

Business and Politics in Muslim World

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Summary (Page # 4-6)

National Report

Politics:

- Stop criticising security forces, says BJP (Page # 7)
- Fuel price hike justified: Deora (Page # 7)
- PM calls meeting on Kashmir situation (Page # 8)
- Upcoming monsoon session of Parliament to be 'stormy': BJP (Page # 8)

Minorities' Issues:

- Post-Modi row, new Nitish sops for Muslims (Page # 9)
- 'Muslims targeted using terror as excuse' (Page # 9)

Hindu Fundamentalism:

Insurgency Movements:

- Another Maoist attack, 26 dead (Page # 10)
- Top Maoist leader gunned down in Andhra Pradesh (Page # 11)

Economic Front:

- Centre to release 5 million tonnes of wheat in open market next month (Page # 11)
- Chinese telecom plan unit in India (Page # 12)
- Rupee slips to 46.64 against dollar (Page # 13)
- Current account deficit up at 2.9 % of GDP (Page # 13)
- Sensex recovers 167 points (Page # 14)

Foreign Relations/Geo-strategic developments:

- G-20 leaders agree to cut deficits, not stimulus (Page # 15)
- NSG discusses Pakistan deal, defers new ENR rules (Page # 16)

- UK and France back India's case for UNSC (Page # 17)
- India, Canada sign civil nuclear deal (Page # 18)
- India expects credible action against LeT operatives (Page # 18)

Military

- Pentagon pitches for \$10 billion Indian fighter jet deal (Page # 19)

Indian Occupied Kashmir:

- Omar govt warns against civilian deaths (Page # 20)
- Amarnath yatra begins under tight security in J-K (Page # 20)
- Srinagar district under curfew ahead of proposed march (Page # 21)

Social front:

- 'Honour' killings show up lacunae in legal system: civil society (Page # 21)
 1. Environmental Changes
- Report blames India, China for rise in carbon emissions (Page # 22)
- Monsoon advances, but still 16% short (Page # 23)

Regional Report

Central India (Hindi Heartland)

Politics:

- BJP, JD-U finalise seat sharing for Bihar polls (Page # 24)
- Remaining with BJP is a 'necessity': Sharad (Page # 25)
- Maya makes Amethi part of district named after dalit icon (Page # 25)

Social front:

Economic Front:

The North

Politics:

Social front:

- Honour killings in Haryana (Page # 26)

Economic Front:

The East

Politics:

Social front:

- Arunachal, Sikkim new tourist hotspots as curbs relaxed (Page # 27)

Economic Front:

The South

Politics:

- World Tamil meet comes out as a DMK show of strength (Page # 29)
- Uproar in Kerala assembly over 'goons of Rajiv Gandhi' remark (Page # 30)

Social front:

Economic Front:

West India

Politics:

Social front:

- Students misuse Kashmiri migrants quota, says UoP (Page # 31)

Economic Front:

National Summary:

The BJP condemn the criticism of the security forces their action in Sopore, Kashmir in which several innocent civilians lost their lives and mostly are children and students.

BJP and Left parties have separately given a call for a nationwide strike on July 5 against the fuel price hike. While Oil Minister Murli Deora justified the decision, saying the increase translated to less than Re 1 per day on domestic LPG and 26-27 paise a day on kerosene. The Congress-led UPA government did not increase kerosene prices for the past six years, despite the price of crude oil (the raw material for making petrol, diesel, domestic LPG).

JD-U seeks Muslims votes in Bihar and for this purpose now it announces some compensatory measures. The JD-U has begun serious efforts to consolidate its Muslim vote by assuring recognition to over 2,400 madrasas and demanded Scheduled Caste status for over one crore Dalit Muslims of Bihar. The foremost thing in Chief Minister Nitish Kumar's agenda now is to "mitigate the Narendra Modi impact" after the just-concluded BJP National Executive in Patna. The madrasa recognition is the first step in that direction. While only 1,127 madrasas have got recognition so far, no madarsa has been recognised in the state since 1994.

The Indian government is using counter-terrorism measures to arbitrarily detain large numbers of Muslims, says a new report slamming India's record of protecting minority rights. The South Asia chapter of the 2010 State of the World's Minorities and Indigenous People, brought out by the London-based Minority Rights Group (MRG) International, was released in New Delhi on Thursday. The report criticizes the Indian government's continued opposition to the recognition of caste-based discrimination as a human rights violation. The report also criticizes the Indian army for committing human rights violations against civilians, including extra-judicial killings, abductions, arbitrary arrests and detentions in the guise of counter-terrorism.

In the third major Naxal attack in Chhattisgarh in the last three months, at least 26 security forces personnel most of them from the CRPF — were killed in an attack near Dhaudhai, 32 km from the district headquarters of Narayanpur in South Bastar on Wednesday, 30 June. Twenty-four of the dead were from the CRPF and one from the Chhattisgarh police. One special police officer (SPO) was killed. Fifteen security personnel were injured in the attack.

The nation's current account deficit (CAD), representing its position in trade and investment with other nations, rose to 2.9 per cent of GDP last fiscal against 2.4 per cent a year ago, as the country imported more for a buoyant industry and services fetched less income towards the year-end as the global economy was a shambles. In absolute terms, CAD rose to \$38.4 billion during 2009-10 from \$28.7 billion a year ago, according to the data released by the Reserve Bank of India on Wednesday. Software exports fetched \$49.7 billion in 2009-10, up 7.4 per cent over the previous year.

Leaders of the G-20 group of nations decided against immediate withdrawal of economic stimulus, strongly pushed for by India, to preserve the “fragile” global recovery, while agreeing that countries should themselves decide on the contentious financial levies. Meeting against the backdrop of Eurozone crisis arising from government debts, which was compounded by the 2008 financial crisis, the Summit struck a balance by allowing advanced economies to adopt fiscal plans to at least halve deficits by 2013 and gradual unwinding of stimulus.

Much to India's relief, the Nuclear Suppliers Group (NSG) on Friday failed to adopt new guidelines that would have led to the denial of enrichment and reprocessing (ENR) technology to countries like itself that have not signed the Nuclear Non-Proliferation Treaty (NPT). Diplomatic sources told this was a reference to China's desire to sell two new reactors to Pakistan at Chashma in addition to the two that have already been contracted and approved by the NSG in 2004 as part of the country's pre-existing commitments. China has suggested the two new reactors were part of its 1991 agreement with Pakistan and should thus be exempted from the NSG ban on sales to non-NPT countries. India opposes transferring of reactors to Pakistan by China.

Britain and France have voiced their support for India's case for permanent membership of the UN Security Council and favoured deepening of bilateral ties between them. The backing from countries came during a bilateral meeting with the new British Prime Minister Mr David Cameron and French President Nicolas Sarkozy had with Prime Minister Dr Manmohan Singh ahead of the G20 Summit.

India and Canada on Monday signed a civil nuclear cooperation agreement and Prime Minister Manmohan Singh described it as “breaking new ground in the history of our cooperation in this sector.” Both countries resolved to ratify the accord and complete all remaining steps soon. This is the next step before Canada starts selling nuclear reactors to India.

The Pentagon is making a strong pitch for US companies for the \$10 billion deal for 126 fighter aircraft for the Indian Air Force and future sales of the C-17 transport aircraft.

Outraged by the spate of 'honour' killings in and around the capital, civil society groups on Friday got together and demanded that the Centre take exemplary and comprehensive measures to end this crime. Several cases of honour killing took place since last months. Mostly in northern and central part of India, in which many newly wed couples were murdered by their own families.

A Dutch environment report has blamed high growth in China and India for the rise in carbon emissions, saying they have "completely nullified" the reductions achieved by rich nations. The global CO2 emissions have remained constant in 2009 despite the economic crisis slowing down the growth trajectory of many countries, Netherlands Environment Assessment Agency (PBL) said in a report. The agency, which had identified that China's carbon emissions in 2006 had overshoot that of the US, making it the world's largest polluter, attributed the 2009 trend to an offset effect by China and

India.

Regional Summary:

The BJP and JD-U have finalised seat sharing in Bihar for the upcoming Assembly election in the state. Highly placed sources in National Democratic Alliance (NDA) said that both parties have agreed to share the 243 Assembly seats there as per the formulae of the last election in October 2005 under which JD-U had contested 139 seats and BJP 102. BJP and JD-U had fielded independent candidates on the remaining two seats. The decision on these two seats could be taken after the election dates are announced, the sources said. JD(U) made it clear that its alliance with BJP would remain intact despite recent bickering, saying it was a "necessity" for the two parties to remain together.

In a move to show Congress who is the boss in the Hindi heartland, the Mayawati government on Thursday decided to create a new district that includes Amethi, and call it Chhatrapati Shahuji Maharaj Nagar. Amethi is Congress general secretary Rahul Gandhi's Lok Sabha seat, and falls in Sultanpur district. The UP government also decided to rename Kanpur Dehat as Ramabai Nagar, after BR Ambedkar's wife. Chhatrapati Shahuji, the first ruler of Kolhapur in Maharashtra in late 19th century, is an icon of Dalit movement.

The latest figures from the Tourism Ministry reveal a sharp rise in visitors to Arunachal Pradesh and Sikkim in the last few years. Arunachal Pradesh, in fact, has seen an almost exponential rise in foreign tourist arrivals, from 607 in 2006 to 3,945 last year. The number of domestic tourists has also more than doubled from 80,137 to 1,95,147 in the same period. The tiny state of Sikkim saw a slight dip in foreign tourist arrivals last year, but it still attracts more of them than any other state in the region, including Assam. In 2009, it got 17,730 foreign tourists as compared to 19,154 in 2008. Assam, the biggest state in the region, received only 14,942 foreigners last year. Sikkim has already established itself as one of the most popular tourist destinations for domestic travellers as well, receiving 5,47,810 visitors in 2009 as compared to 3,68,451 in 2008.

