

★★★★★ **Starred Articles** ★★★★★

07 Govt. appoints first Woman Chairperson of SBI

Oct **Bank Specific > SBI**

Ms. Arundhati Bhattacharya will be the first woman chairperson of the State Bank of India (SBI). Succeeding Pratip Chaudhuri who retired on September 30, she is the first ever female chairman to head SBI in its 206-year history. Prior to her elevation she was the Managing Director and Chief Financial Officer of the bank. Bhattacharya joined SBI as a Probationary Officer in the year 1977 spending 36 years in the state-owned bank. SBI is now the only Fortune 500 company in India to have a woman chairperson.

07 God Particle and Cell Transport Theory fetch Noble Prizes

Oct **Awards > Noble Prize 2013**

Peter Higgs of Britain and Francois Englert of Belgium have won the Nobel prize in physics for the discovery of the "God particle", or Higgs boson, that explains why mass exists. The pair was honoured on Tuesday for "the theoretical discovery of a mechanism that contributes to our understanding of the origin of mass of subatomic particles, and which recently was confirmed through the discovery of the predicted fundamental particle", the jury said.

Two Americans, James Rothman and Randy Schekman, and Germany's Thomas Sudhof won the 2013 Nobel prize for medicine for research into how the cell organises its transport system.

The three scientists have solved the mystery of how the cell organizes its transport system. Each cell is a factory that produces and exports molecules. These molecules are transported around the cell in small packages called vesicles. They discovered the molecular principles that govern how this cargo is delivered to the right place at the right time in the cell.

08 US shut down: Possibility of a debt default, fall of the dollar

Oct **World > US Shutdown**

Last week the US began a partial shutdown since the Republican-led House of Representatives did not agree on passing a budget that included Obamacare. It is the first shut down in 17 years and led to a fall of the dollar. More than 7 lakh federal employees have been forced to take unpaid leave.

The Federal Reserve will delay reducing its monetary stimulus programme till the shut down is lifted. This will in turn boost emerging market currencies at the expense of the dollar.

Obama said he would not negotiate with Republicans on budget matters until house lawmakers pass a temporary financing bill to reopen federal operations and raised the \$16.7 trillion dollar debt ceiling.

If the borrowing limit is not lifted by the middle of the month, the US government could default on its debts for the first time in history.

08 Telangana: Blackouts in Seemandhra, Ministers resign

Oct **India > Telangana**

Anti Telangana protests in the Seemandhra region have lead to blackouts as electricity employees who ensured a shut down at various power generating stations further halted the distribution network from 6th October. A lot of areas in Andhra Pradesh, Karnataka, and Tamil Nadu are facing power cuts and huge industrial losses. Trains schedules have been thrown off track or been forced to cancel because of the power

cut or due to train routes being blocked by protestors. Angry protestors also blocked national highways in the east-south belt i.e. Odisha, West Bengal, Tamil Nadu and Karnataka and restricted movement of goods. Prices of essential goods have shot up in Odisha and the transporter sector in the Seemandhra region has suffered huge losses.

Meanwhile, textiles minister KS Rao and HRD minister Pallam Raju from the Seemandhra region opposed the move to create Telangana in a cabinet meeting. The cabinet however decided to go ahead with the decision of creating Telanagana as a separate state with Hyderabad as the joint capital for both Telangana and Seemandhra. As a result, HRD minister Pallam Raju, tourism minster K Chiranjeevi, MoS for commerce D Purandeswari and MoS for railways K Suryaprakash Reddy resigned.

Congress MP V Arunkumar also resigned along with 2 of his colleagues.

09 Apax acquires GlobalLogic for US \$ 420 mn

Oct **Corporate > Apax - GlobalLogic**

Private equity major Apax Partners has acquired GlobalLogic, an offshore software R&D services provider for US \$ 420 mn. The acquisition is being done through ODSA Topco Ltd, a company backed by Apax Partners.

GlobalLogic, founded by four IITians, is based in California, with large development centres in India, Ukraine and Argentina. It has been backed by venture capital investors like New Atlantic Ventures (NAV), New Enterprise Associates (NEA), WestBridge Capital and Sequoia Capital. The deal is expected to give an exit to these investors.

10 Flipkart gets \$160 m fresh funding

Oct **Corporate > Flipkart**

Flipkart has raised another \$160 million in funding just three months after it raised \$200 million in July. This additional funding came from four new investors- Morgan Stanley Investment Management, Dragoneer Investment Group, Sofina and Vulcan Capital-alongside existing investor Tiger Global.

Flipkart is now worth more than the total market cap of all 15 listed retail firms, including Shoppers Stop, Future Retail etc. Flipkart's valuation, among brand led firms, is comparable with retail giants such as Tata Global Beverages and P&G India.

This is now the single largest amount to be ever raised by any Indian Internet business firm.

10 Walmart, Bharti enterprises call off India Joint Venture

Oct **Corporate > Bharti - Walmart JV**

Wal-Mart and Bharti Enterprises have announced the termination of their retail joint venture in the cash-and-carry-space. Wal-Mart will buy out Bharti's 50 per cent stake in Bharti Wal-Mart Pvt Ltd, which runs 20 wholesale stores under the Best Price Modern Wholesale brand.

