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Summary:

Ruling out early retirement, Prime Minister Manmohan Singh rejected suggestions of a "disconnect" between his government and the Congress party while making it clear that he would not ask every Cabinet colleague to "shut up". He made it clear that there is no "drift" in the government. The Prime Minister's remarks came in the backdrop of perceptions in the media and political circles that there was a disconnect between him and the Congress and criticism that his ministers were openly airing their differences with each other. On Kashmir, Singh said a meeting of the Cabinet Committee on Security (CCS) headed by him would be held later this week to discuss the issue "threadbare". About the Naxal problem, he said it was "more menacing than ever before" and required to be tackled in two ways -- addressing valid economic and social issues and also enforcing law and order.

The government decided to hold caste census next year under an exercise to be carried out separately from the enumeration of population.

The BJP is quite on the upcoming the Ram Janambhoomi-Babri Masjid case verdict, expected on September 24, the Party has officially refused to say anything except that it will await the judgment. the BJP leadership is unsure what effect the verdict will have on the party's declining political fortunes in Uttar Pradesh, which in the early 1990s returned more than 50 of its MPs to the Lok Sabha. While clearly some in the party hope that the issue will once again give the party an edge in the most populous State, there are other leaders from the State who are of the view the BJP has been "too discredited" on this matter to be able to get any electoral mileage from it.

The RSS has slammed Home Minister P Chidambaram for his "saffron terror" remarks saying it has exposed the Congress' strategy of votebank politics.

Former BJP president Rajnath Singh said that his party remains committed to building a grand Ram temple in Ayodhya but refused to elaborate on the issue before the Allahabad High Court's verdict in the Ram Janmabhoomi-Babri Masjid title suits later this month. Singh said the BJP can leave everything but never part with Lord Ram. "Lord Ram is our as well as the nation's identity. We can never leave Ram," he said.

Industry body Assocham has said that India may miss the USD 200 billion export target for 2010-11 due to sluggish demand in Europe, contrary to the government's assertion of meeting the target. "India's exports would be around USD 180 billion against the target level of USD 200 billion by the end 2010-2011."

India and South Korea signed two Memoranda of Understanding. The MoUs were signed at the end of delegation-level talks led by Mr. Antony, who became the first Indian Defence Minister to visit South Korea. The first MoU envisages exchange of defence-related experience and information; exchange of visits by military personnel and experts, including civilian staff associated with defence services; military education and training; exchange of visits of ships and aircraft; and conduct of military exercises. It also envisages cooperation in humanitarian assistance and international peace keeping activities. The other MoU between the Defence Research and Development Organisation (DRDO) and South Korea's Defence Acquisition and Procurement Agency (DAPA) will be operational under the overarching umbrella of India-South Korea Defence Agreement.

India is concerned on the number of projects and works China has undertaken in Gilgit-Baltistan areas and in Azad Kashmir. And the footprint is only growing larger. At last count, South Block had noticed at least 17 confirmed projects in Kashmir and Gilgit-Baltistan. These constitute more than half the Chinese projects in areas under Pakistan's control, making it a cause of major concern because of the disputed status of the areas.

India is likely to resume negotiations for independently importing natural gas from Iran via a sea pipeline, a media report says.

India on Sunday test-fired the 290-km range BrahMos cruise missile from the Integrated Test Range (ITR) at Chandipur off Orissa coast as part of trials by the defence forces to fine-tune its capability. BrahMos-II can potentially be used for surgical strikes, including at terror camps, without causing collateral damage. The missile can fly at 2.8 times the speed of sound carrying conventional warheads up to 300 kg for a range of 290 km and can effectively engage ground targets from an altitude as low as 10 metres.

With the Centre and Jammu and Kashmir government working on various options to address concerns of Kashmiris, Chief Minister Omar Abdullah feels that a firm action on issues like amending or phased- withdrawal of AFSPA and resumption of political dialogue is an immediate need. "Status quo is the only option not available to us," was the prompt reply of the Chief Minister when asked what measures were being considered to address the issues.

Children from the poorest communities are three times more likely to die before they reach the age of 5 than those from high income groups, Save the Children, a nongovernmental organisation has said. In a global report titled A Fair Chance at Life, the organisation said the policy to lower child mortality in India and elsewhere appeared to focus on children from better-off communities, leaving out those from the most disadvantaged backgrounds. According to the report 41 percentage decline in child mortality over the last two decades masks a dangerous expansion of the child mortality gap between the richest and poorest families in India.

The Election Commission announced polls in Bihar in six phases spread over a month from October 21. The first phase on October 21 will have polling for 47 seats while the second phase will be held on October 24 in 45 seats. The third phase will be on October 28 for 48 seats, fourth on November one (42), fifth on November nine (35) and last on November 20 (26 seats), Chief Election Commissioner S Y Quraishi told a press conference. Counting for the 243 Assembly seats will be held on November 24.

Mr Arjun Munda will be sworn in as Jharkand's new chief minister on Saturday as the head of a BJP-JMM coalition with the Governor inviting him to form a government shortly after the Union Cabinet recommended revocation of President's rule in the state. 42-year-old BJP leader Mr Munda, who is getting the chief ministership post for the third time, will be the eighth CM in 10 years since the mineral rich state was carved out of Bihar on 15 November, 2000.