National Report

Politics:

Stop criticising security forces, says BJP

Those rushing in to criticise security forces for their action in Sopore, Kashmir, should desist from doing so till the report of the judicial inquiry was made available, the BJP said on Monday. "We condemn the criticism of the security forces," party's general secretary Ananth Kumar said. Asked why killing of innocent people, whether by the police in Gujarat or elsewhere in fake encounters or by the Central Reserve Police Force in Kashmir, should not be criticised, he maintained that the judicial inquiry's report should be awaited so that all the relevant facts become known. "It is not advisable to make unfounded allegations without first establishing the facts," he said. (The Hindu)

Fuel price hike justified: Deora

With Opposition parties calling for a nationwide strike against the hike in fuel prices, Oil Minister Murli Deora justified the decision, saying the increase translated to less than Re 1 per day on domestic LPG and 26-27 paise a day on kerosene. "No benefit will accrue with this kind of adventurism. We want people and Opposition parties to understand the compulsions under which we took this decision and what impact it will have on people," Deora said. Describing claims made by critics of the June 25 decision as "exaggeration", he said the Rs 35 increase in the price of LPG cylinders translated into an additional burden of less than a rupee per day, considering a bottle of domestic gas lasts 30-35 days. The Rs 3 a litre hike in kerosene translated into an additional burden of 26-27 paise per day. "We have kept the burden on the poor man the minimal. The talk of the hike breaking the back of the poor and common man is nothing but exaggeration. The facts are before you," he said. BJP and Left parties have separately given a call for a nationwide strike on July 5 against the fuel price hike. Deora refused to answer questions on a rollback, saying, "I do not know anything (on that)." Alongside the hike in LPG and kerosene rates, the prices of petrol were freed from government control, leading to an increase in the rates by Rs 3.50 per litre in Delhi from June 26. Diesel prices were also deregulated, but the rates increased by Rs 2 per litre only, in preparation for an eventual freeing of prices. "The NDA government raised price of PDS kerosene from Rs 2.52 per litre in January, 1998, to Rs 9 per litre in March, 2002. This hike was 258 per cent, even though crude oil prices rose by just 147 per cent during the period," he said. The Congress-led UPA government did not increase kerosene prices for the past six years, despite the price of crude oil (the raw material for making petrol, diesel, domestic LPG and kerosene) more than doubling from USD 36 a barrel in May, 2004, to USD 78. "We raised kerosene rates by Rs 3 per litre against the required increase of Rs 18.07 per litre," he said. "We have ensured that the poor are not unnecessarily burdened." "We will continue to subsidise LPG and kerosene, which are the common man's cooking fuels. Even after last week's price increase, kerosene price is Rs 15.07 per litre below cost and LPG is under-priced by Rs 226.90 per cylinder," he said. The United Front government, of which the Left parties, TDP and Samajwadi Party were constituents, in November,

1997, notified full deregulation of the prices of petrol, diesel, LPG and kerosene by 2002. According to this schedule, the rates of kerosene and LPG should have been at least double the revised price of Rs 12.32 per litre and Rs 345.35 per cylinder respectively. Deora said Prime Minister Manmohan Singh had stated that the government had taken care that the poorest sections of society are not impacted and so, kerosene and LPG prices would continue to be regulated. "We want support of the people and the Opposition (on the issue of fuel price hike)," he said. "The increase in kerosene price will also help stop adulteration and diversion of PDS kerosene to open market." The pre-hike price of Rs 9.32 per litre made kerosene lucrative for adulteration in fuels like diesel as also diversion in open market. The NDA government, he said, had in April, 2002, freed petrol and diesel prices from government control, with the rates being revised twice a month based on international prices. "We have freed price of petrol, a fuel that is used in cars. Diesel prices will be eventually freed, but the government reserves the right to intervene in case of sharp spike or excessive volatility in global prices," he said. "What we did was bare necessity. We were compelled to do so because oil PSUs were faced with Rs 74,300 crore under recoveries (revenue loss on fuel sales this fiscal)," he said. "The opposition is being a hypocrite in its criticism." Even after the hike, oil PSUs would be saddled with Rs 53,000 crore of under-recoveries. "Petrol price has increased only 53 per cent and diesel 85 per cent since May, 2004, despite crude oil prices rising by 111 per cent," he said. (The Indian Express)

PM calls meeting on Kashmir situation

Prime Minister Manmohan Singh has convened a high-level meeting on Wednesday evening to discuss the situation in Kashmir, which has seen unrest for the last four days. The meeting will be attended by Union Home Minister P Chidambaram and senior officials of his ministry, Prime Minister's Office and from security agencies. Chidambaram is expected to brief the meeting on his discussions with Jammu and Kashmir Chief Minister Omar Abdullah. The meeting is expected to take note of intelligence reports suggesting that certain elements from Pakistan were trying to foment trouble in the valley. National Security Advisor Shiv Shankar Menon is also likely to attend the meeting. Kashmir has been on the boil due to protests over killings of youth in alleged CRPF firing. (The Indian Express)

Upcoming monsoon session of Parliament to be 'stormy': BJP

BJP on Friday said the upcoming monsoon session of the Parliament would be made a "stormy" one and that it would coordinate with other opposition parties to "corner" the government on fuel price hike and price rise. Senior BJP leader M Venkiah Naidu told reporters that the July five nation-wide strike called by his party was aimed at "opening the eyes" of the government to the sufferings of people. "We will also confront the government in the Parliament during the monsoon session. We will corner the government and coordinate with other opposition parties (for this purpose). It will be a stormy session," he said. Instead of "redrawing its taxation policy" on petroleum products, the Centre is just passing the burden on common man and the hike in fuel prices will have a cascading effect on prices of essential commodities, Naidu added. The Congress-led UPA has "failed on every front," including checking the Maoist menace, he alleged. Asked about BJP's ties with JD(U) in Bihar, he said the combine had been giving

good governance and "we will fight elections together." "No conditions have been put to us by JD (U) leaders as reported in a section of media," he said. Ties between the two parties had strained recently when JD (U) leader and Bihar chief minister Nitish Kumar took exception to an advertisement showing him joining hands with his Gujarat counterpart Narendra Modi. (Times of India)

Minorities' Issues:

Post-Modi row, new Nitish sops for Muslims

Reeling under the "Modi effect" in Bihar, the JD-U has begun serious efforts to consolidate its Muslim vote. It has assured recognition to over 2,400 madrasas and demanded Scheduled Caste status for over one crore Dalit Muslims of Bihar. Though the JD-U and BJP are sticking to the old formula of contesting on 139 and 103 Assembly seats, respectively, the two coalition partners have agreed to swap some seats, necessitated by "delimitation and caste and community configurations". The foremost thing in Chief Minister Nitish Kumar's agenda now is to "mitigate the Narendra Modi impact" after the just-concluded BJP National Executive in Patna. The madrasa recognition is the first step in that direction. While only 1,127 madrasas have got recognition so far, no madrasa has been recognised in the state since 1994. The CM's strong pro-Muslim agenda in face of the Narendra Modi ad row is being followed up in a big way by JD-U Rajya Sabha MP Ali Anwar, who has called a national convention of the All India Pasmada Muslim Mehaz (AIPMM), a forum taking up the cause of OBC Muslims, on 1 July in Patna. He has sought the attendance of Kumar, World Islamic Forum (UK) chairman Mohammed Essa Maunsuri, All India Momin Conference vice chairman Maulana Junaid Ahmed Ansari and Muslim clerics and intellectuals from all across the country. Anwar, himself an OBC Muslim, is the chairman of AIPMM. Anwar told: "Of the 1.35 crore Muslims in Bihar, one crore is Pasmada (OBC). We will press for inclusion of Dalit Muslims and Dalit Christians in Scheduled Castes as per the recommendations of the Justice Rangnath Mishra Commission". He said that the timing of the meet was sheer coincidence and had no link with the JD(U)-BJP row. Anwar, however, said the Nitish Kumar-led government had been working for Muslim welfare through various educational schemes and reinstated its secular credentials. With RJD, Congress and JD-U eyeing their share in 16 per cent Muslim votes, Nitish Kumar seems to be making a last-ditch effort to gather crucial minority votes. With Congress playing the minority card by making Mehboob Ali Qaisar the state party chief, there is an even greater sense of urgency for the JD-U to keep Muslims in good humour. (The Indian Express)

'Muslims targeted using terror as excuse'

The Indian government is using counter-terrorism measures to arbitrarily detain large numbers of Muslims, says a new report slamming India's record of protecting minority rights. No action is being taken against officials who sanction such detentions, even when they are proved illegal, say the authors of the report. The South Asia chapter of the 2010 State of the World's Minorities and Indigenous People, brought out by the London-based

