

Market Watch	SENSEX	NIFTY	USD/INR	Gold (MCX) (Rs/10g.)
	17636.80 ▲52.83	5359.35 ▲19.60	49.16 ▲0.15	27931.0 ▲-21.0

- Slowdown in economic activity: Q3 GDP growth to 6.1%, the slowest pace in last 2 yrs**

During April-January 2011-12, the cumulative growth rate of **the Core industries** was 4.1% as against their growth at 5.7% during the corresponding period in 2010-11.
- Health outlay to be increased to 2.5 % of GDP** by the end of the Twelfth Plan: currently it is around 1.4%. The Planning Commission was requested to allocate adequate resources to achieve the target.
- World Economy not out of danger zone:** IMF Managing Director Christine Lagarde, speaking at the close of the G-20 Ministerial Meeting in Mexico City, said strong policy measures have helped to avoid a derailment of the global recovery but that G-20 countries must strengthen resilience to further shocks.
- Early forecasts for 2012 indicate continuing **firm prices for tea**, which averaged \$2.85 per kg in 2011, according to FAO's Intergovernmental Group on Tea. High prices reflect the fact that demand for black tea, which accounts for most of world production, has exceeded supply since 2009, the Group reported at its recent biennial meeting in Colombo, Sri Lanka. The higher tea prices resulted in an estimated 2.2 percent increase in the export earnings of producing countries in 2011, significantly benefitting their rural incomes and household food security.
- A new publication by the Food and Agriculture Organization of the United Nations (FAO) and the International Fund for Agricultural Development (IFAD) emphasizes **rural institutions as a tool for social and economic progress**. Strong rural organizations like producer groups and cooperatives are crucial to hunger and poverty reduction. They allow small producers to play a greater role in meeting growing food demand on local, national and international markets, while improving their own economic, social and political opportunities.
- The report, **"China 2030: Building a Modern, Harmonious, and Creative High-Income Society"**, recommends steps to deal with the risks facing China over the next 20 years, including the risk of a hard landing in the short term, as well as challenges posed by an ageing and shrinking workforce, rising inequality, environmental stresses, and external imbalances. The report calls for a shift of China's development and growth model. China should complete its transition to a market economy -- through enterprise, land, labor, and financial sector reforms -- strengthen its private sector, open its markets to greater competition and innovation, and ensure equality of opportunity to help achieve its goal of a new structure for economic growth. It lays out the case for a new development strategy for China to rebalance the role of government and market, private sector and society, to reach the goal of a high income country by 2030.
- World Bank sees progress against extreme poverty, but flags vulnerabilities.** In every region of the developing world, the percentage of people living on less than \$1.25 a day and the number of poor declined between 2005-2008, according to estimates released today by the World Bank. This across-the-board reduction over a three-year monitoring cycle marks a first since the Bank began monitoring extreme poverty.
- Rice procurement** in the Kharif marketing season 2011-12 (October-September) has crossed the mark of 258 lakh tonne. According to statistics 2, 58, 97,802 tonne rice has been procured by the various government agencies by February 29, 2012. Punjab procured 77,31,325 tonne followed by Chhatisgarh 40,73,977 Andhra Pradesh 38,72,090 and Haryana 19,73,875 tonne of rice. This procurement is 73,123 tonne more than the corresponding day of last marketing season.
- An area of about 21.03 lakh hectare of new gardens has been brought under various **horticulture crops** with various initiatives under National Horticulture Mission (NHM) so far. An area of 1.40 lakh hectare has been covered under organic farming and 252071 vermi compost units have been set up. An area of 9.34 lakh hectare has been brought under INM/IPM.
- The Central Government has decided to make available 15.60 lakh tons of **sugar** (levy sugar 2.10 lakh tons and non-levy sugar 13.50 lakh tons) for the month of March, 2012.
- The Cabinet accorded approval for the proposals of the Department of Fertilizers **for fixation of rates of Nutrient Based Subsidy (NBS)** for the year 2012-13, w.e.f 1st April 2012. It has approved per Kg NBS rates of fertilizer nutrients namely Nitrogen (N), Phosphate (P), Potash (K) and Sulphur (S) for the financial year 2012-13 at Rs. 24, Rs. 21.804, Rs. 24 and Rs. 1.677 respectively. Accordingly, the subsidy on Di-Ammonium Phosphate (DAP) and Muriate of Potash (MOP) would be Rs. 14350 PMT and Rs. 14440 PMT, respectively. The per Metric Tonne subsidy on other P&K fertilizers covered under the Nutrient Based Subsidy Policy shall be as per the nutrient content in that grade. At the announced rate, total subsidy outgo for the P&K



fertilizers for the financial year 2012-13 would be reduced by more than 20%. The total subsidy outgo for P&K fertilizers for 2012-13 will depend on the overall consumption of fertilizers in the year 2012-13.