Bharti will now acquire \$100 million worth of compulsory convertible debentures (CCDs) held by Walmart in Cedar Support Services, a company owned and controlled by the Indian firm. It will also continue to run the 'EasyDay' retail stores on its own. The financial details of the transaction were not disclosed.

The appointment of former Walmart India Country Head Raj Jain as an advisor to Bharti group is being seen as the immediate fallout of the termination.

10 Libyan PM Ali Zeidan abducted and held hostage

Oct **Politics and Government > Libya**

Libyan Prime Minister Ali Zeidan was abducted from a luxury hotel called Corinthia in Tripoli and held for several hours in an unknown location by militia gunmen on 10th October. The militia that took him said that they had detained him on corruption charges related to financial and administrative matters however, the justice ministry denied issuing an arrest warrant against him and stated that it was an incident of kidnapping.

Justice and Security has become a cause of concern in Libya since the ouster of Gadhafi in 2011 as the successive interim governments have failed to assert control over the militia. Instead the interior ministry and the militia work together many a times seeking security services from the militia and considering them as parallel forces to the army and police.

14 Odisha, Andhra Pradesh hit by Cyclone Phailin

Oct **India > Cyclone**

On October 12th, a severe cyclone, Phailin hit the coast of Odisha and Andhra Pradesh. The cyclone is the worst to hit the eastern coast in the last 14 years with wind speeds of up to 210 km. The coastal district of Gajam was badly affected with a loss of around Rs. 3,000 crore and 2.4 lakh houses damaged. Officials have reported 14 casualties in Odisha. Telecom towers have been damaged, train services disrupted, flights cancelled and electricity supply has been cut. There was loss of business as well since major businesses remained shut during the festive season after reports of the approaching cyclone.

Loss of life was minimal since India's disaster preparedness teams took proactive measures before the cyclone. Around 4.50 lakh people in Odisha and over 1 lakh people in Andhra Pradesh were evacuated. Emergency response teams and supplies were prepositioned in areas expected to be majorly affected by the cyclone and helicopters and boats were kept ready to aid rescue operations. Helplines and control rooms were set up and heads of districts were provided with satellite phones and generators to help them contact the state capital.

15 Archers from Arunachal issued stapled visas miss event in China

Oct **India > Arunachal Pradesh**

Two young archers who were flying to China to participate in the Youth world championships were stopped from boarding the flight at the Delhi airport. According to an official from the Archery Association of India (AAI), the embassy officials said that the stapled visas would do but the airline authorities advised against sending the girls since they faced the risk of being deported back home.

Background:

China considers Arunachal Pradesh as a part of China and not India and has been issuing stapled visas to residents of Arunachal Pradesh since 2010. Before that no visas were issued to Indian citizens from Arunachal Pradesh stating the territorial issue. According to China their practice of issuing stapled visas allows people from Arunachal to travel to China even though the border issue remains unresolved and in turn shows China's flexibility. India on the other hand thinks that this move violates Indian sovereignty and has decided that those issued stapled visas will not be allowed to travel to China.

15 Nobel Prizes for Peace, Chemistry and Economics announced

Oct Awards > Nobel Prize

Michael Levitt, Martin Karplus and Arieh Warshel will share the Nobel Prize in Chemistry. The trio devised computer simulations to understand chemical processes which may lead to development of new medicines.

The Organisation for the Prohibition of Chemical Weapons (OPCW) won the Nobel Peace Prize for its work to rid the world of chemical weapons. The Hague-based OPCW is backed by the UN and was founded in 1997. The OPCW and the UN have been destroying Syria's production facilities since October 1. Syria has now become the 190th member of the OPCW.

Eugene Fama, Lars Peter Hansen and Robert J Shiller were given the Nobel Prize in Economics for their empirical analysis of asset prices. They developed a statistical method that is particularly well suited to testing rational theories of asset pricing.

18 Wal-Mart gets clean chit in FEMA case

Oct Corporate > Wal Mart

The Enforcement Directorate has given a clean chit to Wal-Mart in an alleged violation of Foreign Exchange Management Act (FEMA). Wal-Mart can now pursue its India investment plans more aggressively.

Background:

In 2010 CPI's Rajya Sabha member M P Achuthan had written to PM Manmohan Singh, accusing Wal-Mart of violating rules when it invested \$100 million in a Bharti subsidiary, Cedar Support Services, which in turn allegedly diverted it to retail chain Easyday. The issue was then flagged as there was no policy of FDI in retail at that time.

18 US shutdown ends as Obama signs bill

Oct World > US Shut Down

US President Barack Obama signed the "Continuing Appropriations Act, 2014," which provides fiscal year 2014 appropriations for projects and activities of the Federal Government through January 15, 2014. The effective time for the continuing resolutions begins on October 1, 2013. The signing put an end to the 16-day US government shut down and increased the debt ceiling to 16.7 trillion USD through February 7, 2014. The bill was passed just in time since the US was close to exhausting its borrowing power and heading for a debt default.

20 China's arms industry makes global inroads

Oct World > China

China's foreign arms sales have seen a rapid growth. Chinese exports have nearly doubled over the past five years to \$2.2 billion, surpassing Canada and Sweden, making China the world's eighth-largest exporter by value.

In the past, Chinese companies have been known mainly as suppliers of small arms, but that is changing quickly. From drones to frigates to fighter jets, they are aggressively pushing foreign sales of high-tech hardware, mostly in the developing world. Industry executives and arms-sales analysts say the Chinese probably beat out their more established rivals by significantly undercutting them on price.

