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Current Affairs (21 to 31 October, 2018)

1. National News

1.1 INS Vikramaditya completes Rs 705 Cr refit

India's only aircraft carrier INS Vikarmaditya is set to sail from the Kochi port on October 23 for basin trials before returning to its home port at Karwar after undergoing a five-month refit at a cost of Rs. 705 crore at the Cochin Shipyard.

This was the second refit of the carrier since its induction into the Indian Navy in 2013. Both refits were performed by the Cochin Shipyard. "It's a short refit, but the Navy planned it in such a way that the underwater work package of the next refit – a longer maintenance routine to be conducted in 2020 or 2021 – was also taken up along with this. This means that the carrier is not required to be dry-docked for the next five-six years," Captain Puruvir Das, commanding officer of Vikramaditya, told The Hindu on the sidelines of a media visit to the carrier now docked at the Kochi port.

"The carrier's hull got treated and painted. We have a large number of tanks and spaces which got cleaned and painted too. Then we had some work on the shafts – the carrier has four of them. In floating condition, a diver goes down and measures the health of the shafts with some gauges, but they are fully checked when dry-docked. We had found during routine check-ups that some temperature readings of the shafts were going high, so we had to dry-dock to check the condition of the bearings. That's been done now," Capt Das said.

Sources said 16 of the 25 shaft bearings were changed as part of the refit.

"When the carrier is alongside the jetty (that's right now), the shafts will be turned at very low RPM to see if everything is rotating properly and once we are out at sea, higher revolutions will be done. There will be a large number of workers of the Cochin Shipyard as we go out for the trials to attend to any possible issues. Once it is over, they will return by boat and we will proceed to Karwar," he said.

He said the Navy was looking at various options for berthing the vessel for its next major maintenance – the normal refit that would come around 2020-21.

Docking space

"First, we need a docking space and you need depths. Karwar is suitable for us. Then you need the vendor base, which is well-established in Kochi. But the problem is that we will occupy this berth, the Ernakulam Wharf (at the port) for a long period. It isn't a naval port. Dredging up the

channel is another issue. But the Navy is looking at it all and will take a call in a month or two," he said.

1.2 Overseas Indians Contributed less than 2% to clean ganga fund, 86% from govt entities

OVER 86 PER CENT of contributions to the Clean Ganga Fund (CGF) since 2015, totalling Rs 189.17 crore, were made by government entities while those from NRIs and PIOs were less than two per cent, according to records obtained by The Indian Express under the Right to Information (RTI) Act.

According to records provided by the Ministry of Water Resources, River Development and Ganga Rejuvenation, under the RTI Act, contributions from "government departments, government organisations, public sector undertakings" received during 2015-16, 2016-17, 2017-18 and 2018-19 (till September 30) added up to Rs 163.49 crore, or 86.42 per cent, of the total contribution.

The records show that "private organisations" contributed Rs 19.54 crore, or 10.32 per cent of the total, during this period while NRIs and PIOs donated Rs 3.76 crore. Contributions under the "individual" category totalled Rs 2.37 crore, or 1.25 per cent of the total.

According to RTI records, Rs 234.98 crore is available at present in the CGF.

The CGF was cleared by the Union Cabinet on September 24, 2014, and constituted in January 2015. It is managed by the National Mission for Clean Ganga under the Ministry of Water Resources, River Development and Ganga Rejuvenation.

According to the CGF's official website, the fund is "open to all — domestic as well as international (NRI & PIO)". When the CGF was established, the Ministry had said that it would be set up "with voluntary contributions from residents of the country and NRIs/PIOs and others to harness their enthusiasm to contribute towards the conservation of the river Ganga."

1.3 Cross-border insolvency cases: Govt appointed panel suggests UN model law

A government-appointed committee has recommended adoption of a United Nations model law along with some carve outs for dealing with cross-border insolvency cases under the

Insolvency and Bankruptcy Code. The United Nations Commission on International Trade Law (UNCITRAL) model law on insolvency envisages a balance between liquidation and reorganization.

In a statement issued Monday, Insolvency Law Committee (ILC), constituted by Ministry of Corporate Affairs, said inclusion of cross-border insolvency chapter in the IBC would be a major step forward and would bring the law on par with that of matured jurisdictions. The ILC, chaired by Corporate Affairs Secretary Injeti Srinivas, submitted its report on the subject to Finance and Corporate Affairs Minister <u>Arun Jaitley</u>.

"The ILC has recommended the adoption of the UNCITRAL Model Law of Cross Border Insolvency, 1997, as it provides for a comprehensive framework to deal with cross border insolvency issues. The Committee has also recommended a few carve outs to ensure that there is no inconsistency between the domestic insolvency framework and the proposed Cross Border Insolvency Framework," the government said in the statement.

"The UNCITRAL Model Law has been adopted in as many as 44 countries and, therefore, forms part of international best practices in dealing with cross border insolvency issues. The advantages of the model law are the precedence given to domestic proceedings and protection of public interest. The other advantages include greater confidence generation among foreign investors, adequate flexibility for seamless integration with the domestic Insolvency Law and a robust mechanism for international cooperation," it added.

While the IBC has been dealing with cases of domestic insolvency, default cases with crossborder implications are currently outside its purview. The Code at present does not explicitly provide a framework to deal with the issues of cross-border insolvency. The necessity of having such a framework under the IBC arises as many Indian companies have a global presence and many foreign companies have operational across countries including India.

"The model law deals with four major principles of cross-border insolvency, namely direct access to foreign insolvency professionals and foreign creditors to participate in or commence domestic insolvency proceedings against a defaulting debtor; recognition of foreign proceedings & provision of remedies; cooperation between domestic and foreign courts & domestic and foreign insolvency practioners; and coordination between two or more concurrent insolvency proceedings in different countries. The main proceeding is determined by the concept of centre of main interest ("COMI")," the government said.

In the 32 resolution cases that have been resolved under the IBC till June-end, banks and other creditors recovered nearly 55 per cent of the total claims, including from large accounts such as Bhushan Steel and Electrosteel Steels, as per the latest data available with the Insolvency and Bankruptcy Board of India. This does not include companies for which liquidation orders were

passed. Financial and operational creditors could recover around Rs 49,800 crore out of the total claims of Rs 90,000 crore in these 32 companies.

