

- ✦ The annual rate of **inflation**, calculated on point to point basis, stood at 10.87 percent for the week ended 21/05/2011 (over 22/05/2010) as compared to 11.60 percent for the previous week (ended 14/05/2011).
- ✦ Government efforts are on track **to get economy on a path of fiscal prudence**; need for regular monitoring and evaluation of public expenditure: FM
- ✦ **Prime Minister reviews railways**, gives direction for stepping up safety, punctuality and cleanliness
- ✦ The **Index of Six core industries** in the Index of Industrial Production (IIP) in April 2011 registered a growth of 5.2% (provisional) compared to 7.5% registered in April 2010. During April-March 2010-11, six core industries registered a growth of 5.8% (provisional) as against 5.5% during the corresponding period of the previous year.
- ✦ **India's Exports** during April, 2011 were valued at US \$ 23849.32 million (Rs. 105819.43 crore) which was 34.42 cent higher in Dollar terms (34.03 per cent higher in Rupee terms) than the level of US \$ 17742.13 million (Rs. 78951.58 crore) during April, 2010.
- ✦ **India's Imports** during April, 2011 were valued at US \$ 32834.36 million (Rs.145686.06 crore) representing a growth of 14.13 per cent in Dollar terms (13.79 per cent in Rupee terms) over the level of imports valued at US \$ 28770.06 million (Rs. 128025.31 crore) in April, 2010.
- ✦ **Oil imports** during April, 2011 were valued at US \$ 10185.9 million which was 7.7 per cent higher than oil imports valued at US \$ 9454.0 million in the corresponding period last year. **Non-oil imports** during April, 2011 were estimated at US \$ 22648.4 million which was 17.3 per cent higher than non-oil imports of US \$ 19316.0 million in April, 2010.
- ✦ The **trade deficit** for April 2011 was estimated at US \$ 8985.0 million which was lower than the deficit of US \$ 11027.9 million during April 2010.
- ✦ **Allotment of Director Identification Number (Din) Under Companies Act, 1956**: The Ministry of Corporate Affairs has decided that with effect from 12th June, 2011, all DIN-1 & DIN-4 applications has to be digitally signed by the practicing Chartered Accountants, Company Secretaries or Cost Accountants who shall also verify the particulars of the applicant given in the applications. All these applications will be approved online.
- ✦ **Compliance of Provisions of the Companies Act, 1956 and Rules Made There Under** : In order to ensure corporate governance and proper compliances of provisions of Companies Act, 1956, the Ministry of Corporate Affairs has decided that from 3rd July, 2011 all the Companies will have to file their updated Balance Sheet and Profit & Loss Accounts and Annual Return with the Registrar of Companies before recording any event based information / changes made and no request, whether oral, in writing or through e-forms will be accepted in this regard.
- ✦ **Double Taxation Avoidance Agreement between India and Mozambique Notified**: The Government of India notified the Double Taxation Avoidance Agreement (DTAA) with the Government of Mozambique for the avoidance of double taxation and for the prevention of fiscal evasion with respect to taxes on income on 31st May, 2011. The DTAA provides that business profits will be taxable in the source state if the activities of an enterprise constitute a permanent establishment in the source state. Examples of permanent establishment include a branch, factory, office, place of management, etc. Profits of a construction, assembly or installation projects will be taxed in the state of source if the project continues in that state for more than 12 months.
- ✦ **India and Germany Sign MOU on Biomedical Research**: The Indian Council of Medical Research (ICMR) and Helmholtz Association (HGF), Germany has signed a signed new Memorandum of Understanding on translational efforts in biomedical research for a period of next five years.



- ✚ **New Directorate of Income Tax (Criminal Investigation) created**; to be headed by an officer of the Rank of Chief Commissioner of Income Tax; to look into criminal matters having any financial implication punishable as an offence under any Direct Tax Law.
- ✚ Committee constituted under chairman, CBDT to examine ways to strengthen laws to curb the generation of **black money** in the country, it's illegal transfer abroad and its recovery.
- ✚ **S. 54EC deduction allowable before set-off of brought-forward loss**: The Tata Power Co Ltd vs. ACIT (ITAT Mumbai)
- ✚ **Shares PMS transaction gains are STCG and not business profits**: ARA Trading & Investments vs. DCIT (ITAT Pune)
- ✚ **Pre AY 2006-07 derivatives "speculation" losses allowable as "non-speculation" biz losses**: Gajendra vs ITO (ITAT Mumbai)
- ✚ **Transfer Pricing principles on use of multiyear data, turnover filter, risk adj** : Symantec vs ACIT (ITAT Mumbai)
- ✚ **Professional's heart surgery expense not deductible u/s 31 or 37(1)**: Shanti Bhushan vs. CIT (Delhi High Court)
- ✚ **S. 158BD order void if referring AO's "satisfaction" not recorded**: CIT vs. Radhey Shyam Bansal (Delhi High Court)
- ✚ **S. 153C assessment sans "speaking" & "incriminating" documents void**: Sinhgad Technical Ed Soc vs ACIT (ITAT Pune)
- ✚ **No s. 271(1)(c) penalty for failure to disallow u/s 14A**: DCIT vs. Nalwa Investments Ltd (ITAT Delhi)
- ✚ **Modification of SION C-593 under Engineering Product Group**: Under SION C-593, till now only HR coil/plates made of non-alloy steel were permitted input at SI No. 1 of the SION. Now the definition of this input is modified to permit HR coil/plates made out of Alloy steel also. Description of export product has accordingly been amended to reflect the usage of Non alloy/alloy steel in the export product. There is no other change.
- ✚ **Bonus benefit to silk carpets under ITC HS code 57019090 and drawback code 570102**: Bonus benefit under Focus Product Scheme available to silk carpets would also include such silk carpets exported under ITC HS code 57019090 with drawback code 570102 duly endorsed on the respective shipping bills. This will be with effect from 1.4.2010.
- ✚ **Foreign Tourist Arrivals and Foreign Exchange Earnings in May 2011**: Foreign Tourist Arrivals (**FTAs**) during the Month of May 2011 was 3.69 lakh as compared to FTAs of 3.45 lakh during the month of May 2010 and 3.05 lakh in May 2009. There has been a growth of 7.0 % in May 2011 over May 2010 as compared to a growth of 13.0 % registered in May 2010 over May 2009. FTAs during the period January-May 2011 were 25.23 lakh with a growth of 11.5 %, as compared to the FTAs of 22.63 lakh with a growth of 9.5 % during January-May 2010 over the corresponding period of 2009. Foreign Exchange Earnings (**FEE**) during the month of May 2011 were Rs. 5047 crore as compared to Rs. 4358 crore in May 2010 and Rs. 3249 crore in May 2009. The growth rate in FEE in Rupee terms in May 2011 over May 2010 was 15.8 % as compared to 34.1 % in May 2010 over May 2009