China's investment has been heaviest in fighter planes, both traditional and stealth versions, as well as in jet engines, an area in which China had until now been dependent on Western and Russian partners. New customers for Chinese equipment include Argentina, which in 2011 signed a deal with the Chinese company Avicopter to build Z-11 light helicopters under license.

21 BHP Billiton exits Indian projects

Oct **Corporate > BHP Billiton**

The world's biggest miner BHP Billiton will exit most of its Indian oil and gas projects. BHP said its operations in the country were often blocked by delays in permits from India's defence ministry.

India is looking to attract foreign investment in a fresh round of energy block auctions in January 2014.

BHP Billiton now joins the list of foreign giants abandoning India because of overly restrictive regulations that includes names like Wal-Mart, Posco and Arcelor Mittal.

22 UK nuclear power plant gets go-ahead

Oct **World > Britain**

The British government has signed a \$26-billion deal with French energy giant EDF to build two reactors at Hinkley Point C. French group Areva and Chinese nuclear firms CGN and CNNC are also involved in the contract. Hinkley Point C will be the first new nuclear power plant in the UK in 20 years. Also, it will be the first new nuclear contract in Europe since the 2011 Fukushima disaster.

The project is aimed at providing Britain with secure and reliable low-carbon electricity, and will create thousands of jobs.

23 Attorney General says RTI will cover political parties

Oct **Politics and Government > RTI Act**

Attorney general G E Vahanvati opposed the bill that is pending in parliament which seeks to keep political parties outside the scope of the Right to Information Act. Vahanvati appeared before Parliament's standing committee on departments of personnel, public grievances, law and justice and stated that political parties should accept the Central Information Commission's June 3 ruling bringing them within the purview of RTI Act. He disregarded the argument that subjecting them to RTI would render political parties vulnerable to harassment or embarrassment. He also said that political parties could individually challenge the CIC order in higher courts.

BJP had opposed the bill which was brought to negate the CIC order, resulting in the matter being referred to the standing committee.

25 Singtel gets approval for 100% stake in Indian telecom company

Oct **Corporate > Singtel**

Singapore's SingTel proposal to increase its stake in its local unit from 74% to 100% for Rs 2.98 crore was approved by the Foreign Investment Promotion Board (FIPB) last week. As a result of the approval, SingTel became the first foreign company to entirely own an Indian telecom unit. The company can now buy stakes from its Indian partners, including Bharti Enterprise which holds about 9.9% stake in SingTel's Global (India) according to the proposal.

28 Precious metals, minerals found at Bundelkhand

Oct **India > Precious Metals In Bundelkhand**

A treasure trove of metals and minerals worth atleast Rs 4,000 crore has been found by the department of mineral and mines in Bundelkhand. Gold deposits have also been found at Sonbhadra in eastern Uttar Pradesh. According to the mining directorate's report, Bundelkhand has deposits of gold, platinum as well as minerals like asbestos, silica, potash used for industrial purpose worth more than Rs 1,000 crore. The seven districts of Bundelkhand, Jhansi, Mahoba, Jalaun, Banda, Hamirpur, Lalitpur, Chitrakoot, may soon become a potential revenue mine for Uttar Pradesh. For the first time presence of such minerals have been confirmed in the state and UP may soon make it to the list of mineral generating states in India.

28 8 blasts at Modi's rally in Patna, 2 arrested and 10 detained

Oct **India > Patna Blasts**

In an opposition rally in northern state of Bihar, the crowd was attacked with bombs. The blasts killed 6 people and left 102 injured. 6 of the bombs went off inside and near a park where Narendra Modi was to deliver a speech. The remaining two blasts took place at Patna junction inside a public convenience complex. 2 men including the main accused have been arrested and 10 people have been detained in connection with the blasts.

29 Top Al Shabaab militant killed in Somalia drone strike, PM Nawaz Sharif urges Obama to end drone strikes on Pakistan

Oct **World > Drone Strikes**

In a recent drone strike in southern Somalia a senior militant in charge of suicide attacks for al-Qaida-linked al-Shabaab rebels has been killed. The militant, Ibrahim Ali Abdi also known as Anta Anta and who well known for making car bombs and suicide bomber vests, was being tracked by Somali intelligence for quite some time before he was killed in the strike. A UN-mandated African Union force has driven Al-Shabaab out of Somalia's major towns including the capital Mogadishu. But the militant group still controls a large part of southern Somalia.

Nawaz Sharif, Pakistani PM spoke to Obama about ending drone strikes in Pakistan. Relations between US and Pakistan were strained following certain events like the Navy Seal raid in 2011 in which Al Qaida chief Osama Bin Laden was killed in his hiding place in Pakistan and the NATO air strike also in 2011 in which Pakistani border guards were mistakenly killed. Obama in turn acknowledged that there were misunderstandings and tensions between both the countries and said that he and Sharif had pledged to resolve security together in ways that respect Pakistan's sovereignty.

29 NSA spying on top leaders, white house to review intelligence collection programs

Oct **World > NSA**

Germany's interior minister said that his confidence in the US had been shaken following reports of the U.S. National security agency monitoring Chancellor Angela Merkel's cell phone for more than 10 years. Mrs Merkel demanded a complete explanation for the incident. Obama in turn stated that her phone was not being spied on at present and assured her that it won't happen in the future either.

