP has decided to rehabilitate senior leader Yashwant Sinha by giving him the chairmanship of the Parliamentary Standing Committee on External Affairs. Alongside, the party has decided to prop up BJP deputy leader in the Lok Sabha Gopinath Munde as the new chairman of the Public Accounts Committee (PAC) of Parliament. Leader of Opposition in the Lok Sabha Sushma Swaraj disclosed on Saturday that she had resigned as the chairperson of the Standing Committee on External Affairs to clear the decks for Sinha. She said she had forwarded Sinha's name to the Speaker for the job after discussing the matter with him. As a former minister for foreign affairs, Sinha, according to her, would be the most appropriate choice. Sinha had been sidelined by the BJP after he wrote a letter, critical of senior leaders, to party president Rajnath Singh, which found its way to the media. The party leadership struck back, accepted his resignation from all party posts, parked him as just an ordinary member in the PAC and overlooked his claim for a front seat in favour of Ananth Kumar following Jaswant Singh's exit from the BJP bloc in the Lok Sabha. But just then, Sinha gave up the path of confrontation. He accepted the PAC membership after publicly making his sense of disappointment clear. He made

it up with the leadership completely by proposing the name of L K Advani for the newly-created post of chairman of the BJP parliamentary party and campaigning extensively for party candidates in the Jharkhand Assembly polls. Munde succeeds Jaswant Singh, who put in his papers last month following a BJP offensive to secure his resignation. Since the PAC chairmanship has a one-year term, Munde would hold office for four months to start with. "We would revisit the issue in April," Swaraj told The Sunday Express. The BJP has a convention of giving the post to its deputy leader. Consequentially, Vijay Kumar Malhotra had held it in the last Lok Sabha. The BJP departed from this convention in 2009 to accommodate Jaswant Singh, who was keen on retaining his staff and a Parliament House room after losing the job of Leader of Opposition in the Rajya Sabha. In one way, Munde's appointment would be a return to this convention. But what is obvious by the decision is an effort by the BJP to reassure Munde about getting his due even after the ascendance of his Maharashtra BJP rival Nitin Gadkari as the party chief. (The Indian Express)

### **All-party meet divided on Telangana**

A crucial meeting of eight recognised political parties, called by the Centre to discuss the Telangana issue, ended without arriving at a consensus on Tuesday. The meeting, however, did not oppose further discussions within a "reasonable time frame" on the issues that have arisen out of the recent agitations in Andhra Pradesh for and against the creation of a separate State of Telangana. "It was a good meeting and everybody expressed their views. It is quite clear that the views of the political parties are divided. I summed up their views and will take them to the Prime Minister and formulate a course of action," Union Home Minister P. Chidambaram told reporters after the nearly five-hour meeting. While the stand of the Telangana Rashtra Samiti, which has been spearheading the agitation for a separate State was quite obvious, the Bharatiya Janata Party felt there was no need for further discussion and steps should be taken to carve out Telangana. "It appears to me that no one is opposed to further consultations with other groups and stakeholders. Should such consultations become necessary, they were keen that it should be concluded within a reasonable time frame," Mr. Chidambaram said. The representatives of the eight parties said in a signed statement that they had "expressed our views at the meeting and they have been noted by the Central government." They appealed that "peace, harmony and law and order should be maintained in the State." Replying to questions of reporters, Mr. Chidambaram said that political parties must show leadership. "They must work to resolve the problem and that is the only way to settle issues in parliamentary democracy. He said a mechanism had to be evolved and the Centre would act on the sense of the meeting and take it forward. Asked if there was a time frame, he said it would be a "reasonable" one. Asked if there would be a Telangana State, Mr. Chidambaram said: "We are trying to help the political parties of Andhra Pradesh find the answer to the issues of the State. We are here to help." (The Hindu)

### **Chiranjeevi warns of naxalite infiltration**

Even as the Central and Andhra Pradesh governments showed more interest in the return of peace and normality to the State, representatives of eight major political parties expressed contradicting views at Tuesday's all-party meeting held on formation of a separate Telangana. Praja Rajyam Party president Chiranjeevi highlighted the view in some sections that naxalites

have infiltrated the pro-Telangana movement and what is being witnessed in Jharkhand and Chhattisgarh (bifurcated from Bihar and Madhya Pradesh) will be seen if a separate State is formed by dividing Andhra Pradesh. Congress representative from Telangana N. Uttam Kumar Reddy said Left-wing extremists were now being kept under check in Telangana. The Bharatiya Janata Party opposed Mr. Chiranjeevi's suggestion for formation of a committee to go into the issue. CPI State secretary K. Narayana told that a majority of the representatives favoured Telangana. While the CPI, the BJP and the Telangana Rashtra Samiti fully supported creation of Telangana (they were supported by Congress and TDP representatives from the region), the CPI (M) and the Praja Rajyam opposed division of the State. The All-India Majlis-e-Ittehadul Muslimeen did not express its view. It wanted President's rule imposed to maintain law and order, Mr. Narayana claimed. It is learnt that Chief Minister K. Rosaiah, who was present at the meeting, did not make any comment except calling for peace and normality and seeking the cooperation of all parties. TDP's Revuri Prakash Reddy handed over a letter to Home Minister P. Chidambaram stating that the party never changed its stand on Telangana. Congress representative K. Samba Siva Rao, who is from Andhra, did not support Telangana, but he said he would abide by the high command's decision. TRS president K. Chandrasekhar Rao and State BJP president Bandaru Dattareya demanded that the Centre take immediate steps for the formation of a Telangana State. (The Hindu)

### **Eliminate extremist ideologies: Manmohan**

Expressing concern over the growth of extremist ideologies, threatening civilised existence everywhere, Prime Minister Manmohan Singh on Tuesday called for eliminating such forces without undermining the democratic foundations. "The proponents of such ideologies are challenging the tenets of democracy and representational politics by resorting to intimidation, terror and other manifestations of intolerance," Dr. Singh said in his keynote address at the inaugural session of the Conference of Speakers and Presiding Officers of Commonwealth Countries (CSPOC). While asserting that no quarter should be given to such forces, the Prime Minister said it would require sustained international effort and cooperation to evolve "new insights" into tackling this "grave menace." Dr. Singh also touched on the stress and strain of the multi-party democratic system, the need for giving women a more meaningful voice in political and developmental process and the issue of climate change. The conference, hosted by India for the third time since 1969, is being attended by 50 Speakers and Presiding Officers of 42 Parliaments in Commonwealth countries, including Pakistan. Lok Sabha Speaker Meira Kumar is Chairperson of the Conference. Canada is scheduled to host the next conference in 2012. Referring to the recent meeting of the Heads of Government of the Commonwealth at Port of Spain, the Prime Minister said a declaration on climate change was issued there. It affirmed that a global climate change solution was central to the survival of people and to the promotion of development. "It is the small states and indeed the developing world in general that are bearing the brunt of a problem they did little to create. Issues relating to climate change require undoubtedly a collective and cooperative approach based on the principles of common but differentiated responsibility. I call for a greater sense of fairness and justice in global approaches to dealing with the problem of climate change," he said. Under the Commonwealth umbrella, Dr. Singh said, the effort should be to recognise every attempt at democratisation, however incipient, and encourage it to blossom. "There is a great diversity and a wealth of experience



among the Commonwealth countries. We should pool our experiences and expertise and extend a helping hand particularly to small states and countries that are trying to consolidate their democracies,” he said. On India’s “own tryst with democracy,” the Prime Minister said the journey had not always been smooth. “There have been stresses and strains. This is inevitable in a diverse and plural society that India is. Despite these often noisy political contestation, India has remained a functioning multiparty democracy. Democracy has strengthened our polity and our institutions,” he said. Dr. Singh said India’s experiment in trying to achieve economic salvation within the framework of a pluralistic, democratic polity that respects individual freedom and the rule of law had profound implications for the world. He pointed out that it was imperative that women be given a more significant voice in political processes. “The representative bodies [in India] should think of ways to marshal the energy and the impatience of the young and the vast latent capabilities of our women,” he said, adding that the task of running Parliament smoothly, giving due representation and voice to all sections, had become more complex and challenging. “I am pleased that the Speaker facing these challenges in our own Parliament is a very distinguished woman, Meira Kumar, who sheathes the proverbial iron fist beneath a velvet voice. In India, I am proud to say that, with reservation in our local bodies, we have today more than a million elected representatives who are women. They are deepening our democracy and enriching our development processes,” Dr. Singh said. (The Hindu)