National Report

Politics:

PM rules out retirement, says no disconnect within party

Ruling out early retirement, Prime Minister Manmohan Singh rejected suggestions of a "disconnect" between his government and the Congress party while making it clear that he would not ask every Cabinet colleague to "shut up". A characteristically gentle but firm Prime Minister made it clear that there was no "drift" in the government. "Allowing people to express their views is not necessarily a sign of drift," he said. In an 80-minute interaction with a group of editors at his official residence, Singh indicated that he would "look at" options of a Cabinet reshuffle prior to the next Parliament session beginning November 7. "I would like to reduce the average age of my Cabinet." The Prime Minister's remarks came in the backdrop of perceptions in the media and political circles that there was a disconnect between him and the Congress and criticism that his ministers were openly airing their differences with each other. He saw nothing wrong in the expression of different points of view by his ministers and Congress functionaries because India was a democracy. Moreover, the Congress was a mass movement in which people express their views, he said. Expression of differing view points was "not necessarily a bad thing". It was necessary, however, that the Cabinet and the government functioned with a "certain degree of cohesion", Singh said. He went on to underline that his Cabinet functioned with a "much greater degree of cohesion" than even the first Cabinet headed by Jawaharlal Nehru. There was almost daily exchange of letters between Nehru and his deputy Sardar Patel. There were differences between Indira Gandhi and her deputy Morarji Desai, he pointed out. During Mrs Gandhi's time a group of "Young Turks" led by Chandrashekhar openly constituted a dissident group, the Prime Minister said during the interaction that turned into a virtual press conference covering major domestic political issues, economy and foreign policy. A questioner suggested that he gave "an impression of marking time with the issue of succession in your party" while Rahul Gandhi was "spreading wings" and that he may not complete his tenure. Singh responded with a chuckle, "I think politics is a competitive game and some people or politicians feel that they should not be in the Opposition but they should be in the place where I am sitting. I don't think you can hold that against me." The Prime Minister answered questions on the recent Supreme Court order that food grains must be distributed free to the poor instead of being allowed to rot in the open, the Naxal problem, state of the economy, Kashmir situation and on foreign policy. He made it clear that it would not be possible to distribute food grains free to the poor and suggested that the apex court should not go into the realm of policy formulation. On Kashmir, Singh said a meeting of the Cabinet Committee on Security (CCS) headed by him would be held later this week to discuss the issue "threadbare". About the Naxal problem, he said it was "more menacing than ever before" and required to be tackled in two ways -- addressing valid economic and social issues and also enforcing law and order. "I think, quite frankly, there is no royal road to success in dealing either Naxalism or the intricate problems in Jammu and Kashmir," he said. The Prime Minister also said adequate precaution should be taken against China but one must not give up hope of peaceful resolution of issues. Relations between the two Asian giants continued to be a mix of competition and cooperation and the effort should be to create a milieu in which there can be peaceful competition, he emphasised during an interaction with a group of editors here. He pointed out that he had worked with Chinese President Hu Jintao and Prime Minsiter Wen Jiabao, whom he had been meeting almost every year. Singh was answering questions on Beijing's refusal to issue a visa to an Indian General doing duty in Jammu and Kashmir and its insistence on issuing stapled visas people of the state. About Pakistan, the Prime Minister maintained that it was his sincere belief that India had to engage it regardless of the complexity of the set up in that country, but he was also sensitive to Indian public opinion after the Mumbai terror attack. Asked about the failure of the talks between External Affairs Minister S M Krishna and his Pakistani counterpart Shah Mehmood Qureshi in July, Singh said "there are always mishaps" in Indo-Pak ties. Engagement and dialogue were the only way forward in Indo-Pak ties, he said, adding that he hoped that Qureshi would accept Krishna's invitation to visit India. (The Indian Express)

Govt finally agrees to caste census, in 2011

Giving in to demands from almost all political parties, government decided to hold caste census next year under an exercise to be carried out separately from the enumeration of population. After several deliberations within the government on the politically-sensitive issue, the Union Cabinet decided to carry out a separate house-to-house caste enumeration from June to September next year. "After considering various options, the option that we have approved is, based on the responses of various political parties, that caste must be canvassed and the integrity of the headcount must not be affected," home minister Mr P Chidambaram told reporters while briefing on the decisions of the Cabinet meeting chaired by Prime Minister Dr Manmohan Singh. The caste enumeration will be conducted in a phased manner after the population enumeration, which will include biometric capture and headcount, is completed by March next year, he said. He evaded a reply when asked whether caste enumeration would be merged with the headcount. The decision has been taken after considering options suggested by the Group of Ministers (GoM) set up on the issue and the consultations that finance minister Mr Pranab Mukherjee held with leaders of various parties. "Every point of view has been accommodated and the time-table drawn up. We hope this will be a satisfactory arrangement," he said, in an apparent reference to political parties which have been demanding such an exercise. Parties like RJD, Samajwadi Party and JD-U had disrupted proceedings in Parliament for several days during the Budget and Monsoon sessions while pressing for caste census. The BJP, which was divided initially, later decided to support it. The issue even divided the Congress as well as the Union Cabinet with some favouring caste census and others opposing it, prompting the government to set up a GoM to consider all aspects related to such a move. Mr Mukherjee told the Lok Sabha recently that all political parties had supported the idea of including caste in census and there was no need for any "apprehensions" over the issue. Mr Chidambaram said a suitable legal regime for collection of data on castes would be formulated in consultation with the ministry of law and justice. There will be an additional cost for the exercise which will be assessed at a separate meeting. The office of the Registrar General and Census Commissioner would conduct the field operations of the caste enumeration. The Central government will constitute an expert group to classify the caste/tribe returns after the enumeration is completed. The office of the Registrar General and Census Commissioner would hand over the details of the castes/tribes returned in the enumeration to the proposed expert group. The last caste-wise census was held in 1931 and such a practice had been given up as a matter of policy after Independence. (The Statesman)

Double-edged BJP strategy on forthcoming Ayodhya verdict

Unsure of the political fallout of the Ram Janmabhoomi-Babri Masjid case verdict, expected on September 24, the Bharatiya Janata Party is unusually quiet and has officially refused to say anything except that it will await the judgment. "We have been asked by adhyakshji [party president Nitin Gadkari] not to say anything on this subject," a senior leader confirmed on Thursday, even as he let it be known that since the BJP was "fully committed" to the building of a "grand Ram temple" at the disputed site at Ayodhya, "it was but natural party cadre would join the full mobilisation plan" being made by the Rashtriya Swayamsevak Sangh and its affiliate, the Vishwa Hindu Parishad. At the same time, the BJP leadership is unsure what effect the verdict will have on the party's declining political fortunes in Uttar Pradesh, which in the early 1990s returned more than 50 of its MPs to the Lok Sabha. While clearly some in the party hope that the issue will once again give the party an edge in the most populous State, there are other leaders from the State who are of the view the BJP has been "too discredited" on this matter to be able to get any electoral mileage from it. The sangh parivar plan is that calls for building a Ram temple, following the verdict, should come from "non-political forums" like religious associations of `sants' supported by the VHP, but in mobilisation of crowds, the BJP cadre should play an effective and major role. "We may not be much of a force in U.P. now, but we can still get a sizeable crowd together, and that will happen on September 24," a leader said, while insisting that cadre and leaders [with a few exceptions] "will all be free to join any Ram temple-related activity in their individual capacities". Recently the BJP cancelled a national executive committee meeting, scheduled for later this month in Jammu, in view of the expected verdict. All senior leaders have been told to make themselves available in Delhi for urgent consultations around the date of the judgment. The party will discuss the verdict in detail once it is available. But for now, its leaders have been told not to say anything on this subject from official BJP platforms.