There were reports that phones of 35 world leaders had been monitored. Swedish Prime Minister Fredrik Reinfeldt as well as Italian PM Enrico Letta said that eavesdropping on the leader of an ally was unacceptable. France, where several phone calls were spied by the NSA, and Germany want to hold talks with the US by the end of this year to settle the issue.

The white house acknowledged that the spying carried on by the NSA in various nations was wrong and stated that more constraints are needed to ensure that the agency's practices do not breach privacy. Obama may also ban spying on leaders of American allies, administration and congress officials.

Corporate

04 Jet-Etihad deal gets SEBI nod

Oct *Jet-Etihad Deal*

The Securities Exchange Board of India (SEBI) has approved the Etihad Airways' plan to buy a 24% stake in the Jet Airways as both carriers revised their deal to comply with conditions set by the market regulator.

SEBI was of the opinion that the Rs 2,058 crore transaction would not trigger a mandatory open offer for purchase of shares from public shareholders and that Etihad would not be considered as a promoter entity in Jet Airways. Jet promoter Naresh Goyal would eventually have a 51% stake in the company, Etihad 24% and the public shareholding of the remaining 25%. Apart from this, Etihad will give Jet Airways \$300 million as low-cost debt, pay \$150 million for buying a share in Jet's frequent flyer programme and get three slots of Jet at London Heathrow for \$70 million, making the overall deal size as \$ 900 million.

Etihad will now take 2 seats on the 12 member board instead of 3. Naresh Goyal, besides appointing 4 board members, will have the right to nominate the chairman, whereas Etihad will appoint a vice-chairman. Jet has also dropped the clause from its earlier application of shifting revenue management to Abu Dhabi.

It is the first foreign investment in India's airline sector since ownership restrictions were eased in 2012.

04 Twitter Files for IPO, but still not profitable

Oct *Twitter IPO*

Twitter Inc.'s initial public offering documents suggested a valuation of \$12.8 billion for the microblogging service. Twitter will be offering up 472 Million shares of stock in this initial release. It said that it currently has 218.3 million monthly active users, and those users have created over 300 billion tweets.

Twitter's revenues have been revealed for the first time, as well. Revenues for 2012 were \$316.9 million, for a loss of \$79.4 million and in the first half of 2013 they've already earned \$253.6 million for a loss of \$69.3 million. Overall, Twitter has lost \$418.6 million since it began.

Twitter has gained over 900 employees in the year since June 2012, an increase of 90 per cent over last year. It currently employs over 2,000 people.

18 HSBC hit with \$2.46bn fine

Oct *HSBC*

A unit of HSBC Holdings has been hit with a \$2.46 bn fine in a US securities class action lawsuit against a business formerly known as Household International. The judgment was the largest in a securities fraud class action that went to a trial. The suit was filed in 2002 when it was alleged that Household International and its top management made false and misleading statements that inflated the company's share price.

21 Oct JPMorgan to pay \$13bn to settle probes; Also pays \$100 mn 'London Whale' fine

JP Morgan Chase

JPMorgan Chase has almost reached an agreement to pay a record \$13 billion fine to the Justice Department to settle probes into its residential mortgage-backed securities. It would be the largest amount ever paid by a US company in this type of settlement with the government. JPMorgan has been under investigation by several US regulatory agencies.

In a settlement with the US Commodity Futures Trading Commission, the bank agreed to pay \$100 million and admitted that its traders acted recklessly. The settlement follows one month after it paid \$920 million to four other US and British regulators to resolve probes of the bank's \$6.2 billion in derivative losses involving its chief investment office.

24 Oct Jet Airways losses touch Rs. 891 crore

Jet Airways

Jet Airways, run by Naresh Goyal recorded a loss of Rs. 891 crore in the september quarter due to various reasons like poor market conditions, economic slow down, fall in rupee, high fuel prices as well as grounding of some of its aircraft and increases in airport charges at select domestic airports. Last year in the same quarter, the airline company had recorded a loss of Rs. 99.7 crore. Revenues were around 4,200 crore

24 Oct TATA – Singapore airlines joint venture gets FIPB approval

TATA-Singapore Airlines

The airline venture proposed by the Tata group with Singapore Airlines got approval from the Foreign Investment Promotion Board (FIPB) last week. The proposal entails foreign direct investment (FDI) of \$49 million. Tata SIA Airlines Ltd, Tata Sons will hold 51% stake and Singapore Airlines will hold 49%. The venture is expected to have a \$100 million investment. It has also got the corporate affairs ministry's approval to use the name Tata SIA Airlines and has got itself registered.

Tata SIA will launch operations as a full-service air carrier in India by next year after it gets all the clearances required. Tata has also announced that it has another venture with Malaysia's AirAsia in the pipeline which will be a low-cost carrier. That venture was approved by FIPB earlier in April.

30 Oct Rs 215 crore penalty on Infosys against visa fraud case in US

Infosys

Infosys has agreed to pay around Rs 215 crore as penalty in a settlement against allegations by the US justice department regarding visa fraud. Infosys acknowledged receiving a federal grand jury subpoena seeking records related to its sponsorships for B-1 business visas and its use of them. Infosys was accused of using B-1 visas to bring an undisclosed number of staff to work in the US for long term instead of getting H-1B work visas which are hard to get.