Minority Rights Group (MRG) International, was released in the capital on Thursday. Farah Mihar, author of the South Asia chapter, said that the perpetrators of acts of violence against religious minorities in India are allowed to act with impunity and noted the poor rate of arrest and conviction, especially of political leaders orchestrating violence. Minorities across the world, who were earlier targeted for racial discrimination, are now being targeted for their religious beliefs, the report says. Ultra right-wing parties, aiming to establish themselves in mainstream political arenas in Europe, justify their anti-immigration, anti-Semitic and Islamophobic rhetoric by stoking fears that religious minorities and immigrants are a threat to modern societies, the report adds. In South Asia, militant and extremist groups from the Taliban in Pakistan and the Vishva Hindu Parishad in India, to less known fringe groups such as Nepal's National Defence Army have been accused of a series of religiously motivated killings and attacks through 2009, the report says. In some South Asian states, national or regional governments are actively supporting extremist groups, while in other cases states are turning a blind eye to their increasing influence, said Shobha Das, MRGs head of programmes. The report criticizes the Indian government's continued opposition to the recognition of caste-based discrimination as a human rights violation. Tribal communities remain India's most marginalized and are now at the centre of land disputes and armed struggle, the report notes, citing the examples of tribal opposition to the Vedanta bauxite mining project in Orissa. The report also criticizes the Indian army for committing human rights violations against civilians, including extra-judicial killings, abductions, arbitrary arrests and detentions in the guise of counter-terrorism. Irfan Engineer, director of the Mumbai-based Centre for the Study of Society and Secularism, noted the rise in racial profiling of Muslims in India, citing the recent de-planing and detention of a Muslim man based on co-passengers imagined fears. The proposed Communal Violence Bill only strengthens the hands of the police, who have been proved to be biased against minorities times and again, rather than making them more accountable, Engineer said. (Times of India)

Hindu Fundamentalism:

Insurgency Movements:

Another Maoist attack, 26 dead

In the third major Naxal attack in Chhattisgarh in the last three months, at least 26 security forces personnel — the bulk of them from the CRPF — were killed in an ambush near Dhaudhai, 32 km from the district headquarters of Narayanpur in South Bastar on Wednesday, 30 June. Twenty-four of the dead were from the CRPF and one from the Chhattisgarh police. One special police officer (SPO) was killed. Fifteen security personnel were injured in the ambush — that took place at around 3.30 pm — and the over-three-and-a-half-hour encounter that followed. State Home Minister Nankiram Kanwar confirmed 15 deaths and indicated there could be more casualties. CRPF sources put the toll at 26, but added a final number could emerge only after search and rescue operations were completed later in the night. Progress of search and rescue was slow, especially after sunset, with the danger of landmine attacks looming. Police sources said the Maoists first ambushed a road-opening party ahead of a larger team of CRPF,

state police Special Task Force and SPOs, and then the other personnel near the Meherbada nullah. A senior police officer said over a 100 Maoists, including 'sangam' members or village-level supporters, were likely to have been involved in the attack. Sources in New Delhi said the security personnel team had 63 men, who were returning to their base after an administrative and logistics exchange with another company at Paraspur. It appears that the Maoists had prior information about the movement of the team; there was, however, no intelligence on the ambush. The Maoists are likely to have taken away some arms, sources in Delhi said. A senior police officer in Chhattisgarh said the attack signals a change in the strategy of the Maoists who normally prefer to lie low during the rainy season. He said that Army helicopters had lifted the injured to hospital. At least 13 injured personnel were treated at Dhaudhai hospital. On April 6, 75 CRPF personnel were killed in Dantewada. In May, Naxals blew up a passenger bus in which SPOs were travelling, killing 33 people including civilians. On July 12 last year, the Naxals had killed Rajnandgaon district superintendent of police V K Choubey and 32 others in an ambush at Madanwada.(The Indian Express)

Top Maoist leader gunned down in Andhra Pradesh

In a major blow to the Maoists, their top leader and spokesperson Cherukuri Rajkumar alias Azad was killed in a gunfight with police in Andhra Pradesh Friday, police claimed. The shootout took place near Jogapur in Adilabad district, about 300 km from here. Another Maoist guerrilla, who is yet to be identified, was also killed. Police also recovered an AK-47, a 9mm pistol and two kit bags from the scene of the gunfight. Azad, who carried a reward of Rs.12 lakh on his head, was a member of the central committee of the outlawed Communist Party of India-Maoist (CPI-Maoist). Hailing from Krishna district, he was associated with the Maoist movement for four decades. Following the killing of Azad, security agencies have sounded a high alert in Andhra Pradesh, Orissa, Chhattisgarh, Madhya Pradesh, Jharkhand and West Bengal. Azad was gunned down by police two days after Maoists killed 27 Central Reserve Police Force (CRPF) personnel in Chhattisgarh. (Times of India)

Economic Front:

Centre to release 5 million tonnes of wheat in open market next month

The Centre will release five million tonnes of wheat from its pool in the open market to enhance availability and maintain a check on prices. The wheat, to be released in July, would be available directly from depots for traders and retail buyers at a reserved price of approximately Rs.12.54 a kg. Wheat is selling in Delhi at about Rs.14 a kg. The proposal was approved on Friday by the empowered group of ministers (EGoM) on food chaired by Union Finance Minister Pranab Mukherjee. The wheat released for sale under the Open Market Sale Scheme (OMSS) would be in addition to the 3 million tonnes released last year through State governments. The meeting, however, deferred a decision on reducing the levy obligation on sugar millers from 20 per cent to 16 per cent, saying that the sugar availability and price situation was still vulnerable. Levy sugar is sold to Below Poverty Line beneficiaries of the public distribution system. The price of levy sugar was recently revised from about Rs.15 a kg to Rs.17.50 a kg. The EGoM also decided to

retain the zero duty on wheat and sugar imports in view of the food inflation. India has imported about 6.1 million tonnes of sugar since February 2009, as per industry estimates. Wheat will be sold at government depots between July and March at acquisition cost plus freight from Ludhiana to state capitals which work out on an average to Rs.12.54 a kg. Small buyers, retailers and traders would be able to lift one tonne a day during the period. Bulk buyers would have to go through the process of tenders as before. As against the buffer norm of 7 million tonnes on April 1, the wheat stocks stood at 35.1 million tonnes on June 1. It is expected that at current levels of demand and after meeting all PDS and welfare scheme obligations, the wheat stock on April 1 next would be 12.9 million tonnes. On the National Food Security Bill, the chairman decided that it would be discussed after the Sonia Gandhi-headed National Advisory Council takes a view on it. (The Hindu)

Chinese telecom plan unit in India

Chinese telecom companies are understood to have proposed to set up manufacturing facilities in partnership with local firms as one of the steps to address security concerns expressed by the government. The idea was mooted by the Chinese Ambassador during his meeting with telecom secretary Mr PJ Thomas recently, sources in the know of the development said. Meanwhile, the government has also asked the operators to acquire security clearance before buying any key telecom equipment from foreign firms. The department of telecom (DoT) has circulated draft guidelines that telecom companies need to meet with regard to security issues, and has asked the industry to give their views on the same. "On security clearance, the DoT has circulated a draft among the stakeholders. We have received comments from some players while, from others, these are still awaited. Once we get all, we shall come out with a mechanism in consultation with the ministry of home affairs," Mr Thomas had said recently. It had proposed that telecom companies be allowed to import equipment from foreign suppliers only after an International Certification Agency visited the vendor's plant and gave a security clearance. Several operators have approached the government to expedite the process as their rollouts are getting delayed in the absence of security clearances for buying equipment from Chinese firms. Especially, in the case of 3G and broadband wireless rollouts, in which operators have paid heavy amounts to acquire spectrum, the players are looking forward to early clearances from the government. One of the operators said that in the absence of Chinese firms, they were being made to pay more to procure equipment from Western manufacturers, and the increase in cost might be passed on to end-users/subscribers. The government is also proposing to make it mandatory for Indian engineers to operate and maintain the networks. As per the proposed amendment, the department of telecom (DoT) has said: "The licensee (telecom firm) should work towards a phased plan to take over maintenance of the equipment locally... The operations and maintenance of networks should be done entirely by Indian engineers, and dependence on foreign engineers should be minimal and or almost nil within a period of two years from the date of this amendment." The new amendments also made room for an Escrow deposit arrangement between the equipment suppliers and telecom service providers, wherein the suppliers shall keep all the information and documentation relating to the supplies. However, it is yet to be ascertained whether the new amendments are going to

make it easier for foreign vendors, especially Chinese ones, to supply equipment to Indian operators. (The Statesman)

Rupee slips to 46.64 against dollar

The Indian rupee depreciated by 16 paise against the US dollar in early trade at the Interbank Foreign Exchange on capital outflows by foreign funds from equities. The domestic unit fell by 16 paise to trade at 46.64 a dollar. The rupee had closed lower by 28 paise at 46.48/49 a dollar in the previous session. Forex dealers said weak opening on the stock markets following capital outflows by foreign funds in tandem with tumble on global markets, mainly weighed on the rupee sentiment. Meanwhile, the Bombay Stock Exchange index, Sensex, fell by 160.31 points, or 0.91 per cent, to 17,373.78 points in the opening trade on Wednesday. (The Indian Express)