Loss of credibility

Yet another decision is that "some leaders" who "lost all credibility" as a result of inaction on the Ayodhya issue when in government at the Centre from 1998 to 2004 should "stay away" from activities related to the verdict. The VHP has apparently told the RSS bosses that "politicisation" of Ayodhya by the BJP for direct electoral gain resulted in a loss of credibility for the entire "movement". Now the VHP wants to keep out those who have used the Ayodhya issue to the hilt to emerge as major political leaders. Its leader Ashok Singhal has publicly said L.K. Advani should "atone" for the sin of politicising Ayodhya and for putting the issue on the back burner when in power. Leaders

of the Opposition in the Lok Sabha and the Rajya Sabha Sushma Swaraj and Arun Jaitley may also be kept at arm's length from the new "movement" planned by the sangh parivar for two reasons: they were not associated with it in the past and also because they hold constitutional positions and should not be seen to be challenging a court judgment or calling for its immediate implementation, depending on which way the verdict goes. (The Hindu)

Minorities' Issues:

Hindu Fundamentalism:

Sangh slams Chidambaram for 'saffron terror' remark

The RSS has slammed Home Minister P Chidambaram for his "saffron terror" remarks saying it has exposed the Congress' strategy of votebank politics. "It is a political conspiracy for votebank politics to place saffron before Islamic jehad sponsored by Pakistan which has killed thousands of people so far," Sangh mouthpiece Panchjanya said in its latest issue. The editorial said that by making the remarks at a conference of police chiefs recently, Chidambaram has only exposed the mentality of Congress. "...the 85 per cent Hindus of the country should now understand that their interests are not safe under the present government...only a united Hindu power can defeat such anti-national conspiracies," it said. It said the same government shied away from linking terror with any particular community despite the role of "Islamic jehad" in the killing of scores of people. (The Indian Express)

'BJP committed to Ram temple in Ayodhya'

Former BJP president Rajnath Singh said on Sunday that his party remains committed to building a grand Ram temple in Ayodhya but refused to elaborate on the issue before the Allahabad High Court's verdict in the Ram Janmabhoomi-Babri Masjid title suits later this month. "The BJP's view is very clear about a grand temple of Lord Ram in Ayodhya. The party is committed towards it, but we will not give any reaction as of now. First, let the court's verdict come," Singh told mediapersons in reply to a question on the sidelines of the party's state working committee meeting. Asked about the party's strategy after the verdict is out, he said it was an internal matter. "Whatever decision is given by the court, it will be okay," he added. On elaborate security arrangements being made by the Uttar Pradesh government in view of verdict by the Allahabad High Court's Lucknow Bench, Singh said precautions being taken were more than required. "They are trying to create panic by being extra cautious and at times its results are not good," he said. Vote bank politics was behind the fear that the verdict may trigger a backlash, he added. Earlier, addressing the state working committee, Singh said the BJP can leave everything but never part with Lord Ram. "Lord Ram is our as well as the nation's identity. We can never leave Ram," he said. Every person, irrespective of his religion, should always keep in mind that Ram is the cultural identity of the country, said Singh. Noting that majority of Muslims admit that Ram was born in Ayodhya, he said: "There are only a few, who are trying to give a political colour to this issue." The BJP leader lamented that when the party raises issues like Ram temple, Amarnath and Ram Setu, it is labelled as communal. "But the question is if the BJP does not raise these issues, then who will?" he asked. "The court's verdict is about to come and we have to wait," he told party workers. (The Indian Express)

Insurgency Movements:

Economic Front:

Let panel choose my successor, says Ratan Tata

"I'm looking forward to the freedom to do the things I've always wanted to do. I don't want to leave the company in a wheelchair, or in a box," said Ratan Tata, Chairman of the \$71-billion Tata Group. At an impromptu press conference in the business lounge of the newly opened luxury hotel, Taj Cape Town, Mr. Tata answered questions from journalists on the property, the group's ties with South Africa and, inevitably (despite firm injunctions from the organisers not to bring up the topic) his successor as Chairman. In August, Tata Sons, Group's holding company, formed a five-member panel to choose Mr. Tata's successor. He has been Chairman since 1991. Although Mr. Tata was characteristically polite, he was also firmly non-committal: "I think all of you should let the committee do its job." He did, however, stress that the decision to retire was his own. Declaring his full faith in the selection process, he said: "I have chosen to stay away from that committee... so it can make a fair decision... [But] I'm always available to the committee if needed." Formally launched on August 28, the hotel has 177 rooms, two restaurants, a champagne bar and a spa and is set in the heart of Cape Town. It is a joint venture between Indian Hotels Company and Irish property investment company Eurocape. Established in 1903, the Taj chain has 67 hotels in 45 locations in India, and 16 elsewhere in the world. Taj Cape Town, the "city's oldest new hotel," is set in two heritage buildings, the South African Reserve Bank and Temple Chambers. It took over two years and \$69 million to restore and create. The Tatas have had a presence in South Africa. "We've been here for 15 years... Our first industry was operating assembled buses from Johannesburg... We look at this as a country that works. It has good vibes, the infrastructure is strong," he said. "We should be thoughtful. Shouldn't create an overpresence," said Mr. Tata, answering a question on expansion plans. "It's not going to be, as I see it, a Taj in 15 cities." He, however, added: "I think the opportunity for four-star hotels in South Africa is pretty enormous and something we should not ignore." R.K. Krishna Kumar, Director Tata Sons, said the Taj strove to offer an experience that was different. "Much more personal. It's not brick and mortar that brings people back. It's experience." The Taj Mahal Palace Hotel in Mumbai, the brand's flagship property, reopened its 107-year-old Heritage Wing this Independence Day, welcoming guests back after the November 2008 terror siege. Mr. Kumar said "restoring the hotel was a labour of love." "For many of us who lived through those three days of violence it was emotional — we saw lives being taken, we saw the hotel burning," said Mr. Tata. "We lost 31 people." On the reopening, he said: "This was our statement of defiance. It's an emotional triumph... we've been able to overcome." (The Hindu)