31 Oct Indian-born Gurdeep Singh Pall named next VP at Skype

Microsoft

Microsoft has announced that software engineer Gurdeep Singh Pall, an Indian national from Chandigarh, will be the next corporate vice president of Skype. 46 year old Pall did his schooling in Chandigarh and graduated in

computer science from BITS Pilani and did his masters in computer science from the University of Oregon. He joined the company as a software design engineer and is now working as corporate vice president at Microsoft and heads the experience team and information platform in Microsoft's new applications and services division. Pall was named one of the '15 Innovators & Influencers Who Will Make A Difference' in 2008 by Information Week.

Economy

07 Oct Inflation Control - RBI Hikes Repo Rate, Reduces Marginal Standing Facility rate

Inflation Control Measures

RBI unexpectedly hiked short-term lending (repo) rate by 0.25 per cent to 7.5 per cent as it kept its focus on controlling inflation, which it felt would be above the expected levels in the current fiscal. The hike is effective immediately.

However, in his maiden policy review, RBI Governor Raghuram Rajan eased liquidity through a reduction in the Marginal Standing Facility (MSF) rate by 0.75 per cent to 9 per cent.

Normally, the MSF rate is 100 bps higher than the repo rate. RBI's latest move narrowed the gap to 150 bps.

The Cash Reserve Ratio (CRR) has been kept unchanged at 4 per cent.

29 Oct Repo rate increased to 7.75% and MSF decreased by RBI

Repo Rate

The RBI increased the repo rate, at which RBI lends to banks, to 7.75%. The MSF was cut to 8.75% which restored the gap between the two to 100 bps. 1 basis point is equal to 0.01 percentage point. These measures are being taken to curb inflation during this period of weak growth and to ease the availability of cash. The cash reserve ratio and statutory liquidity ratio were retained at 4% and 23%, respectively.

India

03 Oct Indian troops fight Pakistani militants in Indian administered Kashmir

Kashmir

On 24th September, in Shala Bhata, an abandoned village near the LOC, Indian soldiers came across some 40 armed Pakistani militants who had crossed the Line of Control (LoC), which divides Kashmir. The Indian army has been fighting them for more than a week and till now, around 10-12 militants have been killed. Some of the militants who escaped the earlier confrontation barged into a police station and an army camp in the Poonch area of Indian-administered Kashmir which led to clashes that left 10 people dead.

Pakistan denied India's claim stating it as a lie.

06 Oct 2G Spectrum Auction – Telcos that lost permits may not be allowed to bid

2G Spectrum Auction

Telecom companies whose 2G permits were cancelled by the Supreme Court may not get another chance to bid for spectrum in the next round of auction, according to official sources.

Inter-ministerial panel Telecom Commission has accepted the recommendation to remove the eligibility rule that allowed such companies to participate, the sources said.

The Supreme Court had cancelled 122 telecom licences in the 2G spectrum allocation case last February. They covered 22 licences of Uninor, 21 of Loop Telecom, 21 of Sistema-Shyam, 15 of Etisalat DB, 6 of S Tel, 21 of Videocon, 3 of Tatas and 9 of Idea Cellular.

08 Oct Weak manufacturing and services sector leads to cut in India growth estimate to 3.75% by IMF

IMFs Projected Growth Rate

The IMF has revised the projected growth rate for India in 2013 to 3.75% from 5.7% citing poor demand due to monetary tightening, weak performance by manufacturing and services sectors. It also said that the Indian economy needed steps to address inflation pressure from capacity constraints and the recent currency depreciation. The projected growth rate for the fiscal year 2014 is 5%.

India's growth rate was 3.2% in 2012 and 6.3% in 2011.

10 Oct NSEL Scam- Two arrests made

NSEL Scam

The Mumbai Police made two arrests in the Rs 5,600-crore National Spot Exchange (NSEL) scam by taking into custody Jay Bahukundi and Amit Mukherjee, who were AVP's at the crippled spot exchange.

Background:

NSEL scam is a Rs 5600 Cr fraud in which the National Spot Exchange Ltd failed to pay out its investors in commodity pair contracts after 31 July 2013. It was subsequently found out that most of the underlying commodities did not exist and buying and selling of commodities like Steel, Sugar, Ferrochrome etc. was being conducted only on paper.

As an effect of the NSEL fraud the share prices of its promoter company FTIL have crashed by 60-70 % resulting in a massive erosion in market cap. The share prices of sister company MCX (Multi Commodity Exchange Ltd) also took a massive beating.

10 Oct Power sector strike called off in Andhra Pradesh, Ministers on fast as a sign of protest

Telangana

The strike by power sector employees was called off after reports of the approaching cyclone Phailin. They were on strike to protest against creation of Telangana. The strike led to widespread blackouts in many parts of the state.

Jagan Mohan Reddy, a member of the opposition party was forcibly taken to a hospital in Hyderabad after being on a hunger strike. His blood sugar level had dropped and kidneys were getting affected. Similarly,

Chandrababu Naidu, leader of Telugu Desam party and former chief minister of state, was also forcibly evicted from Andhra Pradesh Bhavan and taken to a hospital on the 5th day of his indefinite fast. However, he continued his fast in the hospital as well.

10 Aadhar card to facilitate mobile transfer of funds

Oct *Aadhaar Card*

Bank account holders can now transfer through mobile banking by entering their aadhar card number. Customers now only need to have their bank a/c linked to their aadhaar card and need to be registered for mobile banking services. National Payments Corporation of India launched this facility and says it can be used to make microtransactions. Transactions can be carried on through SMS or mobile apps (amounts > Rs. 5000/-)

Till now ebanking required pre enrollment of the person using it under the internet banking service. And mobile banking required the bank a/c no and branch IFSC code of the person using it.

11 IITs taking faculty hiring seriously, huge start up grants being offered

Oct *IITs*

Start-up grants, incentive schemes, special young faculty awards and job scouting for spouses, setting up faculty search committees and fast-tracking the hiring process are some of the major steps the premier engineering institutes are taking to ensure better infrastructure and research prospects. In a first of its kind, IIT Kanpur has opened a new office in New York. IIT Roorkee has created a global network of researchers and foreign faculty members to give leads on bright candidates willing to relocate and work in India.

Over 40% of the teaching slots in the older IITs are lying vacant. Recruitments have not kept pace with the huge expansion in the number of seats because of the 27% OBC quota implementation. The teacher-student ratio at most of the older IITs averages 1:15, as compared to the ideal 1:10 ratio.

15 CBI files corruption case against Kumar Mangalam Birla

Oct *Coal Block Scam*

CBI has registered a corruption case against Aditya Birla Group chief Kumar Mangalam Birla and former Coal Secretary P C Parekh in connection with alleged irregularities in allocation of coal blocks in 2005. Naming Kumar Mangalam Birla in the chargesheet that specifically mentions cheating and forgery has led to a significant decline in the share prices of Hindalco Industries, an Aditya Birla Group subsidiary. Prominent business leaders including Deepak Parekh and Ajay Piramal criticized the development. Illegal coal block allocation scam was brought to light by the Comptroller and Auditor General (CAG) in September last year.

16 Rs. 600 crore penalty on idea for violating telecom license conditions

Oct *Telecom Sector*

The telecom department had given instructions in January 2010 that the merger of Idea Cellular with Spice communications was not legally permissible since it violated the cross-holding norms where Idea cellular, acquired a 41.09% stake in Spice communications. Still they went ahead with the merger which according to the panel is a 'wilful' violation of the telecom license conditions.

Idea had bought into Spice in 2008 and had merged Idea Cellular in Punjab, Haryana, Delhi, Karnataka and Maharashtra with six of the telecom permits of spice communications. Following this, show-cause notices worth Rs. 300 crore were issued to Idea Cellular. This may now be increased to a penalty of Rs. 600 crores.

A telecom company or its promoter cannot hold equity of more than 10% in another telecom company in the same service area according to the cross holding norms of the unified access service license (UASL)

17 India's growth forecast cut down to 4.7% from 6.1% by World Bank

Oct *Economic Growth Forecast*

India's economic growth forecast for the current financial year was cut from 6.1% to 4.7% by the World Bank. In the first quarter of the current fiscal year, output growth fell to 4.4%. In the second half of 2013-14 growth is expected to rebound strongly since core inflation is expected to trend down, depreciation in the rupee is expected to positively influence exports and agriculture is expected to be a major contributor to the overall growth. Agricultural growth was 1.9% last year and is expected to go upto 3.4% this year owing to a 5% increase in area used for agriculture.

18 Study says India is home to half the world's modern slaves

Oct *Global Slavery Index*

According to Australia based Walk Free Foundation's recently published global slavery index, India has around 13.3 to 14.7 million people who live like slaves in India out of the total 29.6 million people living like slaves world wide. Then come China, Pakistan, Nigeria, Ethiopia, Russia, Thailand, Democratic Republic of Congo, Myanmar and Bangladesh.

Iceland, Ireland and the United Kingdom have the lowest rankings in the index. The slavery index is the first of its kind and ranked 162 countries based on 3 factors: child marriage, human trafficking in and out of the country and an estimated prevalence of modern slavery which includes slavery, practices like debt bondage, forced labour, forced marriage and sale or exploitation of children as well as grown up individuals.

India ranks fourth in terms of modern-day slaves as a percentage of the population, just after Mauritania, Haiti and Pakistan.

The chairman of Fortescue Metals Group, Andrew Forrest and his wife Nicola founded WFF in May this year. The index was created after consulting an international panel of experts.

18 World Bank all praise for India's evacuation efforts before Phailin

Oct *OSDMA*

Odisha State Disaster Management Authority (OSDMA) and the Government of Odisha were praised by the World Bank for their disaster preparedness and risk mitigation. Around 10 lakh people were evacuated in Odisha and Andhra Pradesh following reports of the approaching fatal hurricane Phailin which ensured minimal loss of human life. It involved planning, setting up evacuation protocols and volunteer teams, building cyclone shelters, evacuation routes and strengthening coastal embankments well in advance.

In March 2011, a \$255 million project called National Cyclone Risk Mitigation Project (NCRMP—Phase I), financed by the International Development Association - the World Bank's fund for the poorest, was started in the states of Odisha and Andhra Pradesh. These investments are being used by the Government of India to help communities during natural disasters and to help them prepare to cope with the changing climate system.

21 Saint's dreams cause Gold rush in Uttar Pradesh

Oct *Gold Rush*

Uttar Pradesh was hit by a Gold rush after saint Soham Sarkar dreamt of gold hidden underneath the land of a temple in Unnao. His astonishing claims have led to an excavation of the place by the Archeological Survey of

India. ASI, however, said that its decision to excavate the Unnao town is not on the basis of a dream, but on a Geological Survey of India report. Security has tightened around the temple as thousands of onlookers gathered at the site in curiosity.

The gold rush has attracted reactions from several politicians.

24 Manna Dey, the legend of the music world, passes away

Oct *Music*

Manna Dey, the legendary playback singer, died in a city hospital in Bangalore on 24th October. Dey was 94 years of age and was admitted to the hospital in May for respiratory problems. In his career span of 70 years, he sang more than 3500 songs in 16 languages. He had received the Dadasaheb Phalke award, and the Vishesh Maha Sangeet Samman.

29 Air Marshal Arup Raha to take over as next IAF chief

Oct *IAF*

Air Marshal Arup Raha will be the next chief of the Indian Air Force, according to an announcement by the government of India. Current Air Chief Marshal NAK Browne will retire on December 31, 2013. Air Marshal Raha, currently the IAF vice-chief was commissioned into the IAF in December 1974 in the Fighter Stream. Before this he commanded the Central Air Command and the Western Air Command and also served as the ir Attache at the Indian embassy in Ukraine.

Politics & Government

02 Ordinance withdrawn by Indian cabinet-Convicted lawmakers face ban

Oct *Ordinance*

A Supreme Court directive earlier this year had banned convicted law makers from running for office. Later the union cabinet cleared an ordinance to protect these convicted law makers from immediate disqualification. Clashes between the Congress and the opposition parties followed and while PM Manmohan Singh was on an unofficial US trip, Rahul Gandhi had stated that it was "complete nonsense" and "should be torn up and thrown away".

On 2nd October, PM Manmohan Singh met Rahul Gandhi before a cabinet meeting to discuss the ordinance following which the cabinet withdrew it. As a result, as per the Supreme Court ruling, convicted MPs and state legislators will be barred from office if they have been sentenced to imprisonment for two years or more. In compliance with this order two former minsters face disqualification from parliament since they have been sent to prison in corruption cases.

03 Fodder Scam: Lalu Prasad Yadav Sentenced to 5 years in jail

Oct *Fodder Scam*

Lalu Prasad Yadav, former Bihar Chief Minister and RJD leader, was sentenced to five-year imprisonment with a fine of Rs 25 lakh in one of the 'fodder scam' cases. Jagannath Mishra, another former Bihar Chief Minister and sitting JD (U) MP was sentenced for four years with a Rs 2 lakh fine. Six other politicians and four IAS officers were also sentenced to prison terms for fraudulent withdrawal of Rs 37.7 crore.

Science and Technology

02 Google in the midst of accusations of wiretapping

Oct *Google*

Google has once again been accused of illegal wiretapping and this time two separate cases have been filed against the company. According to the plaintiffs, Google has been gathering information about users by collecting data through gmail and street view by accessing emails. The data is then used to display ads accordingly. As a result, emails of those who use gmail or those who send or receive mails from gmail users are accessed. Google has said this is just a normal process like detecting spam, viruses. According to google, users agreed to such usage of data by accepting Google's terms of service and privacy policy.

A US Judge denied Google's motion to dismiss the case. She stated that Google is illegally accessing user information, storing it and then using it to display related ads and that the process was not related to transmission of emails. She also dismissed Google's argument that non gmail users had no expectation of privacy when corresponding with Gmail users. The out-come of this case will have long term consequences on all email services.

08 World's first malaria vaccine developed by GlaxoSmithKline

Oct *Malaria Vaccine*

RTS, S - the world's first vaccine has been developed by GlaxoSmithKline. GSK will be submitting a regulatory application to European Medicines Agency (EMA) in 2014 to get marketing approval. The vaccine has been developed with funding from the Bill & Melinda Gates Foundation.

The trial involved 15,500 children in 7 countries in Africa. 18 months of follow up showed that malaria cases in young children used in the trial have become half and that in infants has reduced by a quarter.

If EMA gives approval, World Health Organization (WHO) may recommend use of the vaccine from 2015 as an additional prevention along with mosquito nets, insecticides and anti-malaria drugs. RTS,S will be priced at 5% above cost, and the margin will be reinvested in malaria research.

Sports

29 Vettel wins Indian Formula One Grand Prix

Oct *Indian Grand Prix*

Sebastian Vettel won the recently concluded Indian Grand Prix at the Buddh International Circuit beating four former world champions, Fernando Alonso, Lewis Hamilton, Kimi Raikkonen and Jenson Button. This is his third consecutive victory in the Indian Grand Prix, 10th victory of the season and 36th of his career. He's the third driver in history to win four Formula one world titles in a row.

World

04 Lampedusa Boat Wreckage: Death toll reaches 220

Oct *Italy*

At least 220 people have died and up to 100 are feared drowned after a ship carrying African migrants toward Italy caught fire and sank off the Sicilian island of Lampedusa. A three-year-old boy, a two-year-old girl and two pregnant women are among those said to have died. So far 159 people have been rescued, but the boat is believed to have been carrying as many as 500 people. A Tunisian man, the alleged skipper of the Lampedusa boat, is being held in Sicily, suspected of manslaughter.

07 Mass evacuation in eastern China as Typhoon Fitow hits eastern China

Oct *Typhoon in China*

The Fujian province in eastern China has been affected by typhoon 'Fitow'. The authorities had issued a red alert before the typhoon hit the coast and around 1.7 Lakh people had been evacuated. Winds up to 151km/h (93mph) were reported.

In nearby Zhejiang province some 574,000 people had to leave their homes and economic damage of over \$330m has been reported. The storm caused heavy rain and widespread power cuts. Bullet trains and coach services in several cities in the area were suspended. Dozens of flights to and from Wenzhou airport in Zhejiang were cancelled.

10 Janet Yellen – First woman to head Federal Reserve

Oct *Federal Reserve*

Janet Yellen, was nominated by Obama to head US Federal Reserve. The Federal Reserve is the equivalent of India's RBI, and is one of the most influential financial positions in the world. It is the first time that a woman will be occupying this position.

Yellen has a doctorate in economics from Yale University, she has taught at UC Berkeley, London School of Economics and Harvard University, was the chairperson of President Clinton's Council of Economic Advisers in 1997-1999, she was the President and CEO of the Federal Reserve Bank of San Francisco (2004-2010), before she moved to the Bank's Board of Governors as vice-chairperson in 2010. She is married to Nobel Prize winning economist George Akerlof.

15 Al Qaeda suspect held by US

Oct *Libya*

Earlier this month, U. S. forces had seized a man named Anas al-Liby in Tripoli, one of the most wanted terrorists in the world. His real name is Nazih Abdul-Hamed al-Ruqai and he is accused of having links with Al Qaeda and has been indicted in the 1998 American Embassy bombings in East Africa. He has been transferred to US and will face charges in New York.

16 Oct Obama seeks for solution on govt. shutdown impasse

Oct *US Shut Down*

The US government impasse is continuing. The Republicans have proposed increasing the debt ceiling by six weeks so that negotiations can continue. President Obama is insisting on a longer term solution. If a solution is not found, the first ever US govt. default may happen by the end of October.

22 Oct Report by Amnesty International says killings by US drone strikes in Pakistan and Yemen are unlawful

Oct *US Drone Strikes*

According to a recent report by Amnesty International, the drone attacks in Pakistan by the CIA are responsible for unlawful killings, some of which could amount to war killings. The human rights group reviewed 45 recent drone strikes and found that a number of the victims were unarmed. In the 6 drone strikes carried out in Yemen, two of them killed around 57 civilians at random. A UN investigation has revealed that at least 400 civilians have been killed in Pakistan in drone strikes, more than US has ever acknowledged.

US in the pursuit of al-Qaeda and Taliban has started using drone warfare quite regularly. And few details are known about the drone warfare conducted by Central Intelligence Agency and not by military where they use unmanned aircrafts operated remotely from control rooms, often on other continents. The group asked the US to disclose information and the legal basis for strikes carried out in Pakistan. The secrecy that the US maintains about the strikes deters victims from getting compensation or justice since no US official can be held accountable for the unlawful killings by drones in Pakistan.

22 Oct NSA spying report – Obama discusses privacy issue with French President

Oct *NSA*

According to recent reports, over 70 million phone calls in France were spied on by the NSA from 10th December, 2012 to 8th January, 2013. In just 30 days phone calls of Officials, businesses and terror suspects were tracked. Texts were also accessed based on key words. Similar programs were in operation in Germany, Brazil, Mexico and Britain.

French President, Francois Hollande expressed disapproval over the same and stated that such an intrusive program by a friend and ally was unacceptable and asked US for an explanation. Following this, President Obama had a telephonic conversation with him and assured him that US is reviewing its intelligence-gathering system to make sure that balance between privacy and security is maintained. The reports were based on documents leaked by former NSA contractor Edward Snowden.

23 Oct Over 10 mn BBMs downloaded by non BlackBerry users in just 24 hrs

Oct *BBM*

BlackBerry Ltd announced that BBM - its popular chat application designed for Apple Inc smartphones and Android-based handsets was downloaded by more than 10 million users within the first 24 hours of its re-launch. On Apple's App store, BBM rose in the free app rankings and made it to the number one slot in over 75 countries which include US, UK, Canada, Middle east. The app has got extremely positive reviews on Google play store getting 60,000 five star reviews out of the 87,000 reviews as well as positive reviews on the App store. Earlier in September, Blackberry had paused the global roll out of the app owing to delay caused by an unreleased old version of BBM.

31 Oct \$ 34 m fine on Infosys to be paid as settlement to avoid affecting future visas

Infosys

US recently announced that Infosys committed visa fraud by knowingly and unlawfully using employees holding B-1 visas for skilled labour allowed only for H-B visa holders. Infosys was also accused of submitting materially false representations regarding the purpose of travel of its employees holding B-1 visas to the US. Infosys however denied and disputed the allegation in a settlement claiming that its use of B-1 visas was for a legitimate purpose and not to circumvent the requirements of the H-1B program.

The company however accepted that it committed civil violations and agreed to pay \$ 34 million in fines in order to escape a protracted legal battle that may have involved criminal proceedings.