### **Minorities’ issues:**

#### **Hindu Fundamentalism:**

#### **Rajnath redefines minorities, says it should be on basis of region, not religion**

The term ‘minorities’ should be redefined and idea should be described on basis of their population in a region or state and not according to religion. With the Hindutva issue running out of steam, former BJP national president Rajnath Singh, on a three-day visit to the state capital, chose to redefine minorities and espouse “equal opportunity for all”. Citing example of north-eastern states where the Christian population is more, Rajnath said they certainly cannot be called minorities there and hence, the Centre should think of a new criteria. “One needs to look at who are the minorities in a particular state or a region before giving them reservation as minorities,” he said. “Everyone should be given equal opportunities and should be treated equally, not on basis of religion. Such practices only promote separatism and religion should not remain a basis of reservation at all.” Commenting on the Ranganath Mishra Commission report, Rajnath said it speaks about reservation to those SC/STs too, who have converted into minorities. “As far as I know, even today, minority institutions do not give reservation to SC/STs and the recommendation of giving reservation to converts will only encourage conversion. I only want to say that the Ranganath Mishra Commission report will only cut off a share of votes of the SC/STs and the backward classes, which is unfair. The BJP opposes the report,” said Rajnath. He added that the report has similarities with the 1937 Peerpur report presented by the Muslim League, where separate voting rights for Muslims was advocated. (The Indian Express)

### **Insurgency Movements:**

## **Heat on Naxals, C'garh Police step up Operation Green Hunt**

As the central paramilitary forces launched their ground offensive against the Maoists in two districts bordering Maharashtra, the Chhattisgarh Police are also stepping up their own campaign Operation Green Hunt in other areas in order to mount pressure on the rebels in the state. "The joint operation, involving the paramilitary forces, has almost started in Rajnandgaon and Kanker in North Bastar. It's a slow but sure operation. The objective is to deploy forces in large numbers in smaller areas for longer periods so that development initiatives can be taken up in a fast-phased manner," Director General of Police Vishwaranjan told reporters on Saturday. "Once the development task of a particular area is completed, the forces would move to another area and would advance further step by step," he said, adding that the forces would carry out search operations and even surgical operations whenever required. "While the joint operation progresses, the state police will intensify their own anti-Naxalite drive "Operation Green Hunt" in other Maoist-hit areas and counter the rebels," the DGP said. The police and civil officials have been carrying out a drive in South Bastar to make the people aware that the security offensive is meant to flush out the rebels and ensure development of their respective areas, he added. Pointing out that the police had recovered bodies of 107 rebels killed in encounters last year, the DGP claimed that the Naxalites in Dandakaranya region had suffered major casualties during this period. "The casualties on Maoist side could be about three times more than the number of bodies recovered, as Maoists normally take away the bodies with them. Maoists have admitted this in their literature published from time to time," he said. Vishwaranjan said 177 active Naxalite cadres and 445 Sangam members — village-level supporters of outlawed Communist Party of India (Maoist) — were arrested in 2009. A total of 99 securityperson — 54 of state police and 45 of paramilitary forces — had laid down their lives in line of duty fighting the Maoists. Around 112 civilians, 11 government employees and 22 Special Police Officers (SPOs) were also killed in Naxalite violence during last year, the DGP informed. Referring to activists and NGO groups staging 'Satyagrah' in South Bastar, opposing Operation Green Hunt and levelling allegations against the police, the DGP reiterated that vested interests had been unleashing a disinformation campaign against the security forces for long. "It's a sensitive area. Anything can happen. Maoists can attack the activists to put the blame on the police. We will deploy a few companies of security forces for the security of the activists," he said. (The Indian Express)

## **Anti-Maoist operations in Midnapore a failure: Mamata**

Trinamool Congress Chief Mamata Banerjee on Tuesday alleged that the tribal unrest in West Midnapore district was not a Maoist problem and described operations against the Naxals as a failure. Pointing out that people of all political parties were being killed in West Midnapore, she told reporters, "this is not a Maoist problem like in Jharkhand and Chhattisgarh. It is a group clash between the have's and have not's of CPI(M)". Claiming that the joint operations carried out by the central and state police forces in the district were "a complete failure", she said, "If it has to succeed, then only central forces or the army should be deployed there." "I do not support the joint operations. We support the tribal cause and not armed resistance," she said, adding that even former Naxalites who had taken to democracy were being killed. Reiterating her allegation that "Maoists and Marxists were the same", Banerjee dubbed the operations by the joint forces as "a conspiracy to decimate opponents who are functioning in a democratic manner." She also

alleged that timber from jungles in Lalgah was being sold to buy weapons for CPI(M) cadre with the help of the Left Front government. (The Indian Express)

### **Maoists' syllabus: People's rebellion, arms training**

Forcibly recruiting tribal children, the Maoists in Bastar region are running their own elementary schools in the interior areas and teaching them the basics of “people’s rebellion” along with Mathematics, Science, Environment and training in fire weapons. Primary school textbooks published by CPI (Maoist) Dandakaranya committee were seized by the police during recent anti-Naxalite operations in the region. One of the chapters in the textbook pertained to the early 19th century Parlkot rebellion by tribals and had a cover-page slogan saying, “aaj pade, aaj lade, janata ko aage le jayen” (learn today, fight today, take the people forward). There were chapters on Geography and health issues, focusing on the spread of malaria and jaundice, which are the most common life threatening diseases in the area. “We have seized country-made guns during recent raids in South Bastar. These crude guns are being used to impart weapons training to the children attending the Maoist schools,” a senior police official engaged in anti-Naxalite operations said. Human Rights Watch (HRW), in its report published in September 2008, had pointed out that “the Naxalites recruit children aged between six and 12 into their children’s association called Bal Sangams, where children are trained in Maoist ideology, used as informers and taught to fight with non-lethal weapons”. The HRW report had stated that “Naxalites promote children above the age of 12 to other wings — Chaitanya Natya Manch (street theatre troupes), Sangams (village-level associations), Jan Militias (armed informers) and Dalams (armed squads). In Sangams, Jan Militias and Dalams, Naxalites give children weapons training with rifles and teach them to use different types of explosives, including landmines.” The Maoists consider the vast forest area of South Bastar, spread over Dantewada, Bijapur and Narayanpur districts, as their “liberated zone of Dandakaranya”, which also covers parts of Andhra Pradesh, Maharashtra and Orissa. There is no presence of civil administration and any government department in this region under the control of Maoists, who call it as the “DK state”. However, in government parlance, it’s an area “dominated by the Maoists”. According to official estimates, the Maoists have destroyed 385 residential schools being run by the tribal welfare department in Bastar region over the last four years, depriving the tribal students facilities pertaining to education in government-run schools. Besides, there has been an alarming dropout rate in Dantewada, Bijapur and Narayanpur districts that face the problem of Naxalism. The tribal welfare department’s statistics say that more than 19,000 students enrol in schools in Class I in Dantewada district in a year. By the time they reach Class V, their number comes down to 7,000 and it further declines to 4,000 in Class VIII. Among them, only 2,300 students reach Class X. Similarly in Bijapur district, 7,100 students enrol in Class I every year, but 5,000 of them leave school by the time they reach Class V. Their numbers dwindle to 1,500 in Class VIII and 1,200 in Class X. In Narayanpur district, another educationally backward district of Bastar, the annual enrolment in Class I is 5,000 and less than 1,000 reach Class X. The district administrations in these three districts as well as in Bastar and Kanker districts are gearing up for an intensive campaign to enhance enrolment in schools and check dropout rate with community participation. Bastar district administration has already alerted block educational officers, block level resource coordinators and revenue officials of 12 blocks under the district to monitor attendance in schools and do necessary follow up to ensure that all students regularly attend schools. However, the tribal welfare department, which carried out a campaign to bring back