1.4 Govt notifies rules on granting Citizenship

The Union Home Ministry has empowered the Collectors of certain districts in seven States to accept online applications to grant citizenship to "persecuted minorities" from Pakistan, Afghanistan and Bangladesh living in India.

A parliamentary committee has been examining the Citizenship (Amendment) Bill, 2016, which proposes to grant citizenship to six persecuted minorities: Hindus, Jains, Sikhs, Parsis, Christians and Buddhists who came to India from Pakistan, Afghanistan and Bangladesh before 2014.

As the Bill is pending, the Home Ministry gave powers to the Collectors in Chhattisgarh, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh and Delhi to grant citizenship and naturalisation certificates to the migrants under Sections 5 and 6 of the Citizenship Act, 1955. No such power has been delegated to Assam officials.

Under the new rules, notified on October 24, the migrants can apply online, and the verification reports or the security clearance reports of the applicants shall be made available to the Centre through an online portal.

Citizenship will be granted after the verification reports are received from the States and the Centre.

"The Collector or the Secretary shall maintain an online/digital as well as physical register, containing the details of persons so registered or naturalised as a citizen of India and furnish a copy thereof to the Central government within seven days of registration," the notification said.

Since 2011, 30,000 such Pakistanis have been granted long-term visas, a precursor to citizenship, and 1,500 applications are now pending.

The online system, which will come into effect on December 22, was put in place after a Home Ministry official was arrested in July by the Rajasthan Anti-Corruption Bureau for allegedly extorting money from Pakistani Hindu migrants for extension of visas, visa transfer and grant of citizenship.

Officials put the number of such migrants in India at two lakh. There are 400 Pakistani Hindu refugee settlements in Jodhpur, Jaisalmer, Bikaner and Jaipur. Hindu migrants from Bangladesh mostly live in West Bengal and northeastern States.

1.5 India, China ink security pact

India and China set the ball rolling on their first high-level meeting on bilateral security cooperation in New Delhi on Monday, more than a year after a tense <u>standoff at</u> <u>Doklam</u> between the militaries of the two countries.

The meeting, which was co-chaired by home minister Rajnath Singh and China's state councillor and minister of public security Zhao Kezhi, discussed issues of bilateral counter-terrorism cooperation and welcomed increased cooperation in the area of security cooperation.

Kezhi is visiting India from 21 to 25 October.

Singh, however, raised the issue of China repeatedly blocking the proposal to designate <u>Jaish-e-</u> <u>Mohammad (JeM) chief Maulana Masood Azhar as a global terrorist</u>, according to senior home ministry officials.

Since 2017, China, a veto-wielding permanent member of the Security Council, has blocked bids at the UN by the US, France and Britain to list Azhar as a global terrorist, citing lack of consensus among members of the UN Security Council.

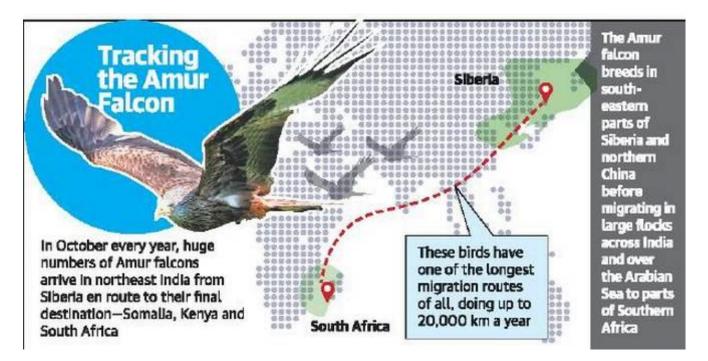
"An agreement on security cooperation between the ministry of home affairs of India and the ministry of public security of China was also signed by the two ministers. The agreement will strengthen and consolidate discussions and cooperation in the areas of counter-terrorism, organized crimes, drug control and other such relevant areas," the home ministry said.

Monday's meeting comes in the wake of Prime Minister Narendra Modi and and Chinese President Xi Jinping's meeting in the Chinese city of Wuhan in April, where they decided on a number of steps to bring down tensions and normalize ties following the Doklam standoff.

The Wuhan meeting was also followed by meetings between the two leaders on the sidelines of the Shanghai Cooperation Organisation in Qingdao in June and the BRICS leaders' summit in Johannesburg in July.

Other than terrorism, India is also keen to discuss the establishment of cooperation between the two countries to tackle transnational crimes and cyber crimes.

1.6 Siberian visitors freeze Assam-Meghalaya border dispute



The festival is scheduled on November 7-8, a fortnight before the birds are expected to soar for the next destination on their migration.

Umru village on the Assam-<u>Meghalaya</u> border lacks a road but that doesn't stop its famous winter visitors — a flock of Amur falcons, the world's longest travelling raptors.

While Doyang Lake near Pangti village in Nagaland's Wokha district is better known as a stopover for the Amur falcons during their annual migration from their breeding grounds in Mongolia and northern China to warmer South Africa, a flock has been seen since 2010 in Umru.

The lack of an access road is not the only problem faced by the villagers. Umru is in Block II, one of 12 disputed areas along the Assam-Meghalaya border, since Meghalaya was carved out of <u>Assam</u> in 1972.

Assam claims the village is under Baithalangso Assembly constituency of East Karbi Anlong district while Meghalaya asserts it is under Mawhati Assembly constituency of its Ri-Bhoi district.

The 50-odd Gorkha households in the village prefer to be in Assam while the 30 Khasi tribal households want to be in Meghalaya.

Common cause

But these disputes are forgotten when the village welcomes the falcons in mid-October, uniting to ensure a safe stay for the birds. Both communities have made common cause in protection of the Amur falcons and have fixed a fine of ₹25,000 for anyone caught ensnaring or killing the birds.

"Various factors divide the people, but this should not affect the beautiful birds who know nothing about political boundaries," L. Khriam, former headman of Umru said. Gorkha elders such as S.B. Chhetri echo the sentiment.

Birdwatchers paradise

The Tyrso Valley <u>Wildlife</u> Protection Society is an NGO formed by the villagers of the eponymous Meghalaya village adjoining Umru. The group has been organising the Amur Falcon Festival since 2015 to celebrate the "birds that have this back-of-beyond area famous".

The festival is scheduled on November 7-8, a fortnight before the birds are expected to soar for the next destination on their migration.

"People here have become sensitive about the birds because of our awareness campaigns. They are also opening up to the idea of homestays for birdwatchers and nature lovers who come here for the Amur falcons," the society's chairman Jro Shadap said.