India to miss export target: Assocham

Industry body Assocham has said that India may miss the USD 200 billion export target for 2010-11 due to sluggish demand in Europe, contrary to the government's assertion of meeting the target. "India's exports would be around USD 180 billion against the target level of USD 200 billion by the end 2010-2011," Assocham Secretary General D S Rawat said in a statement. The sluggish demand in several European countries would adversely affect India's exports, the chamber said. Europe accounted for about USD 39 billion of the USD 179 billion exports in the last fiscal. Exports in the first four months of the fiscal totalled USD 68.6 billion. While announcing the annual supplement to Foreign Trade Policy on August 23, Commerce and Industry Minister Anand Sharma had expressed confidence that India would be able to achieve the target. (The Indian Express)

Global airlines keen to invest in India: BA

Given a chance, many international airlines would be keen to invest in Indian airline companies, British Airways chief executive Willie Walsh said on Saturday after announcing a code-sharing agreement with Kingfisher Airlines. "Today, foreign airlines cannot invest in Indian airlines because of the law. But India is the market for the future and many international airlines would look forward to investing in India if the laws were changed," Walsh said. British Airways recently signed a merger deal with Spanish airlines Iberia. "The ambition of this international airline group, which would be formed early next year, would be to invest in Indian airlines," Walsh said. "Consolidation is the future of the industry." For British Airways, the Indian market is the second largest after the US market, Walsh said. The code sharing agreement, which comes after Kingfisher Airlines' entry into the One World alliance, will give passengers of both airlines to more destinations on their networks. For Kingfisher Airlines this will also increase its capacity, which was lost over the last two years due to rationalisation. "Over the last two years, we rationalised our capacity by 21 per cent," said Manoj Chacko, Executive Vice President, Commercial, Kingfisher Airlines. The airline has also cut back its fleet by 19 over the last 18 months. At present, the airline has grounded nine aircraft because of "technical faults". It is expecting to bring back much of this lost capacity back during the winter schedule. For Kingfisher, this agreement would connect fliers from Delhi and Mumbai via Heathrow to nine European cities — Aberdeen, Edinburgh, Glasgow, Manchester, Amsterdam, Brussels, Dusseldorf, Lisbon and Paris. For British Airways, this would connect passengers from Heathrow to 11 domestic routes and Sri Lanka. (The Indian Express)

Less than 10% Indians exposed to basic financial services: Investcare

Samar Vijay, founder director, Investcare, tells why Indians have not realised the full potential of the opportunities in the sector.

What prompted you to venture into the business of personal finance? How has been the response of Indian customers?

India is at the threshold of a major change – primarily because of rapid shift in its demographic composition and secondly because of the resulting push from common people for the quality service. Finance industry is no different, and is in fact one of the major drivers of matured and developed market. The sheer size of Indian market and its

potential makes this, a compelling venture. The good news is that there seems to be insatiable appetite for quality and hence the reward for improvement.

How did you prepare yourself before getting into this business?

Our management team comes from diverse backgrounds ranging from finance to engineering to marketing. They have a rich experience in the same as well as other fields with world class companies.

What kind of roadblocks, if any, did you face in the beginning?

Challenges were always there. The fun is in overcoming these challenges to achieve the goals an entrepreneur strives for.

What are your expansion plans for India?

InvestCare runs Project Quantum (PQ) every year, the objective of which is to set the theme for the upcoming year. This year, our focus will be on enabling all levels to the upcoming challenges.

What kind of potential do you see in the Indian financial segment?

India has very low penetration in the masses as far as financial segment is concerned. Less than 10% population is exposed to basic financial services out of which less than 3% is actually participating India's growth story. The worst scenario before us is that foreign investors have positioned themselves to gain from Indian growth story while our own population is not.

Where do you foresee Investcare after 5 years?

While we already have presence in six cities of India, we intend to improve our presence in these cities.

What is your advice to the young professionals about financial planning?

The new generation is poised to get better facilities, better jobs and better earnings but these factors should not be taken for granted. Financial planning not only helps you get disciplined with your finances, it also empowers you. The very knowledge, that you are on course to achieve your objectives, your 'empower' quotient will drive you to do things you want. I will advice all, especially young professionals, to have a financial plan in place just like any other major plan. (The Indian Express)

Foreign Relations/Geo-strategic developments:

New Delhi, Seoul sign 2 MoUs on defence

India on Friday emphasised need to maintain balance and restraint in the sub-continent even in the face of grave challenges to its security and underscored its approach in developing friendly and cooperative relations with all its neighbours. Talking on regional security in Seoul, Defence Minister A.K. Antony, now on a three-day visit to South Korea, said, "We live in a troubled neighbourhood. Some call it a fragile region. We have to maintain balance and restraint even in the face of grave challenges to our security. Our intention is to develop friendly and cooperative relations with all our neighbours so that