Current account deficit up at 2.9 % of GDP

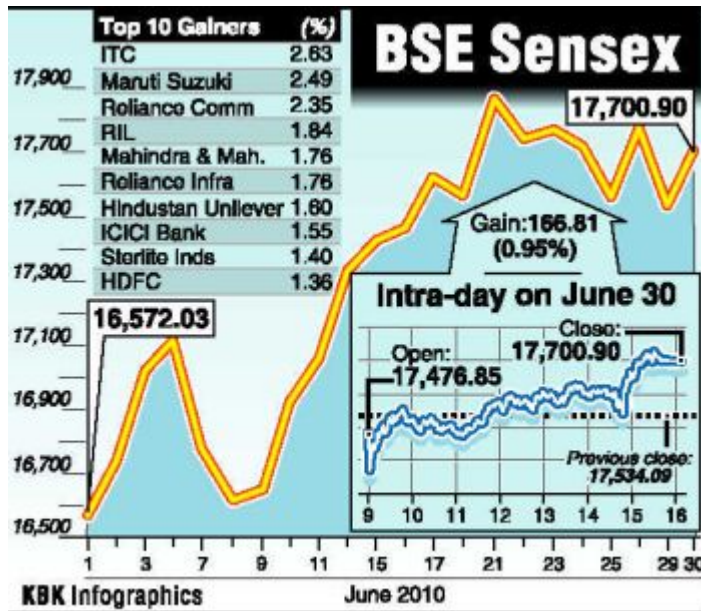
The nation's current account deficit (CAD), representing its position in trade and investment with other nations, rose to 2.9 per cent of GDP last fiscal against 2.4 per cent a year ago, as the country imported more for a buoyant industry and services fetched less income towards the year-end as the global economy was a shambles. In absolute terms, CAD rose to \$38.4 billion during 2009-10 from \$28.7 billion a year ago, according to the data released by the Reserve Bank of India on Wednesday. CAD is the gap between what a country pays to the external world for its imports of goods, services and investment income of foreign enterprises over what it receives from exports and investment income of its companies. CAD rose so much because the last quarter of this fiscal saw ballooning of this deficit to \$13 billion, up 13 times from \$1.2 billion in the previous year as it imported more and made higher payments towards services than the income it received. This is despite the fact that services income recording a growth of 13.4 per cent against decline in four quarters. "The current account deficit was higher at \$38.4 billion (2.9 per cent of GDP) during 2009-10, compared with \$28.7 billion (2.4 per cent of GDP) during 2008-09, mainly due to lower net invisibles surplus," the RBI said. Net invisible surplus represents the net income from services and according to the data, business, communication, financial and transportation services received lower income. CAD during the year rose despite the fact that the trade deficit, which is the gap between imports and exports, narrowed to \$117.3 billion in 2009-10, from \$118.7 billion a year ago. This is also despite the fact that Indians working abroad sent more money back home. Private transfer receipts, comprising mainly overseas remittances, increased to \$53.9 billion in 2009-10 from \$46.9 billion in 2008-09.

Software exports

Also, software exports fetched \$49.7 billion in 2009-10, up 7.4 per cent over the previous year. As against the current account, the position on capital balance, representing FDI, FII, ECBs and the like was quite encouraging as the country recovered from the impact of global financial crisis. From a paltry \$7.3 billion in 2008-09, representing 0.6 per cent of GDP, the country had a surplus in this account at \$53.6 billion during 2009-10, or 4.1 per cent of GDP. The net FDI in 2009-10 was at \$19.7 billion, higher from \$17.5 billion in

2008-09. Also portfolio investment or FII witnessed large net inflows of \$32.4 billion (as against a net outflow of \$14 billion in 2008-09). (The Hindu)

Sensex recovers 167 points



The Bombay Stock Exchange sensitive index, Sensex, on Wednesday recouped early losses to end the day higher by 167 points after a firm opening in European bourses buoyed sentiment. The 30-share index closed at 17700.90, up 166.81 points, after Reliance Industries and financial stocks rallied at the fag-end of trading. The National Stock Exchange's wide-based 50-share Nifty index added 1.07 per cent to finish at 5312.50 against 5256.15. Reliance Industries (RIL) ended up close to 2 per cent at Rs. 1,086.90 amid reports that the petrochemicals giant is close to signing a joint venture deal with the U.S.-based private equity and hedge fund giant DE Shaw. The deal, when signed, will see the Mukesh Ambani-led company entering the financial services sector. RIL has been on gaining spree since petrol prices were deregulated last Friday, barring its 2 per cent loss on Tuesday when the markets were hammered. Banking stocks bounced back, a day after being battered on fears of an imminent rate hike. ICICI Bank rose 1.55 per cent to Rs. 862, HDFC Bank 0.57 per cent to Rs. 1,914.65 and HDFC 1.36 per cent to Rs. 2,941. SBI, which fixed its base rate at 7.5 per cent, rose 0.31 per cent to Rs. 2,032.10. Sentiment turned bullish on Dalal Street in the second-half after European bourses edged higher on the European Central Bank's announcement that it would lend \$161 billion to banks, allaying fears of a liquidity crisis in the region, they said. Asian bourses dropped for another session on Wednesday, with China's Shanghai index losing 1.18 per cent and Japan's Nikkei 1.96 per cent. Europe was firm at mid-session.

Marginal gain in rupee

Tracking movements in domestic equities, the rupee recouped initial losses against the

dollar and closed at 46.45 on Wednesday. It closed at 46.49 on Tuesday. The domestic currency opened sharply lower at 46.70/71. However, it later rebounded to a high of 46.41 before concluding at 46.44/45. (The Hindu)

Foreign Relations/Geo-strategic developments:

G-20 leaders agree to cut deficits, not stimulus

Leaders of the G-20 group of nations decided against immediate withdrawal of economic stimulus, strongly pushed for by India, to preserve the “fragile” global recovery, while agreeing that countries should themselves decide on the contentious financial levies. Meeting against the backdrop of Eurozone crisis arising from government debts, which was compounded by the 2008 financial crisis, the Summit struck a balance by allowing advanced economies to adopt fiscal plans to at least halve deficits by 2013 and gradual unwinding of stimulus. It will also help stabilise or reduce government debt-to- GDP ratio. Reflecting India's concerns, articulated by Prime Minister Dr Manmohan Singh that any immediate exit from stimulus could lead to double-dip depression, the Toronto Declaration said: “To sustain recovery, we need to follow through on delivering existing stimulus plans, while working to create the conditions for robust private demand. “At the same time, recent events highlight the importance of sustainable public finances and the need for our countries to put in place credible, properly phased and growth-friendly plans to deliver fiscal sustainability, differentiated for and tailored to national circumstances.” India itself has initiated gradual rollback of stimulus unveiled in the wake of the 2008 crisis triggered by the fall of large US banks, but any sudden withdrawal of stimulus by developed nations would hit exports of developing nations. “Those countries with serious fiscal challenges need to accelerate the Pace of consolidation. This should be combined with efforts to rebalance global demand to help ensure global growth continues on a sustainable path,” the Declaration read. While European majors like France, Germany and Britain campaign for immediate cut back in spending to rein deficits, an euphemism for exit from the stimulus, the US and countries like India opposed such a quick termination saying there was still need for a stable recovery. The other major contentious issue was the proposal for a bank tax to serve as a bulwark against future crisis of the type that triggered collapse of the financial institutions in 2008. The Summit adopted a flexible approach leaving it to the individual countries to chose their path. “We agree the range of approaches would follow these principles: protect taxpayers; reduce risk from financial systems; take into account individual countries circumstances and options and help promote a level playing field,” the G20 document said. While countries like Britain, which has already levied a tax, France and Germany campaigned for such a tax, nations like India have reservations. India pointed out that its banking institutions were conservative by nature and followed healthy norms that prevented any crisis in the country in 2008. “We agreed the financial sector should make a fair and substantial contribution towards paying for any burdens associated with government interventions, where they occur, to repair the financial system or fund resolution, and reduce risks from the financial system. “We recognised that there are a range of policy approaches to this end. Some countries are pursuing a financial levy. Other countries are pursuing different approaches,” the Declaration said

taking on board India's approach that individual countries should be given the choice to decide whether to have a tax on banks or not. Finance secretary Mr Ashok Chawla told Indian journalists that the Prime Minister's main position on the global economic situation were vindicated by the fact that the G20 agreed that growth should not be stifled as it was still fragile and it was harmful to developing countries. "It was pushed through in the communique where the tilt is towards growth," he said. Reforms of the international financial institutions were another issue on which India was focused. This included the enlargement of quotas in the International Monetary Fund and there would be countries who are enjoying the quota who would oppose its dilution. He said the deadline for this has been advanced to November when the G20 meets in Seoul from the original plan of January next year. On Trade, there was a general feeling that the countries must get to an agreement in multilateral fora like the Doha Development Round of the WTO, a point made by the Prime Minister in his speech. He also favoured rule-based global trading system without resorting to protectionism. The Summit Declaration, in a para on "The Framework for Strong, Sustainable and Balance Growth", said G-20's highest priority was to safeguard and strengthen the recovery and lay the foundation for strong, sustainable and balanced growth and strengthen financial systems against risk. "We, therefore, welcome the action taken and commitments made by a number of G-20 countries to boost demand and rebalance growth, strengthen public finances and make our financial systems stronger and more transparent. "These measures represent substantial contributions to our collective well-being and build on previous actions. We will continue to cooperate and undertake appropriate actions to bolster economic growth and foster a strong and lasting recovery," it said. The Framework said the nations were committed to taking concrete actions to sustain the recovery, create jobs and to achieve stronger, more sustainable and more balanced growth. "These will be differentiated and tailored to national circumstances." The Summit felt that there was a risk that synchronized fiscal adjustment across several major economies could adversely impact the recovery. "There is also a risk that the failure to implement consolidation, where necessary, would undermine confidence and hamper growth. Reflecting this balance, advanced economies have committed to fiscal plans that will at least halve deficits by 2013 and stabilise or reduce government debt-to-GDP ratio," the Summit Declaration said. On financial sector reforms, the Summit said it was building a more resilient financial system that served the needs of the economies, limits the build up of systemic risk and supports stable economic growth. "We have strengthened the global financial system by fortifying the prudential oversight, improving risk management, promoting transparency and reinforcing international cooperation," it said. (The Statesman)

NSG discusses Pakistan deal, defers new ENR rules

Much to India's relief, the Nuclear Suppliers Group (NSG) on Friday failed to adopt new guidelines that would have led to the denial of enrichment and reprocessing (ENR) technology to countries like itself that have not signed the Nuclear Non-Proliferation Treaty (NPT). In a statement issued at the end of its two-day plenary meeting in Christchurch, New Zealand, the NSG only said, its members "agreed to continue considering ways to further strengthen guidelines dealing with the transfer of ENR technologies." The NSG statement also euphemistically says, "the Group took note of

briefings on developments concerning non-NSG States [and] agreed on the value of ongoing consultation and transparency.” Diplomatic sources told this was a reference to China's desire to sell two new reactors to Pakistan at Chashma in addition to the two that have already been contracted and approved by the NSG in 2004 as part of the country's pre-existing commitments. Though no details about the discussions on the Chinese proposal were available, the sources said, the NSG statement's reference to the need for more consultation and transparency suggested a lack of consensus on the issue and perhaps even a face-off. China has suggested the two new reactors were “grandfathered” by its 1991 agreement with Pakistan and should thus be exempted from the NSG ban on sales to non-NPT countries. Other NSG members have responded by noting that the Chinese side made no mention of a third and fourth reactor when they talked about the Chashma-1 and 2 when they joined the group. On the ENR issue, consensus on the draft new rules proved elusive thanks to strenuous lobbying by India and resistance from within the 46-nation cartel by a handful of countries such as Turkey. In the run-up to the Christchurch meeting, when it became clear the U.S. was trying to get the new restrictions approved, India worked on Russia, France and also Germany to ensure a deferment.

India's clear signal

Official sources said, New Delhi sent a clear signal to its friends and partners that the NSG's September 2008 exemption must remain unaffected by any changes adopted since that decision was the product of mutual undertakings by both the NSG and India. Apart from the NPT rule for the ENR sales, the U.S. has been pushing for mandatory adherence to the Additional Protocol as well as tighter restrictions on the sharing of sensitive technologies with countries that have not so far mastered enrichment or reprocessing. These conditions were initially opposed by Argentina, Brazil, Canada and South Africa. Canada and Argentina have since reportedly fallen into line but Turkey, which is only now embarking on a civil nuclear programme on the basis of cooperation with Russia and South Korea, does not want to be disadvantaged by tougher rules. (The Hindu)

UK and France back India's case for UNSC

Britain and France have voiced their support for India's case for permanent membership of the UN Security Council and favoured deepening of bilateral ties between them. The backing from countries came during a bilateral meeting with the new British Prime Minister Mr David Cameron and French President Nicolas Sarkozy had with Prime Minister Dr Manmohan Singh ahead of the G20 Summit. This was the first meeting Dr Singh had with Mr Cameron after his election as British Prime Minister and congratulated him on his victory. India and Britain had raised their bilateral relationship to a strategic partnership level in 2006 and both the leaders agreed that there was huge potential to expand relationship in trade and human resource development. Trade between the two countries is estimated at US\$ 13 billion and UK is the fourth largest single investor in India. India also has considerable investment in Britain. The British Prime Minister said that he would welcome more Indian students to come to Britain for studies. The two leaders shared the views on the G20 Summit. Dr Singh told him that

concerted efforts were needed by all countries to see that global recovery was consolidated as at the moment it was seen to be tentative. The British Prime Minister underlined the need for reforms of the international financial institutions and the UN. “The British Prime Minister supported India's case for permanent membership of the United Nations Security Council,” an external affairs ministry spokesman said. Prime Minister Dr Singh also had a warm meeting with French President Sarkozy recalling his visit to India in January 2008. He extended a fresh invitation to him and his wife Carla Bruni to visit India again. President Sarkozy recalled Prime Minister's visit to France in July last year where he was the guest of honour on the occasion of French national day. French President had made a special gesture of inviting 400 personnel of Indian Armed Forces to take part in the parade on the occasion. During the meeting Mr Sarkozy said he wanted India to play a critical role in world affairs and not just in G20. He supported India's case for permanent membership of UNSC and its role in counterterrorism. (The Statesman)

India, Canada sign civil nuclear deal

India and Canada on Monday signed a civil nuclear cooperation agreement and Prime Minister Manmohan Singh described it as “breaking new ground in the history of our cooperation in this sector.” Driving home the point about India's new status, he said: “It reflects the change in international realities.” India and Canada have had a long but rocky relationship on nuclear cooperation after the nuclear test at Pokhran in 1974. Canadian Prime Minister Stephen Harper also welcomed the agreement. Both countries resolved to ratify the accord and complete all remaining steps soon. This is the next step before Canada starts selling nuclear reactors to India. Canada said the “agreement will provide access for Canada's nuclear industry to India's expanding nuclear market.” Dr. Singh said both nations also agreed to try and take the bilateral trade up to \$15 billion in the next five years, up from the current level of around \$5 billion. A comprehensive economic cooperation agreement is being envisaged and the initial work on it was on. The Prime Ministers favoured the early signing of the foreign investment promotion and protection agreement to facilitate its ratification and implementation. Other areas in which they agreed to increase cooperation are earth sciences and mining, transportation, natural resources, infrastructure, agriculture and agri-food cooperation and higher education. (The Hindu)

India expects credible action against LeT operatives

India expects Pakistan to take credible action against Lashkar-e-Taiba (LeT) operatives and handlers involved in the 26/11 Mumbai terror attacks before External Affairs Minister S. M. Krishna visits Islamabad next month. Officials said the Pakistani side gave this indication during an interaction with the Indian delegation on the sidelines of the SAARC Home Ministers' conference, which concluded last week in Islamabad. “Pakistani officials told us that India will not be disappointed this time. We are expecting some credible action by Pakistan against the LeT operatives and handlers before the Foreign Minister's visit,” the officials said on Monday. During his visit, Mr. Krishna will hold talks with his Pakistani counterpart Shah Mahmood Qureshi to chalk out the

modalities for carrying forward the dialogue process. It is learnt that during his one-on-one meeting with his Pakistani counterpart Rehman Malik, Home Minister P. Chidambaram mentioned seven persons against whom so far no action was taken by Islamabad despite sufficient evidence having been forwarded. Among the seven are: Sajjid Mir, Abdul Rehman Pasha, Brigadier Riyaz, Abu Khafa, Al Kama and Abu Hamza. The officials said the names of these persons were provided by David Coleman Headley, Pakistani-origin American citizen, during his recent questioning by the National Investigation Agency. (The Hindu)

Military

Pentagon pitches for \$10 billion Indian fighter jet deal

The Pentagon is making a strong pitch for US companies for the \$10 billion deal for 126 fighter aircraft for the Indian Air Force and future sales of the C-17 transport aircraft. The US defence department, also known as Pentagon because of the shape of its building, does not view defence equipment sales as mere commercial transactions and looks at them as a growth area for the India-US partnership, a senior defence official said on Thursday. "I am and will continue to be a strong advocate of US solutions for India's defence needs," Michele Flournoy, undersecretary of defence for policy, told members of the Asia Society. "US companies are eager to work with India as the Indian military continues to modernise." Noting two American companies, Boeing and Lockheed Martin, are among six competitors for India's biggest fighter-jet purchase in 15 years, she said: "We are also looking at future sales of the C-17 aircraft as another example of near term defence sales." "We understand that India is making a strategic as well as an economic choice when it makes defence acquisitions," she said. "Obviously, the commercial benefits of defence sales to the US economy can't be denied." "But from a [defence department] perspective, these sales are even more important in building a strategic partnership that will allow both our countries to cooperate more effectively to protect our mutual security interests in the future," Flournoy said. "Whether the scenario involves humanitarian assistance, counterterrorism cooperation or maritime security activities," she continued, "having common equipment will allow more seamless cooperation." India is seeking to build its own indigenous defence industry, and is looking for the best technologies to use in its defence sector, Flournoy said. The United States is committed to providing India with top-of-the-line technology, and has backed up its commitment by approving the overwhelming majority of licenses requested last year, she said. Flournoy noted defence secretary Robert M Gates has made export control reform a key priority, citing the streamlining and modernizing of the US export control system as a national security priority that affects the nation's ability to build and sustain key partnerships. India and the United States will explore ways to counter the spread of weapons of mass destruction through maritime cooperation, dialogue, and identifying new technologies to combat this threat, Flournoy said. "We will look at ways in which, together, we can better secure the global commons by expanding our already robust cooperation in air, space, cyberspace and maritime initiatives." (Times of India)

Indian Occupied Kashmir:

Omar govt warns against civilian deaths

Chief Minister Omar Abdullah called an emergency meeting of his senior cabinet colleagues and top civil and police officers to discuss the growing crisis in the Valley heightened by the killing of two more youths in firing by security forces in Sopore yesterday. Saying that it was “concerned”, “conscious” and “vigilant”, the government asked the administration to be “careful that no civilian casualties happen”. At the same time, the high-level meeting also decided to take strict action against protestors, who the government termed as mischief mongers. In a veiled reference to separatists and Opposition, the government’s statement said the “ministers appealed to the people to see through the nefarious designs of those elements who, without forsaking their own comforts, are putting the people of the state to discomfort”. Meanwhile, curfew is in place in Sopore which was kept strictly out of bounds to the media today. Agitated protestors defied the restrictions at several places, but security forces chased them away. There were reports of stone-throwing from various parts of the Valley. With yesterday’s deaths, eight civilians have been killed in the last three weeks. Soon after the two-hour long meeting concluded, two top ministers belonging to the National Conference and Congress spoke to the media. “I am telling you that our government is concerned and conscious. That’s why the government takes stock of everything. The Chief Minister not only takes decisions himself but takes his entire cabinet and coalition partners in confidence,” said senior Congress leader and Minister Taj Mohideen. “There is no miracle, nor do we have a magic wand that will resolve the situation in a jiffy. We look at every incident minutely. We will not tolerate killings of innocents in any situation. Zero tolerance (for human rights violations) is really zero tolerance. This has become our holy book,” he added. NC leader and minister Ali Mohammed Sagar warned that action would be taken in case of any lapse by the administration. “Time will tell what action we will take,” he said. “The government is not hesitant to take action against anybody who is involved in it (killings)”. (The Indian Express)

Amarnath yatra begins under tight security in J-K

Amidst tense situation due to the curfew imposed in the Valley, the annual Amarnath Yatra on Wednesday began under tight security cover with the first batch of 1,272 pilgrims leaving Jammu base camp for the cave shrine, located at 3,338 metre altitude, in south Kashmir Himalayas. A cavalcade of 53 vehicles carrying the devotees under tight security was flagged off by Tourism and Culture Minister Nawang Rigzin Jora from Amarnath base camp at Bagwatinagar Yatri Niwas around 0500 hours. Security is being provided by CRPF, ITBT and Jammu and Kashmir police. Undeterred by the tense situation and curfew in the Kashmir valley, authorities allowed the convoy to leave for the cave shrine in Anantnag district of south Kashmir. The batch, comprising of 566 male, 230 females, 32 children and 444 sadhus, left for Pahalgam and Baltal base camps in Kashmir valley. "Adequate security arrangements have been deployed all along from Jammu to the cave shrine of Amarnath in Kashmir for safety and security of the pilgrims. Yatra has begun today and all is going on well," Jora told reporters. The yatra has crossed

Udhampur as the Highway has been sanitised, and army and paramilitary forces were deployed along the highway for smooth passage. "There is no threat to yatra as we have not received any specific input with regard to targeting Amarnath yatra," DIG (Jammu-Kathua range) Farooq Khan said. All security agencies were well coordinated and a four-tier security set up has been established along the Indo-Pak border to prevent any terrorist strike on the yatra during its passage on the highway close to the border, he said. Road Opening Parties, Quick Reaction Teams and Mobile Rescue Teams have been positioned at several places to deal with exigency situation, he said. The yatra, which will leave for the cave shrine of Lord Shiva from its base camps - Baltal and Pahalgam tomorrow, will conclude on August 25. Over 2.50 lakh pilgrims have been registered for the pilgrimage at 121 designated branches of Jammu and Kashmir Bank across the country. Registration of pilgrims for annual Amarnath yatra which commenced from June 5, will continue till August 20. (The Indian Express)

Srinagar district under curfew ahead of proposed march

Sensing trouble ahead of a proposed march by separatists, authorities brought the entire Srinagar district under curfew even as they gave no relaxation in curfew-hit areas of south Kashmir. With overnight protests in the city and an abortive attempt by activists of a woman separatist outfit to take out a march to Pather Masjid in defiance of curfew yesterday, District Magistrate, Srinagar, Mehraj Ahmad Kakroo announced imposition of curfew in the entire Srinagar district this morning in a television address. Curfew was imposed in seven police station areas of old city on June 28 following violent protests over the killing of youths in alleged firing by security forces. The step to extend curfew was taken ahead of the separatists' plan to organise a march to Eidgah martyrs' graveyard, police said. The march call has been given by hardline faction of Hurriyat Conference headed by jailed leader Syed Ali Shah Geelani. There was no relaxation in curfew in Sopore, Baramulla, Mattan, Bijbehara, Dooru, Kokernag, Achhabal in Anantnag, Qaimoh in Kulgam and Pulwama districts of south Kashmir. (Times of India)

Social front:

'Honour' killings show up lacunae in legal system: civil society

Outraged by the spate of 'honour' killings in and around the capital, civil society groups on Friday got together and demanded that the Centre take exemplary and comprehensive measures to end this crime. In a memorandum to the Union Home Minister P. Chidambaram, these women's groups pointed out that an individual choosing his life partner was a basic democratic right and, and it was guaranteed by the Constitution. This being so, the brutality, barbarism and impunity with which young couples were being murdered in the name of caste, community or family 'honour' was a matter of great shame. These incidents highlighted the serious lacunae in the criminal justice system as well as the lack of political will on part of the government to curbing them. At a meeting, Rajya Sabha MP Brinda Karat demanded that the United Progressive Alliance government formulate a comprehensive law against 'honour' killings; it should cover the entire gamut of issues including public humiliation and sexual assault, and should not adopt a piecemeal approach. It was clear that more and more young citizens were opting

for marriage of their choice. No one should be allowed to violate this basic democratic right in the name of tradition or 'honour.' Families, relatives and extra-constitutional bodies which were taking the law into their own hands needed to be disciplined. The Union government must confront the practices that violated democratic rights enshrined in the Constitution, the memorandum said. The real test, in these cases, would be the strength of investigation and prosecution. Cases against the accused must be watertight, and the police should not file weak charge sheets, allowing them to go scot-free. The perpetrators of the brutal and pre-meditated murders, those involved in the conspiracy as well as those who backed them should be given exemplary punishment without delay. Though the Special Marriages Act, 1954, allowed civil marriages between consenting adults, its provisions amounted to nothing less than discouraging a marriage of one's own choice. The provisions of this Act should be simplified, the memorandum said. The most alarming aspect, it said, was the impunity with which family members, panchayats or community members glorified murders. They were emboldened by the government's tentative and unprincipled approach to tackling such crimes. The groups that participated in the meeting include the Akhil Bharatiya Janwadi Mahila, the Democratic Youth Federation of India, the Students Federation of India, the Democratic Teachers Front Jana Natya Manch and the Jan Sanskriti. (The Hindu)

Report blames India, China for rise in carbon emissions

In a relief to the industrialised nations, a Dutch environment report has blamed high growth in China and India for the rise in carbon emissions, saying they have "completely nullified" the reductions achieved by rich nations. The global CO₂ emissions have remained constant in 2009 despite the economic crisis slowing down the growth trajectory of many countries, Netherlands Environment Assessment Agency (PBL) said in a report. The agency, which had identified that China's carbon emissions in 2006 had overshoot that of the US, making it the world's largest polluter, attributed the 2009 trend to an offset effect by China and India. "... strong increases in CO₂ emissions from fast-growing developing countries, such as China and India, have completely nullified CO₂ emission reductions in the industrialised world," the report said. The figures will come as a relief to the world's rich countries, which, apart from the US, are legally committed to reducing emissions by a collective 5.2 per cent on 1990 figures by 2012, the report said. This is for the first time since 1992 that the emissions of the main greenhouse gas have remained constant. The PBL's report "No growth in total global CO₂ emissions in 2009" is based on calculations on recent data from sources including data on energy use from oil company British Petroleum (BP), on cement production from the US Geological Survey (USGS), and on the latest version of the Emission Database for Global Atmospheric Research (EDGAR). The calculations show that emissions from fossil-fuel combustion in the industrial countries have decreased by seven per cent. But in China and India, they actually increased by nine and six per cent respectively. The report trashes earlier projections by the International Energy Agency (IEA) predicting an emission decrease for 2009 of 2.6 per cent - the largest in 40 years. While the industrialised nations seem to be on course to achieve the Kyoto Protocol targets -- aided in part by the meltdown -- the fast growing economies have been unable to rein in emissions. However, "a large part of production capacity that has been suspended (due to the economic crisis), could be re-employed as soon as the economy improves," it says. Both China and India

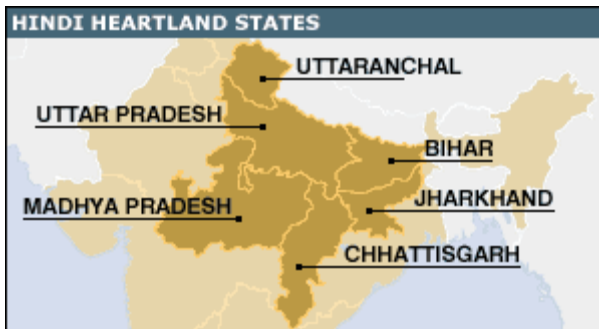
had pledged ambitious target cuts ahead of last year's Copenhagen climate change summit. While Beijing promised to curb its emission intensity by 40 to 45 per cent by 2020, India announced a target reduction of 20-25 per cent by 2020 on the 2005 levels. The report also pointed out that although there have been strong increases in emissions in countries such as China and India, their average CO2 emissions per inhabitant, in 2009, were still below those in industrial countries. (Times of India)

Monsoon advances, but still 16% short

The monsoon which was stuck for the last 12 days advanced on Thursday covering more parts of Madhya Pradesh, even as the country got 16% less rainfall till June-end. So far 137.1 mm of rainfall has been recorded against normal 163.5 mm. "The southwest monsoon has further advanced into some more parts of Madhya Pradesh," the daily weather report of India Meteorological Department said. Till June 18, it had covered all states in south India, the entire northeast, Orissa, Bihar, Bengal, Goa and Maharashtra. Weather officials, however, did not specify when it will reach Delhi where its arrival has already been delayed. Of 36 meteorological sub-divisions, 13 have received deficient rainfall. But, this year's situation is better than last year's when 30 divisions had either deficient or scanty rainfall till June-end, IMD officials said. This year, the monsoon arrived three days ahead of schedule in Andaman and Nicobar Islands on May 17 and hit Kerala coast on May 31 — a day in advance. "Formation of pro-rainfall weather systems in the Bay of Bengal and Arabian Sea caused rainfall in June. The cyclonic circulation and low pressure areas at the start (cyclone Laila over Bay of Bengal) and middle of the month (cyclone Phet over Arabian Sea) were instrumental in causing rainfall," an IMD official said. In Maharashtra, four of the three regions have received normal rainfall while one region experienced excess precipitation. Central Maharashtra has received 37% more rainfall compared to normal 134.3 mm. Vidarbha, Marathwada and Konkan (including Goa) got 14, 18 and 1% less rainfall. Tamil Nadu and Pondicherry had the highest rainfall compared to normal 44.1 mm. They got 98% more showers than normal, followed by west Rajasthan region which got 78% more rains. (Times of India)

Regional Report

Central India (Hindi Heartland)



Politics:

BJP, JD-U finalise seat sharing for Bihar polls

With their relationship on “track” in Bihar after the row between Mr Nitish Kumar and Mr Narendra Modi, BJP and JD-U have finalised seat sharing for the upcoming Assembly election in the state. Highly placed sources in National Democratic Alliance (NDA) said that both parties have agreed to share the 243 Assembly seats there as per the formulae of the last election in October 2005 under which JD-U had contested 139 seats and BJP 102. BJP and JD-U had fielded independent candidates on the remaining two seats. The decision on these two seats could be taken after the election dates are announced, the sources said. The seat sharing deal was sealed after JD-U chief and NDA convenor Mr Sharad Yadav held talks with BJP president Mr Nitin Gadkari. The seat sharing has been finalised by the NDA even before the election dates are to be announced. Sources in JD-U said that it was deemed necessary to clear misunderstandings that had cropped up between the two parties after the controversy in Bihar on 12 June. The relationships between the two parties had soured after the appearance of posters of Gujarat chief minister Mr Narendra Modi and Bihar chief minister Mr Nitish Kumar shaking hands together and newspaper advertisements lauding Mr Modi's aid to Bihar for Kosi flood victims. Soon after, an angry Bihar chief minister had cancelled the dinner being hosted by him for BJP leaders and even returned the Rs 5 crore aid given by Gujarat. This had led to speculation that JD-U will break off its ties from BJP like Naveen Patnaik-led Biju Janta Dal had done in Orissa. There was also a feeling in BJP that JD-U's outburst was aimed at forcing the saffron party to agree for a lesser number of seats. “JD-U, however, has given the assurance that it was not the case,” the sources said. Though there is no hitch on the number of seats each party would contest, there could be changes in the profile of seats held by each party as the demography of a large number of seats has undergone a sea change in the state after the delimitation exercise was carried out last year. Asked about the chances of BJP and JD-U contesting the elections separately in Bihar, a senior leader from the alliance said this was “impractical” and the situation in Bihar is different from that of Orissa. A top leader in BJP said both the alliance partners will fight the Bihar elections jointly and the seat

sharing formulae accepted in October 2005 will be followed this time also. Mr Sharad Yadav had earlier said that the relationship between the two parties “is on track” and the sad incident of 12 June “has passed now”. (The Statesman)

Remaining with BJP is a 'necessity': Sharad

JD(U) made it clear that its alliance with BJP would remain intact despite recent bickerings, saying it was a "necessity" for the two parties to remain together. JD(U) chief Sharad Yadav said bygones should be forgotten and the coalition partners should look towards the upcoming Assembly elections in Bihar where it is facing formidable challenge from RJD-LJP combine. "The incident (of bickerings) was unfortunate. But, at the same time, it underlined the necessity of the alliance. This is the desire of the people of Bihar that this alliance continues," Yadav said in an interview. He was responding when asked to comment on sparring between the two parties after Gujarat Chief Minister Narendra Modi's photograph holding his Bihar counterpart Nitish Kumar's hand appeared in newspapers in the state. Kumar, who belongs to JD(U) was furious over it and cancelled dinner to be hosted for BJP leaders assembled in Patna for the National Executive on June 12. This led to a public spat between leaders of BJP and JD(U), with some sections on both sides demanding split. Asked whether he apprehended the incidents to have a bearing on the forthcoming Assembly elections to be held by November, the JD(U) chief said, "This will not impact our votes. Whatever happened on June 12 is past now. We will fight together and win in the assembly polls this year." On JD(U)'s prospects in the upcoming polls, he said the party had realised that it fared badly in last September's Assembly by-polls because of bad selection of candidates and would ensure the same does not happen now. "We lost seats in the by-elections because of wrong selection of candidates. It was not because RJD and LJP had emerged stronger. We will ensure that the mistakes in ticket distribution are not repeated this time," he said. In the bypolls for 18 seats, JD(U) managed only three and BJP two while RJD-LJP combine bagged eight seats. The NDA Convener said Congress was "not a factor in Bihar" and the JD(U)-BJP combine will have to face "contest" from RJD-LJP. (The Indian Express)

Maya makes Amethi part of district named after dalit icon

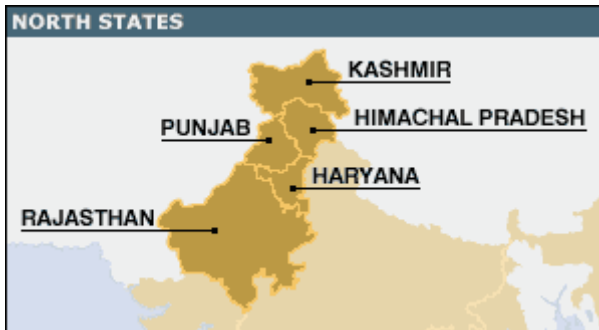
In a move to show Congress who is the boss in the Hindi heartland, the Mayawati government on Thursday decided to create a new district that includes Amethi, and call it Chhatrapati Shahuji Maharaj Nagar. Amethi is Congress general secretary Rahul Gandhi's Lok Sabha seat, and falls in Sultanpur district. The UP government also decided to rename Kanpur Dehat as Ramabai Nagar, after BR Ambedkar's wife. Chhatrapati Shahuji, the first ruler of Kolhapur in Maharashtra in late 19th century, is an icon of Dalit movement. He was a social reformer who worked for the uplift of the most backward sections. The Mayawati government's decision may not prove simple to implement — the registrar general of census has advised state governments to desist from creating new districts in view of the ongoing census. But the Congress is in a dilemma over the naming as it can't be seen opposing a decision seen to be popular with the local inhabitants. The party, however, did underline that the Mayawati government's decision was an attempt to dilute the party's first family's deep connection with Amethi. "Notwithstanding what the

UP government does, Amethi was, it is, and will always remain intrinsically connected to the contributions of the Gandhi family," said AICC spokesman Manish Tiwari. Meanwhile, a top official said the UP government has sought permission from the registrar general to create the district, assuring it that the census work won't be hampered in due to the process. In fact, the decision to include Amethi in a new district was taken by Mayawati during her third tenure as the CM in 2003. She had even issued a notification to this effect on May 21, 2003. However, before the decision could be implemented, her government fell and her successor, Mulayam Singh Yadav, predictably cancelled the notification. The issue was subsequently taken to the Allahabad high court, with a petitioner challenging the Mulayam government's decision. Disposing the case, the HC on March 26 this year advised the government that it could reconsider the creation of the district. Armed with the court's green signal, the government referred the matter to the UP revenue board, which cleared it. Two new districts will add up to 72 for UP and mean an additional burden of Rs 400 crore on the exchequer and a recurring expense of 200 crore annually. Spread over 3,070 sq km, Chhatrapati Shahuji Maharaj (CSM) Nagar will consist of 16 development blocks, 17 police stations and five tehsils — Amethi, Gauriganj and Musafirkhana of Sultanpur district, and Tiloi and Salon of Rae Bareilly district. These five tehsils spread over the two districts comprise the Amethi Lok Sabha constituency, considered the traditional stronghold of the Nehru-Gandhi family. (Times of India)

Social front:

Economic Front:

The North



Politics:

Social front:

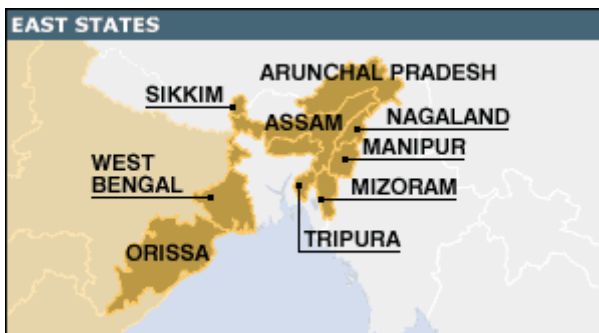
Honour killings in Haryana

In yet another case of suspected honour killing, two girls were murdered allegedly by their grandmother and two uncles and their bodies thrown into a canal for having an “affair” with one of their relatives. Police arrested the three suspects after the bodies of

the two girls were found from the Western Yamuna Canal near Barwasni village in the district on 25 June. The victims were identified as Chanchal (14) and her cousin Raj Kumari (12), both residents of Mohalla Kot in Sonapat City, police said. Those arrested are the grandmother of the girls, Vidya Devi, and their uncles Suraj and Chand, they said. Police claimed that the three accused had confessed to their crime. They had told the police that both the girls had developed “illicit relations” with Vijay(16), Chanchal’s step-brother who was also staying with Vidya Devi. Police believe that the trio had taken the step to “save the honour” of the family after the alleged affair of the girls came to light. However, the girls were allegedly strangled to death and their bodies were thrown in the canal, which got stuck on the canal’s embankment and were noticed by some residents, who informed the police. (The Statesman)

Economic Front:

The East



Politics:

Social front:

Arunachal, Sikkim new tourist hotspots as curbs relaxed

It pays to be bold and innovative, as the government is fast learning with some of its policies in the North-East. Shedding age-old insecurities, the government has been allowing more and more tourists, especially foreigners, to visit areas in the North-East that were earlier out of bounds. While the direct result has been an impressive growth in tourism in the last few years, there has been another collateral benefit, of much larger significance. As more and more foreign tourists visit these areas, notably Arunachal Pradesh, it becomes that much simpler for the government to counter Chinese propaganda in the international community questioning the legitimacy of India’s control over Arunachal. China continues to stake claim to Arunachal Pradesh and refuses to recognise it as part of India. By easily letting in foreign tourists, the government hopes to show to the world that these areas are as normal and as integrated with India as the rest of the country. The latest figures from the Tourism Ministry reveal a sharp rise in visitors to Arunachal Pradesh and Sikkim in the last few years. Arunachal Pradesh, in fact, has seen an almost exponential rise in foreign tourist arrivals, from 607 in 2006 to 3,945 last year.