And the lack of a road had cramped their plans to open up to birdwatchers. The former Congress-led coalition government in Meghalaya under Mukul M. Sangma had sanctioned a nine km road from nearest roadhead, Liarbang and the villagers hope work on the road will begin soon.

The Umru-Tyrso area, about 75 km northeast of Shillong, however, is a relatively recent pit stop for the Amur falcons. The birds used to flock to Umwang, also in the Block II disputed area, from 1998-2009 before human interference made them shift base.

Wildlife officials in <u>Nagaland</u> also point out that the migratory birds used to roost in very large numbers in the Changtongya Community Conservation Reserve but moved on to Pangti and Yaongyimchen, a lesser roosting site. Efforts are on to revive the Changtongya area, about 100 km north of Pangti, for the migratory raptors.

1.7 India, Japan sign \$75 billion currency swap aggrement

India and Japan signed a currency swap agreement worth \$75 billion during Prime Minister Narendra Modi's visit to Japan, the government announced on Monday.

"The Prime Ministers of India and Japan, building on great friendship between the two countries and to further strengthen and widen the depth and diversity of economic cooperation, agreed during Prime Minister Modi's visit to Japan, to conclude a Bilateral Currency Swap Agreement for an amount of \$75 billion," the Indian government said in a statement. A currency swap typically involves the exchange of interest and sometimes of principal in one currency for the same in another currency. Interest payments are exchanged at fixed dates through the life of the contract. It is considered to be a foreign exchange transaction and is not required by law to be shown on a company's balance sheet.

"This swap arrangement particularly reflects the depth of mutual trust and understanding, personal relationship and warmth between the two leaders built over many years," the statement added.

The currency swap agreement, the government said, was an important measure in improving the confidence in the Indian market and that it would not only enable the agreed amount of capital being available to India, but it will also bring down the cost of capital for Indian entities while accessing the foreign capital market.

'More stability'

"The swap arrangement should aid in bringing greater stability to foreign exchange and capital markets in India," the government said. With this arrangement in place, prospects of India would further improve in tapping foreign capital for country's developmental needs. This facility will enable the agreed amount of foreign capital being available to India for use as and when the need arises.

2. International News

2.1 Bangladesh question looms over Citizenship Bill

As the deadline for a joint committee of Parliament on the contentious Citizenship (Amendment) Bill, 2016, nears an end, some members asked whether it was possible to present the Bill in a truncated form by excluding Bangladesh. The Bill proposes citizenship to persecuted Hindus, Jains, Sikhs, Parsis, Christians and Buddhists from Pakistan, Afghanistan and Bangladesh who came to India before 2014.

Violation of equality

The joint committee met on Tuesday to discuss the Bill, posing questions to the Ministries of Home, Foreign and Law whether the proposed law violated provisions of Article 14 of the Constitution that guarantees equality before the law and prohibits discrimination on grounds of religion, race, caste, sex or place of birth. One of the members also raised concerns if acknowledging the minorities from Bangladesh as "persecuted minorities" would hurt relations with the neighbouring country.

Another member said the draft legislation had unnecessarily led to a volatile situation in the northeast as <u>Assam</u> faced violent protests on Tuesday.

There has been a strong resistance to the Bill in BJP-ruled Assam as it seeks to grant citizenship to Bengali Hindus from Bangladesh. Several political and civil groups in Assam have said the Bill would pave the way for giving citizenship to illegal Hindu migrants from Bangladesh in Assam that was in violation of the Assam Accord, 1985.

A source told *The Hindu* that BJP's Rajendra Agrawal, chairperson of the joint committee, was keen that the report be submitted during the winter session of the Parliament, as the tenure of the committee would lapse.

"The report is being readied as we have to submit it this winter session. Practically, this is the last session of the current Lok Sabha ... there is no scope for further extension to the committee. The committee can suggest amendments and it is up to the government to adopt or reject the recommendations," said a member.

Another member said the report cannot be dictated to the members as many queries were yet to be answered to by the concerned ministries. "The committee cannot be dictated, we had many queries. The replies given by the three ministries were contradictory to each other. Partisan law cannot prevail in the country. The government informed us there is no law in the

country with regard to migrants. If there is no law, how can you amend an Act for them?" asked the member.

A member from an Opposition party asked what defined religious persecution. "We asked the government if they could define persecution on the basis of religion. Was there a policy on refugees or migrants? In absence of it, the Bill proposes citizenship to six communities from three countries but excludes Muslims. It violates the Constitution," the member said.

The Ministries have been asked to submit their replies by October 30.

2.2 U.S. will quit N-treaty with Russia: Bolton

The US national security adviser, <u>John Bolton</u>, has confirmed that the <u>US will withdrawal from</u> <u>the landmark intermediate-range nuclear forces treaty (INF)</u> after meeting with Russian president Vladimir Putin and senior Russian officials.

Speaking in Moscow, Bolton said that <u>Russia</u> had been violating the treaty for years and that rising powers such as China meant that it was a "new strategic reality out there"

Bolton also said that China's cyber-attacks against the United States made Russia seem like the "junior partner". He did not go into detail.

The INF was a "bilateral treaty in a multipolar ballistic missile world", Bolton said, adding that no formal steps had yet been taken but that the US would exit the treaty "in due course".

The treaty, concluded in 1987, barred the United States and Russia from deploying missiles with a range from 500 to 5,500 km, and largely was credited with banishing nuclear missiles from Europe

Bolton avoided directly answering questions from press about whether "we'll soon be seeing US missiles in Europe", saying only that the single country constrained by the INF treaty was the United States.

"It is the American position that Russia is in violation," Bolton said at Interfax, the same press agency where he discussed US plans to withdrawal from the anti-ballistic missile treaty in 2001. "Russia's position is that they aren't. So one has to ask how to ask the Russians to come back into compliance with something they don't think they're violating."

Bolton also announced that Putin would meet with Donald Trump for talks when the two leaders are in Paris next month for the 100th anniversary of Armistice Day, marking the formal end of the first world war.

It will be the first meeting between the two presidents since <u>their controversial Helsinki summit</u> <u>in July</u>, and just their fourth meeting in person since Trump became president.

Russia played up the meeting, with a Kremlin aide saying the talks would be "a full-fledged meeting. There will be serious preparations."

Bolton met with Putin at the Kremlin on Tuesday, where he came to explain the US exit from the INF. The Russian leader joked that the US seal showed an eagle carrying olives branches and arrows. "The question is: did your eagle already eat all the olives and only the arrows are left?"

"Hopefully I'll have some answers for you," Bolton replied. "But I didn't bring any more olives.

The two also discussed cooperation in Syria and accusations that Russia was meddling in US elections. Bolton on Monday said that he had confronted Russia on its elections meddling, but also said that the interference had little effect on the outcome of the 2016 elections, a view that seemed tailored to Donald Trump.

"What the meddling did create was distrust and animosity within the United States," Bolton said on Tuesday when asked about his remarks. "It made it almost impossible for the US and Russia to make progress diplomatically for two years. That's a huge loss to both countries but mostly to Russia. It's a message to Russia: don't mess with American elections."

A Kremlin aide, Yuri Ushakov, on Tuesday evening said that US accusations about elections interference were "mentioned but not discussed", according to Interfax.

"In fact, both the president and Mr Bolton decided to abandon mutual accusations and hold this serious, normal substantive conversation, and they did," he said, according to Interfax.

2.3 Srilanka: India opts to wait

Even as the European Union and the United States expressed concern over the manner in which Sri Lankan President Maithripala Sirisena withdrew support to Prime Minister Ranil Wickremesinghe and swore in former President Mahinda Rajapaksa in his place, and China chose to congratulate Mr. Rajapaksa, New Delhi chose to maintain a studied silence on Saturday.

With Prime Minister Narendra Modi away on a visit to Japan, the Ministry of External Affairs would prefer not to jump the gun on developments, especially given the fact that two separate Prime Ministers are now laying claim to the official residence at Temple Trees. A final outcome

would probably only be known after a show of strength in Parliament and it is better to let each play out their hand, said officials.

The UPA government never lived down its decision in 2012 to call and congratulate Mohamed Waheed, hours after he deposed President Mohamed Nasheed in a coup and a repeat of that in Sri Lanka would have been inadvisable.

The NDA government has also been quite displeased with the way it was dragged into the internal politics of Sri Lanka in recent weeks, with both Mr. Sirisena and Mr. Wickremesinghe reaching out to Prime Minister Modi to explain their version of events after a stormy Cabinet meeting on October 14.

The government's reticence is in sharp contrast to a more strong-arm policy in the neighbourhood over the past few years. It is likely that New Delhi has found that taking credit or being blamed for every political development in the neighbourhood is, over time, detrimental to the "Neighbourhood First" policy it espouses, with accusations of interference being made by parties in Sri Lanka, Nepal and the Maldives. Playing a card either way during Sri Lanka's current turmoil would not be seen as helpful to India's long-term interests in the region.

Also, there is New Delhi's extremely volatile relationship with Mr. Rajapaksa himself. When he lost power, Mr. Rajapaksa had blamed the R&AW for facilitating the opposition's unity efforts, and the relationship with the former President had been fraught for a while. While Mr. Rajapaksa has softened his stand, telling The Hindu last month that it was time to "move on" from past differences, New Delhi is unsure of just where it may stand with him.

For now, New Delhi may just find that discretion is the better part of valour.

2.4 India helped Maladives restore democracy, says Gayoom

India played a "positive" role in restoration of democracy in Maldives by "exerting pressure" on the ruling regime, and the new government in the island nation would be "sensitive" towards New Delhi's "concerns", said former Maldivian President Maumoon Abdul Gayoom on Sunday.

Nearly a month after he was released from jail, Mr. Gayoom said the government of President Abdulla Yameen inflicted "huge damage" on Maldives but democratic forces have prevailed over their "enemies".

Joint opposition leader Ibrahim Mohamed Solih came out victorious in the September 23 presidential election, handing a shock defeat to Mr. Yameen.

Asked whether Mr. Yameen drew his strength from strong backing by China, Mr. Gayoom hoped that Beijing would respect the will of the Maldivian people.

Asked about India's role after imposition of emergency by Mr. Yameen in February, Mr. Gayoom said, "India did play a positive role, and along with other international partners, did exert pressure towards restoration of democracy."

"I do not see the events of the last few years having a lasting impact (on bilateral ties)... I do not think these bumps and turbulence would impact decades of (our) India-first policy," he said. Describing India as the "closest and most trusted ally", he said it was in the interests of all countries that there is stability in the Indian Ocean region.

3. Polity and Governance

3.1 SC bans sale of BS-IV vehicles from 2020

The Supreme Court on Wednesday banned the sale and registration of motor vehicles conforming to the emission standard Bharat Stage-IV in the entire country from April 1, 2020.

It said pollution hasreached an "alarming and critical" level all over India. "It brooks no delay," a three-judge Bench of Justices Madan B. Lokur, S. Abdul Nazeer and Deepak Gupta observed in a 20-page judgment.

The country will have to shift to the cleaner Bharat- VI fuel from April 1, 2020. Bharat Stage (BS) emission norms are standards instituted by the government to regulate output of air pollutants from motor vehicles. The BS-IV norms have been enforced across the country since April 2017. In 2016, the Centre had announced the country would skip the BS-V norms altogether and adopt BS-VI norms by 2020.

"BSVI compliant vehicles are going to be more expensive than BSIV compliant vehicles. People have a tendency to buy cheaper vehicle(s) even from a neighbouring city. We also strongly feel that the problem of pollution is not limited to the NCR of Delhi but it is a problem which has engulfed the entire country especially the major cities. India has the dubious distinction of having 15 out of the 20 most polluted cities in the world," Justice Gupta wrote in the judgment for the Bench.

The apex court said there cannot be any compromise on the health of citizens and this has to take precedence over the "greed" of a few automobile manufacturers who want to stretch the timeline.

"Therefore, if there is a conflict between health and wealth, obviously, health will have to be given precedence," Justice Gupta wrote.

"We are dealing here with a situation where children and unborn children suffer from pollution and issues of inter-generational equity are involved," the judgment observed.

It said there was sufficient time for manufacturers to make BS-VI compliant vehicles.

"It is not as if on 01.04.2020 just by waving a magic wand the entire country will change to BSVI compliant norms. If all the refineries and manufacturers by taking note of the requirement to bring in BS VI fuel, have introduced such fuel from 2018 and are introducing it in a phased manner in the entire country by 31.03.2020, we see no reason why manufacturers of

automobiles, two wheelers, three wheelers, etc, cannot also do so," the Supreme Court observed.

3.2 Ayodhya appeals listed for new SC bench tomorrow

The Ayodhya title suit appeals are scheduled for hearing on October 29 before a completely new Supreme Court Bench, led by Chief Justice of India Ranjan Gogoi.

The appeals are listed for Monday under the head "directions matter" before a new composition of judges, who, besides the CJI, are his regular companion judges, Justices Sanjay Kishan Kaul and K.M. Joseph.

It is not clear what nature of "directions" the new Bench would pass.

The Ayodhya appeals were so far heard by the three-judge Bench of the previous Chief Justice, Dipak Misra, and Justices Ashok Bhushan and S. Abdul Nazeer.

Majority opinion

On September 27, the Misra Bench, in a majority opinion of 2:1, decided against referring a question of law — whether offering prayers in a mosque is an essential practice of Islam — which arose in the Ayodhya appeals hearings to a Constitution Bench.

The majority opinion, authored by Justice Bhushan and supported by Justice Misra, had ordered the Ayodhya appeals "which are awaiting consideration by this Court for quite a long period, to be now listed in week commencing 29th October, 2018 for hearing".

Usually, this would entail the appeals returning to the Bench comprising Justices Bhushan, Nazeer and a new third judge, replacing Justice Misra, who retired on October 2.

However, the appeals have been posted on Monday before a Bench which neither Justice Bhushan nor Justice Nazeer are a part of.

Nevertheless, experts say that not much ground had anyway been covered by the earlier Misra Bench on the appeals.

The hearings had got deflected on the question of reference to a Constitution Bench.

Unusual decision

Experts also point out that it was rather unusual for Justice Bhushan, a puisne judge on the Bench, to fix the date of hearing of the appeals as October 29.

They say it should have been ideally left to Chief Justice Gogoi, as the master of roster, to decide the next date of hearing.

September 27 had also witnessed the stinging dissent penned by Justice Nazeer, who observed in a separate opinion that the question of what is essential or not in a religion cannot be hastily decided. He held that the question raised on the essentiality of offering prayers in mosques should indeed be examined by a seven-judge Bench, before the Ayodhya suit appeals are heard further.

He had concluded that questions raised during the Ayodhya appeals hearing about the comment made in the Ismail Faruqui judgment of 1994 require a "comprehensive examination" by a seven-judge Bench.

Speaking for himself and the Chief Justice, Justice Bhushan had said that references cannot be made to a larger Bench merely because of "questionable observations" made in an earlier judgment.

4. Economy

4.1 Growth in Direct tax collections in last 4 years Haryana registers 102% rises, UP's declines 13.4%

Among the top ten states that account for 88.3 per cent or Rs 8.85 lakh crore of the total direct tax collection of Rs 10.02 lakh crore in 2017-18, five states grew faster than the national average growth of tax mop up over the last four years, comprising two BJP ruled states and three non-BJP ruled states.

While BJP-ruled Haryana registered the highest growth rate of 102 per cent (with relatively lower tax base), the next three states that registered growth rates 50 per cent or above are — Karnataka (67 per cent), Tamil Nadu (51 per cent) and Delhi (50 per cent) — are all ruled by non-BJP governments.

Among the top 10 states, the only one to have witnessed a contraction in growth is Uttar Pradesh as the state saw its direct tax collection decline from Rs 27,159 crore in 2014-15 to Rs 23,515 crore in 2017-18 — a fall of 13.4 per cent during the period.

When compared with the national average growth of 44.1 per cent during this period, UP's performance on direct tax collection looks dismal. The second slowest growth among top 10 states was registered by Gujarat as the tax collection rose by 24.9 per cent during the four year period, nearly half of the national average growth rate.

The other non-BJP states in the list of top 10 states include West Bengal and Andhra Pradesh, recording 43 per cent and 41.9 per cent, respectively.

Maharashtra, accounting for nearly 40 per cent of the total tax collections, has seen its direct tax collections grow by 38.4 per cent during the period. States of Maharashtra and Delhi continue to account for more than 50 per cent share in total direct tax collections across the country. Tax mop up by Maharashtra increased to Rs 3.84 lakh crore in 2017-18, up from Rs 2.77 lakh crore in 2014-15. Tax collections by Delhi improved to Rs 1.37 lakh crore 2017-18, up from Rs 91,247 crore 2014-15.

The time series data on direct collections was released by the Central Board of Direct Taxes on Monday. Goa also recorded 11.3 per cent fall in its revenue collections during this period,

possibly owing to certain restrictions ban on mining — which was a key source of revenue for the state.

TOP 10 STATES					
	2014-15	2015-16	2016-17	2017-18*	Growth over4years
Maharashtra	2,77,720.1	2,87,005.3	3,14,056.3	3,84,277.5	38.37
Delhi	91,247.9	1,01,664.0	1,08,882.5	1,36,934.9	50.07
Karnataka	60,595.2	72,040.9	85,921.0	1,01,187.5	66.99
TamilNadu	44,732.6	50,522.4	60,078.0	67,583.6	51.08
Gujarat	35,912.5	33,964.6	38,808.3	44,866.7	24.93
Andhra	29,769.0	34,057.3	36,241.3	42,237.0	41.88
WestBengal	27,793.5	29,795.2	35,175.9	39,752.0	43.03
Haryana	12,638.8	16,742.0	20,312.6	25,614.8	102.67
Uttar Pradesh	27,159.8	24,981.2	29,309.6	23,515.8	-13.42
Rajasthan	13,146.1	13,352.8	20,182.1	19,201.1	46.06
Grand Total	6,95,788.9	7,41,722.6	8,49,818.5	10,02,740.7	44.12

Amount in ₹ crore; Growth in %; * provisional

Apart from Maharashtra and Delhi; Karnataka, with its capital Bengaluru being the hub of IT and industrial activity, is the only other state to record direct collections of more than Rs 1 lakh crore in 2017-18. Collections in the state nearly trebled to Rs 1.01 lakh crore in 2017-18, from Rs 60,595 crore. Newly formed state Telangana nearly doubled its tax collections in the past two years. It collected Rs 7,035 crore of direct tax revenue im 2017-18, up from Rs 3452 crore. In the eight year period between 2010-11 and 2017-18, total tax collections of all states more than doubled to Rs 10.02 lakh crore from Rs 4.46 lakh crore. The proportion of direct taxes in total taxes fell to 52.29 per cent in 2017-18, from 56.48 in 2010-11.

4.2 India Set to be third largeset aviation market

India will be the third largest aviation market globally a year sooner than was earlier predicted. It is now expected to be among the top three countries by 2024 from its current seventh position, according to global aviation body IATA.

In its latest 20-year forecast for the aviation industry, the International <u>Air</u> <u>Transport</u> Association (IATA) says that air passenger numbers worldwide could double to 8.2 billion in 2037.

Asian wave

The biggest contribution in this growth will come from the Asia-Pacific region, which will account for half the total number of new passengers over the next 20 years.

While China will climb up one spot to displace US as the world's largest aviation market in the mid-2020s, India will take the third place by surpassing the U.K. around 2024, according to the IATA forecast.

By 2037, India is expected to add 414 million passengers to its existing 572 million passengers, the report added.

In fact, the Asia-Pacific region is expected to see the fastest growth at the rate of 4.8%, followed by Africa (4.6%) and west Asia (4.4%).

"Firstly, we are seeing a geographical reshuffling of world air traffic to the East. And secondly, we foresee a significant negative impact on the growth and benefits of aviation if tough and restrictive protectionist measures are implemented," said Alexandre de Juniac, IATA's Director General and CEO.

The other south-east Asian countries predicted to grow rapidly include Indonesia, likely to be the fourth largest by 2030 from its current ranking of 10th largest aviation market. Thailand, too, is expected to enter the top 10 markets in 2030.

4.3 Depreciating rupee comes as no solace to exporters

Exporters in India are not happy with the current policy and exchange rate situation even though they should be cheering the depreciating rupee. A combination of higher input costs, uncertainty over tariffs, and the fact that the government has said it would not be refunding

them the Integrated Goods and Services Tax (IGST) they have paid, has meant that exports contracted in September for the first time in six months.

Exports contracted by 2.34% in September, albeit on a high base, despite the rupee averaging more than 72 a dollar during that month. Over August and September, when the rupee averaged 70.8 per dollar, India's average export growth stood at 8.5%. Compare this to the 16.8% export growth rate in the same period of the previous year, when the rupee averaged a much stronger 64.2 to the dollar.

A depreciating rupee should ideally be good for exporters, since it means that India's exports are relatively cheaper than they were before. However, export bodies such as the Federation of Indian Export Organisations (FIEO) have said that this benefit is not passing through to exporters.

Costlier capital goods

According to FIEO, the depreciation has resulted in an increase in the cost of imported capital goods, inputs and various services used by exporters paid in foreign currency. Apart from this, the exporters say that depreciating currencies in some of their biggest export destinations such as West Asia, Africa, and certain parts of Asia, has meant that buyers in these areas have also begun asking for discounts. While these factors are not completely in the government's control, exporters complain that there are other issues where decisive government policies could go a long way in improving confidence in the sector and easing their financial troubles.

Lost orders

Several exporters have complained that the confusion surrounding India's eligibility for the U.S. Generalised System of Preferences has meant that many advance orders, which ordinarily would have gone to Indian companies, are now being diverted to exporters in Sri Lanka, Bangladesh, and Vietnam.

Further compounding this issue is that there is a complete lack of clarity among exporters on whether India's exports currently can get the GSP benefits or not. The GSP is a system where the U.S. allows certain eligible countries to export about 3,500 commodities to the U.S. on a duty-free basis. Earlier this year, the U.S. said it would be reviewing India's eligibility for this benefit. In the meantime, while the Indian government has maintained that India's exporters are still eligible for the GSP benefits until the review is completed, major export bodies have said their exporters have not received these benefits since December 2017.

Others, however, say that they are receiving the benefits. It is up to the Indian government to clarify this situation with the U.S. government. The Commerce Ministry has also been

somewhat casual about this issue, the exporters say, with officials shrugging the issue off by saying that Indian businessmen have been canny enough to invest in countries that are still eligible for GSP benefits, and so they have been able to indirectly avail of those benefits through that route.

The government has also maintained a stubborn stance on IGST refunds., say exporters. The Centre argues that since the exporters have been receiving duty drawback on input taxes paid, they are not eligible for IGST refunds. Exporters say this view lack skews the playing field in favour of exporters operating in a single State. An exporter with operations in one State is eligible for Central GST and State GST refunds, but an exporter with operations across States gets no IGST refund.

Many of them say the bulk of their working capital — in many cases more than 50% — is tied up in IGST refunds running into crores of rupees. Several exporters, *The Hindu* has spoken to, say that they have had to resort to taking loans to keep their businesses running.

5. Science and Tech

5.1 ICF rolls out Train 18, the NextGen Shatabdi



Sleek package: The 'Train 18' will be inducted into the Railways after safety checks.

The 16-coach, Indian-made trainset was completed in Chennai in a record 18 months

The gleaming, blue-nosed train standing at Chennai's Integral Coach Factory (ICF) has a coneshaped frontage, similar to a bullet train. The new train comes fitted with amenities on a par with the best in the world — from on-board Wi-Fi to GPS-based passenger information system, 'touch-free' bio-vacuum toilets, LED lighting, mobile charging points, and a climate control system that would adjust the temperature according to occupancy and the weather.

What 'Train-18' doesn't have, however, is a locomotive to pull the coaches — it is a self-propelled, semi-high-speed trainset that will soon replace the box cars of the inter-city Shatabdis.

The much anticipated Indian-made trainset was unveiled to the public by Indian <u>Railway</u> Board chairman Ashwani Lohani on Monday at the ICF. Train 18 will undergo the mandatory safety checks before being inducted into the Railways in the coming months.

Speaking at the launch function, Mr. Lohani said Train 18 will be a game- changer for the Indian Railways. He said it can reach a maximum speed of 160 km per hour. The train can both accelerate and pull to a stop rapidly, thereby consuming much less energy, he added.

S. Mani, general manager of ICF, said the train was completed in a record time of 18 months after it was conceived in 2016. About 80% of the design, technology and manufacture of Train 18, a predecessor to 'Train 20', is Indian. The coaches in the fully air-conditioned train are linked with advanced bridge plates, leaving the train free of the shaky gangways Indian train travellers are used to.

6. Environment / Geography

6.1 Children under 15 at serious risk from polluted air: WHO

Every day about 93% of the world's children under the age of 15 (1.8 billion children) breathe polluted air that puts their health and development at serious risk, the World Health Organisation (WHO) said in a new report that puts into numbers the devastating impact that <u>air pollution</u> is having on the global population's health.

Tragically, many of these children die, with as many as six lakh estimated to have perished in 2016 alone due to complications from acute lower respiratory infections caused by dirty air, according to WHO's report.

The report on air pollution and child health released on the eve of the WHO's first ever global conference on Air Pollution and Health on Tuesday reveals that when pregnant women are exposed to polluted air, they are more likely to give birth prematurely, and have small, low birth-weight children.

Air pollution also impacts neurodevelopment and cognitive ability and can trigger asthma, and childhood cancer. Children exposed to high levels of air pollution may be at greater risk for chronic diseases such as cardiovascular disease later in life, the WHO said.

Silent killer

- Air pollution affects neurodevelopment and cognitive test outcomes, and negatively affects mental and motor development
- Damages children's lung function, even at low levels of exposure
- Globally, 93% children under 18 are exposed to PM2.5 levels above WHO guidelines
- This includes 630 million children under 5 years, and 1.8 billion children under 15
- In low- and middle-income countries, 98% of all children under 5 are exposed to PM2.5 levels above WHO air quality guidelines. In high-income countries, the figure is 52%
- About 6 lakh deaths across the world in children under 15 years were attributed to the joint effects of ambient and household air pollution in 2016

"Polluted air is poisoning millions of children and ruining their lives," said Dr. Tedros Adhanom Ghebreyesus, WHO Director-General. "This is inexcusable. Every child should be able to breathe clean air so they can grow and fulfil their full potential."

Breathe rapidly

One reason why children are particularly vulnerable to the effects of air pollution is that they breathe more rapidly than adults and so absorb more pollutants. They also live closer to the ground, where some pollutants reach peak concentrations — at a time when their brains and bodies are still developing.

In addition, newborns and small children are often at home. If the family is burning fuels like wood and kerosene for cooking, heating and lighting, they would be exposed to higher levels of pollution.

"Air pollution is stunting our children's brains, affecting their health in more ways than we suspected," Dr. Maria Neira, director, Department of Public Health, Environmental and Social Determinants of Health at WHO, said in a release accompanying the report.

"WHO is supporting implementation of health-wise policy measures like accelerating the switch to clean cooking and heating fuels and technologies, promoting the use of cleaner transport, energy-efficient housing and urban planning. We are preparing the ground for low emission power generation, cleaner, safer industrial technologies and better municipal waste management," Dr. Neira added.

6.2 Delhi tops national charts in bad air quality

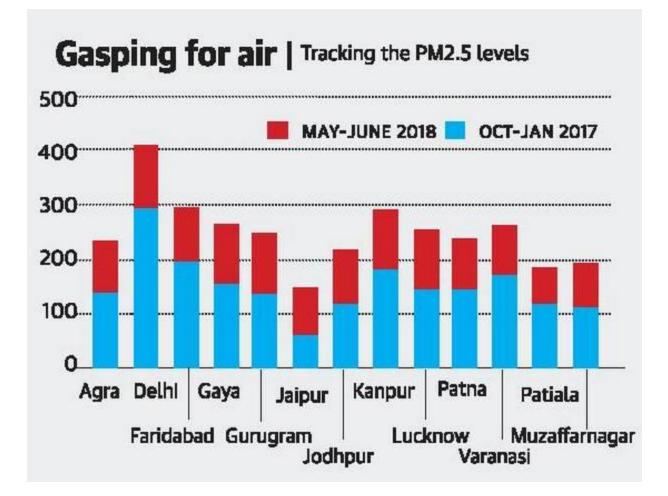
Fourteen out of the 20 most polluted cities in the world are in India as per figures compiled and released earlier this year by the World Health Organization (WHO).

Climate Trends, an Indian group working on environmental issues picked up the same 14 cities to analyse the CPCB data in summer and winter months for a comparative analysis — just to put it in context with the WHO children's health report released on Monday which notes that 93% of the world's children under 15 years breathe polluted air.

It says <u>Delhi</u> tops the charts of bad air quality nationally.

The report says India faces the highest air pollution-related mortality and disease burden in the world with more than 2 million deaths occurring prematurely every year, accounting for 25% of the global deaths due to poor air quality.

"This is as per the used data sets and it is important to note that for more than 20% of the days, the data was not available during the months of October 2017–January 2018," the report states.



Monitoring stations

It adds that apart from Delhi, in most cities the online monitoring was happening with less than 4 monitoring stations and Srinagar had none. Delhi has close to 40 monitoring stations that display data online every day.

"Most cities, unlike Delhi do not have an emergency response plan to tackle <u>air pollution</u>. While some of the cities like Patna and Varanasi have recently formulated action plans, there are none in place to issue advisories or mitigate the pollution at the source level instantly as in the case of the Graded Response Action Plan," states the report.

Meanwhile the summer-time pollution too this year was rampant as the regions around Delhi and NCR experienced dust storms coupled with problems of pollution at the local level.

6.3 India among nations that face grave danger to soil biodiversity

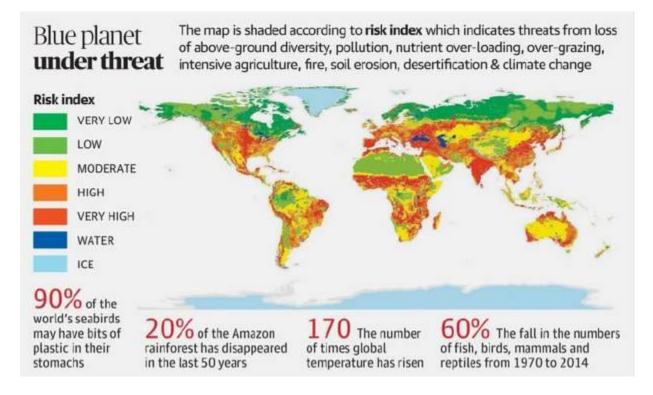
India's soil biodiversity is in grave peril, according to the Global Soil Biodiversity Atlas prepared by the World Wide Fund for <u>Nature</u>.

The WWF's 'risk index' for the globe — indicating threats from loss of above-ground diversity, pollution and nutrient over-loading, over-grazing, intensive agriculture, fire, soil erosion, desertification and climate change — shows India among countries whose soil biodiversity faces the highest level of risk. Coloured red on the Atlas, these include Pakistan, China, several countries in Africa and Europe, and most of North America.

Soil biodiversity encompasses the presence of micro-organisms, micro-fauna (nematodes and tardigrades for example), and macro-fauna (ants, termites and earthworms).

The findings were part of the bi-annual Living Planet Report 2018.

"A key aspect of this year's report is the threat to soil biodiversity and pollinators [such as bees]," Ravi Singh, CEO, WWF-India, told reporters at an event marking the report's release.



Mr. Singh cited a Tamil Nadu Agricultural University study that observed that while 150 million bee colonies were needed to meet the pollination requirements of about 50 million hectares of agricultural land in India, only 1.2 million colonies were present.

The population of fish, birds, mammals, amphibians and reptiles have dwindled by an average of 60% from 1970 to 2014, and fresh-water species have declined by 83% in the same period. Since 1960, the global ecological footprint has increased by more than 190%. Globally, the extent of wetlands was estimated to have declined by 87% since 1970.

"Science is showing us the harsh reality that our forests, oceans and rivers are enduring at our hands," Marco Lambertini, Director General, WWF International, said in a press release. "Inch by inch, species by species, shrinking wildlife numbers are an indicator of the tremendous impact and pressure we are exerting on our planet."

The two key drivers of biodiversity loss were the over exploitation of natural resources and agriculture, the WWF added in its report.

While India's per capita ecological footprint was less than 1.75 hectares/person (which is in the lowest band, among countries surveyed) its high population made it vulnerable to an ecological crisis, even if per-capita consumption remained at current levels, the WWF warned.

To address these challenges, the WWF suggests three necessary steps: "clearly specifying a goal for biodiversity recovery; developing a set of measurable and relevant indicators of progress; and agreeing on a suite of actions that can collectively achieve the goal in the required time frame."

6.4 Air Quality better after clousure of sterlite plant

A view of the Sterlite copper plant in Thoothukudi.

The ambient air quality around the Sterlite Copper plant in Thoothukudi has improved since its closure, the State government on Sunday informed the National Green Tribunal committee looking into Vedanta's plea challenging the plant's closure.

Senior counsel C.S. Vaidyanathan, appearing on behalf of the government, submitted data collected by the Tamil Nadu Pollution Control Board, showing decreased levels of sulphur dioxide and other chemicals in the ambient air near the plant.

Switching station

According to the data, on September 22 last year the level of sulphur dioxide (SO2) stood at 20 micrograms per cubic metre, as recorded on top of the FB substation 230 Kva-Sterlite switching station.

This level had come down to less than five micrograms, as recorded at the All India Radio (relay station) at Therku Veerapandiyapuram on October 12 and 13, this year. The nitrogen dioxide level had also come down to less than seven.

"The industry's contention was that there was no appreciable increase in the ambient air quality. However, based on the above comparison, it clearly shows that the level of SO2 has reduced," said an inference drawn from data.

7. Security

7.1 Isreal, India sign \$777 mn missile deal

Israel Aerospace Industries (IAI) has signed a \$777 mn deal with Bharat Electronics Limited (BEL) to supply additional Barak-8 Long Range Surface to Air Missile (LRSAM) systems for seven warships of the Indian Navy.

"IAI's partnership with India dates many years back and has culminated in joint system development and production," IAI Chief Executive Officer Nimrod Sheffer said in Israel on Wednesday.

The total orders for LRSAM systems have crossed over \$6 billion, he added.

The LRSAM can intercept aerial targets up to a range of 80 km. It is being co-developed by the DRDO in India and IAI, and will be manufactured by Bharat Dynamics Limited.

7.2 Army set to create new positions as part of overhaul

The Army's biggest reform exercise since independence to rightsize the force and reduce mounting revenue expenditure is likely to see creation of new positions of a third Deputy Chief of Army Staff and a Director General of Strategic Communications, among other measures.

"The Directorate of Strategic Communications, in addition to the existing Directorates of Military Operations and Military Intelligence, are likely to be moved under a new Deputy Chief of Army Staff," a defence source said.

The Army currently has two Deputy Chiefs, one for information systems and training and another for planning and systems.

Phased manner

The force is undertaking four studies for its overhaul. At the Army Commanders' Conference earlier this month, it was decided that the "studies would be implemented progressively in a phased manner."

The four studies are for restructuring of Army Headquarters (HQ), restructuring which includes cutting down the strength, cadre review of officers and review of terms and conditions of Junior Commissioned Officers (JCOs) and Other Ranks (OR).

"The focus of the studies is holistic integration to enhance the operational and functional efficiency, optimise budget expenditure, facilitate force modernisation and address aspirations," the Army had said earlier.

Apart from the new vacancies, other big changes in the offing include having Integrated Battle Groups (IBGs); shifting the Director General Military Training in the Army HQ to the Army's Training Command at Shimla; reorganising several overlapping divisions at the Army HQ and rightsizing the force over the next 6-8 years.

In the next step, all the points made at the Commanders conference will be integrated into the study.

"Then they will be sent for feedback, which will be incorporated and the plan finalised," the source stated and added that for the IBGs, once the feedback is received, one formation will be identified and the new concepts tested for validation before finalising.

While finalising the reorganisation of the Army HQ is likely to take 2-3 months, the concept of Integrated Battle Groups is expected to be finalised in 6-8 months.

7.3 India invites Italian firms to invest in defence sector

India on Tuesday invited Italy to participate in the defence sector under the "Make in India" scheme. The invitation was extended during the high level discussion between visiting Prime Minister Giuseppe Conte and Prime Minister Narendra Modi, which also included an agreement to counter terror financing and state sponsors of terrorism.

"India invited Italian defence equipment manufacturing companies to invest in India under the Make-in-India initiative and to collaborate with Indian companies for design and construction of defence equipment" said a Joint Statement issued at the conclusion of Mr. Conte's visit.

India and Italy held the 9th Military Group Meeting earlier in October in which they agreed on cooperation in 2019. Tuesday's announcement was the first time when the two countries have agreed on joint defence production since the AugustaWestland case exploded in 2013. India's Scorpene submarine project has suffered due to the controversy which left the submarines without the Black Shark torpedoes.

Mr. Conte's visit is the first since he took charge in June 2018. He Conte also indicated support for India's quest for membership in the Nuclear Suppliers Group and underlined Rome's support to India's membership in the global technology export groups.