we can focus on our major development needs." India and South Korea, he said, shared common perception of maintaining peace and ensuring safety and security of the sea lanes of communication in the region. Also, regular exchanges to ensure maritime security and cooperation among like-minded countries in the Gulf of Aden were of particular importance, an official release here said. Mr. Antony, who held talks with his South Korean counterpart, Kim Tae-young, on a wide range of regional and global security issues, said India thought itself as an integral part of east Asia and as a founding member of the East Asia Summit, looked at the emerging architecture in east Asia as open and inclusive. "That is why we welcome the decision of the Association of Southeast Asian Nations (Asean) Foreign Ministers to move towards the inclusion of the United States and Russia as members of the East Asia Summit. We look forward to working closely with South Korea in the emerging architecture in this part of the world,' he said. Heralding a new chapter in the history of defence cooperation and boost to strategic partnerships, both countries signed two landmark Memoranda of Understanding. The MoUs were signed at the end of delegation-level talks led by Mr. Antony, who became the first Indian Defence Minister to visit South Korea. The first MoU envisages exchange of defence-related experience and information; exchange of visits by military personnel and experts, including civilian staff associated with defence services; military education and training; exchange of visits of ships and aircraft; and conduct of military exercises. It also envisages cooperation in humanitarian assistance and international peace keeping activities. The other MoU between the Defence Research and Development Organisation (DRDO) and South Korea's Defence Acquisition and Procurement Agency (DAPA) will be operational under the overarching umbrella of India-South Korea Defence Agreement. The MoU aims at identifying futuristic defence technology areas of mutual interest and pursuing R&D. It further envisages codevelopment and co-production of defence products with Indian industry through the DRDO. There will be joint Intellectual Property Right (IPR) on all products developed through this mechanism. Some areas of immediate interest include developing marine systems, electronics and intelligent systems. (The Hindu)

More than troops, Chinese projects in PoK worry India

While India has independently confirmed that the presence of Chinese troops in Gilgit and Baltistan is a bit exaggerated in terms of numbers, the real concern here is on the number of projects and works China has undertaken in those areas and in Pakistan-Occupied Kashmir (PoK). And the footprint is only growing larger. At last count, South Block had noticed at least 17 confirmed projects in PoK and Gilgit-Baltistan. These constitute more than half the Chinese projects in areas under Pakistan's control, making it a cause of major concern because of the disputed status of the areas. At present, according to government inputs, 122 Chinese companies are active in Pakistan, and most of them are also involved in projects in PoK and Gilgit-Baltistan areas. China, sources said, has suddenly increased its involvement in almost every key sector, and has virtually taken upon itself the responsibility of building basic infrastructure in these areas. The list of projects range from providing mobile connectivity services to building power projects, highways and rail links. Karakoram Highway upgradation: The China Road and Bridge Corporation has taken up this project and will give preferential credit of \$327 million

through its Exim Bank in what is a \$491-million project. Two other MoUs on doublelaning of the Karakoram Highway as well as widening of the Jaglot-Skardu road have also been signed. Pakistan-China rail link: This is a 750 km-long rail link between Havelian and the Khunjerab Pass along the Karakoram Highway. While feasibility studies are on for this project. Pakistan and China have agreed to establish a joint venture between Pakistan Railways and Dongfang Electric Corporation to initially run only freight trains on this route. Jhelum Bridge: Pakistan has awarded a Rs 1.2 billion contract to a Chinese state company for constructing a major bridge on River Jhelum at Dhangali in Mirpur District. Five bailey bridges on Gilgit-Skardu Road: Xinjiang Road and Bridge Construction Company of China is replacing five existing bailey bridges on the 167-km long, strategically important Gilgit-Skardu road. Mining: A Chinese company called MCC Resources Development Company Ltd has been allowed to start a mineral exploration exercise in these areas. The Gilgit-Baltistan government has given a reconnaissance licence to the company. Pakistan Surpass Mining Company, which is subsidiary of China's Xinjiang Surpass Mining Company Ltd, has submitted a \$6 million investment proposal for mining in those areas. It plans to set up a hydropower station and Molybdenum processing plant in Chupurshan Valley. Sust Dry Port: A joint venture named Pak-China Sust Port Company is managing the Sust dry port, 200 km from Gilgit on the Karakoram Highway. Opened four years ago, the Chinese side is the principal stakeholder in the JV. Mobile communication links: China Mobile is providing mobile services in PoK and certain areas of Gilgit-Baltistan. The company has major plans to set up more towers and expand coverage. Diamer-Bhasha Dam: China is said to have agreed to finance this \$11.3-billion 4500-MW project. Also, it has agreed to provide the services of the China Three Gorges Project Corporation for the construction of the dam. Sinihydro has show interest in the development of the project. Mangla dam raising project: A joint venture comprising China International Water and Electric Corporation and some Pakistan companies have almost completed this project. Once operational, the average annual water availability for irrigation will increase by near 3 million acre feet. Neelum-Jhelum hydro-power project: China Gezhouba Water and Power Corporation, which was part of the Three Gorges project, has formed a consortium and taken up this 969 MW project too in Muzaffarabad district. Keen on completing this project before the Kishengaga project on the Indian side, Pakistan has obtained a commitment from the consortium that the work will be finished in eight years. Meanwhile, it has raised objections and gone for arbitration with India on the Kishenganga project under Indus Waters Treaty provisions. Besides these, China has taken up at least four other hydropower projects in these areas—Bhunji project in Gilgit-Baltistan, Kohala project (1100 MW), Naltar project and then smaller projects in places like Phendar, Harpo and Yurlbo. Already, China has provided a soft loan of \$300 million to Pakistan for reconstruction and rehabilitation works in the areas as follow-up on relief for the earthquake. Following the recent floods, it has taken up the task to get the Karakoram Highway back on track. Many of its military personnel are there for relief work and it has so far given aid of \$9 million which is likely to increase. (The Indian Express)