dropouts, could not make much headway, as teachers reported that many students were missing from the villages and they quoted parents as saying that their children had been taken away by the Naxalites. BJP legislator Mahesh Gagda, who represents Bijapur Assembly segment, alleged that the Maoists are forcibly taking away children from the villages and using them as human shields in the armed conflict against the security forces. "The Maoists have been using children in school uniform to carry weapons and as their informers to dodge the police," he said, adding that there was a need to open more residential schools with adequate security. Besides, there have been instances of Maoist cadres themselves moving around wearing school uniforms. In an encounter last month, the police shot dead seven Naxalites and some of them were in school uniforms. Last year, a Naxalite dressed in school uniform boarded a bus at Narayanpur and killed an alleged police informer before fleeing. As the Centre and the state governments are gearing up for a massive joint operation against the rebels, the Maoists are exhorting the tribal villagers to provide boys and girls from every village to be recruited into their ranks. Recently, there have been instances of villagers opposing such Maoist efforts. "People are opposing Naxal diktat and coming forward to help the police in its drive to flush out the rebels. The police are getting more information about the activities of the rebels from the interiors ever since it carried out a massive awareness programme under Operation Green Hunt," Inspector General of Police (Bastar range) T J Longkumer said. (The Indian Express)

### **Economic Front:**

#### **India is not an overspender, says Montek**

Refusing to be drawn into the debate over when should stimulus packages be withdrawn, the Planning Commission on Monday said India will not stand out in the world as an over spender despite the rise in the fiscal deficit because of the sops. "You can be sure that Indian fiscal deficit will not stand out as a case of overspending ... because for the first time in 2009-10 so far, India's combined fiscal deficit is actually lower than both the United States and UK," Plan panel deputy chairman Montek Singh Ahluwalia said at a Ficci organised seminar on 'Global Economic Crisis: Back to Keynes'. Ahluwalia said there is no agreement the world over on when should the stimuli be withdrawn as economists like Joseph Stiglitz and Paul Krugman argue that a premature withdrawal of the stimulus measures may lead to a loss of gains that have been made. "I don't want to pronounce on it (withdrawal of stimulus)... simply because one it is a very difficult issue, which the finance ministry and the government will be facing in a couple of months from now, when they present the Budget," he said. Impacted by the deepening financial crisis from the middle of September 2008, India has cut excise duty by 6%, service tax by 2% and stepped up plan outlay to prop up the slowing down economy. This has widened the Centre's fiscal deficit, which is projected to be 6.8% of the GDP this fiscal. If the states fiscal deficit is added to it, the combined fiscal deficit would be much higher. (The Indian Express)

#### **Food inflation to ease next month: Montek**

Planning Commission deputy chairman Montek Singh Ahluwalia has said food inflation will come down next month from a more than a decade's high of around 20% with apprehensions about adverse effect of drought were easing. "I think this fear of negative impact of drought being reduced, there will be a softening in food price inflation in the next month," Ahluwalia told reporters on the sidelines of a Ficci function here. He added inflation at the moment was not

caused by excess money supply but was dominantly on account of surge in food prices. While refusing to speculate on what needs to be done to curb inflation, he said, “When inflation begins to go up, one of the instruments that people use is monetary instrument.” RBI is scheduled to review its monetary policy stance later this month and has dropped hints of tightening money supply. Ahluwalia, however, said that it was a complex issue. (The Indian Express)

### **Big corporates to train 1.1 lakh poor youth under NREGS**

Companies such as L&T, IL&FS, Dr Reddy’s and NIIT will soon train and employ youths from Below Poverty Line (BPL) families, based on the success of a pilot project in Rajasthan and Chhattisgarh, implemented under the National Rural Employment Guarantee Scheme (NREGS). The National Rural Livelihoods Mission, to be taken to the Cabinet by the Rural Development Ministry soon, envisages the training of 1.1 lakh unskilled youth over the next year. “Under the scheme, private sector companies and non-government organisations (NGOs) will train such youths for 2-3 months. The government will spend Rs 10,000 per individual. The trainers will have the obligation to absorb at least 75 per cent of the people they train. The idea is to equip the youth with skills that will provide long-term employment with a starting salary of about Rs 4,000 a month,” Rita Sharma, Secretary, Rural Development Ministry, told The Indian Express. The Ministry has projected an outlay of Rs 10,500 crore for the scheme in the next fiscal. The idea emerged after some states sought the expansion of NREGS to provide 150 days of employment in a year. The Ministry has found partners in a host of companies including Anil Ambani’s NIS Sparta, Mukesh Ambani’s Tally Solutions Pvt Ltd., Lupin Labs, Construction Industry Development Council, Don Bosco and Drishtee Foundation, besides the ones mentioned above. “It’s not just infrastructure and retail sectors, but even service sectors including private security, etc. that hold the key to providing employment to less educated poor youth,” Sharma said. There is a huge demand for skilled labour in infrastructure projects in mining, oil exploration, drilling, roads and ports. Youths employed under NREGS can be trained for such works. “There is a need for such people and it is evident since infrastructure players are participating with us,” she added. The skills acquired through training could be of use in areas ranging from healthcare to basic banking at the rural grassroots. Some agencies like Don Bosco will train people and send them abroad for services like housekeeping, Sharma said. (The Indian Express)

### **New Year cheer: Mkts at 20-month high, PMI shoots up**

The new year seems to have begun well for the markets and the economy. In the first economic indicator to come out in the new year, a survey showed the rate of growth in manufacturing rose sharply for the first time in three months in December, with activity reaching its highest since May on sharp rises in new work and output. The HSBC Markit Purchasing Managers’ Index (PMI), based on a survey of 500 companies, rose to 55.6 in December from 53.0 in November. The reading was the strongest since May’s 55.7, which was the strongest in 2009. A reading above 50 means activity expanded during the month. “Concerns that growth in India’s manufacturing sector was taking a decisive turn for the worse should be allayed by this impressive release,” said Robert Prior-Wandesforde, Senior Asian Economist at HSBC. The PMI has now remained above 50 for nine consecutive survey periods. This followed a five-month sequence below the neutral level. “The rise in the new exports orders index suggests that external demand is also playing an increasingly important role in driving output gains,” Prior-Wandesforde said. The new orders index rose to 60.10, the highest for the year, from