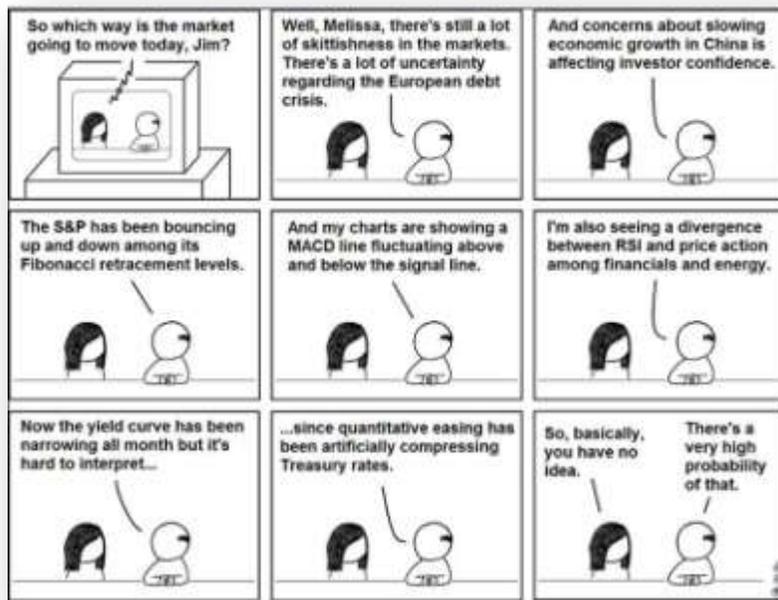
- ✚ The Union Cabinet approved the proposal of Ministry of Agriculture, Department of Agricultural Research and Education for Extension of closing date of **National Agricultural Innovation Project (NAIP)** up to June 30, 2014 with no cost escalation. The project has spent about Rs.800 crore till now and balance of about Rs.400 crore will be utilized for remaining project period including extended period.
- ✚ The Cabinet has approved the proposal of **Andaman and Nicobar (A&N) Administration** for acquisition of 2 Nos. 500 Pax-cum-150 Ton Cargo Vessels at a cost of Rs.391.34 crore for providing Inter-Island shipping services to meet the increased passenger traffic requirements of people of the Andaman & Nicobar Islands. Shipping is the lifeline of the people of the Island.
- ✚ **The Cabinet Committee on Infrastructure** approved: (i) Framework for using the harmonized Master List of infrastructure sub-sectors. (ii) Principles for updating the Master List (iii) Creation of the institutional mechanism to update the Master List and for revisiting the sub-sectors outside the Master List. Harmonization of the existing definitions of infrastructure sectors will facilitate a coordinated approach, among agencies providing support to infrastructure, and, thus spur infrastructure development in a more optimal manner.
- ✚ The Cabinet Committee on Infrastructure **approved the project of deepening and widening of Mumbai Harbour Channel and Jawaharlal Nehru Port Channel (Phase-I) of Jawaharlal Nehru Port Trust (JNPT)** at an estimated cost of Rs.1571.60 crore with a direct dredging cost of Rs.1398.97 crore (including service tax @ 10.3%), Rs.42.07 crore towards other related items like idle time charges of dredgers, navigational aids, administrative expenditure and preliminary expenses of executing agency, modification of Vessel Traffic Management System (VTMS) and provision of Environmental Management Plan (EMP), contingency of Rs.12.68 crore @ 1% and Interest During Construction (IDC) of Rs.117.88 crore. The key benefits/results on implementation of the project are: i) Handling bigger size vessels upto a draught of 14 meters by using tidal window. ii) Attracting international container vessels and enabling JN Port to develop as Hub Port on west coast. iii) Increase in future traffic iv) Savings in ship waiting cost and ocean freight costs per TEU due to larger volumes v) Avoiding costly and time consuming feeding operation vi) Optimum utilisation of capacity vii) Faster turnaround of larger vessels viii) Incremental regional economic development and spin-off economic benefits including employment generation.
- ✚ The Cabinet Committee on Infrastructure **approved the upgradation of Railway Infrastructure for introduction of multi-modal transport system (Phase - II) in twin cities of Hyderabad and Secunderabad.** The upgradation will be able to serve the habited areas of the rapidly expanding twin cities of Hyderabad and Secunderabad. The total expenditure involved will be Rs.632.68 crore. Two-thirds of this , i.e. Rs.421.79 crore will be borne by the Government of Andhra Pradesh. One-third of the cost will be funded from the gross budgetary support of Indian Railways. The project will be completed in three years during 12th Plan Period.
- ✚ **India's Exports** during January, 2012 were valued at US\$ 25346.90 million (Rs.130128.95 crore) which was 10.10 per cent higher in Dollar terms (24.52 per cent higher in Rupee terms) than the level of US\$ 23021.57 million (Rs. 104502.74) during January, 2011. **India's Imports** during January, 2012 were valued at US\$ 40107.95 million (Rs.205911.00 crore) representing a growth of 20.25 per cent in Dollar terms (36.00 per cent in Rupee terms) over the level of imports valued at US\$ 33353.59 million (Rs. 151403.30 crore) in January, 2011. **Oil imports** during January, 2012 were valued at US\$ 12325.2 million which was 26.78 per cent higher than oil imports valued at US\$ 9721.7 million in the corresponding period last year. **Non-oil imports** during January, 2012 were estimated at US\$ 27782.7 million which was 17.56 per cent higher than non-oil imports of US\$ 23631.9 million in January, 2011. **The trade deficit** for April-January, 2011-12 was estimated at US\$ 148667.61 million which was higher than the deficit of US\$ 105895.99 million during April-January, 2010-11.
- ✚ **Total import of sensitive items** for the period April-December 2011 has been Rs.75948 crores as compared to Rs.52492 crores during the corresponding period of last year thereby showing an increase of 44.7%. Import of sensitive items constitutes 4.3% and 4.6% of the gross imports during last year and current year respectively. Imports of milk & milk products and food grains have declined at broad group level during the period. Imports of all other items viz. edible oil, automobiles, fruits & vegetables (including nuts), pulses, rubber, products of SSI, cotton & silk, spices, alcoholic beverages, marble & granite and tea & coffee have increased during the period under reference. In the edible oil segment, the import has increased from Rs.20791.5 crores last year to Rs.34854.3 crores for the corresponding period of this year. The imports of both crude oil as well as refined oil have gone up by 68.1% and 64.4% respectively. The increase in edible oil import is mainly due to substantial increase in import of crude palm oil and its fractions. Imports of sensitive items from Indonesia, China P RP, Malaysia, Argentina, Germany, Korea RP, Ukraine, United States of America, Canada, Myanmar, Japan, Thailand, United Kingdom, Cote D'Ivoire, Guinea Bissau, Ghana, Benin, Vietnam soc Republic etc. have gone up while those from Brazil, Australia etc. have gone down.
- ✚ **5 MWp Solar Photovoltaic Power Plant has been installed at village Rawara, Taluka Phalodi in the state of Rajasthan** under Jawaharlal Nehru National Solar Mission. This project has been commissioned by Rajasthan Electronics & Instruments Limited (REIL), a PSU under the Ministry of Heavy Industries & Public Enterprises. The location is ideally suited for taking all the



advantages of Photovoltaic systems as in Western Rajasthan the solar insolation is very good and number of sunny days is also very high. This Power plant is designed to feed power to 33/132 kV Grid Sub Station at village Bap which is situated at 18 km from plant site Rawara.

- Government of India, Ministry of Home Affairs has notified the establishment of the **Land Ports Authority of India (LPAI)** w.e.f. March 1, 2012 under the Land Ports Authority of India Act, 2010.
- A Memorandum of Understanding (**MoU**) setting out the performance targets for 2012-13 for Ennore Port was signed between the Ministry of Shipping and Ennore Port Limited (EPL) in New Delhi
- The **Government of India and the Asian Development Bank (ADB)** signed an agreement for the third and final \$50 million tranche of an ADB loan. This is the third and last tranche of total \$ 320.6 million MFF, out of which loan assistance from ADB is \$ 200 million and financing by Government of Assam is US\$ 120.6 million. Tranches 1 and 2 are already under implementation.
- The Government of India and the Asian Development Bank (ADB) signed an agreement for a \$100 million **ADB loan to develop a transmission system that will distribute 500 megawatts of solar power from the Charanka Solar Park in Gujarat.**
- The Government of India and the Asian Development Bank (ADB) today signed an agreement for the second and final \$200 million tranche of **an ADB loan to support the provision of reliable, 24-hour electricity to rural households in Madhya Pradesh.**
- S. 50C does not apply to transfer of leasehold rights:** DCIT vs. Tejinder Singh (ITAT Kolkota)
- S. 143(2) Notice "Issue" vs. "Service":** HC Terms Own Law "Per Incuriam" V.R.A. Cotton Mills vs. UOI (P&H High Court)
- Bombay High Court affirms Special Bench Law on Brokers' Bad Debts:** DCIT vs. Shreyas S. Morakhia
- High Court fumes at AO for haste in passing Assmt Order; imposes costs:** Sak Industries vs. DCIT (Delhi High Court)
- High Court seethes at Dept & imposes heavy costs for "Fivolous Appeal":** CIT vs DSL DSoftwar Ltd (Karnataka High Court)

As a matter of fact ;)



**No matter who you are, no matter what you did.
 No matter where you have come from, you can always become a better version of yourself
 ~ Madonna**