India mulling importing gas from Iran via sea: Report

India is likely to resume negotiations for independently importing natural gas from Iran

via a sea pipeline, a media report says. "India has expressed willingness to restart negotiations through an international firm, to independently import natural gas from Iran via a sea pipeline," Iran Daily quoted deputy oil minister and managing director of the National Iranian Gas Company (NIGC) Mr Javad Owji as saying. "No exact date has been yet finalised for the gas talks between Iran and India but talks are expected to start after the month of Ramadan," Mr Owji said. He said no decision has been yet taken on how to export Iran's gas to India. "Using a pipeline through Pakistan's soil or building a deepwater pipeline are the main possible options," he said. Iran's oil ministry has not yet responded to the report. Earlier this year, Iran and Pakistan signed a deal to build a pipeline as part of which Tehrran agreed to deliver 750 million cubic feet of natural gas per day to Pakistan beginning in 2014. In August, Iran's deputy foreign minister Mohammad Ali Fathollahi said that Iran welcomed the presence of India in a regional gas transfer project, which is known as the "Peace Pipeline" project. "There is an article in the gas transfer deal between Iran and Pakistan, predicting the extension of the pipeline to India should the country be ready to join the project," Mr Fathollahi said. Iranian oil ministry's gas exports authority, Mr Asghar Soheilipour had earlier advised India to reconsider joining the "Peace Pipeline" project. The official stressed that the Iran-Pakistan-India pipeline would be the most economical and efficient export route. Meanwhile, the report said that Bangladesh has also made a proposal to receive Iran's natural gas through the regional gas pipeline. (The Statesman)

<u>Military</u>

BrahMos cruise missile test-fired from Orissa coast

India on Sunday test-fired the 290-km range BrahMos cruise missile from the Integrated Test Range (ITR) at Chandipur off Orissa coast as part of trials by the defence forces to fine-tune its capability. "It was a user's trial by the defence forces," said a Defence Research and Development Organisation (DRDO) official soon after the missile blasted off from a mobile launcher at about 11.35 AM from ITR's launch complex-3. BrahMos-II can potentially be used for surgical strikes, including at terror camps, without causing collateral damage. The missile can fly at 2.8 times the speed of sound carrying conventional warheads up to 300 kg for a range of 290 km and can effectively engage ground targets from an altitude as low as 10 metres. Though the missile is capable of being launched from multiple platforms, focus in on the development of its air-launched and the submarine-launched versions. BrahMos, developed jointly with Russia, is a supersonic cruise missile capable of being launched from submarines, ships, aircraft and land-based Mobile Autonomous Launchers (MAL). A regiment of the BrahMos-I variant, consisting of 67 missiles, five mobile autonomous launchers on 12x12 Tatra vehicles and two mobile command posts, among other equipment, is already operational in the Army. Similarly, the Navy has begun inducting the first version of BrahMos missile system in all its frontline war ships since 2005, defence sources said. The Army, on its part, is set to induct two more regiments of the BrahMos Block-II land-attack cruise missiles (LACM), which have been designed as 'precision strike weapons' capable of hitting small targets in cluttered urban environments, they said. The BrahMos Block-II variant has been developed to take out a specific small target, with a low radar cross-section, in a multitarget environment. The BrahMos missile is a two-stage vehicle that has a solid propellant booster and a liquid propellant ram-jet system. The first flight test of the BrahMos was conducted on June 12, 2001 at the ITR at Chandipur in Orissa coast and the last trial of the naval version of BrahMos was carried out in a vertical mode successfully on March 21, 2010 from Indian navy ship INS Ranvir off Orissa coast. (The Indian Express)

Indian Occupied Kashmir:

Status quo on Kashmir only option not available: Omar

With the Centre and Jammu and Kashmir government working on various options to address concerns of Kashmiris, Chief Minister Omar Abdullah feels that a firm action on issues like amending or phased- withdrawal of AFSPA and resumption of political dialogue is an immediate need. "Status quo is the only option not available to us," was the prompt reply of the Chief Minister when asked what measures were being considered to address the issues. "When we talk about status quo, it means resumption of dialogue with all shades of opinion, a review of laws, measures to deal with unemployment whose figures have snowballed into six lakhs over the years", he said. Omar's comments come at a time when the Central Government is expected to hold a high-level meeting in the next few days. In the meeting, the Centre, in consultation with the state government, is likely to come out with specific measures to address some issues which may bring relief to the people of the state, official sources said. This includes relocation of security forces, employment package for former militants, who have served their sentences and are unemployed, and a fresh surrender policy, the sources said. While the Centre is building a consensus on Armed Forces Special Powers Act, Omar said, "This is unnecessarily being made a highly emotive issue which has led to extreme positions. "I would like to request that a pragmatic view about the continuation of the AFSPA be taken with a view to removing its applicability from those districts where terrorist or insurgent activities are minimal or insignificant," he said, without naming the Defence Ministry and the BJP, who favour the continuation of the law in Kashmir. In a related move, the Centre is also toying with an idea of a proposal submitted by the state government for which phased withdrawal of AFSPA in the state following a strong case made out by Omar. To begin with, Centre is likely to explore the possibility of phased withdrawal of the AFSPA in three districts of Kashmir - Srinagar, Budgam and Ganderbal, along with three in the Jammu region - Jammu, Kathua and Sambha, where incidents of violence have shown a marked decline, official sources said. The Chief Minister also gave a road map for its phased withdrawal beginning with the districts which have registered no or bare minimum violence during the past one year and in this context he gave examples of the six districts. Prime Minister Manmohan Singh had also constituted a committee headed by Hamid Ansari before he became the Vice President, to find ways for improving internal confidence building measures. The Ansari panel had recommended revocation of AFSPA in the state. The Administrative Reforms Commission headed by Veerappa Moily, now Law Minister, has also endorsed withdrawal of AFSPA or at least incorporation of some measures which prevents giving sweeping powers to the security forces. (The Indian Express)

Social front:

Huge inequity in child mortality rates: survey

Children from the poorest communities are three times more likely to die before they reach the age of 5 than those from high income groups, Save the Children, a nongovernmental organisation has said. In a global report titled A Fair Chance at Life, the organisation said the policy to lower child mortality in India and elsewhere appeared to focus on children from better-off communities, leaving out those from the most disadvantaged backgrounds. "The 41 percentage decline in child mortality over the last two decades masks a dangerous expansion of the child mortality gap between the richest and poorest families in India," Save the Children CEO Thomas Chandy said. Child mortality is often described as the best barometer of social and economic progress. Despite being one of the fastest growing economies, there has been no visible pattern between per capita income growth and the rate of reduction of child mortality rates. In 2008, 5.3 lakh children under 5 died in the lowest income guintile in comparison to 1.78 lakh among the wealthy quintile. The rate of decline between 2005-06 and 1997-98 among the lowest income quintile is 22.69 per cent, compared to 34.37 per cent among the high income quintile for the same period. Of the 26 million children born in India every year, approximately 1.83 million died before their fifth birthday. "What these aggregate figures do not reveal are the huge inequities in mortality rates across the country, within States and between them, as well as between children in urban and rural areas," Mr. Chandy said. The under-5 mortality rate in Kerala was 14 deaths per 1000 live births. This stood at a sharp contrast to Madhya Pradesh at 92 per 1000 and 91 per 1000 for Uttar Pradesh. "Every child has the right to survive and the Indian government has an obligation to protect them. Save the Children's research shows that prioritising marginalised and excluded communities, especially in the States lagging behind, is one of the surest ways that India can reduce the number of children dying from easily preventable causes. The National Rural Health Mission, for example, should have a clear focus on social inclusion of Dalits and adivasis in terms of access to healthcare," he said. Save the Children's report comes two weeks before a high-level U.N. summit in New York from September 20-22 to assess progress against the Millennium Development Goals. By demonstrating a political will and the right policies, MDG4 could be achieved in India. The good schemes in place needed to be matched by effective implementation. And there was enough experience in India proving that low-cost interventions can make the difference between life and death for a child, the report said. (The Indian Express)

India condemns Quran burning move in USA

India condemned the plan by the pastor of a small Florida church to burn copies of the holy Quran to mark the 9/11 attacks and called on US authorities to take "strong action" to prevent such an "outrage" being committed.Union home minister Mr P Chidambaram, while deploring Pastor Terry Jones's move to burn copies of Islam's holiest text on 11 September, also urged the Indian media to exercise "great restraint" over the coverage of the act to help maintain peace and harmony."We condemn the action of the pastor. It is totally unbecoming of anyone who claims to be a man of religion. We hope that the US

authorities will take strong action to prevent such an outrage being committed". "While we await the action of the US authorities, we would appeal to the media in India both print and visual ~ to refrain from telecasting visuals or publishing photographs of the deplorable act," Mr Chidambaram said in a statement. The home minister also said that the move was aimed at increasing "bitterness and strife" between religious groups. "No one who is interested in maintaining harmony and peace among different sections of the people can condone such action," he said. "We would also appeal to the media to exercise great restraint over the next couple of days and help in maintaining communal peace and harmony," the home minister said. Pastor Jones has threatened to burn copies of the Quran to mark the ninth anniversary of the 11 September terror attack in the USA. Besides the US authorities, religious and political leaders all over the world have also condemned his proposed action warning of an adverse fallout. Meanwhile, an apex body of Christians in West Bengal today termed a US pastor's plan to burn copies of holy Quran as "anti-Church" and "anti-Christian" and appealed to President Barack Obama to take immediate action. "We are shocked to learn that a church group is up to burning the Holy Quran in so-called remembrance of the sad incident of 9/11. The said programme is highly fanatic and against the teachings of the Church," Bangiya Christiya Pariseba state secretary Mr Herod Mullick said in a memorandum. Condemning the World Trade Centre attack on this day in 2001, Mr Mullick said that burning the Quran was "anti-Church," "anti-Christian" and "irresponsible". "We earnestly request you to stop the group from such evil action and bring them to book in the manner you feel appropriate," he said. The memorandum was submitted to American Center director Mr Chad P Cummins who explained his government's position on the issue to the delegation. "I've told them, it is disrespectful towards all religions," he said. (The Statesman)

Yamuna continues to surge

There was no relief from the floods in the capital on Friday, as the Yamuna kept swelling, flowing above the danger mark of 204.83 metres at the Old Railway Bridge. At 6 p.m. the river crossed the 206-metre mark, fuelling concerns that it will reach the dreaded 207metre mark on Saturday. Even as the Delhi government tried to douse the panic over floodwaters entering the city and the Irrigation and Flood Control Department continued vigil, experts said the government, instead of "underplaying" the situation, should take quick remedial measures. Delhi would be in the grip of a severe flood if the water level reached 207 metres, they cautioned. "The flood level at the Old Railway Bridge at 6 p.m. on Friday was 206.03 metres. It is the first time after 1995 that the level has crossed 206 metres. The situation in Delhi remains one of concern despite a breach of over 250 metres in an embankment at Patthargarh upstream of Panipat, which has inundated a large number of villages in Haryana," said Manoj Misra of Yamuna Jiye Abhiyan, a nongovernmental organisation. Though the breach reduced the volume of water in the river, the water would eventually flow back into the river. He said the seriousness of the situation would become evident on Saturday, depending on whether or not the level touched the 207-metre mark. "Since the administration is aware which areas of the city are vulnerable, it must take immediate steps to ensure that people there are taken care of. There are several areas where water will rush in, and that is where the action should shift. This is not the time for panic, but this is also not the time for a false sense of security," Mr. Misra said. Irrigation and Flood Control Minister Raj Kumar Chauhan denied any danger of floods and said the Yamuna "does not have the [quantum of] water to cause floods." (The Hindu)

Regional Report

Central India (Hindi Heartland)



Politics:

Six-phase polling in Bihar from Oct 21

Bihar will go to polls in six phases spread over a month from October 21, the Election Commission announced. The first phase on October 21 will have polling for 47 seats while the second phase will be held on October 24 in 45 seats. The third phase will be on October 28 for 48 seats, fourth on November one (42), fifth on November nine (35) and last on November 20 (26 seats), Chief Election Commissioner S Y Quraishi told a press conference. Counting for the 243 Assembly seats will be held on November 24. Polling will be held in 56,943 polling stations spread across the state in which an over 5.5 crore electorate is expected to exercise their franchise. The bypolls for Banka Lok Sabha seat, which fell vacant following the death of sitting MP Digvijay Singh, will be held on November 1. Welcoming the six-phase Assembly poll schedule for Bihar, Lok Janashakti Party chief Ram Vilas Paswan today demanded steps by the Election Commission to ensure that all booths were manned by central forces. Central forces comprising the CRPF and BSF should man all the polling booths to ensure free, fair and fear-free polls, he told reporters. Claiming that people of the state had made up their minds to ensure that NDA is defeated, Paswan said the RJD-LJP combine had been in poll mode for the past two months. "Now our remove-Nitish campaign will be further intensified with people's support," he said. The NDA government was a failure on all front and issues like unemployment, poverty, corruption and misgovernance would rev up the campaign to oust Nitish Kumar. He accused the state government of failing to handle the Bihar hostage crisis and alleged that its claim of establishing rule of law in the state had also been exposed. (The Indian Express)

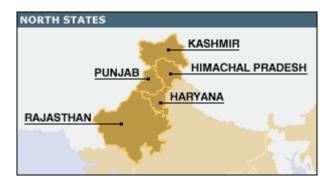
Munda to take oath as Jharkand CM, Cabinet approves revocation of Prez rule

Mr Arjun Munda will be sworn in as Jharkand's new chief minister on Saturday as the head of a BJP-JMM coalition with the Governor inviting him to form a government shortly after the Union Cabinet recommended revocation of President's rule in the state. 42-year-old BJP leader Mr Munda, who is getting the chief ministership post for the third time, will be the eighth CM in 10 years since the mineral rich state was carved out of Bihar on 15 November, 2000. No chief minister has ever completed a full term in the state. Governor MOH Farooq invited the BJP's chief ministerial candidate to take oath on 11 September at 11.00 a.m., Raj Bhavan sources said in Ranchi, two days after Mr Munda staked claim. The BJP and Shibu Soren's JMM came back together over three months after they parted ways leading to imposition of President's rule. Mr Munda was asked to prove his majority on the floor of the Assembly within seven days from the date of taking oath the sources said. The present Assembly, which was kept under suspended animation after imposition of Central rule over three months back, is the third and was constituted on 30 December last. The invitation by the Governor came after Mr Munda called on him shortly after the Cabinet recommended revocation of President's rule. "The Cabinet has made appropriate recommendation to the President based on Governor's recommendation. You will have to wait for the President's decision," home minister Mr P Chidambaram told reporters Iin New Delhi after a meeting of the Union Cabinet which took up the issue. Munda has claimed the support of 45 MLAs in the Assembly with an effective strength of 81. In the list submitted by Mr Munda to the Governor on Tuesday to back up claim he had majority support, there are 18 MLAs each of BJP and JMM, two from JDU, five from AJSU and two independent MLAs ~ Mr Chamra Linda and Mr Bidesh Singh. (The Statesman)

Social front:

Economic Front:

The North



Politics:

Social front:

Economic Front:

The East



Politics:

Centre harming Orissa's interests, says BJD

The Biju Janata Dal headed by Chief Minister Naveen Patnaik on Friday accused the Congress-led government at the Centre of harming Orissa's interests by stalling big industrial projects in the State. As many as nine Ministers and several senior leaders addressed the 'Save Orissa rally' organised by the party's youth wing at Lanjigarh in Kalahandi district as a counter to the Congress meeting addressed by AICC general secretary Rahul Gandhi on August 26. They blamed the Centre for blocking industrialisation, which they said, would have led to the development of tribals in the backward regions of the State. The BJD was sore over the Centre's decision to reject the stage-II clearance for mining of bauxite in the Niyamgiri hills by Vedanta for use in its alumina refinery at Lanjigarh. (The Hindu)

Sonia, Rahul visit to Bengal to boost morale of partymen

With ally Trinamool Congress occupying the major opposition space in Left-ruled West Bengal after its spectacular electoral victories, the Congress is banking on upcoming visits of Sonia Gandhi and Rahul Gandhi to boost the morale of partymen ahead of the Assembly elections. While AICC general secretary Rahul Gandhi will address a rally to launch the membership drive of the Youth Congress in Kolkata on Monday, Congress chief Sonia Gandhi will be here on September 25 to attend the AICC's eastern zonal conference. "We expect that the visits of Sonia Gandhi and Rahul Gandhi will help boost workers' morale ahead of the crucial Assembly elections scheduled next year," West Bengal Pradesh Congress Committee (WBPCC) chief Manas Bhunia said. He claimed that the proposed visits of the two leaders have made young Congress supporters upbeat. Bhunia would request Rahul to visit the WBPCC office in Kolkata on Monday and meet state leaders, Seva Dal and Youth Congress activists. The young Congress leader would again be in Kolkata during the second or third week of this month for three days to undertake a state-wide tour, Bhunia said. In the past few weeks, at least 42 MLAs from across India have been deputed by Rahul Gandhi to prepare a political status report on the

Congress and the Youth Congress at the ground level in West Bengal, and create a climate for a vigorous membership drive, he said. Mamata Banerjee-led Trinamool Congress has been occupying the major opposition space in West Bengal after its spectacular victories in Lok Sabha polls and Municipal elections. Banerjee has been addressing a number of rallies across the state ahead of the next year's Assembly polls. In the past few weeks, eleven zonal coordinators have been criss-crossing each block of the state to create awareness about the membership drive, Bhunia said. The zonal coordinators include union ministers Jitin Prasada and Sachin Pilot and party MP Mohammad Azharuddin. "The exercise was aimed at creating a streamlined, elected, talented and youthful leadership from the grassroots to the top with a clear chain of command," party leaders in the state said. "The target is to enrol 10 to 15 lakh youths as members of the state Youth Congress," they said. In reply to a question, Bhunia said: "It is not correct to say that the Congress in the state is moribund. In the 2006 Assembly elections, Congress won 21 Assembly seats as against the Trinamool Congress's 29. Stating that only a third of Bengal's 42 Lok Sabha seats were left for the Congress to contest in 2009 after the seat-sharing deal with the Trinamool Congress, he said, "the Congress sacrificed a lot and did not get a seat within 200 km of Kolkata during the Lok Sabha polls. "We, however, accepted it as the people of Bengal wanted us to to fight together to free the state from the clutches of Marxist misrule," he said. The results of the election to 81 municipalities across the state on May 30 saw Trinamool Congress making inroads into Congress territory in north Bengal and Murshidabad without alliance after having consolidating its base in the south. (The Indian Express)

Social front:

Economic Front:

The South



Politics:

Social front:

Economic Front:

West India



Politics:

Social front:

Economic Front: