

★★★★★ **Starred Articles** ★★★★★

04
Oct **HDFC enters into partnership with Indian oil to set up banking services in rural India**

Bank Specific > Bank News

HDFC bank has tied up with Indian Oil to utilize its Kisan Seva Kendras (KSKs) as the Bank's Business Correspondents (BCs). The KSKs are Indian Oil's petrol outlets. The bank plans to take in its fold 1000 KSKs through a phased manner and provide its services to a platform of 1,500 customers.

This merger will utilise HDFC's services and Indian Oil's distribution network. The KSKs will provide primary processing of loan applications, disbursal and collection of small value deposits, sale of micro-insurance, mutual funds and other investment instruments.

04
Oct **Another successful test firing of Nuclear Capable Prithvi II**

India > Defense

India successfully test-fired the Prithvi-II missile on Thursday. The test was carried out at Chandipur in Odisha. The surface-to-surface missile, which carried conventional explosives and can be armed with nuclear warheads, travelled its full range of 350 km before plunging into the Bay of Bengal.

India started its Integrated Guided Missile Development Program in 1983 to achieve self-sufficiency in the development and production of a wide range of missiles. Prithvi was the first missile to be developed under the Program. DRDO attempted to build a surface-to-air Missile under Project Devil.

Prithvi II class is a single stage liquid-fuelled missile having a maximum warhead mounting capability of 500 kg. It was developed with the Indian Air Force being the primary user. The Army is already armed with this missile.

04
Oct **Cabinet allows 49% FDI in insurance & starts FDI in pension**

Economy > FDI

The Union cabinet has increased the FDI Cap in Insurance and allowed FDI in Pension. This is the latest development in the spate of reforms introduced by the government to streamline the Indian economy and boost long term GDP growth. FDI cap in Insurance has increased to 49% compared to the earlier 26% while FDI has been allowed in Pensions up to 26%. At the same time, the government has also gone ahead with the long-pending Companies bill, 2011.

Termed as 'Big bang reforms' by the media, they will still need Parliamentary ratification as they are governed by an act of law and not an executive domain. Once introduced in the parliament a parliamentary standing committee headed by BJP leader Yashwant Sinha will scrutinize these bills.

However, this looks a little difficult after Trinamool Congress' exit from the UPA government as the government needs to have absolute majority in the parliament to pass these bills.

08 Indian Air Force puts women in combat roles

Oct **India > Defense**

Indian Air Force has decided to put two of its women Flight Lieutenants in combat roles. They will be trained in bombing, rocket attack, combat search and rescue, and special heli-borne operations.

In 1992, the Indian defense forces first began intake of women in roles other than as doctors and nurses. As an officer inducted in the Women Special Entry Scheme (WSES), they could serve for a period of five to 14 years.

This is a step towards implementing the Delhi HC March 2010 directing the government to grant permanent commission to 50 women officers.

08 IMF reduces India growth outlook

Oct **Economy > IMF**

India was hit by possibly its worst growth outlook cut, with the International Monetary Fund (IMF) slashing its forecast for calendar year 2012 to 4.9 per cent from 6.2 per cent in July.

The IMF mentioned red tape, weakening business sentiment, a rising current account deficit and the rupee's depreciation for the cuts in forecasts. Inflation added to India's woes as unlike the rest of Asia, where inflation is expected to fall, price pressures in India were elevated. The biggest casualty may be foreign institutional investment (FII) in Indian equities.

Expectations for a slowdown in India as well as China has led the IMF to shave its growth projections for developing Asia to 6.7 per cent from 7.1 per cent in July. The growth forecast for next year was trimmed to 7.2 per cent from 7.5 per cent.

08
Oct

Haroche and Wineland win 2012 Nobel Prize for Physics and Sir John B. Gurdon and Shinya Yamanaka for medicine

Awards > Nobel Prize

Haroche and Wineland win 2012 Nobel Prize for Physics

Serge Haroche of France and David Wineland of the US have won the Nobel Prize for work in quantum physics that could one day open the way to revolutionary computers.

The pair is being honoured for their pioneering optical experiments in "measuring and manipulation of individual quantum systems," the Nobel Physics jury said in its citation.

Serge Haroche (born on 11 September 1944 in Casablanca, Morocco) is a French physicist. Since 2001, Haroche has been a Professor at the College de France and holds the Chair of Quantum Physics.

David Jeffrey Wineland (born on February 24, 1944) is an American physicist at the National Institute of Standards and Technology (NIST) physics laboratory and the University of Colorado in Boulder.

The two scientists specialize in quantum entanglement, a phenomenon of particle physics that has been proven by experiments but remains poorly understood.

Sir John B. Gurdon and Shinya Yamanaka win Nobel Prize for medicine

The discovery of mature cells that can be reprogrammed to become pluripotent helped Sir John B. Gurdon and Shinya Yamanaka to bag the coveted Nobel Prize in Physiology or Medicine 2012.

Sir John Bertrand Gurdon, (born on 2 October 1933) is a British developmental biologist and is known for his research in nuclear transplantation.

Shinya Yamanaka (born on September 4, 1962) is a Japanese physician and researcher of adult stem cells. He is serving as the director of Center for iPS Cell Research among holding other positions.

08 Government expects to earn Rs 30k cr from 2G levy

Oct **Politics & Government** > *2G Spectrum*

A panel comprising cabinet ministers has approved a one-time levy on telecom companies holding excess 2G spectrum, making way for a Rs 30,000 crore for the government exchequer. Several companies - ranging from Bharti Airtel to BSNL and Reliance - may be hit by the move.

Government Panel recommends changing tax law prospectively, not retrospectively

A government panel has recommended that tax be levied prospectively rather retrospectively in the case of foreign companies undertaking mergers and acquisitions. The retrospective tax changes were introduced in the 2012-13 union budget.

This might spell relief for telecom giant Vodafone. Vodafone acquired Hutch in 2007 and earlier faced the prospect of paying Rs. 13,000 crore in capital gains tax.

09 Air India set to hit market with bond issue

Oct **India** > *Aviation*

Post receipt of unconditional guarantee from the government on its fund raising exercise, Air India is expected to hit the market with a bond issue worth Rs 7,400 crore. After delayed approval from the finance ministry, this development is expected to see the light of the day within a fortnight.

