

- ✦ **Growth in GDP at Market Prices at 9.7 Per Cent for 2010-11**, Reflects Buoyancy in our Tax Collections; Performance on Fiscal and Revenue Deficit Targets for the Year Would Be Better than the Projections in the Budget 2010-11: **FM**
- ✦ The annual rate of **inflation**, stood at 16.24 percent for the week ended 29/01/2011 (over 30/01/2010) as compared to 18.44 percent for the previous week (ended 22/01/2011).
- ✦ December 2010 **industrial output** slows to 20-month low which is 1.6% higher as compared to the level in the month of December 2009
- ✦ After being battered by around 575 points in the past three trading sessions alone and sliding by nearly 200 points, the 30-share **BSE Sensex** rallied 206 points to 17,669 and the 50-share **NSE Nifty** jumped 70 points to 5,296 on Friday. Market breadth was positive on the BSE with 1938 advances against 882 declines.
- ✦ **FII's**: The **FII's on Thursday were the net sellers in equities, while they were net buyers in debt segment**, according to data released by the Securities and Exchange Board of India (SEBI). In equity segment, the gross buying was of Rs 3692.70 crore against gross sell of Rs 3977.40 crore. Thus, FIIs stood as net sellers of Rs 284.60 crore in equities on February 10, 2011. In the debt segment, the gross purchase was of Rs 1217.30 crore with gross sales of Rs 532.60 crore. Thus, FIIs stood as net buyers of Rs 684.60 crore in debt on February 10, 2011.
- ✦ The '**agriculture, forestry and fishing**' sector is likely to show a growth of 5.4 per cent in its GDP during 2010-11, as against the previous year's growth rate of 0.4 per cent. **Production of food grains and oilseeds** is expected to grow by 6.5 per cent and 11.9 per cent, respectively, as compared to the previous agriculture year. The **production of cotton and sugarcane** is also expected to rise by 41.2 per cent and 15.2 per cent, respectively, in 2010-11. Among the horticultural crops, **production of fruits and vegetables** is expected to increase by 4.1 per cent and 3.8 per cent, respectively, during the year 2010-11.
- ✦ The growth in GDP for mining **and quarrying and manufacturing sectors** during 2010-11 is expected to be 6.2 and 8.8 percent respectively over previous year. According to the latest estimates available on the Index of Industrial Production (IIP), the index of mining and manufacturing registered growth rates of 8.0 per cent and 10.0 per cent during April-November, 2010. The estimated growth rate for **construction sector** is 8.0 percent in 2010-11. The key indicators of construction sector, namely, cement production and steel consumption have registered growth rates of 4.4 per cent and 8.8 per cent, respectively during April-December, 2010.
- ✦ The estimated growth in GDP for the **trade, hotels, transport and communication sectors** during 2010-11 is placed at 11.0 per cent, mainly on account of growth during April-November, 2010-11 of 14.9 per cent in passengers handled in civil aviation, 21.3 per cent in air cargo handled and 40.9 per cent in stock of telephone connections. The sales of commercial vehicles witnessed an increase of 34.1 per cent per cent in April-December, 2010. The sector, 'financing, insurance, real estate and business services', is expected to show a growth rate of 10.6 per cent during 2010-11, on account of 14.0 per cent growth in aggregate deposits and 22.6 per cent growth in bank credit during April- November 2010 (against the respective growth rates of 18.6 per cent and 10.1 per cent in the corresponding period of previous year). The growth rate of 'community, social and personal services' during 2010-11 is estimated to be 5.7 per cent.
- ✦ **Developments in India's BoP during Second Quarter of 2010-11: Trade, Invisibles and Capital Account**: The trade deficit widened to US\$ 35.4 billion during July-September 2010, despite higher growth in exports relative to imports. The higher growth in invisibles payments led by travel, transportation, business and financial services coupled with lower growth in invisibles receipts due to moderation in receipts under income and private transfers resulted in a lower net invisibles surplus of US\$ 19.6 billion during July-September 2010 as compared with the corresponding period of last year. The higher trade deficit combined with the lower invisibles surplus resulted in the widening of current account deficit to US\$ 15.8 billion during the second quarter of 2010-11. The capital account surplus increased over the corresponding quarter of last year, mainly due to portfolio investments, short-term credit and external commercial borrowings. With capital account surplus being higher than the current account deficit, the overall balance was in surplus at US\$ 3.3 billion resulting in a net accretion to foreign exchange reserves of equivalent amount during July-September 2010.
- ✦ 2nd Advance Estimates of **Crop Production** Released: Food grains Production in 2010-11 Estimated at 232.07 MT. It is estimated that the agriculture, forestry and fishery sector is likely to show a growth of 5.4% in its GDP during 2010-11, as against the previous year's growth of 0.4%.
- ✦ **Gross Capital Formation in Agriculture** as a proportion of agricultural GDP has gone up from 14.1% in 2004-05 to 21.3% in 2008-09.
- ✦ **Horticulture Grows by 7 Percent a Year for Last 5 Years**; has Potential to Boost Overall Farm Growth, Review of National Horticulture Mission's Performance: here has been consistent increase in the exports of horticultural produce, which has reached the level of Rs. 13,423.76 crore during 2009-10.
- ✦ **Flow of agriculture credit** in 2010-11 is likely to reach Rs.4 lakh crore from the level of Rs.86,981 crore in 2003-04



- ✚ **Net Direct Tax Collections Register Growth of 20.37% During April 2010–January 2011:** Net direct tax collections during the period April 2010 to January 2011 stood at Rs.3,17,501 crore, up from Rs.2,63,765 crore in the same period last fiscal, registering a growth of 20.37 percent. Growth in Corporate Income Tax was 24.78 percent (Rs.2, 16,872 crore as against Rs.1, 73,799 crore), while Personal Income Tax (including STT, and residual FBT / BCTT) grew at 11.87 percent (Rs.1, 00,191 crore as against Rs.89, 561 crore). Direct tax collection is buoyant despite higher tax refunds, which stood at Rs.53, 688 crore as against Rs.38, 721 crore registering a growth of 38.65 percent.
- ✚ **Approval for providing Central Sales Tax loss related compensation to States for the loss incurred in FY 2010-11:** The Union Cabinet has approved a proposal for providing Central Sales Tax (CST) loss related compensation to States for the loss incurred in FY 2010-11. The Cabinet has also approved to make on account payment of compensation to the States, pending finalization of the guidelines, for revenue loss incurred by States in year 2010-11 because of reduction in CST rate.
- ✚ **Press and Registration of Books and Publications Bill 2010:** The Union Cabinet has decided to amend the Press and Registration of Books Act, 1867 to streamline the age-old processes and to address certain issues governed by the Print Media Policy and the guidelines/rules.
- ✚ **Recapitalization of Regional Rural Banks (RRBs) to improve their Capital to Risk Weighted Assets Ratio (CRAR):** The Union Cabinet approved the recapitalization of Regional Rural Banks (RRBs) to improve their Capital to Risk Weighted Assets Ratio (CRAR)
- ✚ **TRAI Reviews Implementation of Mobile Number Portability:** Over 17 Lakh Requests Received for Porting Mobile Number
- ✚ **Finance Minister Releases Report of Task Force on Transaction Cost in Exports: Reduction of Transaction Cost to Impact on Competitiveness of India's Exports – to Benefit SMEs:** The average cost to an exporter on account of transaction costs has been monetized at a level of US\$ 945 per container as compared to US\$ 460 in China, US\$ 450 in Malaysia and US\$ 625 in Vietnam. The Task Force identified 44 issues and taken up with the relevant Ministries and after consultations with them, it was agreed to implement 32 of these issues. "Of these, 21 issues have been implemented and another 2 are likely to be implemented in a couple of months. It is expected that implementation of 23 issues is likely to mitigate the transaction cost by approximately Rs.2100 crore.
- ✚ **Schedule XIII of the Companies Act 1956 Being Amended:** Unlisted Companies Shall not Require Government Approval for Managerial Remuneration Where they have no Profits
- ✚ **Directions Under Section 212 of the Companies Act 1956 Amended by Ministry of Corporate Affairs:** Enclosed
- ✚ **General Exemption Under Section 211 of the Companies Act 1956 Notified:** Enclosed
- ✚ **Plastic Waste (Management and Handling) Rules, 2011 Notified:** Explicit Recognition to Waste Pickers under New Rules
- ✚ **Amendments to the coinage Bill 2009 approved**
- ✚ **International Container Trans-shipment Terminal at Vallarpadam Dedicated to the Nation:** The prestigious International Container Trans-shipment Terminal (ICTT) project, Vallarpadam was dedicated to the Nation today by Dr. Manmohan Singh, Prime Minister of India at Cochin. The project is a major milestone achieved in maritime sector in the development of the country's logistics infrastructure. The ICTT, Vallarpadam is India's first dedicated International Container Transshipment Terminal developed by Cochin Port Trust and M/s India Gateway Terminal Pvt Ltd (IGT), a subsidiary of M/s Dubai Port World (DPW) through a Public Private Partnership on Build Operate and Transfer (BOT) basis. The ICTT has been developed with facilities for handling mother container ships of 8000 plus TEUs capacities and is a State-of-the-art terminal with modern cargo handling equipments and related super-structures to have an annual throughput of 3 million TEUs.
- ✚ **Foreign Tourist Arrivals (FTAs):** FTAs during the Month of January 2011 was 5.38 lakh as compared to FTAs of 4.91 lakh during the month of January 2010 and 4.22 lakh in January 2009. There has been a growth of 9.7 % in January 2011 over January 2010 as compared to a growth of 16.4 % registered in January 2010 over January 2009. The trend of significant positive growth in FTAs observed during the year 2010 continued in January, 2011 also with a growth rate of 9.7 %.
- ✚ **Foreign Exchange Earnings (FEE) from Tourism in Indian Rupee terms and US \$ terms:** FEE during the month of January 2011 were Rs.5777 crore as compared to Rs. 5593 crore in January 2010 and Rs. 4598 crore in January 2009. The growth rate in FEE in Rupee terms in January 2011 over January 2010 were 3.3 % as compared to 21.6 % in January 2010 over January 2009. FEE in US \$ terms during the month of January 2011 were US \$ 1273 million as compared to FEE of US \$ 1215 million during the month of January 2010 and US\$ 941 million in January 2009. The growth rate in FEE in US\$ terms in January 2011 over January 2010 was 4.8 % as compared to the growth of 29.1 % in January 2010 over January 2009.

