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## 28 Feb India's 82nd Union Budget announced

### India > Union Budget

Finance Minister Mr. P. Chidambaram presented India's 82nd Union Budget on the 28th Of February. The total budget expenditure for 2013-14 is seen at 16.65 lakh crore rupees. Out of this, non-planned expenditure is estimated at Rs. 11.1 lakh crore whereas planned expenditure is Rs. 5.5 lakh crore.

#### Highlights of the Union Budget 2013-14:

- No change in basic tax slabs. Surcharge of 10 percent on those with a taxable income of over Rs. 1 crore. Surcharge on corporates with income over Rs. 10 crore raised to 10 percent from 5 percent. A tax credit of Rs. 2000 to every person with total income in the tax bracket of Rs. 2 lakhs to Rs. 5 lakhs
- Fiscal deficit for FY 2013 seen at 5.2 percent and for FY 2014 at 4.8 percent
- Additional deduction of interest up to Rs 1 lakh for a person taking first home loan up to Rs 25 lakh from 1st April, 2013 to 31st march, 2014
- Foreign Portfolio Investment in excess of 10 percent will be considered as a Foreign Direct Investment. The entry rules for Foreign Institutional Investors (FIIs) will be eased further
- Government will borrow Rs. 6.3 lakh crore from the market
- The excise duty on mobile phones priced over Rs. 2000 will be hiked to 6 percent
- Rs. 1000 crore Nirbhaya Fund announced for the welfare of women.
- Duty free limit for Gold raised to Rs. 50,000 in case of male passengers and Rs. 1, 00,000 in case of female passengers.
- 10,000 crores set apart for expenditure likely under the Food Security Bill
- Rs. 3511 crore allocated to Minority Affairs Ministry

#### Key Budget proposals across various sectors:

##### Auto:

- 1) Excise Duty on SUVs hiked from 27% to 30%
- 2) Customs Duty on Luxury Vehicles hiked to 100 %
- 3) Higher allocation to JNNURM leading to additional demand of 10,000 buses augurs well for all commercial vehicle manufacturers

##### FMCG:

- 1) Excise Duty on cigarettes increased by 18%
- 2) Tax on royalty increased from 10% to 25%

##### Oil and Gas:

- 1) Import Duty on crude-oil might be re-imposed
- 2) Removal of 5% customs duty on LNG and Natural Gas

##### Banking:

- 1) Rs. 14,000 crore capital infusion into Public Sector banks by 2013-14
- 2) PSU Banks to have ATMs at all their branches by 2013-14
- 3) Reduction in STT. Introduction of commodity transaction tax on non-agri products

##### Infrastructure:

- 1) Constitution of a regulatory authority for road sector

- 2) 3000 km of road projects to be awarded in first 6 months of FY 14
- 3) Infrastructure Development Funds (IDFs) to provide long-term low-cost debt
- 4) Two new ports to be set up in West Bengal and Andhra Pradesh to add 100 million tonnes handling capacity
- 5) Tax-free infrastructure bonds of Rs.50,000 crore to be issued
- 6) Textile Ministry and Handloom Sector to be allocated Rs. 50 crore and Rs. 96 crore respectively
- 7) Incentive allowance of 15 percent over and above permitted depreciation to those investing over Rs.100 crore in infrastructure projects
- 8) Seven new cities identified along Delhi-Mumbai Industrial Corridor

#### Healthcare:

- 1) Rs. 37,333 crore allocated for health and family welfare in 2013-14
- 2) Royalty / technical fees paid to NRIs increased to 25 percent

#### Agriculture:

- 1) Rs.27,049 crore allocation to the Agriculture Ministry in 2013-14
- 2) Target of Rs. 7 lakh crore fixed for agriculture credit for 2013-14 compared to Rs. 5.75 lakh crore in the current year.
- 3) Eastern Indian states to get Rs. 1,000 crore allocation for improving agricultural production

Costlier	Cheaper
Mobile Phones	Diamonds
Cigarettes	Leather goods
Set Top Boxes	Readymade garments
MP3 Players	Imported jewellery
Silk	Handmade carpets
marble	Electrical plants

## 26 Feb **Railway Budget reveals Rs.63, 363 crore Annual Plan for Railways in 2013-14**

### India > Railway Budget

Railway Minister Pawan Kumar Bansal presented the railway budget on Tuesday, 26th Feb and announced that the annual plan for Railways in 2013-14 financial year is proposed at Rs.63, 363 crore. The amount of money for doubling of tracks, safety, and passenger and staff welfare has also been increased significantly from about Rs 11,410 crore in 2012-13 to Rs 13,220 crore for 2013-14, an increase of 16 per cent. The number of passengers is expected to increase by 5.2 per cent and as such the freight earning target has been increased by 9 per cent to Rs 93,554 crore.

#### Financing sources of the annual Railways Plan for 2013-14:

Gross Budgetary Support (GBS)	Road Safety Fund	Internal Resources	Market Borrowings	Public-Private Partnerships
Rs. 26,000 crore	Rs. 2,000 crore	Rs. 14,260 crore	Rs. 15,103 crore	Rs. 6000 crore

#### Highlights of the budget:

##### Financial:

- No increase in passenger fares - but reserved passengers to pay more
- Railways will absorb Rs. 850 crore on account of no hike in passenger fare

- Railways hopes to end 2013-14 with a balance of Rs. 12,506 crore
- Rs. 3,000 crore loan from Finance Ministry re-paid with interest by Railways this financial year
- 5 per cent average increase in freight

**Infrastructural:**

- 26 new passenger trains and 67 express trains to be launched along with 9 Electric Multiple Unit (EMU) trains
- 500-km new lines to be completed in 2013-14
- New coach manufacturing and maintenance facilities to be set up in various places including Rae Bareilly, Bhilwara, Sonapat, Kalahandi, Kolar, Palakkad and Pratapgarh
- 26 new passenger trains and 67 express trains to be launched along with 9 Electric Multiple Unit (EMU) trains
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- New coach manufacturing and maintenance facilities to be set up in various places including Rae Bareilly, Bhilwara, Sonapat, Kalahandi, Kolar, Palakkad and Pratapgarh
- Induction of e-ticketing through mobile phones, SMS alerts to passengers
- New e-ticketing system to support 7200 users per minute
- Free wi-fi facilities in select trains. 60 more 'adarsh' stations
- Target of Rs. 4,000 crore for railway production units in 2014
- Trying to connect Manipur through railways
- Safety measures including new coaches with anti-climb features to be brought in
- More ladies specials in metros and a helpline number to be implemented
- Labs to test food provided in trains. ISO certification for all rail kitchens
- Rs. 100 crore to be spent to augment facilities at Delhi, New Delhi and Nizamuddin railway stations

**Hiring:**

- Seek to fill 1.52 lakh vacancies in railways this year. 47,000 vacancies for weaker sections and physically challenged to be filled up soon

**Impact:**

- With increase in freight rates, that would be linked with the diesel price movements, the prices of those products which use the railways for transportation purposes might go up.
- The stock market has not reacted positively to the Railway Budget. Attainment of the revenue targets might be difficult given that it is based more on higher traffic on both passenger and freight, which is based largely on the state of the economy.
- Railway's network expansion plans are also not in sync with the need of the hour. It has proposed only 500 km of new lines, and 450 km of converting to broad gauge, both of which are less than that of last year.
- BJP has termed the budget as "Rae Bareilly" budget. UPA allies Samajwadi party and Bahujan Samaj Party too have expressed discontent for ignoring Uttar Pradesh in the budget.

## 04 Feb Solicitor General of India Rohinton F Nariman resigns over differences with law minister

### **Politics > Government** > *Solicitor General of India*

Rohinton F Nariman resigned on Monday, ending his tenure as the Solicitor General of India from July 2011 to January 2013. It is believed that Nariman had resigned over serious differences of opinion with Law Minister Ashwani Kumar on representing the government in certain cases outside Delhi. Nariman was drafted in as Solicitor General of India in July 2011 after Gopal Subramaniam quit in protest against Nariman's engagement as lawyer for Kapil Sibal in the 2G scam case. In the last four decades, only three people have managed to complete a full five-year term as Solicitor General — L N Sinha (1972-77), Dipankar Gupta (1992-97) and G E Vahanvati (2004-09).

## 05 Feb Europol uncovers match fixing in international football

### **Sports > Football**

European anti-crime agency Europol declared that it had found evidence that around 680 matches including qualifying games for the World Cup and European Championships and for the champion's league for European club sides had been fixed around the world in a scam run from Singapore. About 380 of the suspicious matches were played in Europe and a further 300 were played in Asia, Africa, South and Central America between 2008 and 2011. The racket involved a network of 425 corrupt officials, players and criminals in 15 countries and there was proof of 8 million Euros (\$11 million) in gambling profits from the match fixing.

## 05 Feb IMF lowers India's 2012 growth forecast to 4.5 percent

### **Economy > Growth**

The International Monetary Fund has lowered its projections for India's economic growth to 4.5 percent for 2012 from its earlier projected figure of 4.9 percent, less than other South Asian nations such as Indonesia, Philippines and even Bangladesh. Although the size of the Indian economy is larger than these countries, their interest rates are lower and exports are growing compared to India. The IMF world economic outlook update showed the ASEAN 5 region comprising Indonesia, Malaysia, Philippines, Thailand, and Vietnam growing by 5.7% in 2012, while the Emerging Market and Developing Economies block is forecast to grow 5.1%. Policy missteps, administrative paralysis and weak investments have been primarily responsible for India's slow growth last year. However, the IMF predicted that the Indian Economy is likely to grow by 5.9 percent in 2013, slightly lower than its earlier projection of 6 percent.

## 06 Feb Dell to go private in \$ 24.4 Billion buyout

### **Corporate > Dell**

World's third largest PC maker Dell decided to go private in a \$ 24 billion leveraged buyout by a group of investors that include company founder Michael Dell, private-equity firm Silver Lake and Microsoft Corporation. Dell's decision to go private is part of an attempt to revive its PC business away from the financial pressures of the Wall Street. The deal is the largest leveraged buyout of any type since November 2007 when Alltel sold for \$25 billion to TPG Capital and a Goldman Sachs subsidiary. PC sales had fallen 3.5 percent last year, the first annual decline in more than a decade and Dell and fellow technology companies such as Hewlett-Packard, Intel and Microsoft Corp. are witnessing slow growth because of the shift from PCs to smartphones and tablet computers.

## 09 Parliament Attack convict Afzal Guru hanged in Tihar Jail

Feb **India > Parliament Attacks**

Afzal Guru who was convicted in the 2001 Parliament attack case was hanged and buried in secrecy in Delhi's Tihar Jail on Saturday, 9th February, 2013. President Pranab Mukherjee had rejected Guru's mercy petition on 3rd February and the Home Minister had given his approval on February 4 for the hanging. Curfew was imposed in Kashmir valley and local TV channels and SMSes were shut down in anticipation of protests against Guru's hanging. Despite the curfew, at least 50 persons were injured in different incidents of stray violence across the Kashmir Valley.

The government faced strong criticism for not adequately informing Guru's family about his execution and not giving them one last chance to meet him. Afzal Guru's family received a letter on Monday 11th February, two days after his execution, disclosing that he was to be hanged on February 9, for his role in the 2001 attack on Parliament. Guru's family said that they heard of the execution via news channels. However, Home Minister Sushil Kumar Shinde said that the letter had been sent by speed post two days before the execution i.e. on the midnight of 7th February.

Meanwhile, Human Rights activists expressed their dissent at Afzal Guru's sudden hanging as advocate Kamini Jaiswal who was representing Guru said that the government failed to consider a petition in the Supreme Court that challenged on whether death sentence should be applicable if not implemented within a certain time period. Jaiswal also questioned on why the government had hanged Guru in such hurry when the Supreme Court was still hearing the petition.

## 11 Pope Benedict XVI to resign over age related health issues

Feb **World > Roman Catholic Church**

Pope Benedict XVI announced that he'll retire on February 28, saying that he is too old to discharge his duties of office as the head of the world's Roman Catholics. This is the first Papal resignation after Gregory XII in 1415. The next Pope will be chosen by members of a 117 member nominating conclave held in the Sistine Chapel at the Vatican.

### **Background:**

Cardinal Joseph Ratzinger was elected Pope Benedict XVI on 19th April, 2005 after Pope John Paul II's death. Pope Benedict was a doctrinal conservative who asserted that Catholicism is true and other religions are deficient and that Catholicism is in competition with Islam. He also opposed homosexuality, the ordination of women priests, stem cell research, abortion and the use of condoms to stop HIV/AIDS.

Some specific controversies during his papacy;

1. In 2006 the Pope, while delivering a lecture, referred to a controversial 14th century statement by a Byzantine emperor that had called Muhammad's preaching evil and inhuman and also referred to 'Jihad' as violence in the name of religion. This sparked off protests throughout the Muslim World.
2. On 24 January 2009 the Pope lifted the excommunication of four bishops, Bernard Fellay, Bernard Tissier de Mallerais, Richard Williamson, and Alfonso de Galaretta. A number of progressive Catholics expressed surprise at the Pope's decision to revoke the excommunications. Bishop Williamson's denial of the Nazi genocide killing six million Jews have lent credibility to the accusation that he is a Holocaust denier. The lifting of his excommunication presented problems for Catholic-Jewish relations, culminating in the Chief Rabbinate of Israel severing ties with the State of the Vatican City in protest on 28 January 2009.

3. Benedict's tenure as Pope was marked by the expose of sexual abuse scandals in the Roman Catholic Church and his lenient behavior towards the accused priests.

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Feb

## Head of Italian firm arrested on bribery charges in a helicopter purchase deal with India

**Politics and Government > Helicopter Deal Scam**

Italian authorities have arrested Giuseppe Orsi, CEO of Italian military consortium Finmeccanica on charges of bribery related to a helicopter purchase deal with India. On Feb 8, 2010, the Defence Ministry signed a Rs. 3,546 cr deal to buy a dozen AW-101 helicopters for Indian VVIPs from UK-based AgustaWestland, a subsidiary of Finmeccanica. Italian authorities suspect that about 51 Million Euros (Rs. 350 cr) had been paid in bribes to politicians and other middlemen involved in the deal. The arrests have put substantial pressure on the Indian government forcing it to launch a CBI probe into the deal. The names of an Indian lawyer Gautam Khaitan, Sanjeev Tyagi (the cousin of a former IAF chief) and a firm Aeromatrix also allegedly figured in tape conversations according to the Italian probe.

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Feb

## American Airlines and US Airways to merge in \$ 11 billion deal

**Corporate > Mergers**

AMR Corporation's American Airlines and US Airways are set to merge in a \$ 11 bn deal that would form the world's biggest airline. American Airlines had sought bankruptcy protection on November 29, 2011. American Airlines' bankruptcy creditors will have 72% share of the new company while 28% will go to US Airways shareholders. US Airways Chief Executive Officer Doug Parker will run the new airline, which will retain the name American Airlines whereas AMR's CEO Tom Horton will become the new chairman. The AMR-US Airways merger still requires approval from the US Justice Department and needs to be endorsed by the court overseeing AMR's bankruptcy.

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Feb

## Securities and Exchange Board of India (SEBI) orders freezing of accounts of two Sahara Group Companies

**Corporate > Sahara**

The Securities and Exchange Board of India (SEBI) has ordered freezing of the bank accounts of Sahara India Real Estate Corporation Ltd and Sahara Housing Investment Corporation Ltd on its failure to refund money in a high-profile investor refund case involving over Rs. 24,000 crore. SEBI has also ordered the attachment of properties of the two companies, their top executives, including the Group Chairman Subrata Roy and has also asked the two Sahara firms to furnish, within 21 days, details of their investments.

### Background:

SEBI said that Sahara India Real Estate Corporation Ltd and Sahara Housing Investment Corporation Ltd had raised Rs 6,380 crore and Rs 19,400 crore respectively from bondholders; and various illegalities were committed in raising of these funds. The Supreme Court, in August 2012, had asked Sahara group firms to refund the money with 15 per cent interest and had asked SEBI to facilitate the refund. The group, in December 2012, was allowed to pay the money in three installments, including an immediate payment of Rs 5,120 crore, followed by an installment of Rs 10,000 crore in the first week of January and remainder by the first week of February 2013. SEBI said that neither of the two installments had been paid and therefore it was initiating action as per Supreme Court orders.

## 14 Oscar Pistorius charged with girlfriend's murder

Feb **World > Oscar Pistorius**

Paralympic sportstar from South Africa, Oscar Pistorius, has been charged with murder after his girlfriend Reeva Steenkamp was shot dead at his home. The exact circumstances surrounding the murder are yet not clear. The news that he may have killed his girlfriend has shocked the country as the athlete is one of South Africa's national icons.

In 2009 Pistorius was arrested and charged with common assault by South African police for slamming a door on a woman at his home. The charges were later dropped.

### **Background:**

Oscar Pistorius is a Johannesburg-born athlete, who was born without fibulas in his legs and had his limbs amputated below the knee when he was just 11 months old.

Pistorius made history at the London 2012 Olympics when he became the first double-amputee sprinter to compete in the able-bodied Games, running in the 400m and 4x400m relay. He reached the 400m semi-finals in the London 2012 Olympics. At the Paralympics he won silver in the T44 200m, gold in the 4x100 relay and gold in the T44 400m, setting a Paralympic record.

In 2008 he won a legal battle over his blades with the International Association of Athletics Federations (IAAF) for the right to compete in able-bodied competitions.

## 14 French Prez Hollande in India to discuss defence & trade deals

Feb **World > Indo-French Relations**

India and France, went one step further to cement their trade ties during the visit of French President Francois Hollande to India. This is the first visit of the newly-elected French President to an emerging country in Asia.

The ties between the two countries cover areas such as defence, civil nuclear energy, space and counter-terrorism, besides education, science and technology and culture.

Among the defence deals likely to be inked would be for India's \$2-billion light utility helicopter (LUH) programme. Eurocopter of France is one of the competitive bidders to sell 197 LUHs to India. India and France have also been working on the short-range surface-to-air missile (SRSAM) project for the past few years.

The two big ticket deals with France — the over \$10-billion contract for the purchase of 126 Rafale fighter jets and French reactors for the Jaitapur nuclear power plant — are not ready for being inked during the visit.

## 19 Reader's Digest files for bankruptcy

Feb **Corporate > Reader's Digest**

The parent company of Reader's Digest magazine, RDA Holding Co., filed for a Chapter 11 bankruptcy, which allows the firm the opportunity to reorganize its debt and to try to re-emerge as a healthy organization, as part of a financial restructuring move that includes reducing its \$465 million debt and converting it to equity. The company also has a commitment for \$105 million in debtor-in-possession financing. Last year, RDA sold its Allrecipes.com property to Des Moines-based magazine publisher Meredith for \$175 million and its Weekly Reader to Scholastic for an undisclosed sum.



According to RDA Holding CEO Robert Guth, this course of action will most effectively enable them to maintain their momentum in transforming the business and allow them to capitalize on the growing strength and presence of their outstanding brands and products.

The 91-year-old magazine was once among the world's best-selling magazines.

## 21 14 killed and several injured in Hyderabad blasts

Feb **India > Hyderabad Blasts**

Two powerful bombs fastened to parked bicycles exploded in Hyderabad's busy Dilsukhnagar Area on Thursday, 21st February killing 14 people and injuring 119 others. The two bombs went off at around 7pm in the evening near the Dilsukhnagar bus stop and a popular movie theatre. The blasts are suspected to be the handiwork of banned outfit Indian Mujahideen. The government has ordered the National Security Guard to probe into the blast and has sanctioned Rs 2 lakh each to next of kin of those killed and Rs 50,000 each to those seriously injured.

## 22 Air Asia to launch low-fare flight plan for tier-II and tier-III Indian cities

Feb **India > Aviation**

Malaysia based budget airlines Air Asia will launch low-fare flight plan for tier-II and tier-III city routes. It is expected to give tough competition to Spice Jet which already has a strong regional presence and Jet Airways and Indigo which have aggressive expansion plans in tier II and III cities. Air Asia's primary strategy has been its low-cost structure which has enabled it to offer some of the lowest fares among airlines in Asia. In 2001, Air Asia had a domestic market share of 9.8% in Malaysia and by 2011; it had grown to become the largest carrier in the country with 58% market share. On international routes, it had a share of 0.9% in 2001, which rose to 39% in 2011. Air Asia CEO Tony Fernandez said that price would be the key differentiator with other Indian carriers and it would avoid certain airports which are most costly. Air Asia's cost per available seat per kilometer or CASK was the lowest globally at \$4.1 in 2011. Indian competitor Spice Jet's CASK was \$4.7 while Jet Airways' CASK was even higher at \$7.9.

## 22 Reserve Bank of India to allow private players to enter the banking sector

Feb **Bank Specific > RBI**

The Reserve Bank of India, on Friday 22nd Feb, released new rules that would allow private players and non-banking finance firms to enter the tightly regulated banking sector. Private sector companies, public sector groups and non-banking finance companies are eligible to apply for new bank licenses by July 1 by setting up non-operative financial holding companies. The minimum equity capital required for setting up a bank under the new rules is Rs. 500 crore. Also, foreign shareholding should not exceed 49 per cent in the first five years.

Yes Bank was the last private sector bank to enter in 2004, as the RBI had kept tough entry barriers to protect depositors and ensure stability of the financial system.

## 25 Kingfisher loses international flying rights and domestic slots

Feb **Corporate > Kingfisher**

The Ministry of Civil Aviation has decided to withdraw with immediate effect the international bilateral traffic rights of Kingfisher Airlines because of non-utilization affecting routes to Bangladesh, Hong Kong, Nepal, Singapore, Sri Lanka, Thailand, UAE and the UK. These international traffic rights, which are in much demand,



will be made available to other carriers which will help increase 25,000 extra seats per week. In another significant move, the domestic slots allotted to Kingfishers Airlines were also withdrawn so that they can be made available to other domestic carriers.

Kingfisher, controlled by Vijay Mallya, was once India's second biggest airline but has reported annual losses for five years in a row. It has \$1.4bn (£870m) in debts and its license to fly has expired at the end of 2012. The airline has been grounded since October 2012, following repeated strikes by workers over unpaid wages.

## 26 No party wins clear majority in Italian parliamentary Elections

### Feb **Politics and Government > Italy Elections**

The recently concluded parliamentary elections in Italy might result in a hung parliament as none of the parties had succeeded in obtaining a majority in the Upper House of Parliament known as the Senate. The center-left coalition headed by Pier Luigi Bersani has won the lower house vote but has failed to secure a majority in the Senate. Bersani's coalition won 29.54% of the vote cast for the lower house, less than half a percentage point more than the center-right coalition headed by controversial three-time Prime Minister Silvio Berlusconi, which garnered 29.18% of the vote. Of the total vote cast for the Senate, the center-left won 31.63% of the vote, compared with the center-right's 30.72%. Comedian turned politician Beppe Grillo's anti-austerity Five Star Movement seemed to have gained widespread popularity among the masses and won 25.55% of the votes in the Lower House. Meanwhile, a bloc led by current Prime Minister Mario Monti came fourth, with only about 10% of the votes in the Lower House.

Italy's large government debt is a problem for the entire Eurozone. The absence of a clear majority in the Italian parliament will likely delay Italy's efforts to achieve economic growth and strengthen public sector finances.

#### **Background:**

Italian parliamentarians are elected for five-year terms, with the current one due to end in April, 2013. But in December, the People of Freedom Party (PDL) led by Berlusconi withdrew its support of the reformist government led by Mario Monti, saying it was pursuing policies that "were too German-centric." Monti subsequently resigned, and the parliament was dissolved.

Former Prime Minister Silvio Berlusconi left office in November 2011, facing claims of economic mismanagement as the Eurozone struggled to contain Italy's debt crisis. Berlusconi was convicted of a tax fraud in 2012 for which he was sentenced to four years in jail. The verdict will be delivered after the elections.

## 26 85th Academy Awards announced, Daniel Day Lewis wins best actor for Feb third time

### **Awards > Oscars**

The Academy of Motion Picture Arts and Sciences (AMPAS) presented the 85th Academy Awards, more commonly referred to as the Oscars, on the 4th of February to honor the best films of 2012. The ceremony was held at the Dolby Theatre in Hollywood, California. It was the most watched ceremony since the 76th Academy Awards in 2004, with 42.40 million viewers. *Life of Pi* won four awards (the most for the evening), including Best Director for Ang Lee. *Argo* won three awards, including Best Picture. *Les Misérables* also won three awards. *Django Unchained*, *Lincoln* and *Skyfall* won two awards each. Other winners were *Silver Linings Playbook*, *Brave*, *Zero Dark Thirty*, *Anna Karenina*, *Searching for Sugar Man*, *Inocente*, *Curfew*, *Amour* and *Paperman* with one award each. Daniel Day-Lewis won the Best Actor award for a third time, portraying the titular character in *Lincoln*. With his win, Lewis became the first actor to win three best-actor Academy

Awards, adding the top prize to those for 2007's *There Will Be Blood* and 1989's *My Left Foot*. Jennifer Lawrence won the Best Actress award for her role in *Silver Linings Playbook*.

## Awards

### 12 Feb Pandit Ravi Shankar awarded Best World Music Album Grammy

Sitar Maestro Pandit Ravi Shankar was on Sunday, 10th Feb, posthumously awarded the best world music album trophy at the 55th Grammy Awards held in Los Angeles. Pandit Shankar had also been conferred the Lifetime Achievement Award by the Recording Academy a day prior to the Grammys. His album "The Living Room Sessions Part 1" beat competition from daughter Anoushka Shankar's "Traveller", Amadou and Mariam's "Folila", Daneil Hoe's "On a Gentle Island Breeze" and Hugh Masekela's "Jabulani" to win the award.

## Bank Specific

### 15 Feb SBI net up 4% on bad loan provisions

State Bank of India's (SBI) third quarter net profit rose at a slower pace by only 4 percent year-on-year to Rs 3,400 crores on the back of lower net interest income, which declined nearly 3% year-on-year to Rs 11,154 crore during the same period.

Over the last one year, the bank has been aggressively cutting its base rate, which has impacted its interest margin. Its strong CASA (Current Account Saving Account) base will help protect its interest margin.

While SBI expanded its loan book nearly 16 per cent to Rs 9.78 lakh crore, gross non-performing asset ratio increased to 5.30 per cent (at Rs 53,460 crore) as against 5.15 per cent in the July-September quarter.

## Corporate

### 01 Feb Court denies rights to Bisleri to market Maaza in India

The Delhi High Court in a recent verdict declared that Bisleri could not market Maaza in India though it could use the brand in overseas markets. The verdict follows a five-year old court case between Bisleri International proprietor Ramesh Chauhan and Coca Cola International over the trademark rights of Maaza mango drink. Though Bisleri cannot sell Maaza in India, it can manufacture it for export outside India. Bisleri already sells Maaza in four countries outside India, whereas Coca Cola has yet not marketed Maaza overseas.

#### Background:

Coca Cola reentered India in 1993 and bought out Parle beverage brands namely Thums Up, Limca, GoldSpot, Citra and Maaza from Ramesh Chauhan. Coca Cola had filed for registration of Maaza in some international markets in 2007 following which Bisleri sent a legal notice to Coca Cola in 2008 stating that it was the neither the owner nor proprietor of the trademark Maaza.

### 13 Banks decide to recall loans given to Kingfisher Airlines

Feb *Kingfisher*

A consortium of lenders led by SBI has decided to start the process of recovering Rs. 7,500 cr outstanding loans from the non-operational Kingfisher Airlines, because of the airline's failure to come up with a specific revival plan. Each bank will decide its individual course of action. The banks might start encashing securities including Kingfisher owner Vijay Mallya's personal property if the airline fails to repay the loans as well as overdue payments amounting to more than Rs. 1,000 cr.

### 13 Philips stops production of TV sets and video players

Feb *Philips*

Philips has decided to stop production of TV sets and video players to focus more on the profitable consumer lifestyle, healthcare and lighting businesses. With this, Philips aims to completely shut down its poorly performing home-entertainment business. Philips' Chief Executive Frans Van Houten has also cut jobs and overheads, including office space and IT systems, scaled back inventory to free up cash flow, and launched a 2 billion euro share buyback aimed at bringing Philips back on a profitable note. All these reform measures have pushed the stock to its highest level since March, 2011.

### 18 Uninor shuts services in Mumbai, 18 lakh users suffer

Feb *Uninor*

Telecom operator Uninor shut down its Mumbai operations following a Supreme Court order. The court had cancelled 22 licences of Uninor in February 2012. The shutdown follows a Supreme Court order that all operators who did not win spectrum in the previous auctions close down services immediately.

The majority stakeholder of the company, Telenor, participated in November 2012 auction through new entity Telewings Communications and won spectrum in six circles. Telenor is now in process of transferring business of Uninor in Maharashtra and Goa, Gujarat, UP East, UP West, Bihar and Jharkhand and Andhra Pradesh service areas, to Telewings Communications.

Uninor said it will sign roaming agreements with other operators to ensure that all Uninor customers get seamless connectivity when travelling to Mumbai.

### 21 Exxon Mobil Corp. to acquire Celtic Exploration in a \$ 2.6 billion deal

Feb *Acquisitions*

The Canadian government has approved the acquisition of Celtic Exploration Ltd by Exxon Mobil Corporation. In October, 2012, Exxon Mobil agreed to buy Celtic Exploration at a price of \$2.6 bn with an objective to increase its presence in some of Western Canada's most promising shale oil and gas regions. The Investment Canada Act requires the government to approve certain foreign investments only after determining whether those investments are of net benefit to the country. In December, Canada had approved China's biggest foreign takeover, the \$15.1 billion bid by CNOOC Ltd for energy company Nexen Inc, but later put forth strict restrictions on future acquisitions by foreign state-owned companies.

**21 Feb** Info Edge India acquires 57.9 percent stake in online restaurant guide**Zomato****Acquisitions**

Info Edge India has acquired a majority stake of 57.9 % in Zomato by investing Rs. 55 crore. Info Edge had earlier invested Rs. 31 crore in Zomato, which makes its total investment in the company Rs 86 crore. Although Info Edge has become a majority shareholder, it wouldn't change the operating relationship between the investors and the founders. Over the last 3 years, Info Edge has invested almost Rs. 200 crore in 7 to 8 unrelated internet companies, with a view to increase its presence in the e-commerce segment.

**Background:**

Info Edge is an on-line classifieds company that has websites and associated businesses in recruitment, matrimony, real estate and education.

Zomato is a restaurant discovery platform with in-depth information on restaurants.

**22 Feb** iGATE CEO Phaneesh Murthy aims to change the IT industry's traditional billing model**iGATE**

iGATE CEO and former Infosys executive Phaneesh Murthy aims to change the IT industry's traditional billing model by following a model of outcome based billing, instead of basing fees on the time and labour put in by the workers of IT companies. Such a billing model might be appealing to clients with less-certain budgets in a tough economy. If the services don't deliver an agreed-upon result, the customer pays less. The strategy is also expected to boost profit margins for IT companies. However, opinion remains divided as to which one of the two is a better billing model.

**26 Feb** GSM Players to jointly boycott spectrum auctions next month**Spectrum Auctions**

GSM companies will jointly boycott next month's CDMA spectrum auctions complaining that the reserve price was too high and that there were issues in the reallocation process which needed legal resolution before deciding on a bidding strategy. Russian conglomerate Sistema's Indian mobile phone unit is the only company to have filed its application to participate in the bidding process. The boycott could serve as a major setback to the Finance Ministry's objective to raise revenue of Rs. 30,000 crore from the sale of mobile airwaves, to help in containing the fiscal deficit. The telecom industry's current strategy is in sharp contrast to 2010 when the same companies bid over Rs. 1 lakh crore for 3G and BWA spectrum.

**28 Feb** Indian IT companies eye HP deals coming up for renewals**Software Industry**

Indian Outsourcing Companies are looking forward to acquire many of Hewlett Packard's deals that are coming up for renewal. HP has key outsourcing deals worth billions of dollars such as those with American Express and Bank of America that are coming up for renewal. About \$100 billion (Rs 5.4 lakh crore) worth of IT outsourcing deals will expire in 2013, with almost 15% of it being with HP. HCL Technologies and Tata Consultancy Services (TCS) seem to be the most successful ones among India's top tier outsourcing firms competing for HP clients. A major concern for HP could be that clients are asking for flexible engagement models with elements of computing offered as a service, lower costs, and higher value and Indian companies are aggressively pitching newer technology-based solutions to these clients at lower price points.

**28 Feb** Facebook buys Atlas Ad Business from Microsoft*Facebook - Microsoft*

Facebook announced that it has acquired Microsoft's Atlas Advertiser Suite, an online ad business and management service. Facebook did not disclose the price of the deal but said that the deal will benefit both marketers and users. The company said it looked to Atlas to help marketers and agencies get a full view of campaign performance, noting the service's capabilities for this type of analysis and measurement.

**Economy****14 Feb** Japanese economy shrinks 0.4% in 4th quarter due to declining exports and business investment*Japan*

The Japanese economy contracted at an annualized rate of 0.4% in the October to December quarter, marking it the third consecutive quarter of contraction due to declining exports and business investment. The economic contraction is largely due to a 3.7 percent decline in the export of Japanese goods and services abroad and a decline in domestic demand. Efforts to revive the economy are on with the Japanese Government approving a 10.3 trillion yen (\$116bn; £72bn) stimulus package in January. Further, reform measures by Japan's Central Bank have reduced the value of the Yen which has made Japanese goods affordable in foreign markets and has increased earnings of Japanese exporters.

**19 Feb** Finance Ministry to pay Rs. 34,000 crore to states for losses from Central Sales Tax rate cut*Finance Ministry*

The Union Finance Ministry has agreed to pay Rs. 34,000 crore compensation package to states that have lost revenue in 2010-11 due to the reduction of Central Sales tax to 2 percent. The centre will compensate states fully for 2010-11, pay for 75% of the losses in 2011-12 and refund half the losses for 2012-13. The Centre has already paid Rs 6,393 crore as compensation to states for 2010-11 but claims amounting to Rs 19,000 crore are still pending. The Finance Ministry is likely to introduce the Goods and Services Tax in the 2013-14 budget and make a provision in it for fully compensating states for CST losses in 2010-11.

**21 Feb** Income Tax Department asks HSBC Geneva A/C holders to submit details of accounts and surrender rights under the Swiss Secrecy Law*Income-Tax*

Income-tax officials have asked account holders of HSBC Geneva to sign on a two-page letter spelling out their account details and surrendering their rights under the Swiss secrecy law. The individuals concerned have been told by tax officials to mail the signed letter to two in-house lawyers of the bank and submit a copy to the Income - Tax Department. A letter from account holders, authorizing the bank to share account records will allow the Indian Income- Tax Department to access transaction details and raise tax claims on undisclosed income. The department's decision to seek account holders' consent is probably aimed at saving time. Invoking the information-sharing agreement between the two countries, which came into effect on Jan 1, 2012, in Switzerland and on April 1, 2012, in India, could have been a more time-consuming process. The I-T

department has already launched prosecution proceedings against persons named in the list of Indian account holders with LGT Bank in Liechtenstein, a tax haven near Germany.

## India

### 05 Feb Kalmadi and 9 others put on trial in Commonwealth Games corruption case

**Commonwealth Games**  
Former Commonwealth Games chief organizer Suresh Kalmadi and 9 others including Lalit Bhanot and V K Verma were put on a trial for illegally awarding contracts to a Swiss firm that caused a loss of Rs. 90 crore to the exchequer. The contract for the CWG's timing, scoring and results system awarded to Swiss Timing cost Rs 157 crore while Spanish firm MSL's Rs 62 crore bid was unfairly eliminated by the Kalmadi-led organizing committee. The accused, who have been charge sheeted by a CBI special court, face charges of criminal conspiracy, forgery, cheating and other offences invoked against them.

### 11 Feb 36 killed in Stampede at Allahabad Kumbh Mela

**Kumbh Mela**  
36 people were killed in a stampede at the Kumbh Mela in Allahabad where around 30 million people had gathered to bathe at the point where the Ganga and the Yamuna rivers are said to meet the mystical Saraswati river. Twenty seven of the dead were women – most elderly and poor. There are contradictory versions of what caused the stampede. Railway officials attributed it to a baton charge by the police which triggered the stampede. According to the State government, it was caused by a footbridge handrail collapse which sent people slipping down the stairs starting a stampede. UP minister Mohammad Azam Khan resigned as Kumbh Mela in charge owing moral responsibility for the stampede.

### 12 Feb Public Prosecutor A.K. Singh removed from 2G spectrum case trial

**2G Spectrum Case**  
The Central Bureau of Investigation (CBI) has removed public prosecutor A.K. Singh from the 2G spectrum trial case after allegations surfaced that Singh was in touch with Sanjay Chandra, the managing director of Unitech. Chandra is one of the prime accused in the 2G Spectrum case. The CBI possesses an audio clip containing the purported conversations between Mr. Singh and Mr. Chandra discussing specifics of the ongoing 2G trial. The CBI has initiated an enquiry to probe the charges against Singh and has appointed a new prosecutor in his place.

### 12 Feb Suryanelli Rape case Convict claims involvement of P J Kurien

**Suryanelli Rape Case**  
Dharmarajan, the lone convict in the Suryanelli Gang Rape case has claimed that P J Kurien, the Deputy Chairman of the Rajya Sabha was involved in the incident as claimed by the victim. Dharmarajan, who alone was convicted by the High Court in 2005 while acquitting 35 others in the case, alleged that former ADGP Sibi Mathews, who headed the SIT, insisted that he should not name Kurien in the case. Kurien and Sibi both rejected Dharmarajan's claim. Dharmarajan has been absconding since being convicted in 2005.

**Background:**



The **Suryanelli rape** case concerns a 16-year-old girl who was sexually harassed and assaulted continuously for 40 days by 42 men in 1996. The girl from Suryanelli in Idukki district of Kerala in India was transported from place to place across Kerala. The accused included some well-known and well-placed individuals including the congress leader P J Kurien.

## 18 More evidences in 2G call transcripts

### Feb *2G Spectrum Case*

New evidence has surfaced in the 2G call transcripts controversy which suggests that the public prosecutor A.K. Singh had been in communication with the accused Shahid Balwa of Swan Telecom, either directly or through a third party. Mr. Singh further cited judgments favouring the accused, suggesting that these should be used by defence counsel to destroy the prosecution's case.

Earlier the CBI had removed public prosecutor A. K. Singh from the 2G spectrum trial case after allegations surfaced that he was in touch with Sanjay Chandra, the Managing Director of Unitech. Detailed call transcripts of a conversation allegedly between A.K. Singh and Sanjay Chandra, reveal that the prosecutor was additionally in discussion with Shahid Balwa of Swan Telecom.

## 19 Weak realty market a blessing in disguise for big corporates

### Feb *Realty Market*

The slow real estate market has helped many companies, both Indian and foreign, to move their headquarters to bigger and better offices. Multinational giants such as Bayer CropScience, L'Oreal, Pepsi-Co, Volkswagen and FedEx along with Indian corporate majors such as Cipla, Britannia and HDFC have cleverly used the slow market trend to save on both fronts — cost and space.

Global financial majors like Goldman Sachs and Citigroup have also used the current weak market to strike large realty deals for increasing their operations in Mumbai and Bangalore, respectively.

This is a much-awaited opportunity for commercial occupiers who are looking to shift operations. The prices and rentals of commercial properties aren't likely to move up, which will attract more such deals.

## 25 CBI name former IAF chief Tyagi and his 3 cousins in preliminary enquiry in the Rs. 3,600 crore helicopter deal

### Feb *Scam*

The Central Bureau of Investigation (CBI) has registered a preliminary enquiry against 11 persons, including the former IAF Chief, Air Chief Marshal S.P. Tyagi, and his cousins, besides four companies, in connection with the alleged payment of bribes by Italian firm AgustaWestland through middlemen in India to bag the Rs. 3,600-crore deal for supply of 12 VVIP helicopters. The names of Indians in the chopper deal came to light during a probe by the Italian agencies. The former IAF chief has already denied his role in the matter. According to the preliminary enquiry, Finmeccanica, parent company of AgustaWestland, paid a commission to European intermediaries, through whom payments in installments were made to Indian nationals to ensure that the contract for supply of choppers was awarded to the company. The bribe money was transferred allegedly through two Indian companies, IDS Infotech and Aeromatrix, which have been named in the PE, besides Finmeccanica and AgustaWestland. The former Finmeccanica head, Giuseppe Orsi, and the former AgustaWestland Chief Executive Officer, Bruno Spagnolini, have also been named.

**28 Feb** Etihad wants Indian government assurance for protection of Jet investment**Feb** *Aviation*

The Etihad management wants an assurance from the government of India that its investment in Jet Airways would be protected. Etihad had expressed concerns that it might meet a fate similar to Etisalat, the UAE-based telecom company which lost over Rs 3,000 crore in the 2G fiasco. The Jet-Etihad deal is likely to be delayed till the government gives an assurance regarding its commitment to protect Foreign Direct Investment. Earlier, the UAE-based airline Etihad had announced that it will pick up a 24% stake in the Naresh Goyal owned Jet Airways and the Ministry of Civil Aviation had given its nod to the deal.

## Others

**18 Feb** PSU banks to hire 56,500 jobs in next 6 months**Feb** *Jobs*

Public sector banks in India will recruit over 56,500 personnel in the next six months in the highest ever recruitment drive by the banking industry in more than a decade. The Reserve Bank of India (RBI) is also set to issue new licences to PSU banks permitting them to open new branches.

The Institute of Banking Personnel Selection (IBPS), which is in charge of conducting common written exam and common interview for nationalized banks, said 20 nationalized banks excluding State Bank of India will hire 22415 officers and 32453 clerks.

**28 Feb** General Studies to carry more weight in UPSC**Feb** *UPSC*

The Union Public Service Commission (UPSC) notified that it will give more weight to General Studies by introducing new papers replacing optional subjects in its Main examination. This will ensure that all candidates are judged on the basis of in-depth knowledge and understanding rather than information gathered at the last moment. The civil services examination (CSE), which is meant for selecting candidates for elite central services like IAS, IFS, IPS, IRS and others, has three stages comprising preliminary, mains and personality test (interview). The Commission has, so far, temporarily withheld issuance of a notification for this year's civil services examinations, which was scheduled to be notified on February 2. The Commission, however, later said it could not notify the CSE due to some unforeseen circumstances.

## Politics & Government

**02 Feb** Pakistan hands over operation of Gwadar Port to China**Feb** *China*

Pakistan's cabinet, in its latest decision, transferred the operation responsibility of the strategically located Gwadar Port to China from the Port of Singapore Authority (PSA). Gwadar port, a deep-sea port situated on the Arabian Sea in Baluchistan Province of Pakistan, was built by China but managed by PSA, which had recently decided to withdraw from the contract over issues of land transfers, security and poor infrastructure. Pakistan expects China to complete the port development in record time and turn it into a naval base. Gwadar can be an important strategic port for China for transporting oil and gas through pipelines into northwestern

China. In case of a conflict, China's energy supplies can be routed through Gwadar where Pakistan navy can add to the security.

## 18 Nagaland Minister detained for carrying 1 cr, arms

Feb *Nagaland*

Nagaland Home Minister Imkong L Imchen was detained for allegedly transporting Rs 1.10 crore in cash, arms and ammunition and liquor in a vehicle in Wokha district in the poll-bound state. He was going to his constituency Koridanga from Kohima when Assam Rifles personnel conducting search of vehicles near Wokha district found the arms and ammunition, liquor and cash.

Imchen is the Nagaland People's Front (NPF) candidate from Koridanga and is also the NPF campaign in-charge of Mokokchung district.

Earlier in June 2010, Imchen was detained at Kathmandu's Tribhuvan International Airport after he was found carrying Rs.9 lacs in Indian currency, in denominations of Rs. 500 and Rs.1000. To prevent counterfeit, Indian currency of both denominations are banned in Nepal.

## 19 Govt cash-strapped, keeps bloating

Feb *Crisis*

The government is fighting to restore the health of its battered public finances - and even contemplating measures like taxing the super rich - but there is hardly any talk of reducing the government employee population.

The government has budgeted over Rs 1.15 lakh crore in salaries, allowances and travel bills for 34.1 lakh employees, which is very large as compared to the expenditure on almost the same employee population a decade ago when the government roughly had the same number of employees (32.2 lakh) and spent Rs 31,000 crore in paying their salaries, allowances and travel bill.

While the government has maintained a freeze on fresh hiring for the past several years, it has increasingly depended on contract workers for odd jobs, which has also added to expenditure.

## 26 Park Geun-hye becomes South Korea's first female president

Feb *South Korea*

Park Geun-hye became South Korea's first female president on Monday, 25th February securing 52% of the votes. She is the daughter of Park Chung-hee, one of the founders of modern Korea who took power after a coup d'etat and ruled for 18 years before being shot dead by his intelligence chief in 1979. Park pledged to build a policy of trust between North and South Korea and stressed on her policy of trustpolitik which speaks of establishing mutually binding expectations based on global norms. She also vowed to restructure welfare programs and increase job opportunities for the people of South Korea.

## 28 Joint Parliamentary Committee (JPC) to be set up to inquire into bribery allegations on the Rs. 3,600 crore helicopter deal

Feb *Chopper Scam*

The government has moved to set up a Joint Parliamentary Committee (JPC) to inquire into allegations of bribes being taken in the procurement of VVIP helicopters from Augusta Westland and the role of alleged

middleman in the transaction. The entire opposition protested this move and walked out saying that the government was trying to divert from the topic as the JPC had no investigative powers and the matter required custodial interrogation which the JPC couldn't do. The CBI had, already, framed a charge sheet accusing former IAF chief S P Tyagi and 10 others for allegedly taking bribes for securing the chopper deal.

## Science and Technology

### 02 Feb Hackers gain access to 2, 50, 00 users' data on Twitter

Feb *Twitter*

Social Networking site Twitter said on Friday that hackers may have gained access to usernames, e-mail addresses and encrypted passwords of around 2, 50,000 of its users. Twitter said that it shut down one attack just moments after it was detected. Twitter has reset the pilfered passwords and sent mails to all users requesting them to create new ones. The incident might have happened after an employee's home or work computer was hacked through loopholes in the Java computing language.

### 13 Feb Mice not the perfect test-subject for all humans' ills

Feb *Mice*

Researchers have found that mice, which have been the favourite test-subject of researchers since ages, might not be the perfect model for all human diseases. Researchers in the study said that the mice-model has been totally misleading for three major diseases – sepsis, burns and trauma. Researchers also said that mice as a test-subject might be doubtful to research diseases involving the immune system, including cancer and heart disease. For instance, Mice can have something that looks like sepsis, but is very different from the condition in humans. Medical experts said that the revelation would change the course of research worldwide for Sepsis, a potentially fatal infection that is considered as one of the main reasons of ICU deaths in the US every year.

### 14 Feb Air pollution fifth leading cause of death in India: Study

Feb *Pollution*

According to the Centre for Science and Environment's (CSE) analysis of government data and the Global Burden of Disease report's data on India, air pollution has become the fifth leading cause of death in India after high blood pressure, indoor air pollution, tobacco smoking and poor nutrition, with about 6,20,000 premature deaths occurring from air pollution-related diseases.

Out of the 180 cities that were monitored, only two towns - Malapuram and Pathanamthitta in Kerala - met the low pollution norms for all pollutants. The top five critically polluted cities include Gwalior, West Singbhum, Ghaziabad, Raipur, and Delhi.

The analysis concluded that the number of premature deaths due to air pollution had increased six fold over the last 10 years.

16  
Feb

## Bhabha Atomic Research Centre (BARC) launches technology transfer initiative to boost rural development

*BARC*

The Bhabha Atomic Research Centre, Mumbai is launching a technology transfer initiative in and around Madurai to focus on areas of water, agriculture, food processing, storage and preservation and solid waste management. The technology transfer and collaboration division of BARC will demonstrate affordable technologies to farmers, entrepreneurs, officials, students, women self-help groups and non-governmental organizations which will boost rural development and make villages self-reliant. Foldable solar driers for farmers, shelf-life increasing technology for onions and preservation models are part of the technology transfer initiative that will facilitate production and help in revenue generation.

20  
Feb

## Iceland to export excess electricity to Europe

*Iceland*

Iceland has one of the world's largest reserves of Geo-thermal Energy which allows it to produce a large amount of electricity. Iceland, which has a population of 3,20,000 people, sells only about 17% of its electricity to households and local industry and the rest goes to aluminum smelters owned by foreign companies. The cost of electricity in Ireland is less than half the going rate in the European Union. The state-owned power company, Landsvirkjun, which operates the Krafla facility, Iceland's first geo-thermal power station, is contemplating ways to transport the excess electricity to the 500 million customers of the European Union and sell it at a much higher price. The power company has conducted extensive research into the possibility of a massive extension cord or a "submarine interconnector," to transport the electricity. Such a cable would probably go first to the northern tip of Scotland, which, about 700 miles away, is relatively close and then all the way to continental Europe, nearly 1,200 miles away. That is more than three times longer than a link between Norway and the Netherlands, which is currently the world's longest. A connection to Europe would not only allow Iceland to tap the export market but also to import electricity from Europe in the event of a crisis, a backup that would allow it to stop keeping large emergency reserves, as it does now. A government committee is looking into idea of the cable project to transmit electricity.

## Sports

12  
Feb

## Wrestling removed from 2020 Olympics

*Wrestling*

The executive board of the International Olympic Committee has decided to remove Wrestling from the 2020 Olympic Games. The World Wrestling Body and several international wrestlers have expressed their dissent at the decision. The decision came as a shock to India, which hoped to increase its medal count in the 2020 Olympics. India's wrestling brigade had performed brilliantly in the 2012 London Olympics, with Indian wrestlers Sushil Kumar and Yogeshwar Dutt winning a silver and bronze medal respectively.

## World

### 06 Feb Subra Suresh to head Carnegie Mellon University

US

Subra Suresh was announced as the new president of Carnegie Mellon University, replacing Jared L Cohon who had been on the role for 16 years. Prior to this, Suresh was the director of the National Science Foundation, an independent US government science agency charged with advancing all fields of fundamental science, engineering research and education. Suresh, a native of Chennai, had been nominated in 2010 to be the NSF director by President Barack Obama. Suresh will be the 9<sup>th</sup> President in CMU's 113-year old history. Earlier, Suresh had also served as the dean of the School of Engineering at the Massachusetts Institute of Technology.

### 12 Feb North Korea conducts third nuclear test

North Korea

North Korea confirmed on 12th February that it had conducted a successful third underground nuclear test. The test was reported to have taken place at a test site in the North Hamgyeong province, where the Punggye-ri nuclear complex that conducted tests in 2006 and 2009 is located. The tests are aimed at perfecting North Korea's aim of building nuclear warheads, small enough to be placed on long-range missiles. The test was heavily condemned by the United Nations and also by neighbouring South Korea and Japan, with Japan saying that it was considering imposing unilateral sanctions on the North.

China, which is North Korea's biggest ally and its only source of financial and food aid, expressed strong dissatisfaction and firm opposition to the test and demanded to the North Korean Ambassador that his country cease making further threats. However, China, views North Korea as a crucial strategic buffer against the U.S. and its allies in the region, and has, till now, shown no signs of rethinking its close strategic ties.

### 15 Feb Pakistan tests another nuclear-capable missile

Pakistan

Pakistan has successfully test fired the Short Range Surface to Surface Ballistic Missile Hatf II (Abdali), as part of the process of validation of land based ballistic missile systems. Hatf II with a range of 180 km, can carry nuclear as well as conventional warheads with high accuracy. The missile capable of carrying nuclear warheads for delivery over short ranges is said to possess 'shoot and scoot' attributes, which refer to the military tactic of firing at a target with accuracy and immediately relocating to another position to avoid counter-fire from enemy positions.

It was the second missile test by Pakistan in a week.

### 22 Feb Europe's horse meat scandal spreads to Asia

Horse Meat Scandal

The horse-meat scandal of Europe spread to Asia with Hong Kong Authorities asking ParknShop, one of the biggest supermarket chains in Hong Kong to remove lasagne made by frozen food giant Findus, one of the firms at the centre of the European Horse Meat scandal. The product was imported from Britain and made by French firm Comigel. Hong Kong's Centre for Food Safety said on Wednesday that the item might be adulterated with horse meat which has not undergone tests for veterinary drugs.

**Background:**



The 2013 horse meat adulteration scandal is ongoing in Europe. Foods sold as containing beef were found to contain undeclared horse meat, as much as 100% of the meat content in some cases. The issue came to light on 15 January 2013, when it was reported that horse DNA had been discovered in frozen beef burgers sold in several Irish and British supermarkets. While horsemeat is not harmful to health and is eaten in many countries, it is considered a taboo food in many countries including the UK and Ireland, in addition to being a lower-cost ingredient than beef.

## 26 Feb Rajat Gupta ordered to pay Goldman Sachs \$6.2 million for legal fees

### Insider Trading

Rajat Gupta, a former Goldman Sachs board member has been ordered by a New York Court to pay \$ 6.2 million for legal fees incurred by Goldman Sachs during his trial, in which he was convicted for insider trading. Rajat Gupta was convicted last June, of revealing boardroom trading secrets to his friend Raj Rajaratnam, the former Galleon hedge fund tycoon who was earlier sentenced to 11 years in prison for insider trading. Currently, Gupta is free on bail while appealing his two-year prison sentence.

In addition to his spot on the Goldman Sachs board, Gupta had been head of the renowned consultancy McKinsey & Co, and a director of Procter & Gamble making him one of the most successful Indian Immigrants in the United States.