The delay on the bond issue came as the finance ministry stated that the airline would be given only 'conditional guarantees' if it managed to achieve specific parameters. Air India however, wanted sovereign guarantees as they would reduce the interest paid on its long term debt and working capital loans.

Until Oct 1, 2012 the airline was under a Financial Restructuring Plan (FRP), due to which it was only able to pay Rs 25-30 crore as interest every month. Now onwards, the airline is scheduled to pay Rs 100 crore every month.

09 Mondelez acquires Cadbury India

Oct **Corporate** > *Cadbury*

Cadbury India has a new corporate identity after being acquired by Mondelez International. The names of Cadbury products will remain unchanged despite the acquisition. Mondelez International's name will be mentioned on the back of the pack.

Cadbury was acquired by Kraft Food in early 2010. Mondelez has also bought over Tang and Trident from Kraft Foods in addition to Cadbury.

14 Baumgartner breaks world record: jumps from the edge of space

Oct **World > Records**

Felix Baumgartner, Austrian sky diver, broke the world record by jumping from the edge of space on Sunday, October 14. He rose to the altitude of 128,000 feet above the earth to drop faster than the speed of sound.

Nicknamed 'Fearless Felix' by the media, Baumgartner rose in a capsule attached to a huge helium balloon achieving 24 miles altitude and then made history.

Baumgartner had been preparing for the same from the last five years with the help of Col. Joe Kittinger, whose record Baumgartner broke. He maximized his speed by crouching in 'delta' position, but was bothered by fogging of his visor in the third minute. However, the skydiver was able to free fall for 4 minutes 20 seconds before deploying the parachute.

An elated Baumgartner pumped his fists towards the sky after completing the feat.

14 Nobel Peace prize for the European Union

Oct **Awards > Nobel Prize**

This year's Nobel peace prize has been awarded to the European Union. The European Union has been instrumental in bringing peace and to the continent from the last fifty years helping it rise from the aftermath of World War II.

The 27 nation European Union came into being in 1991. It succeeded the European Economic Community (EC) when it was expanded from being an economic community to coordinating policy on asylum, immigration, drugs and terrorism.

Inspite of recurring difficulties, the EU has been instrumental in creating the biggest common market in the world where there is free circulation of goods, people and services.

However, the peace prize has stirred up quite a storm in the international circles. The award for the European Union comes at a time when the continent is facing its worst nightmare with Greece, Portugal, Ireland, Italy, and Spain knee deep in debt crises and social unrest.

15 Teen activist survives assassination attempt

Oct **World > Taliban**

Malala Yousufzai, the 14 year old Pakistani teenager who was shot in the head by Taliban Militia, has survived the attack. She was flown from Islamabad on 15th October morning in a specially equipped air ambulance to UK for prolonged care.

Malala is a 14 year old activist for children's rights in the Pakistan's troubled Swat Valley. She turned into a blogger at the age of 11 raising her voice against the closing down of private schools for girls. She was awarded the National Peace Award in December for bringing the perils of staying under Taliban's shadow to light.

Malala Yousufzai's blog 'Diary of a Pakistani schoolgirl' has been well received all through the world. The assassination attempt has sparked protests all across Pakistan as well as political personalities across the world.

15 Supreme Court refuses to stay FDI policy in retail

Oct **Economy > FDI**

Supreme Court on Monday refused to stay the Centre's decision on FDI in retail and simultaneously instructed the Reserve Bank of India to make changes to the Foreign Exchange Management Act (FEMA) so as to facilitate implementation of the government policy on FDI.

A bench of justices R M Lodha and A R Dave said this while hearing a PIL filed by a lawyer M L Sharma who contended that the policy had no legal sanction as the Reserve Bank's nod was missing from the Centre's policy. Calling this a "curable irregularity", the Court instructed the RBI to make appropriate changes in the Act and adjourned the matter for further hearing on 5th November.

16 Oct The evidence leading to life term ban on Armstrong disclosed: Armstrong-doctor nexus unearthed

Sports > *Lance Armstrong*

The US Anti-Doping Agency (Usada) has disclosed incriminating evidence against the professional cycling champion Lance Armstrong. The evidence projects him as a linchpin of a sophisticated doping ring where the team-mates were coerced into following a performance enhancing programme run by the infamous doctor Michele Ferrari. Not only were they systematically given these substances, they were also tutored and helped at various stages to evade testing positive in the drug detection tests conducted by the authorities.

The evidence mainly consists of testimonies by 11 of Armstrong's former team-mates including George Hincapie, Levi Leipheimer and Tyler Hamilton. Apart from the testimonies, Usada also investigated the money transactions between Armstrong and Ferrari.

Usada proposes to strip Lance Armstrong of his legacy of seven 'Tour de France' titles from 1999 to 2005 and a lifelong ban from professional cycling. This is subject to the approval from Union Cycliste Internationale (UCI).

16 Oct Vikram Pandit resigns as Citigroup's CEO

Corporate > *Citigroup*

Citigroup's CEO Vikram Pandit has stepped down, making way for Michael Corbat, who was previously serving as the bank's chief for Europe, the Middle East and Africa. The news has sent shock waves in Wall Street.

Pandit had been appointed chief executive in December 2007. He steered the bank through the what was dubbed as 'Citigroup's worst times' and removed it from government ownership after a bailout in 2008.

Pandit's recent rifts and disagreements with the board especially Chairman Michael O'Neill has been termed as the reason for his sudden and abrupt departure. Along with Pandit, his deputy, John Havens, president and chief operating officer, also resigned on Tuesday.

However, it was Pandit's package which is being termed as the 'bone of contention' between the board and him. During the recession in 2008 and 2009, Pandit took home a package of only \$1 due to recession and took no bonus in 2010. However in the year 2011 Pandit received \$14.9 million in compensation. But his relationship with the board came under duress after 55 percent of shareholders rejected the CEO's \$14.9 million pay package in an advisory vote in April. This is cited as one of the biggest reasons behind his departure.

16 V Balakrishnan steps down as Infosys' CFO

Oct **Corporate > Infosys**

Infosys has announced that V Balakrishnan will resign as Chief Financial Officer effective from October 31. Rajiv Bansal, VP-Finance will be replacing him from 1st November.

The news has received a mixed response in the financial circles. Speculations are rife that Balakrishnan will be in the running for the position of a CEO. However, Infosys maintains that he has willingly stepped down to give the younger generation a chance.

Balakrishnan will remain on the board of Infosys even after his resignation as a CFO. He will continue as a member of the Board and will take responsibility of Infosys BPO, Finacle and the India Business Unit.

17 Hilary Mantel wins Man Booker Prize for Fiction for 'Bring up the Bodies'

Oct **Awards > Man Booker Prize**

British novelist Hilary Mantel won her second Man Booker Prize for Fiction for her book 'Bring up the Bodies'. She had won the award previously in 2009 for her novel 'Wolf Hall'.

Mantel has now become the first British and the first woman to win the prestigious prize twice. Mantel beat India's Jeet Thayil (Narcopolis), Tan Twan Eng (The Garden of Evening Mists), Deborah Levy (Swimming Home), and Alison Moore (The Lighthouse) to bag the award.

'Bring up the Bodies' is a sequel to her first novel 'Wolf Hall'; second in the series of a planned trilogy which pans the rise and fall of Thomas Cromwell.

20 Microsoft's profit dives by 22% and Revenues decline by 8% - Sales of Personal Computers Fall

Oct **Corporate > Microsoft**

Computer software giant Microsoft Corporation's profits show a drop of 22% whereas its revenues have declined by 8% as reported for the first fiscal quarter of 2013.

The results are a reflection of the slump in the sales of Personal computers (PCs), the main driver of Microsoft's sales and profits till date. In a recent report, the research firm IDC has reported an 8.6% decrease in the PC shipments all across the world. This has been worse than expected.

The consumer preferences have also changed drastically, adversely affecting Microsoft's sales. Consumers are now going more for laptops, tablets, smartphones and other devices than PCs. Also, the Windows phone operating system has not been able to outshine Apple's iPhone and Google's Android software. This has reflected negatively on the earnings of the software giant.

However, Microsoft aims to turn around the company's disappointing financial results by releasing Windows 8, its biggest software in the recent times.

20 Oct Supreme Court dismisses Deccan Chargers plea – BCCI floats tenders for new team

Corporate > *Deccan Chargers*

The Supreme Court has dismissed the Deccan Chargers plea to get an extension of payment of a bank guarantee of Rs. 100 crore to the BCCI. DCHL had moved the Supreme Court to challenge the Bombay High Court's decision to ban the team for the next season of Indian Premier League (IPL); after the owners failed to produce the unconditional bank guarantee of Rs 100 crore to BCCI.

This has dashed the hopes of many Deccan Chargers' investors of a decent recovery. The lenders stand to lose approximately 4000 crore of rupees with the current unfurling of events. Banks like Axis Bank, Yes Bank, ICICI Bank and many more stand to lose a substantial part of their investment as there is no clarity on assets owned by the Deccan Chargers.

Meanwhile, BCCI has already floated tenders for a new team to participate in the next IPL season. Deccan Chronicle (owner of DCHL) has been facing bad times after its expansion and diversification into different businesses didn't work out.

21 Oct Kingfisher's flying license suspended: Airline offers 3 month staggered pay before Diwali.

Corporate > *Kingfisher*

The already troubled airline, Kingfisher has hit a turbulent patch again after Aviation regulator DGCA suspended its flying licence. The licence was cancelled after the airline failed to assure the Directorate General of Civil Aviation (DGCA) of its revival plans.

This translates into an immediate freezing of bookings across the Kingfisher network including the travel agent network. The airline was already on a cash-and-carry mode and was unable to sustain its operations on regular basis since last year end.

A show cause notice had been issued by the DGCA on October 5 to the airline asking to give a reason for not suspending its licence. The airline failed to establish a satisfactory justification.

Meanwhile, in the light of recent developments, the CEO of Kingfisher Airlines, Sanjay Agarwal has offered to pay 3 months' salary dues to the employees in an effort to resolve the deadlock over salary payments and resumption of flights.

21 Bharti Airtel becomes the fourth largest mobile operator in the world

Oct **Corporate** > *Bharti Airtel*

With over 250 million connections all across the globe, Bharti Airtel is today the fourth largest mobile operator in the world.

According to a recent report by the analyst firm Wireless Intelligence Bharti Airtel currently claims the fourth spot globally, after China Mobile, Vodafone Group and America Movil Group at the first three respectively.

The report said that besides China Unicom, which is currently at the sixth position, Bharti Airtel is the only other member of the top ten to move up the ranking registering a 13% increase in connections.

In June 2010, Bharti Airtel's acquisition of Zain Group's mobile operations across 15 African nations had made it the fifth largest mobile operator in the world.

22 Saina Nehwal clinches the prestigious Denmark Open title

Oct **Sports** > *Saina Nehwal*

Olympic bronze medalist Saina Nehwal defeated Germany's Juliane Schenk 21-17, 21-8 to lift the coveted Denmark Open title, a Super Series Premier event, on October 21.

This is her second Super Series Premier title and her fourth title of the year. She has already won Swiss Open, Indonesia Super Series Premier and Summer Olympics this year.

This second Super Series Premier title has fetched her USD 30,000. The victory was a vindication for Saina who had lost in straight games to Schenk last year.

22 China's tariffs on imports of US steel products illegal: WTO

Oct **World** > *WTO*

Adding on to the series of latest trade conflicts between China and the US, The World Trade Organization (WTO) has declared that China's tariffs on imports of certain US steel products were illegal.

WTO upheld its ruling against the tariffs in June on the grounds that China had been unable to justify the charges.

China had alleged that a certain kind of US steel makers were being given subsidies by the US government and had therefore levied import duties on those products.

This decision is expected to have a favourable impact on Obama's image as China's growing economic might on the US economy has become a key issue in the US Presidential elections. Early this year, the Obama administration had filed a series of complaints with the WTO accusing China of restricting its exports of so-called rare earth metals, used to make high-tech devices amongst other things.

22 North Korea threatens a military attack on South Korea

Oct **World** > *North Korea*

North Korea has threatened to launch a military strike against South Korea if South Korean activists, mainly comprising a group of North Korean defectors, went ahead with its plans to scatter anti-Pyongyang propaganda leaflets into the North Korean territory. This threat received an equally stern retaliation from South Korea.

The North Korean defectors aimed to carry out the leafleting exercise on October 22 at the border near the town of Paju, around 60 kilometres north of Seoul criticizing the North Korean regime.

On October 22, South Korea had reportedly sent the police to seal off roads and prevent the activists from gathering at the launch site. They wanted to stop the defectors from scattering anti-Pyongyang propaganda leaflets, but a few were able to float balloons carrying tens of thousands of anti-Pyongyang leaflets into North Korea.

24 Internal Audit discloses gross wastage of public money at the hands of the Army generals

Oct **India** > *Army*

An Internal audit of the Ministry of Defence (MoD) has revealed that the current army chief General Bikram Singh, his predecessor General VK Singh and other top generals have wasted over Rs. 100 crore of public money in just a span of two years.

In addition to financial discrepancies, the audit has also found a blatant disregard of guidelines for buying foreign equipment. The major violation of guidelines is in terms of buying equipment from agents rather than the original manufacturer. This has also been found to be true irrespective of the manufacturer being Indian or foreign. Also, the purchase of Chinese-make communication equipment has raised security concerns.

Following this, the Defence Minister AK Antony has ordered that all procurements and spendings by the commanders need to be approved by the MoD.

28 Vettel wins second Indian Grand Prix

Oct **Sports** > *Sebastian Vettel*

Sebastian Vettel won his second successive Indian Grand Prix and his fifth title this season to maintain his lead over Fernando Alonso.

The Red bull driver earned 240 points, 13 points more than his Ferrari rival, Fernando Alonso, who finished second.

The Indian Grand Prix is an annual Formula One motor race, held every year since 2011 at the Buddh International Circuit in Greater Noida, Uttar Pradesh, India. It consists of 60 laps.

28 UPA shuffles portfolios: Inducts 10 new faces

Oct **Government and Politics > Portfolio**

In an effort to get a face lift at the fag-end of its tenure, the United Progressive Alliance Government (UPA) inducted twenty-two ministers in a major reshuffle of portfolios. Ten of these ministers are first time ministry holders. The main aim behind this reshuffle was to get a mix of youth and experience.

Some of the key portfolio holders are as follows:

Cabinet Ministers

Portfolio	New Minister
Minority Affairs	K. Rahman Khan
Mines	Dinsha J. Patel
Housing & Urban Poverty Alleviation	Ajay Maken
Human Resource Development	M.M. Pallam Raju
Law & Justice	Ashwani Kumar
Water Resources	Harish Rawat
Petroleum & Natural Gas	M. Veerappa Moily
Science & Technology and Earth Sciences	S. Jaipal Reddy
Culture	Chandresh Kumari Katoch
Urban Development & Parliamentary Affairs	Kamal Nath
Overseas Indian Affairs	Vayalar Ravi
Communications & Information Technology	Kapil Sibal
Road Transport & Highways	C.P. Joshi
Social Justice & Empowerment	Kumari Selja
External Affairs	Salman Khursheed
Rural Development	Jairam Ramesh
Railways	Pawan Kumar Bansal

MINISTERS OF STATE (INDEPENDENT CHARGE)

Portfolio	New Minister
Information & Broadcasting	Manish Tewari
Tourism	K. Chiranjeevi
Power	Jyotiraditya Madhavrao Scindia
Micro, Small & Medium Enterprises	K.H. Muniappa
Bharatsinh Madhavsingh Solanki	Drinking Water & Sanitation
Sachin Pilot	Corporate Affairs
Jitendra Singh	Youth Affairs & Sports

MINISTERS OF STATE

Portfolio	New Minister
Human Resource Development	Shashi Tharoor
Labour & Employment	Kodikunnil Suresh
Agriculture & Food Processing Industries	Tariq Anwar
Railways	K. J. Surya Prakash Reddy
Tribal Affairs	Ranee Narah
Railways	Adhir Ranjan Chowdhury
Health & Family Welfare	Abu Hasem Khan Choudhury
Road Transport & Highways	Sarvey Sathyanarayana
Minority Affairs	Ninong Ering -
Urban Development	Deepa Dasmunsi
Social Justice & Empowerment	Porika Balram Naik
Communications & Information Technology	Kruparani Killi
Defence	Lalchand Kataria
External Affairs	E. Ahamed
Commerce & Industry	D. Purandeswari
Defence & Human Resource Development	Jitin Prasada
New & Renewable Energy	S. Jagathrakshakan
Home Affairs	R.P.N. Singh
Civil Aviation	K.C. Venugopal
Parliamentary Affairs & Planning	Rajeev Shukla

29 Oct Superstorm Sandy hits U.S. East Coast: Over 40 dead, millions without power

World > *Superstorm Sandy*

Superstorm Sandy hit the eastern coast of U.S. resulting in the death of more than 40 people. It brought along 80 mph fierce winds and heavy rains which caused flooding in large number of areas in New York and New Jersey and a power plant explosion, leaving most of New York City without power supply.

Major U.S. airports have been closed down and nearly 12000 flights have been grounded. Thousands of fliers have been stranded at these airports. Superstorm Sandy could prove to be one of the costliest natural disasters in U.S. history with damages being projected between \$20 billion to \$50 billion.

President Barack Obama has declared the superstorm a "major disaster". Following this the President and rival Mitt Romney have suspended their campaign for the impending Presidential elections.

29 Oct Messi lifts his second Golden Boot award: Rated the World's best football player

Sports > *Lionel Messi*

Barcelona and Argentina forward Lionel Messi lifted his second Golden Boot award in recognition for being the top goal scorer in Europe's domestic leagues last season.

Messi scored a Spanish-league record total of 50 goals this season to win the award. Dubbed as 'The Flea' for his ability to dribble through defenders, he has shattered many records till date, including crossing 300 international goals. Messi currently plays for the club Barcelona in the Spanish League (La Liga) and is the captain of the Argentina national team.

According to the inaugural AP Global Soccer 10 rankings released by the Associated Press, Lionel Messi has been rated as the best soccer player in the world and his Barcelona team has been called the top-rated club.

30 Oct RBI announces its second-quarter monetary policy: CRR cut by 0.25%

Oct **Economy > RBI**

The Reserve bank of India (RBI) has announced its second-quarter monetary policy keeping in view the need to curb growing inflation.

It has slashed the Cash Reserve Ratio (CRR) by 25 basis points, thus bringing it down to 4.25%. Since the CRR is the portion of deposits that banks have to park with the RBI, this move is expected to provide an estimated additional liquidity of Rs 17,500 crore in the economy. This move is also expected to prompt banks to cut their interest rates. However, it has kept the repo rate, reverse repo rate and ban rate unchanged at 8%, 7% and 9% respectively. The change in CRR will be effective from 3rd November 2012.

The GDP growth estimate has also been revised to 5.8% from 6.5% and the March-end inflation target has been increased from 7% to 7.5%. The RBI has revised their estimate on both these aspects for the second time since the beginning of the second fiscal.

The monetary policy also covers a change in lending norms for priority sectors, guidelines to banks on restructuring, management of non-performing assets and unhedged currency exposure of companies and a mandate to timely report advances to credit information companies. The RBI has also promised simplification in KYC norms, and additional batch of NEFT clearing at 8 a.m. and liberalization in opening administrative offices of domestic banks in tier-I cities.

30 Oct Apple's vice president and retail chief prepare for an oust

Oct **Corporate > Apple**

As a result of a major executive shake up done by the management, Scott Forstall, Apple's vice president and retail chief John Browett have been shown the door.

Forstall, better known as the architect of Apple's iPhone software and the company's vice president, will be leaving the company in the year 2013. His ouster has come as a surprise to many as he was referred to as the CEO-in-waiting at Apple last year by Fortune. The fate of the personal assistant software 'Siri' and 'Maps', both of which failed to work their magic in the market, led to his downfall at Apple.

In stark contrast the ouster of the retail chief John Browett came as no big surprise. Browett's brief six month stint at Apple was riddled with discontent in the retail department. He had reportedly upset the Apple staff by reducing the number of workers and working hours within the stores. He was also criticized for his profit driven policies.

This ouster is the biggest shuffle in the executive ranks since Tim Cook took over as the chief executive. Cook had replaced the late Apple founder Steve Jobs after Jobs passed away last year.

30
Oct **U.S. moves WTO: accuses India of giving additional export subsidies to its textile industry**

Economy > WTO

The U.S. filed a complaint against India with WTO, accusing India of giving additional export subsidies to its textile industry. It accused India of flouting the norms by providing fresh export subsidies and not phasing it out as is mandated by WTO.

The WTO Agreement on Subsidies and Countervailing Measures disciplines the use of subsidies, and it regulates the actions countries can take to counter the effects of subsidies. As per the agreement, India has until 2015 to remove subsidies on textiles. However, the US alleges that the additional sops have been given to the textile sector as an effort to help the industry ride over the global slowdown.

Meanwhile, India has denied these allegations and has sought clearance on the issues related to its obligations under the WTO agreement.

Awards

16
Oct **Nobel Prize 2012 Update**

Nobel Prize

Nobel Memorial Prize in Economic Sciences

Alvin Roth and Lloyd Shapley were awarded the Nobel Memorial Prize in Economic Sciences on 16 th October for their research on 'the theory of stable allocations and the practice of market design.'

The Nobel Prize in Chemistry

The Nobel Prize in Chemistry 2012 was awarded jointly to Robert J. Lefkowitz and Brian K. Kobilka "for studies of G-protein-coupled receptors"

The Nobel Prize in Literature

The Nobel Prize in Literature 2012 was awarded to Mo Yan "who with hallucinatory realism merges folk tales, history and the contemporary", becoming the first Chinese citizen to win the Nobel Prize for literature.

Corporate

01 RIL and Petroleum and Natural Gas Ministry in a dispute

Oct *Reliance Industries*

Reliance Industries Limited (RIL) and the Petroleum and Natural Gas Ministry are on the verge of a dispute over the issue of the Comptroller and Auditor General (CAG) performing an audit of the KG-D6 gas blocks from 2008-09 to 2011-12.

Reliance Industries has questioned the authority of the CAG committee and gone as far as saying that the CAG should not have undertaken such an exercise.

Earlier this year, authorities of Reliance Industries and Bharat Petroleum met with the Petroleum and Natural Gas Minister Jaipal Reddy to discuss the CAG audit and the respective co-operation of the companies. Back then, Reliance had agreed for the CAG audit as the government had warned Bharat Petroleum as well as Reliance Industries that their disapproval on this front would mean delay or disapproval of the companies' budget and clearance for its various other oil and gas assets.

Succumbing under pressure, Reliance agreed to co-operate with the CAG committee however now it has taken a U-turn and questioned the jurisdiction of the audit. Reliance has said that the only way it is ready to co-operate with the government is if the Ministry and the CAG would assure it that the audit report would be submitted to the Petroleum Ministry and not the Parliament, that the audit would be confidential and not exposed to a third party and that CAG would be a 'representative' of Petroleum Ministry.

02 Marissa Mayer's Maternity Leave

Oct *Yahoo*

CEO of Yahoo recently gave birth to her baby on 1st October 2012. When she was hired as the new CEO of Yahoo in July, she was in her third trimester and the world was discussing her maternity leave plans and the changing face of working mothers.

Meyer announced a month back that she will not require a long maternity leave and that she would be back as soon as possible. While some believe that she is the poster girl for working mothers and a sort of celebrity working mother, others believe that she is setting a wrong example by cutting short her maternity leave.

Her short leave may send out signals to a lot of new mothers who may feel pressurized to do the same. Experts say that after child birth, mothers need to be with their infants and neglecting this is neglecting one's primary responsibility as a parent.

Although, parenting is a personal choice and something that needs to be discussed between the spouses keeping in mind the child/children, what Mayer's case does is it presents to the world a reference point which may not be achievable for millions of families as the various factors of standard of living, level of employment, urban/rural setting etc. come into play.

A lot of eyebrows have been raised regarding Mayer's move - Is it her personal drive to get things done? Is it going to be the new norm for working mothers? Will HR departments' expectations form other mothers change? Is this going to be a breakthrough for women seeking to prove to men that the latter aren't the only ones who can balance a high-powered executive lifestyle and early parenthood?

While everyone is left speculating, Mayer has said that she will work from home and be a part of all key decisions. She plans to return to work in a week or two weeks' time.

06 Samsung's Galaxy phones drive record \$7.3 billion profit

Oct *Samsung*

Record Profits: Samsung quarterly profit of \$7.3 billion is more than double last year's figure, and is the fourth straight increase in quarterly profits. Samsung is the world's leading maker of TVs, smartphones and memory chips.

Going forward, however, Samsung needs to spend more on performance-related bonuses payouts to its employees, and marketing to counter Apple's latest iPhone and other rival products. It also needs to set aside money for its legal liabilities.

Mobiles doing well: Profit from the mobile division are likely to have doubled this quarter to around two thirds of its total profit. Smartphone shipments were around 58 million, including 18-20 million Galaxy S III's.

Its stock has risen more than 7 percent since a U.S. court ruled in August that Samsung copied parts of Apple's iPhone and awarded Apple more than \$1 billion in damages. Samsung's brand value has jumped to 9th in the world - up from 17th last year - at \$32.9 billion.

Less focus on Chips: Strong handset sales made up for reduced profits from its chip business, as prices of its mainstay DRAM memory, used in computers and mobiles, dropped 14 percent. On the other hand, tablets and smartphones, the real growth areas, use far smaller memory storage.

09 Vijay Mallya & Chhabria to settle issues with United Breweries

Oct *Lawsuits*

Vijay Mallya and K.R. Chhabria, chairman of Allied Blenders and Distillers (ABD) have decided to settle all pending litigations out of court.

The consent terms have been signed in Kolkata high court and a 20 year dispute between KRC Group of Companies & Shaw Wallace Group of Companies has been put to an end.

17 Non-bailable warrants against Kingfisher top brass not executed till now

Oct *Kingfisher*

GMR Hyderabad International Airport Limited (GHIAL) had filed a case against Kingfisher Airlines chairman and managing director, Vijay Mallya, and other senior officials of the company in a cheque bounce case. This had led the Hyderabad court to issue non-bailable warrants against Mallya and the rest. The warrants were issued by the court for non-appearance of the parties. The warrants however have not been executed till now.

26 Samsung v/s Apple: Samsung loses another round

Oct *Samsung v/s Apple*

Apple Inc. won the first round of a U.S. trade case on Samsung Electronics Co. For Samsung, it was its second defeat this year in America. The case is one of more than three dozen filed by the makers of about half of the world's smartphones.

According to Judge Thomas Pender Saidin, Samsung has infringed on four patents including the touch-screen technology co-invented by Steve Jobs. Samsung has already lost a \$1 billion jury verdict against Apple earlier this year.

31 Disney set to buy 'Star Wars' maker's company 'Lucasfilm' for \$4.05bn

Oct *Disney*

Disney will buy George Lucas' company Lucasfilm for \$4.05bn. George Lucas is the chairman and founder of Lucasfilms which has produced one of the world's most successful franchises 'Star Wars'. Till date there have been 6 Star War movies and all have been blockbusters at the box-office.

After the acquisition, Mr. Lucas will continue as a creative consultant with Disney. The deal adds on to Disney's list of acquisitions of Pixar studios for \$7.4bn in 2006 and Marvel comics for \$4.2bn in 2009.

Economy

05 RBI to allow opening of 4 new banks

Oct *Macroeconomy*

RBI is set to issue final guidelines and invite applications for licenses to introduce 4 new banks. The norms that overlook the new licenses have been delayed over more than 2 years.

Post the 1991 economic liberalization, RBI has issued licenses to 12 banks. The new banks to be introduced are expected to improve the market scenario by offering more access to banking services and strengthening competition.

Under RBI's current norms, the minimum capital requirement for each bank is Rs 1,000 crore. A committee headed by Raghuram Rajan, who is the Chief Economic Adviser had proposed setting up of banks by small and mid-sized entities instead of large corporate houses to enable financial inclusion. The RBI has currently put this proposal on hold and will review it at a later stage.

Stakeholders have proposed a foreign shareholding of up to 74% within the new banks and allowing listing within 4-5 instead of the current two years. The RBI has asked for 25% of the new bank branches to be set up in rural areas. Industry players have suggested lowering the same to 15%.

10 Oct IKEA seeks Indian Governments' permission for its venture

Retail

Swedish furniture biggie, IKEA has submitted the last part of the application seeking an entry in the Indian retail market. This move comes soon after the government relaxed the policy for foreign investors interested in single brand ventures in the Indian retail market.

The new relaxed policy will allow IKEA to have full ownership in the venture. Earlier such companies were allowed only 51% stake ownership. The rule that made it necessary for a foreign investor to source goods worth at least 30 % of its sales' value from the Indian companies i.e. micro, small and medium enterprises (MSMEs) has also been repealed.

IKEA plans to invest at least Rs. 10,500 cr. in the Indian retail market but has not specified any timeline for the same.

15 Oct Poor hydrocarbon prospects force UK's BP to surrender 9 out of 21 oil and gas blocks.

RIL

BP has a 30 % stake in Reliance Industries (RIL) in a total of 23 oil and gas blocks. According to the sources, RIL-BP joint venture is now focusing on reviving the flagging eastern offshore KG-D6 fields and bringing the Mahanadi basin NEC-25 discoveries to production.

Environment

19 Oct Developed nations agree to double funds for the sake of biodiversity conservation

Biodiversity Conservation

The developed nations have agreed to double funds for biodiversity conservation. This was agreed in the Convention on Biological Diversity, held from October 8 to 22 in Hyderabad, India.

The Prime Minister of India, Dr. Manmohan Singh, launched the 'Hyderabad Pledge for Biodiversity' and announced US\$ 50 million for biodiversity conservation in India. It was viewed as a compromise measure to bring the rich and poor countries to the negotiating table.

The Indian proposal offers a doubling of biodiversity aid from rich to poor nations by the year 2015, using the average funding between 2006 and 2010 as an interim baseline. This proposal was accepted by the rich nations.

India

04 Oct Technical professional colleges hit by the economic slowdown: 225 B-schools, 52 engineering colleges close in 2 years

B-Schools

225 B Schools and over 52 engineering colleges across India will be shutting down in the next 2 years. Many other colleges have been forced to reduce the courses offered.

In the last decade, around 1 lakh seats were added every year in courses like engineering, and management. Management courses are on a downward slope: in 2011-12, 146 new B Schools came up and 124 which were already running closed down. This year so far, 101 management colleges have closed down, only 82 have started.

The focus in future will perhaps be on the quality of education being provided by colleges.

08 Oct Varsha Bhosle commits suicide

Cinema

Varsha Bhosle, daughter of the veteran playback singer Asha Bhosle, committed suicide at their Peddar Road residence on 8th October. Varsha who was 56, shot herself in the head.

After a brief stint as a playback singer for Hindi and Marathi films, Varsha took to writing. The political columns by her were widely read. She was known for her stint with Sunday Observer and Rediff.com.

Varsha was reportedly suffering from depression and had attempted suicide on two previous occasions.

21 Oct Legendary filmmaker Yash Chopra no more

Films

Hindi cinema legend, Mr. Yash Chopra, passed away on October 21 in Mumbai, owing to multi organ failure. Mr. Chopra had been admitted to Mumbai's Lilavati hospital due to several health complications arising from dengue fever.

He spent more than 4 decades in the industry as a director, screenwriter and film producer. He leaves behind a legacy of landmark films like 'Deewar', 'Trishul', 'Silsila', 'Dil Toh Pagal Hai', 'Veer Zaara' and many more.

22 Oct British envoy meets Gujarat chief: Ends ten years of boycott by the western nations

Gujarat

UK high commissioner, James Bevan, met Gujarat Chief Minister Narendra Modi suggesting an end to the ten year boycott of Gujarat by the western nations.

The UK and other Western governments had suspended ties with Gujarat and Narendra Modi, after the Gujarat communal riots in 2002. An estimated 1,000 people were killed in these riots, including three British citizens.

Though, this is being seen as a favourable step for trade relations between UK and Gujarat, Bevan reiterated that this was just an engagement with a 'state' and not an individual.

22 Oct Sheila Dixit files a defamation suit against Arvind Kejriwal

Kejriwal

The Delhi Chief Minister has filed a defamation suit against Arvind Kejriwal, the social activist turned politician. Kejriwal has been organising protests against power tariff hike in the capital. He has also been accusing the government of it being in collusion with power discoms.

Dixit's lawyer has demanded an unconditional public apology for the baseless allegations smattered with filthy language. He has also asked Kejriwal to refrain from using any such filthy language which is unbecoming of civil-public discourse in future.

25 Oct Comedian Jaspal Bhatti passes away

Jaspal Bhatti

Well-known Comedian, satirist and filmmaker Jaspal Bhatti died in a road mishap. The accident occurred while Bhatti was on his way from Bhatinda to Jalandhar for the promotion of his Punjabi film - 'Power Cut'. The other victims, Bhatti's son Jasraj, actor Surilie Gautam, the leading lady and film promoter Navneet Joshi, are said to be in critical condition.

Bhatti became a household name with his serial 'Ulta-Pulta' and 'Flop Show' which was aired on Doordarshan. He acted in a few Bollywood movies as well.

30 Delhi court sentences CA to life for triggering hijack scare in 2009

Oct *IndiGo*

Jitender Kumar Mohla, CA by profession, was sentenced to life imprisonment for triggering a hijack scare in 2009 by a Delhi Court.

The crew and passengers on board a Goa-Delhi IndiGo flight on February 1, 2009 were threatened by Mohla. He had claimed that he had been involved in the 1999 Kandahar hijacking and was carrying infected needles.

While the legal experts called the sentence 'severe', the Directorate General of Civil Aviation (DGCA) and the airline welcomed the judgment.

31 Andhra and Tamil Nadu on high alert following Cyclone Nilam

Oct *Cyclone Nilam*

Cyclone Nilam is expected to hit the coastal regions of the Tamil Nadu and Andhra Pradesh due to which these regions have been put on high alert.

The cyclone is moving at about 85 kmph and the areas surrounding the landfall may suffer heavy damages. As a precautionary measure, a holiday has been announced for schools and colleges in the coastal districts by the state governments.

Politics & Government

15 PIL filed for the investigation of Salman Khurshid's trust

Oct *Kejriwal*

A PIL has been filed in the registry of Lucknow bench of Allahabad High Court on Sunday to seek an investigation into the charges of funds misappropriation leveled against a trust run by Salman Khurshid, the Union law minister. It also sought court monitoring during the investigation.

The allegations of funds misappropriation have been made by Arvind Kejriwal who is a social activist and a politician. Salman Khurshid has furiously denied Kejriwal's claims and has even reportedly publically threatened Kejriwal.

The hearing is expected to be held on 17th October.

Science and Technology

09 Oct Indian origin scientist leads Cambridge researchers' team to discover giant supermassive black holes

Discovery

A new group of enormous, rapidly growing supermassive black holes in the early Universe has been discovered by a team of Cambridge researchers. The black holes are 11 billion light years away.

The team was spearheaded by an Indian origin scientist Dr. Manda Banerji. The black holes were previously undetected because they are blanketed by thick layers of dust. However, this team looked at it with an infrared telescope.

"Although these black holes have been studied for some time, the new results indicate that some of the most massive ones may have so far been hidden from our view," said Banerji.

Sports

02 Oct World T20 cricket: India beat South Africa but knocked out

Cricket

India is out of the Twenty20 World Cup competition as it failed to reach the semi-finals in spite of beating South Africa in the quarter finals.

India beat South Africa by 1 run but did not qualify for the semi-finals due to slow net run-rate.

India posted a total of 152 at the loss of 6 wickets and they had to restrict South Africa to a total of 121 or less in order to advance to the semi-finals. India started off their bowling on a good note by keeping it tight however Francois du Plessis batted beautifully scoring a formidable 65 which crushed all hopes of India to move ahead in the competition.

The match had a dramatic conclusion with Lakshmipathy Balaji bowling out last man Morne Morkel with two runs needed to win. India leveled with Australia and Pakistan in terms of points in the group table however it had the poorest run-rate.

A defeat of over 30 runs would have ensured India a place in the top 4 however they looked too dicey as the batsmen went out to post mammoth total but lost wickets at regular intervals. Dhoni said at the presentation ceremony that other than the match against Australia, the Indian team performed very well.

Although India failed to qualify, the dramatic win was some sort of consolation. On the other hand, the Protease did not win a single match out of the three matches they played and it put an end to a disappointing tournament for them. South African captain De Villiers said that the team's performance was more than disappointing and that they as a team had let the country down.

08 West Indies beat Sri Lanka to win the Twenty20 World Cup

Oct *Cricket*

West Indies celebrated their victory in 'Gangnam Style' after Sri Lanka's last batsmen Lasith Malinga was caught out by Dwayne Bravo.

This is the first world cup that West Indies has won in 33 years. Batsmen Chris Gayle had predicted that his team would win the World Cup after they defeated Australia in the semi-finals.

West Indies won the tournament by 36 runs. They made 137 for 6 and bowled out Sri Lanka at 101. This was Sri Lanka's 4th defeat in the ICC finals since 2007.

12 Deccan Chargers fail to produce bank guarantee: BCCI terminates contract

Oct *Deccan Chargers*

Deccan Chronicle Holdings Limited, the owner of the franchise 'Deccan Chargers' failure to pay the mandatory 'Rs 100-crore bank guarantee' has led to the BCCI's termination of the team from IPL tournament.

The owners had sought an extension to deadline until October 15, but this was rejected by the Bombay high court.

14 Paes-Stepanek win Shanghai Masters men's doubles title

Oct *Tournaments*

Paes and Stepanek continued their winning streak to win Shanghai Masters men's doubles title defeating Bhupathi- Bopanna. The duo earlier in the year had won the Australian Open and the Miami Masters.

16 Sachin Tendulkar honoured with "The Membership of the Order of Australia."

Oct *Sachin Tendulkar*

Sachin Tendulkar has become the second Indian and the first Indian sportsperson, after former Attorney General Soli Sorabjee, to get the honour of 'The Membership of the Order of Australia.' Julia Gillard, the Australian Prime Minister made this announcement while visiting a cricket clinic in New Delhi.

Sachin Tendulkar is being bestowed this honour, an honour "rarely" bestowed on non-Australians, for his contribution to the international cricket and helping strengthen the India- Australian ties.

23 Oct Lance Armstrong stripped of his 'Tour de France' titles and banned for life from professional cycling

Lance Armstrong

The US Anti-Doping Agency's (Usada) proposed lifelong ban on professional cycling champion Lance Armstrong has been approved by Union Cyclist international (UCI). Lance Armstrong has now been stripped of his legacy of seven 'Tour de France' titles from 1999 to 2005 as well.

Usada had recently unveiled the evidence that projected professional cycling champion Lance Armstrong as a linchpin of a sophisticated doping ring. The evidence mainly consisted of testimonies by 11 of Armstrong's former team-mates, on the basis of which Usada proposed the punishment.

29 Oct ICC gives nod to playing Tests at night

ICC

The International Cricket Council (ICC) gave consent to day-night Test matches. This comes as a populist decision to boost the flagging enthusiasm for the traditional five-day game. It left the decision of choosing the ball on the parties involved. This implies that the traditional red colour ball might soon be history because of its poor visibility under lights.

The ICC also allowed the home and visiting boards to decide on various other parameters like the hours of play which will be six hours of scheduled play per day, the precise brand, type and colour of ball to be used for the match.

It also announced a number of changes in the other two formats as well. In ODIs, three blocks of Powerplays (20 overs) have been replaced by two blocks (15 overs). Additionally, 1-bouncer per over has been replaced by 2-bouncers per over. In One Over Per Side Eliminator (OOPSE) in T20s, it will be the fielding side's prerogative to choose from which end to bowl.

31 Oct Home Ministry gives thumbs up to Pakistan series

India-Pakistan

The Board for Control of Cricket in India (BCCI) has finalized the dates for the Pakistan-India one-day cricket series to be played in India after getting a nod from the Indian Home Ministry. This is the first India-Pakistan series to be held in India after the Mumbai attacks in 2008.

The Pakistani team will arrive in India on December 22 for a series of three ODIs and two Twenty20s. The series will be scheduled from December 25, 2012 to January 7, 2013.

World

05 U.N. offers to empower elected women

Oct *U.N.*

U.N. Women Executive Director Michelle Bachelet inaugurated 'the Regional Centre for Excellence'. This is a hub that will enable women living in the rural areas of South Asia to access information through audio, video, web and mobile applications.

The regional Centre is a collaborated effort of the Indian and Norwegian governments and civil society groups. 16 districts from the 5 states of Rajasthan, Madhya Pradesh, Odisha, Andhra Pradesh and Karnataka have been put under the center's fold.

19 US seeks longer imprisonment for Rajat Gupta for Insider trading

Oct *Rajat Gupta*

Manhattan's top federal attorney Preet Bharara filed a 12-page sentencing memorandum in federal court against Rajat Gupta, the former Indian-American Goldman Sachs director, for a significant term of imprisonment.

Gupta was accused of insider trading and was found guilty of sharing boardroom secrets with his friend and business associate hedge fund founder Raj Rajaratnam, which led to heavy losses for the company as well as the shareholders.

30 Sendai Airport in Japan closes after WW II bomb discovery

Oct *Japan*

Sendai Airport in Northern Japan was closed after an unexploded World War II bomb was found near the runway, by the construction workers. The 250-kilogram bomb was identified as American-made and a dud from World War II. The find led to the cancelation of all 92 domestic and international flights as the area was sealed off by the authorities.

The Sendai Airport had suffered a lot of damage from the tsunami which wreaked Japan last year and was closed for months. It is still undergoing construction in phases. The airport resumed operations, using one of its two runways, as the bomb was considered secure.

Japanese cities had been heavily bombed by the United States during World War II and there are dozens of unexploded bombs scattered all cross southern island of Okinawa and other sites of intense fighting during World War II.

Special Feature

31 Article by Winner of the “Article of the Week” contest

Oct **Authored by:** *Monic Abhishek*

The recent row of economic reforms allowing FDI(Foreign Direct Investment) into retail, aviation, insurance and pension sectors, by UPA -2 government has evoked mixed response from every corner in the country and created a stir among public regarding its effects.

These reforms made by UPA-2 in a hurry to shed the “policy paralysis” poster on government started by allowing FDI to 51% in multi-brand retail, 100% in single brand retail 49% in civil aviation and 74%(from 49%) in broadcasting sectors in second-half of September, ended with a nod to 49% FDI(from 26 %) in insurance and 49% (from nil) in pension sectors in early October. However the debate on the political and economic implications of these reforms did not come to an end.

Out of this, FDI revisions in multi-brand retail, insurance and pension sectors raised many eyebrows than in aviation and broadcasting sectors, as the former sectors directly link with pockets and lives of people...

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Note: The views expressed in this article are the author’s views.