November's 54.60. While the headline index for December didn't quite reach a new cycle high it wasn't far away at 55.6 (from 53.0), buoyed by strong gains in the output (59.2 from 55.4) and orders (60.1 from 54.6) components. The rise in the new export orders index (54.6 from 51.8) suggests that external demand is also playing an increasingly important role in driving output gains: something that was supported by the strong improvement in November exports, which rose more than 18% year-on-year. ( The Indian Express)

### **Centre for extension of industrial package**

With the Union Commerce and Industry Ministry recommending extension of the industrial package for Himachal Pradesh and Uttarakhand for another three years till 2013, Prime Minister Manmohan Singh is likely to take a final decision on the issue before the presentation of the annual Budget in Parliament next month. The Commerce Ministry has sent its recommendations to the Finance Ministry arguing that in order to ensure all-round development of these two hill States and keep them in tune with the economic growth being witnessed at the national level, the industrial sops package that would come to an end in March this year be extended till 2013. The NDA Government had announced a ten-year industrial concessions package in 2003 but it was curtailed by the previous UPA Government to a seven-year tenure that was going to end in March this year. "We have sent our recommendation to the Finance Ministry and now it will all depend on the Prime Minister and Finance Minister Pranab Mukherjee to take a final decision on the issue. We are hopeful of things getting a positive response," a senior Commerce Ministry official said on Tuesday. The development comes close on the heels of a meeting between the Union Commerce and Industry Minister, Anand Sharma, and the Himachal Pradesh Chief Minister, Prem Kumar Dhumal, in Delhi on Monday. Official sources said Mr. Sharma had put in a lot of effort and pleaded the case of the hill State with the Finance Ministry as well as the Prime Minister before making this recommendation for an extension. Sources said the Commerce Ministry had also decided to look into opportunities to attract investments in food and fruit processing and information technology sectors in the State. Mr. Sharma is also likely to announce some other projects for Himachal Pradesh, including establishment of skill development institutes at two places and some other initiatives. Interestingly, the Punjab government last month moved the Supreme Court challenging the Central government's fiscal sops since 2002 for industrial development in the neighbouring States of Jammu & Kashmir, Himachal Pradesh and Uttarakhand. (The Hindu)

### **Food inflation slips to 18.22 per cent**

The food price index rose 18.22 per cent in the 12 months to Dec. 26, while the fuel index was up 4.85 per cent, the government said on Thursday. The driest spell in nearly four decades and then floods in parts of the country have pushed up food prices, which officials and policymakers have said could fuel broader inflation. C. Rangarajan, the prime minister's economic adviser, on Tuesday said some liquidity tightening might be needed to moderate price expectations. India's annual wholesale inflation rose to 4.78 per cent in November, compared with 1.34 per cent rise in October and 8.48 per cent a year ago. (The Indian Express)

### **Geo-strategic developments:**

## **India objects to Pakistan actions in Gilgit-Baltistan**

India on Friday termed as “completely unacceptable” actions by Pakistan in regard to Gilgit-Baltistan and asserted it can neither camouflage Islamabad’s illegal occupation of part of the State of Jammu and Kashmir nor hide the denial of basic rights to the people in that part for the past six decades. “The entire State of Jammu and Kashmir is an integral part of India by virtue of its accession to India in 1947. Any action to alter the status of any part of the territory under the illegal occupation of Pakistan has no legal basis whatsoever, and is completely unacceptable,” Vishnu Prakash, spokesperson of the Ministry of External Affairs, said in a statement. The spokesperson said India has seen the reports of the so-called Chief Minister of Gilgit-Baltistan, in which he said that the area had become the ‘fifth province’ of Pakistan and henceforth had no connection to Kashmir. Last September, India had lodged a protest with Pakistan over its package for the Northern Areas through the “Gilgit-Baltistan Empowerment and Self Governance Order, 2009.” Pakistan Deputy High Commissioner was then summoned to the Ministry of External Affairs and handed over the diplomatic letter of protest. In a statement last September, the Ministry emphasised that the “entire State of Jammu and Kashmir is an integral part of India by virtue of its accession in 1947. The so-called ‘Gilgit-Baltistan Empowerment and Self Governance Order, 2009’ was yet another cosmetic exercise intended to camouflage Pakistan’s illegal occupation.” (The Hindu)

## **India, Pakistan exchange lists of nuclear facilities**

India and Pakistan on Friday exchanged the lists of their nuclear installations and facilities under an agreement that prohibits the two countries from attacking them. The lists were exchanged simultaneously in New Delhi and Islamabad, according to a release by the Ministry of External Affairs. The lists cover nuclear installations coming under the Agreement on the Prohibition of Attack against Nuclear Installations and Facilities. The agreement, which was inked on December 31, 1988 and came into effect on January 27, 1991, mandates the two nations to inform each other of the nuclear installations and facilities on January 1 every year. This is the 19th exchange of such lists between the two countries, the first one having taken place on January 1, 1992. (The Hindu)

## **India concerned about China's weapons supply to Pak: Krishna**

Taking exception to China's involvement in several projects in Pakistan-occupied Kashmir (PoK), India on Sunday described it as "illegal" and said it has conveyed its concern over this as well as supply of Chinese weapons to Pakistan. Despite differences on a host of issues with China, External Affairs Minister S M Krishna who is expected to visit Beijing in April this year, said the country did not see it in "antagonistic terms". In a year-end review of the foreign policy and India's relations with its neighbours, the Minister said, "India lives in a difficult neighbourhood" and national security and terrorism originating from "across our borders" would remain a major challenge in 2010. During an interview, he touched upon the troubled ties with Pakistan, relations with China and his optimism about "meaningful cooperation" from the US in regard to cases of two terror suspects David Headley and Tahawwur Rana, arrested there for plotting terror attacks in India. Asked about the "pinpricks" from China in the shape of border

incursions, issuance of separate visas to Kashmiris, the Dalai Lama and status of Arunachal Pradesh, he replied, "We are indeed concerned about some of these developments." He went on to emphasise that China's continued supply of weapons to Pakistan and activities of Chinese companies in PoK were a matter of concern and India was talking about all these issues with China. Explaining why India sees these activities in PoK as "illegal", Krishna said Jammu and Kashmir is an integral part of the country and neither Pakistan nor China have a "locus standi" there. Still India did not see China in "antagonistic terms" as it believes that there is enough space for both to develop in a "mutually supportive manner while remaining sensitive to each other's concerns and aspirations", as befits good neighbours and strategic partners, Krishna said. On the outlook for 2010, he said, "I am optimistic about the progress in our bilateral ties with China in the year ahead". He also said "India and China are engaged in deepening their strategic and cooperative partnership on the one hand and narrowing divergences on the other." Krishna emphasised that India was "committed to close and friendly relations with our neighbours" as it was convinced "that our destinies are interlinked". Referring to Pakistan, he noted that progress had been achieved in five years of composite dialogue but it was "eroded" by continued terrorism emanating from that country. For better ties, he put the onus on Pakistan to act with "determination" against terrorism directed at India. "The manner in which it acts to fulfil its assurances in this regard will be a critical factor in achieving progress in our bilateral relations," he said, setting the bottom-line for resumption of the composite dialogue stalled after the Mumbai terror attacks. "With Pakistan, the composite dialogue process since 2004 revealed the promise and potential that exists for both countries in a context when relations are improving. Realising that potential is the challenge but we can only do so by squarely addressing the issue of terrorism," Krishna said. Observing that it was in India's interest to "engage and normalise our relations", Krishna said "at the same time we are very clear that any meaningful dialogue with Pakistan can only be based on fulfilment of its commitment, in letter and spirit, not to allow its territory to be used in any manner for terrorist activities against India." "In this context we expect Pakistan to unravel the full conspiracy behind the Mumbai terrorist attack and bring to justice the perpetrators and the conspirators of this heinous act of terrorism", he added. Asked about the perception that the US authorities were not "fully cooperating" with their Indian counterparts with regard to Headley and Rana, he said, "the US Government has assured us of all possible help to deal with the Headley-Rana case. "They have extended valuable cooperation to us in the Mumbai attacks case. The Headley-Rana case is presently under investigation, on which both India and the US are working. I am optimistic of meaningful cooperation from the US side in the matter." On whether India will seek extradition of Headley and Rana, the minister said, "the Headley-Rana case is presently under investigation. An appropriate decision on the future course of action would be taken in due course." Asked about his assessment of the way country's foreign policy has worked in the year gone by, Krishna said "our approach, aimed at a supportive external environment helpful for our security and for sustaining rapid economic growth, has paid rich dividends. At the same time, we carefully guard the independence of our foreign policy. "...In sum, India is having a fruitful and active dialogue, for mutual development, peace and progress with the comity of nations." About 2010, he said globally, in this year, the world community will have to deal with a host of issues, ranging from regional security concerns like



Afghanistan and protection of vital sea-lanes, to global issues like UN reform, nuclear non-proliferation, energy security, climate change and recovery from the financial crisis. "We will have to make sure that as these issues are addressed, our interests continue to be protected. We will seek to strengthen even further our relations with major powers, while maintaining independence and delicate balance in our foreign policy," the Minister said. (The Indian Express)

### **DRDO builds technology blocks to kill enemy satellites**

The Defence Research and Development Organisation (DRDO) is building the technology blocks needed to "neutralise" hostile satellites in low earth and polar orbits, according to V.K. Saraswat, DRDO Director-General and Scientific Adviser to the Defence Minister. These blocks are the kill vehicles that will bring down the adversarial satellites, long-range radars, communication systems, laser-based systems and imaging infra-red seekers that give a complete picture of the satellite. They will be generated as part of the Ballistic Missile Defence Programme, which will reach "maturity in totality" in 2014, Dr. Saraswat said. He was addressing a press conference here on Sunday. (The Hindu)

### **With thumbs-up from Afghans, India explores more areas of aid**

Buoyed by results of two independent surveys in Afghanistan voting India as the preferred country, ahead of even multilateral agencies like UN and NATO, to carry out reconstruction in the country, India is exploring ways to increase its assistance in various areas to that country. India, which has a \$ 1.3 billion development assistance programme for Afghanistan in place already, may venture into areas of cooperation like agriculture and irrigation apart from existing areas like power, IT, medicine, infrastructure and human resource development. In a recent Gallup poll, when asked about the roles the Afghans thought that various groups or countries were playing in resolving the situation in Afghanistan, 59 per cent favoured India's role. UN and NATO were mentioned by 57 per cent and 51 per cent Afghans respectively. In another public opinion survey conducted by the International Republican Institute (IRI), India topped the list of the countries seen as having "good relations with Afghanistan" -- with 24 per cent of respondents naming India, followed by the US (19 per cent), Iran (17 per cent) and Tajikistan (12 per cent). Pakistan, interestingly, was mentioned by only 5 per cent Afghans covered in the IRI survey. In the Gallup poll, about 33 per cent of Afghans surveyed saw Pakistan as supporting the Taliban leadership. South Block is treating these polls and surveys as a "ready reckoner of Afghan goodwill" towards India, while also maintaining that this was "no reflection" on the quantum of funding committed to that country. While India may be the largest regional donor to Afghanistan, it is the sixth largest donor in the world. These polls, sources said, are validation of India's approach to Afghanistan and puts India's role in consonance with that country's developmental needs. India's assistance is always finalised only after Kabul spells out its priorities. When the Gallup poll had sought to know the role that India should play in the country, 59 per cent Afghans mentioned reconstruction and 16 per cent suggested economic development. New Delhi has already commissioned around 100 small development projects and

is engaged in constructing Salma Dam on Hari Rud River in Herat and the Afghan Parliament building. (The Indian Express)

### **Indian Occupied Kashmir:**

#### **Lal Chowk encounter ends with killing of 2 militants**

The police and the CRPF killed two militants and ended the 22-hour encounter at Lal Chowk on Thursday. A civilian, injured along with seven others on Wednesday, died in hospital, taking the death toll to four. A policeman was the other victim. The encounter started at 1.30 p.m. on Wednesday, when the police intercepted two militants, who opened fire and took shelter at Punjab Hotel. The police evacuated hundreds of civilians trapped in the area. The stand-off continued all through the night, when the operation was suspended. But the cordon was tightened to prevent the militants from escaping. The exchange of fire resumed at 7 a.m. on Thursday, with the police launching the final assault. In the gunfight that lasted several hours, the militants, Abu Qari, a foreigner, and Manzoor Ahmad, who hailed from Sopore, were killed. The hotel building caught fire as explosives were used to blow it up. Director-General of Police Kuldip Khoda said the target of the militants intercepted by a police party was not known. Two outfits, Jamiatul Mujahideen and Harkatul Mujahideen, claimed responsibility for the attack, but Mr. Khoda said it was the handiwork of a Lashkar-e-Taiba module. Life at Lal Chowk and in adjoining areas remained affected for the second day, as the police sealed them off. Shops, business establishments and offices remained closed. The office of Srinagar News, a newspaper, was damaged, and a local photo journalist Aman Farooq sustained a splinter injury. The police detained a reporter of a national news channel for a while after he received a phone call from Pakistan about the encounter. (The Hindu)

#### **2009 saw the lowest violence in 2 decades in J-K**

The year gone by saw a record low in violence-related incidents in Jammu and Kashmir in the past 20 years. "It was a year of lowest violence in two decades in Jammu and Kashmir. Terror-related incidents, killings of civilians and security force personnel went down below the 1990 figures," DGP Kuldeep Khoda said. Official records said 79 civilians were victims of violence-related incidents while 72 security men were killed during the year. "Civilian killings during 2009 went down by over 42 per cent as compared to 2008 while militancy-related incidents dropped by over 35 per cent," Khoda said. In 2008, there were 708 militancy-related incidents while 147 civilians and 85 security personnel were killed. As per the figures, 1995 saw the highest number of 5,946 militancy-related incidents in which 1,202 civilians, 237 security men and 1,596 militants were killed. Not only this, the year did not see any major suicide attack on the security establishment or VVIP area, he said. It was only on December 30 that militants struck in Sopore and killed four CRPF jawans. This is despite the fact that 30,000 security personnel belonging to the army, BSF and CRPF were withdrawn from the state putting more responsibility on the shoulders of the state police, Khoda said. As many as 235 militants were killed by police and security forces during the year. Cross-border infiltration, however, increased in 2009, Khoda said. There were as many as 433 infiltration attempts by militants along the LoC and International Border in Jammu and Kashmir, the statistics showed. In 2008, there were 91 such attempts.

## **Social front:**

### **Very limited progress at Copenhagen: Manmohan**

Prime Minister Manmohan Singh, on Sunday said that though “very limited” progress was made at the recent climate change summit at Copenhagen and none was “fully satisfied” with the outcome, the fact remained that the world had to move to a low greenhouse gas emissions and energy-efficient development path. India should not lag behind in developing science and technology related to both the aspects of mitigation and adaptation. Inaugurating the 97th annual session of the Indian Science Congress, Dr. Singh said: “It [climate change] is a problem that is challenging the knowledge and wisdom of humankind.” “All over the world, countries are chalking out strategies to achieve greater energy efficiency and a shift to renewable sources of energy. They are also chalking out strategies for adapting to such climate change, as it is inevitable. India must not lag behind in these areas,” Dr. Singh said. India should, in fact, plan to be among the leaders in the development of science and technology related to both mitigation and adaptation. “The market for such technologies is not just India. It is the whole world.” Cataloguing the measures being taken by the Centre in the area of climate change, he noted that it had been decided to launch a national solar mission for establishment of 20,000 MW solar generation capacity by 2020. The Ministry of Science and Technology has already launched a pan-IIT research programme to bring down the costs of solar energy technology options. The Prime Minister also highlighted the need for strengthening food security, particularly in the context of climate change, through more research. He said the country should pursue leads that biotechnology offered to increase crop productivity. But “legitimate” questions of safety must be given “full weightage,” with appropriate regulatory control based on a strictly scientific basis. (The Hindu)

### **Cold wave claims 125 lives in country**

With temperature dipping below normal and snowfall in the upper reaches of Himachal Pradesh and the Kashmir valley, normal life was affected for the fourth day on Tuesday, and more than 125 deaths were reported. (The Hindu)

## **Foreign Relations:**

### **Dhaka, Delhi conclude water talks**

Bangladesh and India have agreed to resolve outstanding issues relating to water sharing and decided that they will jointly start work for the protection of banks of the common rivers. The consensus came at the end of the two-day crucial water talks at the Secretary level on Tuesday. Water Resources Secretary Umesh Narayan Panjiar told journalists that the dredging of the Isamati river would start on February 1. On the Teesta deal, he said the talks narrowed the gap but further talks were needed. “The meeting, recognising the suffering of the people of both sides in the face of scarcity of lean season flows of the Teesta river, discussed at length and expressed that the sharing of the Teesta waters between India and Bangladesh should be concluded expeditiously,” the two sides said in a joint statement. The talks were held in the hope of crafting

an accord for Bangladesh Prime Minister Sheikh Hasina and Prime Minister Manmohan Singh to sign in Delhi later next week. The Bangladesh side was headed by Water Resources Secretary Shaikh Mohammed Wahid-uz-Zaman while Mr. Panjiar headed a seven-member Indian delegation. “We arrived at a situation which will benefit the people of the two countries,” Mr. Zaman told journalists. Mr. Panjiar said: “We have narrowed down differences of approach between the two countries, which will contribute to the sharing of Teesta waters.” Dhaka has been pressing New Delhi for decades for a deal on the common river Teesta, on which Bangladesh has its largest irrigation project covering 7,50,000 hectares in the greater Rangpur region. The joint press statement said talks between the two countries would continue on the Teesta river. It was also agreed to continue talks on the modalities for withdrawal of water from the Feni river by both sides for the minor lift irrigation schemes. (The Hindu)

### **Ansari: India set to re-engage with Africa**

As he set out on his week-long, three-nation tour of Africa, Vice-President Hamid Ansari said India was trying to re-engage with the African continent, while insisting that it was not competing with the advancing Chinese footprint in this region. During his customary on-board interaction with the media on Tuesday, he time and again described his visit to Zambia, Malawi and Botswana as part of the government’s bid to “re-engage with an area that India has had old and emotional ties with.” Asked how New Delhi proposed to match Beijing’s bid to expand its influence over the continent (China’s trade with Africa is to the tune of \$116 billion against India’s \$39 billion), Mr. Ansari maintained that the Indian approach would remain non-prescriptive and the terms of engagement would not be dictated by others. “I don’t think we should look at Africa in terms of the Chinese engagement or for that matter of any other country. We will attend to it at our own pace and in light of our own capabilities. The people of Africa have much longer memories of India.” Elaborating, Mr. Ansari said: “The Indian style is not to be aggressive. The best example I can tell you is that the elephant walks at its own pace. But the elephant is not to be underestimated.” In his opening remarks, he said though India was now in a position to render greater assistance, but the nature of assistance would be determined by the African nations. “It will not be something that we will unilaterally thrust upon them.” Without delving into why relations with Africa had plateaued over the past decade-and-a-half, the Vice-President admitted that the intensity of the Indian engagement with the continent “did tend to go down in recent years. But, he was quick to add: “The fact that we remembered that and took steps to correct it is what is important.” External Affairs Ministry officials accompanying Mr. Ansari said India’s relations with Africa never went into a chill zone. “The world changed in the 1990s and India and much of Africa began reorienting their foreign policies. As new relationships were forged, attention got diverted and this is borne out by the fact that Mr. Ansari is the first high-level dignitary to visit Zambia in 20 years after three Indian Presidents and three Indian Prime Ministers visited it between 1970 and 1989. This is set to change.” More visits to the continent by Indian dignitaries were on the anvil. (The Hindu)

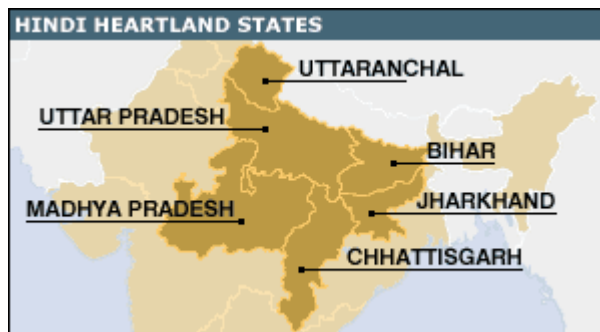
### **Take urgent steps to end attacks, New Delhi tells Canberra**

India on Thursday urged Australia to take “urgent action” to put an end to the attacks on Indians there. In a statement, the External Affairs Ministry said while there was need for calm and

balance in both countries, the Australian government must “take remedial measures to ensure there are no further incidents of this nature.” “... It is a matter of concern that in spite of serious and concerted efforts by the Australian government to deal with this issue to address our concerns, these attacks are continuing, and have even resulted in fatalities,” the statement said. “The External Affairs Minister personally reiterated our serious concern to the Australian High Commissioner and emphasised the need for prompt remedial action,” it said. “The Australian government has also been formally requested for complete statistics regarding the number of attacks as also the statistical breakdown,” the statement said. India hopes that the series of measures already promised by Australian authorities for better policing and surveillance in crime-prone areas is strengthened and kept in place “until such time as the attacks cease and the Indian community in Australia is reassured about its safety and security.” Minister for Overseas Indian Affairs Vayalar Ravi said India “has not exaggerated” the incidents and wants Australia to ensure safety to its citizens there. “We are putting all diplomatic pressure on Australia so that they catch the culprits of the attacks,” Mr. Ravi told reporters on the sidelines of the Pravasi Bhartiya Divas here. Mr. Ravi said the Acting Premier of Victoria Rob Hulls sent a letter to him on Thursday informing him about steps being taken by his government to contain the assaults on Indians in the province, the epicentre of most of the attacks. “We are very much concerned about the safety of our people,” Mr. Ravi said, adding that police were inquiring into the fatal stabbing of 21-year-old Nitin Garg last week. (The Hindu)

## **Regional Report**

### **Central India (Hindi Heartland)**



## **Politics:**

### **Soren wins floor test**

Jharkhand Chief Minister Shibu Soren, heading a Jharkhand Mukti Morcha-Bharatiya Janata Party coalition government, on Thursday won a trust motion in the Assembly by 19 votes. The 65-year-old received 45 votes in the 81-member House, while 26 were cast against him. All five Rashtriya Janata Dal members abstained from voting, while Enos Ekka of the Jharkhand Party, Independent Harinarayan Rai, Congress’ Gopal Nath Sahadeo and Arup Chatterjee of the Marxist Coordination Committee were absent. Mr. Ekka and Mr. Rai are in jail in a disproportionate assets case. Mr. Soren was invited by Governor K. Sankaranarayanan on

December 27 to form the government and asked to seek a vote of confidence by January 8 when he was sworn-in, for a third time, as Chief Minister on December 30, along with Deputy Chief Ministers Raghuvar Das and Sudesh Mahto. Besides his 18-member JMM, Mr. Soren claimed the support of National Democratic Alliance - 20, All Jharkhand Students Union - 5 and one each from the Jharkhand Janadhikar Manch, the Rashtriya Kalyan Paksha and Independent MLA Bidesh Singh. Replying to the confidence motion, Mr. Soren claimed that the people of Jharkhand did not get justice, which led to the Statehood movement. "Now is the time to meet the aspirations of the people. Delhi cannot understand our problems. We have to understand our problems and address them." Mr. Soren is likely to expand his three-member Ministry on Friday. (The Hindu)

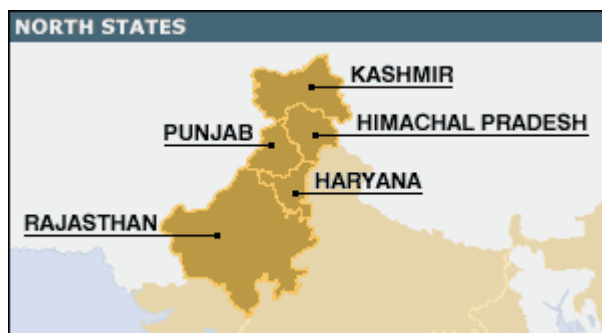
### **Social front:**

#### **33 die of cold wave in U.P.**

As many as 33 people died in Uttar Pradesh due to cold wave as foggy conditions prevailed for the second successive day on Sunday in many parts of the northern region with some states also experiencing light showers. While six persons died in Mirzapur, five deaths were each reported from Ballia and Banda, four from Kanpur dehat, three from Muzaffarnagar, two each from Sonbhadra, Hamirpur, Fatehpur and Chandauli, and one each from Farukhabad and Unnao, official sources said. They said the total toll in the state has touched 70 so far. Shahjahanpur, which recorded a minimum temperature of 2.5 degree Celsius on Sunday morning, was the coldest place in the state, followed by Bareilly at five degrees, two notches below normal, the Met Department said. Chandigarh and its neighbouring states saw dense fog and rainfall on Sunday which derailed the normal life and disrupted road, rail and air traffic, as visibility was reduced to below 100 meters. (The Hindu)

### **Economic Front:**

#### **The North**

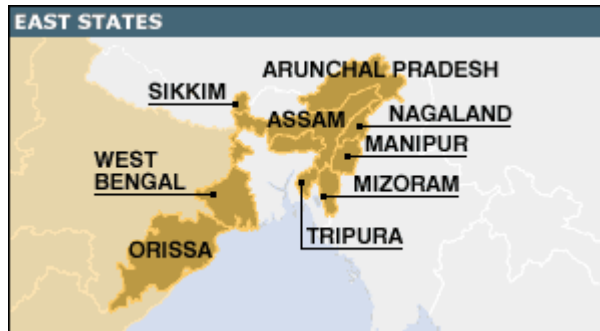


### **Politics:**

### **Social front:**

**Economic Front:**

**The East**

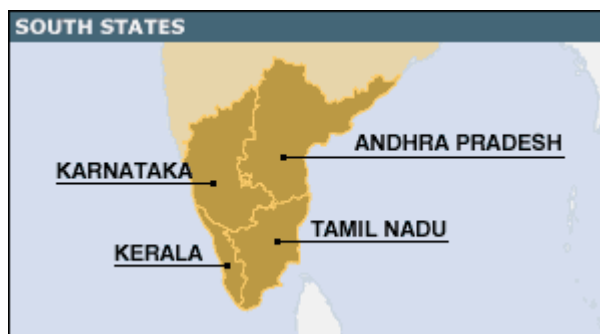


**Politics:**

**Social front:**

**Economic Front:**

**The South**



**Politics:**

**Telangana: Congress does a balancing act**

The All-India Congress Committee has nominated one person each from Telangana, Andhra and Rayalaseema to represent the party at the January 5 meeting in New Delhi on the Telangana issue. Besides Chief Minister K. Rosaiah and PCC president D. Srinivas (who belong to Telangana), K. Sambasiva Rao, Lok Sabha member from Eluru (Andhra), and N. Raghuvveera Reddy, MLA from Kalyandurg (Rayalaseema) and Agriculture Minister, will take part in the all-party meeting convened by Union Home Minister P. Chidambaram, Union Law Minister M. Veerappa Moily said on Friday. Mr. Moily, who is in charge of the party affairs in Andhra Pradesh, that the meeting would discuss the issue threadbare. The leadership, besides giving equal prominence to all the regions, ensured that all representatives of the legislature found a place. While Mr. Rosaiah is a member of the Legislative Council, Mr. Reddy is a member of the Assembly, and Mr. Sambasiva Rao is an MP. The 11 Lok Sabha members from Telangana, led by Peddapalle MP G. Vivekanand, who are sticking to their decision to resign pending the outcome of the January 5 meeting, have urged Mr. Rosaiah to withdraw criminal cases filed against students, especially members of the Telangana Joint Action Committee. In a letter, they have also referred to an assurance given by Mr. Chidambaram in Parliament on the withdrawal of all cases booked against students and agitators. Some Telangana Congress leaders are opposed to Mr. Rosaiah's participation in the meeting, alleging that he is behaving like a representative of Andhra (he hails from Guntur) and that they will not get justice from him. The Congress high command has issued notice to Andhra Pradesh Information Technology Minister Komatireddy Venkat Reddy for "deliberately lowering party's prestige" by criticising Mr. Rosaiah. Mr. Reddy had refused to withdraw his resignation when all his 12 Cabinet colleagues from Telangana withdrew their papers following the announcement of all-party meeting on the Telangana issue. AICC general secretary Janardhan Dwivedi, in-charge of organisational affairs, issued the notice asking Mr. Reddy to send his explanation within seven days. At a press conference in Hyderabad on Thursday, Mr. Reddy levelled serious charges against Mr. Rosaiah, accusing him of "partisan style of functioning," and added that he was acting as the Chief Minister of the Andhra and Rayalaseema regions instead of the entire State. Mr. Reddy also objected to Mr. Rosaiah's comment that Maoists had infiltrated the movement for a separate Telangana. (The Hindu)

### **Social front:**

#### **Dinakaran case: CJI to name panel head**

The Rajya Sabha Secretariat has requested Chief Justice of India K.G. Balakrishnan to suggest the name of a Supreme Court judge to head a three-member team to probe the allegations against Chief Justice of the Karnataka High Court P.D. Dinakaran contained in the motion seeking his removal under the Judges Inquiry Act. The committee will comprise a Supreme Court judge, the Chief Justice of a High Court and an eminent jurist. Informed sources told The Hindu that Justice Balakrishnan had already initiated the process of consultation to select the Supreme Court judge. The names of all the three committee members would be decided next week, they said. The committee will probe the charges after giving Justice Dinakaran an opportunity to defend himself. Thereafter, it will submit a report to Rajya Sabha Chairman Hamid Ansari. The motion admitted in the House lists the allegations: possessing wealth disproportionate to the known sources of his income; unlawfully securing five Housing Board plots, in favour of his wife and two daughters; entering into transactions prohibited and punishable under the Benami



Transaction (Prohibition) Act, 1988; acquiring agricultural holdings beyond the ceiling set by the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961; illegal encroachment on government and public property to deprive Dalits and the poor of their right to livelihood; violation of the human rights of Dalits and the poor; destruction of evidence during official enquiry; obstructing public servant on duty; repeated undervaluation of property at the time of sale registration to evade stamp duty; illegal construction in breach of the town planning law and planning permit; misuse of official position to unlawfully secure property and facilitate other illegal acts for personal gain; and abuse of office to pass dishonest judicial orders. (The Hindu)

### **Economic Front:**

#### **Kerala High Court restraint on Islamic banking firm operations**

The Kerala High Court on Tuesday directed the State government and the Kerala State Industrial Development Corporation (KSIDC) to ensure that a newly formed banking company, said to be based on Islamic principles, did not commence its operations until further orders. A Bench of Chief Justice S.R. Bannurmath and Justice Thottathil B. Radhakrishnan passed the interim direction on a public interest writ petition by Janata Party leader Subramanian Swamy challenging a government order according sanction for registration of the Islamic finance service company by the KSIDC. Dr. Swamy argued that the government action was against the country's secular principle and would lead to similar demands from other religions. Counsel for the KSIDC said the company, already registered, would function not on the basis of Islamic laws but in accordance with the Companies Act and the Reserve Bank of India Act. In its order, the Bench said the question whether the KSIDC was a company owned by the government required deeper consideration. It impleaded the Centre and the RBI as additional respondents to know their views in the case. The court said no activity could be undertaken by the newly formed company in violation of the provisions of the Reserve Bank of India Act, the Banking Regulation Act and related laws. According to Dr. Swamy, the setting up of a financial service company, with government participation, which would follow the canon of law of a particular religion was a clear instance of the state favouring a particular religion. It was clear from the order that the company was to be set up strictly in accordance with the Shariah. It also implied the setting up of a Shariah Advisory Board. It was stated in the order that the company's chief executive officer was required to report to the Shariah board. This made it clear that the board would have some measure of supervision over the company. Dr. Swamy said that as per the government order, 11 per cent of the equity would be held by the KSIDC. This showed the identification of the KSIDC with Islam. The setting up of a company with co-ownership of the state was "antithetical" to equal treatment of all religions. The Shariah-compliant operation of the company would also mean imposing prohibitions under the Shariah law. (The Hindu)

#### **Yeddyurappa, Mittal discuss plant proposal**

Karnataka Chief Minister B.S. Yeddyurappa and steel giant Lakshmi Mittal held a meeting on Thursday to discuss about the latter's proposal to set up a Rs. 30,000-crore mega integrated steel plant in the State. Mr. Yeddyurappa told presspersons that a high-level committee headed by him had cleared the six-million-tonne-a-year project on January 5 during its meeting in Bangalore.

Mr. Mittal, who owns Arcelor Mittal, the world's biggest steel manufacturing group, and controls 10 per cent of the world's steel production, said: "I have got a lot of assurances from the Karnataka government and there is a clear commitment from them...This is my first meeting with the Chief Minister. We are very impressed with the kind of support and cooperation we are receiving from them." He added that good progress would be made in a couple of months. Later, a decision on signing of a memorandum of understanding with the Karnataka government would be decided. It is learnt that the Mittal group was shown several sites in Karnataka near the iron mines at Bagalkot, Bijapur, Bellary and Koppal, and the company is yet to finalise the place. A total of 4,000 acres of land will be allotted to the company. The project will include 750-MW captive power plant. This project will be in addition to the Orissa and Jharkhand plants being set up by the steel group. Mr. Yeddyurappa also invited Mr. Mittal to be the chief guest at the global investors' meet to be held in Bangalore on June 3 and 4. "The global investors meet is part of the plan to attract more investments from both within the country as well as abroad," he said, and added that the Mittal group would promote 20 to 30 companies downstream and in 90 days all clearances would be provided. (The Hindu)

### **West India**



### **Politics:**

#### **Let's unite for State's development: Modi**

The Gujarat Assembly on Friday held a special session to herald the beginning of the calendar year of the 'Swarnim Gujarat' celebrations. The actual golden jubilee celebrations of the formation of the State will begin on May 1 and go on for a year. Gujarat was created by bifurcating the erstwhile Bombay State in 1960. Portraits of all dead former Chief Ministers and Speakers were unveiled in the Assembly gallery by senior leaders. Two former Chief Ministers, many former and present members of the Lok Sabha and the Rajya Sabha from the State, and former Ministers participated in the ceremony. Among those present included BJP parliamentary party chairman L.K. Advani, leader of the Opposition in the Rajya Sabha Arun Jaitley, the former Chief Ministers, Madhavsinh Solanki, Keshubhai Patel, Union Ministers from the State, Dinsha Patel, Bharat Solanki, and Tushar Chaudhary, two former Governors, Kumudben Joshi and Viren Shah. The ceremony was presided over by Governor Kamla Beniwal, who released a

book on the development of Gujarat in the last 50 years. Chief Minister Narendra Modi unveiled an oil painting of the 'father of Gujarat,' Indulal Yagnik, who led the Mahagujarat movement in the mid-sixties leading to the creation of the State. The House unanimously adopted a resolution moved by Mr. Modi calling upon all Gujaratis in the State and abroad to join hands to contribute for the development of the State. It called upon the people to join hands on the plank of development, keeping aside political rivalries just as all political parties in the State were united on the implementation of the Narmada dam project. Leader of the Opposition in the Assembly, Shaktisinh Gohil, seconded the resolution. He said the Congress would continue to give full support to the government on development. (The Hindu)

### **Sena-BJP gathers numbers to check growth of Raj's MNS**

After BJP primary membership drive, Shiv Sena to launch its on Wednesday With Bharatiya Janata Party concluding its primary membership drive in the state and getting ready to strengthen its organizational strength later this month, it's now the turn of ally Shiv Sena to launch its primary membership campaign. The two parties are looking at fortifying themselves, apparently in view of the Maharashtra Navnirman Sena (MNS) denting their support base in several bastions. The Shiv Sena, during its three-week membership drive that will continue till January 23, Bal Thackeray's 85th birthday, is aiming at reaching out to the maximum people possible, the youth in particular, to checkmate Raj Thackeray's MNS that has been stealing a march on it of late. The MNS itself is also getting ready to enroll more members. Shiv Sena leaders said their membership drive in 2007 had drawn immense response, with 42 lakh people enrolling. Party leaders hope to better this. "Every time we have announced a membership drive, we have received immense response. We are expecting more people to enroll this time," said Anil Desai, general secretary, Shiv Sena. The BJP, after its two-month primary membership drive across the state than concluded on December 31, is eyeing double the success seen in the previous drive. BJP leaders said they had aimed at enrolling 60 lakh new members. "This is for the primary membership that does not have any clause. The organisational membership will be held later this month to complete the procedure for the election of the party president in the state," said Madhav Bhandari, BJP spokesperson. He said the party had enrolled 37 lakh members during its drive two years ago, which they hoped could be 60 lakh this time around. The MNS has been making inroads into the strongholds of the saffron alliance over the last two years, which was reflected in the recent electoral successes. MNS presence is believed to have led to the defeat of several Sena-BJP candidates in the Lok Sabha and Assembly polls. This also led to the perception that young, first-time voters were getting attracted to the MNS. Though the MNS has not drawn up any concrete plan for its membership drive, MNS leaders said they would launch it to coincide with the statewide tour planned by Raj early this year. The tour of the MNS chief is primarily to restructure the party at district and block levels. Prior to the elections, Raj had disbanded the existing leadership to pave way for new leadership. (The Indian Express)

### **Social front:**

### **Economic Front:**