The number of domestic tourists has also more than doubled from 80,137 to 1,95,147 in the same period. “This impressive growth in tourist inflow can largely be attributed to the relaxation in Protected Area Permits,” said Bandana Deori, Tourism Secretary, Arunachal Pradesh. “We have also built up a very tourist-friendly infrastructure in the last few years. Ours is also one of the most peaceful states. The peace and tranquility here attracts a large number of tourists,” she said. The tiny state of Sikkim saw a slight dip in foreign tourist arrivals last year, but it still attracts more of them than any other state in the region, including Assam. In 2009, it got 17,730 foreign tourists as compared to 19,154 in 2008. Assam, the biggest state in the region, received only 14,942 foreigners last year. Sikkim has already established itself as one of the most popular tourist destinations for domestic travellers as well, receiving 5,47,810 visitors in 2009 as compared to 3,68,451 in 2008. In fact, the state, which falls in the ecologically fragile Himalayan zone, is already thinking of regulating the tourist inflow so as not to upset the environmental balance. These two states, along with many other similarly placed regions like some parts of Jammu and Kashmir and the Andaman and Nicobar Islands, had, for decades, remained restricted areas on account of their sensitive geography. The whole of Arunachal Pradesh and part of Sikkim are designated as protected areas, meaning even Indian nationals need an inner line permit to enter. The rest of Sikkim is a restricted area, requiring only foreign nationals to obtain a special permit. Foreigners are allowed only in groups of four or more in these areas and that too for not more than 10 days. It is only recently that the government realised that tight controls were proving to be counter-productive. Accordingly, a series of steps were taken to ease some of the restrictions. Among them, the decision to let in foreigners in groups of two or more, instead of four or more. The foreigners are now also allowed to stay for a period up to 30 days, instead of the earlier limit of 10 days. These relaxations are being constantly monitored by the Home Ministry and are under continuous review. Simultaneously, the government is aggressively marketing the North-East as a popular tourist destination. About 10 per cent of the Tourism Ministry’s plan allocation is earmarked for the North-Eastern region. The actual expenditure is in fact more than that, with the ministry routinely diverting unutilized funds from elsewhere into the region. (The Indian Express)

Economic Front:

The South



Politics:

World Tamil meet comes out as a DMK show of strength

Convened to showcase the history of one of the world's oldest languages, the Classical Tamil Conference is seemed to have ended up being yet another show of strength by ruling DMK ahead of next year's assembly polls. Political commentators and opposition leaders in Tamil Nadu feel the five-day conference, curtains on which came down on Sunday, was primarily the DMK's "family show" and saw only the praise of Chief Minister M Karunanidhi who had left no stone unturned to make this meet a reality. The conference, which was inaugurated by President Pratibha Patil on Wednesday, also clearly demonstrated the organising skills of two members of the DMK's first family – Deputy Chief Minister M K Stalin and party MP Kanimozhi. While Stalin shuttled between Chennai and this industrial city to oversee the arrangements for the successful conduct of the conference, Karunanidhi's poet-daughter Kanimozhi made sure that Tamil scholars from across the globe attend the meet and present papers on various subjects. Veteran journalist and political commentator Cho Ramasamy says the purpose of the conference was only to "praise and praise" Karunanidhi. The venue and timing of the conference, just a year before the state goes to polls, is also significant as the DMK is trying to make 'inroads' into the bastion of archrival AIADMK in east Tamil Nadu. The Opposition party had performed well in this region in the 2009 Lok Sabha polls. Many family members of Karunanidhi actively participated in the conference. While his grand daughter and daughter of Union Minister M K Alagiri, Kayalvizhi Venkatesh showed her poetic skills, another grand daughter Ezhilarasi enthralled the audience by her Veena recital. AIADMK chief Jayalalithaa had said that the conference had only "sung the praise of Karunanidhi" and will not achieve anything tangible. At least 20 scholars had presented research papers on Karunanidhi and his works. Only a few papers were presented on the Tamil language, the theme of the conference. A Tamil scholar himself, Karunanidhi has never missed an opportunity to highlight his language skills or express strong pro-Tamil feelings. He was seen criss-crossing the 20 venues, where poet meets, seminars and symposiums on Tamil had been organised. Speakers after speakers heaped praise on him for organising the conference. K Sivathambi, a Tamil scholar from Sri

Lanka, convenor of the academic sessions, went to the extent of describing Karunanidhi as "World Tamils leader" and requested him to take steps for development of Tamils the world over and mitigate their sufferings. Bee Sting Therapy, in which patients endure hundreds of stings by bees in the hope of getting better, is often used as a form of alternative medicine to treat conditions such as asthma and multiple sclerosis. The new research is the first time a scientific explanation has been shown for the effect. However, Professor Alan Silman, medical director of Arthritis Research UK, warned that it may be some time before any clinical applications could be found. He said: "Failure to have an adequate steroid response might allow rheumatoid arthritis to take hold, so the bee venom is a way of stimulating the body's natural steroids to respond to the auto-immune processes that causes rheumatoid arthritis. "However, knowing anecdotally that when some people with inflammatory arthritis are stung by bees their pain goes away for a short while is one thing; actually turning these early laboratory findings into a practical clinical application is quite another." (The Indian Express)

Uproar in Kerala assembly over 'goons of Rajiv Gandhi' remark

There was uproar in the Kerala assembly on Friday when chief minister V S Achuthanandan while criticising the 1975 emergency said "goons of Rajiv Gandhi" though he meant Sanjay Gandhi, the younger brother of the former prime minister. The slip enraged legislators of the opposition Congress who rushed towards Speaker K Radhakrishnan's podium and started shouting slogans against Achuthanandan asking him to withdraw his statement and apologise because Rajiv Gandhi was not in politics at the time. Realising the mistake amid the shouting of slogans like "Rajiv Gandhi amar rahe", Achuthanandan was heard saying that he meant Sanjay Gandhi, the younger son of the late Indira Gandhi who had imposed emergency. But angry opposition members kept demanding an apology from Achuthanandan. The speaker then adjourned the house for the day. It all started when the speaker denied the move for an adjournment motion by the Congress-led opposition over the recent verbal attacks by leaders of the ruling Communist Party of India-Marxist against the judiciary. Leader of Opposition Oommen Chandy insisted that this matter be taken up for discussion. "In the best interest of democracy there should be mutual respect between the judiciary and the executive. The government advocate was silent when the high court said no more public meetings should be held on the roads in the state. But in the past few days your cadres and leaders have unleashed a verbal attack against the judiciary. "They marched towards the courts in the state and the police remained a mute spectator. This means the government is also party to these verbal attacks unleashed by your leaders," said Chandy. Achuthanandan in his reply said the country had seen "how your party cadres showed scant respect to the Allahabad court verdict and Indira Gandhi went ahead to impose emergency in the country". "And then came the more serious attack when Justice V R Krishna Iyer (then Supreme Court judge) came under attack by the goons of Rajiv Gandhi. What were you doing then?" Achuthanandan asked. Achuthanandan later told reporters that his government had the highest regard for the judiciary and the recent verdict of the high court banning public assembly of people on roads would have far reaching implications. "We request the opposition to join us when we give an appeal against the high court verdict. The court had a responsibility to ask the government its views before going

ahead with a ban on public assembly of people on the roads. The statements by political leaders against this verdict should be seen as an instant reaction and nothing more than that," he said. (Times of India)

Social front:

Economic Front:

West India



Politics:

Social front:

Students misuse Kashmiri migrants quota, says UoP

The University of Pune has found discrepancies in the admissions under the Kashmiri migrants' quota, with cases of non-Kashmiri migrants taking admission under the quota. A committee formed to look into it has said this may have to do with the criminal activities in the city. The issue was raised during the question hour session of the senate meeting of the University of Pune on Saturday. Replying to a question asked by senate member Ashok Agarkar, director of board of college and university development W N Gade admitted that the varsity had found few cases where students took admissions on seats reserved for Kashmiri migrants by submitting forged documents. Gade said a committee under the chairmanship of Sambhaji Pathare was formed to look into the matter that admitted to the above in its interim report. Pathare, who is also a senate member, intervened in the discussion and said the findings of the committee do indicate at the nexus of such students with criminal activities in the city. "As many as 12 cases were referred to the committee of which five are suspicious. When we inquired with the refugee and rehabilitation officer in Jammu and Kashmir, who issues certificates to migrants, the officer confirmed that neither he nor his office had referred these five names for admissions under Kashmiri migrants' quota," he said. Pathare also said it was found that though these five students had taken admissions in different colleges in the varsity jurisdiction, their documents were attested by the same person. "Further investigation by the committee has prima facie concluded that these students might have some criminal links," he said. Agarkar urged that the varsity should take a serious note of

the matter. “We should take utmost care in this issue, as under the garb of Kashmiri migrants, any anti-social elements can get access on the college campus,” he said. (The Indian Express)

Economic Front: