Market Watch	SENSEX	NIFTY	USD/INR	Gold (MCX) Rs/10g.)
	17783.21	5386.70	55.14	30834.00
	-67.01	-28.65	-0.27	31.00

- In a huge relief to Finance Minister P. Chidambaram, the Supreme Court on Friday dismissed a plea for making him a co-accused in the second-generation **(2G) spectrum case**, saying there was no prima facie material against him of any criminal conspiracy or procuring of any pecuniary gain.

- **Par impasse on coal block: Govt reaches out to BJP**: Government today reached out to the Opposition to end the impasse in Parliament over the coal block allocation issue but the BJP remained firm on its stand that Prime Minister Manmohan Singh should resign for his alleged complicity in the case. Home Minister Sushilkumar Shinde and Parliamentary Affairs Minister Pawan Kumar Bansal talked to Leader of Opposition in Lok Sabha Sushma Swaraj in the House soon after it was adjourned.

- **Forbe's World's Most Powerful Women**: **German Chancellor Angela Merkel** occupied the spot of the world's most powerful woman for the second year in a row. Calling her the "Iron Lady" of Europe, Forbes said she is the lead player in the eurozone economic drama that continues to threaten global markets. **US Secretary of State Hillary Clinton** has been ranked second in the list, followed **by Brazilian President Dilma Rousseff** at number three. Forbes says, "**Sonia Gandhi** (ranked six), the longest serving chief in the Indian National Congress Party history, has had to defend herself and the party after a spate of key assembly elections this year, blaming the drubbing on weak candidates and state party organizations. Lauded for overseeing heavy economic growth, she is also criticized for tolerating political corruption and failing to forge connections with India's fastest-growing demographic--younger voters." Ms. **Indra Nooyi**, Chairman and CEO, PepsiCo has been ranked twelve in the list. Forbes says, "This superstar CEO last year returned USD 5.6 billion to shareholders, when PepsiCo net revenue grew 14% to USD 66 billion."

- The Union Cabinet approved the proposal to exercise the option by the Government to convert Rs.400 crore and Rs.523 crore **Optionally Convertible Debentures (OCDs)** held by Government of India in IFCI into equity at par. The conversion option will be exercised immediately. Post exercise of conversion option of Rs.923 crore OCDs into equity at par, the holding of Government will become 55.57 percent and by including the holding of Banks/FIs, it will be 68.31 percent making it a Government company. This would ensure compliance to the Cabinet decision of 1992. There has been full disclosure in the Annual Reports of IFCI about the said OCDs of Rs.923 crore with a right to convert at par.

- The Union Cabinet has approved the following **revised equity structure of Delhi Mumbai Industrial Corridor Development Corporation (DMICDC)**: • Share of Government of India : 49% or less; • Share of Government owned Financial Institution of Japan, the Japan Bank for International Cooperation (JBIG) : 26%; and • Share of Financial Institutions owned by the Government of India: 25% or more. No financial implications will be involved after the revised equity structure on the part of Government of India.

- The Union Cabinet has approved the proposal of Ministry of Agriculture, Department of Agricultural Research and Education for the **establishment of Indian Institute of Agricultural Biotechnology at Ranchi (Jharkhand)** at a cost of Rs. 287.50 crore during the 12th Five year plan.

- The Union Cabinet has approved the proposal of Ministry of Agriculture, Department of Agricultural Research and Education for the **establishment of the National Institute of Biotic Stress Management (NIBSM) at Raipur (Chhattisgarh)** during the 12th Five Year Plan at a cost of Rs.121.10 crore.

- The Union Cabinet approved: (a) **to transfer 111 hectares of JNPT land to Government of Maharashtra** for allotment to Project Affected Persons (PAPs)of JNPT in line with the Government of Maharashtra scheme for PAPs of Navi Mumbai Project of the City and Industrial Development Corporation of Maharashtra Ltd., (CIDCO); and (b) to allow JNPT to transfer to CIDCO the cost of development of minimum amenities which will be finalized in consultation with Government of Maharashtra/ CIDCO) on the said 111 hectares of land, after obtaining approval of the competent appraisal/approval authority. This decision will settle, once and for all, the long pending demand of JNPT PAPs pending for last 27 years and give the PAPs, who had to give their land for the port project, a share in the benefits of the project. The Project Affected Persons will now be entitled to developed land equal to 12.5% of the land that was acquired from them during 1983-86. Settlement of this long pending rehabilitation issue will enable smooth development and operation of the port.

- The Cabinet Committee on Economic Affairs gave its approval to the proposal of M/s. Shriram Financial Ventures (Chennai) Pvt. Ltd. as recommended by FIPB. The approval would result in **FDI amounting to Rs.2000 crore approximately in the country**. Proposal of M/s. Shriram Financial Ventures (Chennai) Pvt. Ltd., (i) to allot shares to M/s. Sanlam Emerging Markets (Mauritius) Limited, and (ii) M/s. Sanlam Emerging Markets (Mauritius) Limited to hold, through M/s. Shriram Financial Ventures (Chennai), a stake, not exceeding 26 per cent, in M/s. Shriram Capital Limited.

- The Cabinet Committee on Economic Affairs has approved the proposal of Ministry of Human Resource Development for: (i) Mobilization of external funds amounting to US $ 500 million in form of credit from IDA from World Bank, GB Pound 80 million from DFID in the form of grant-in-aid and Euro 25 million from EU in the form of grant-in-aid totalling Rs.3315 crore approximately **for Rashtriya Madhyamik Shiksha Abhiyan (RMSA)** for the project implementation period 2012-16 and (ii) Continuance of 75:25 sharing pattern between Centre and States (other than NE States including Sikkim), approved for 11th Five Year Plan for RMSA for 2012-13. Though the strategy and the targets of the scheme will not undergo any change, the technical and financial support from the external funding agencies and the continuance of 75:25 sharing pattern between Centre and States during financial year 2012-13 will provide necessary impetus to the ongoing implementation of the scheme.

- The Cabinet Committee on Economic Affairs approved a new Centrally Sponsored Scheme titled "**National Mission on Food Processing (NMFP)**". This scheme would start in co-operation with the State Governments in 2012-13. The NMFP scheme would help the States / UTs in maintaining requisite synergy between agriculture plans of States and Development of food processing sector, which in turn would help in Increase in farm productivity thereby increase in farmers` income also. This would also help in ensuring efficient supply chain by bridging Infrastructural / institutional gaps.

- The Cabinet Committee on Economic Affairs (CCEA) approved: (i) Cancellation of two blocks viz., blocks CB-ONN-2010/8 and CB-ONN-2010/9 awarded to Sankalp Oil and Natural Resources Ltd. (ii) Award of five blocks to the first ranked / single / next highest ranking bidder. The approval will accelerate exploration and production activities in the country and is expected to result in hydro-carbon reserve accretion, thereby, increasing the **energy security** of the country. The cancellation of award of two blocks under NELP-IX would be a deterrent for non-serious bidders.

- The Department of Electronics and Information Technology (DeitY), Ministry of Communications and Information Technology has approved and notified two important frameworks to ensure effective citizen engagement and communication with all stakeholders using various offline as well as online channels including **Social Media**.

- As per the Report of the Working Group on Information Technology Sector for the XII five year plan set up by the Planning Commission, the **IT-ITES industry's exports** are forecast to grow at a CAGR of 13.8% and reach USD 130 billion by FY 2016-17 from USD 68.7 billion (Estimated) in FY 2011-2012.

- The Department of Electronic and Information Technology is implementing **Common Service Center Schemes (CSCs)** wherein 1, 00,000 CSCs are planned to be set up in the rural areas (i.e. 1 CSC for each cluster of 6 villages). As on 31st July 2012, a total number of 91,725 CSCs have been rolled out in the country. These CSCs are ICT enabled and deliver various G2C and B2C services to the rural citizens. The Department has also launched a scheme wherein all Village Level Entrepreneurs (VLEs) who operate the CSCs will be given training in Course in Computer Concepts (CCC) by National Institute of Electronics and Information Technology (NIELIT). The CSC scheme is being implemented in a Public Private Partnership Mode. More G2C and B2C services are proposed to be provided through the established CSCs.

- The Government has notified **Modified Special Incentive Package Scheme (M-SIPS)** to offset disability attract investments in Electronics Systems Design and Manufacturing (ESDM) Industries on July 27, 2012. The scheme provides subsidy for investments in capital expenditure-20% for investments in Special Economic Zones (SEZs) and 25% in non-SEZs. It also provides for reimbursement of CVD/excise for capital equipment for the non-SEZ units. For high technology and high capital investment units, like Semiconductor Wafer Fabrication (Fabs), reimbursement of Central taxes and duties is also provided. The incentives are available for investments made in project within a period of 10 years from the date of approval. The scheme is open for three years from notification. M-SIPS will be available for units set up within Electronics Manufacturing Clusters to be notified by the Department of Electronics and Information Technology. The overall financial ceiling under the M-SIPS will initially be limited to Rs.10,000 crores during the 12th Five Year Plan. A review of the scheme in the ultimate year of the 12th Five Year Plan could make a realistic estimate of the likely demand for the 13th Five Year Plan.

- Based on the recommendations of Foreign Investment Promotion Board (FIPB) in its meeting held on July 27, 2012, the Government of India has **approved ten (10) Proposals of Foreign Direct Investment (FDI)** amounting to Rs. 1259.92 crore approximately.

- The government is considering **a proposal to sell 10.82 per cent stake in Steel Authority of India Ltd. (SAIL)**. Out of its shareholding of 85.82%, the Government of India has decided to sell part of paid up equity in SAIL through 'Offer for Sale of Shares through Stock Exchange Mechanism' as per SEBI Rules and Regulations.

- **The external debt of the country** was RS. 17, 67,702crore while the domestic debt of the Central Government was Rs. 32, 02,411 crore (RE) at end March 2012.

- **India's oil import bill** in terms of value has increased from Rs 409,077 crore in 2009-10 to Rs 726,386 crore in 2011-12. the increase in import bill of crude oil is due to increase in price of crude oil and petroleum products in the international market, depreciation of Rupee, increase in domestic consumption of petroleum products from 137.8 MMT in 2009-10 to 148.0 MMT in 2011-12 as well as on account of rise in the level of exports from 51.0 MMT in 2009-10 to 60.8 MMT in 2011-12. Consumption and exports of value added products during 2011-12 contributed to higher level of GDP. Increase in refining throughput has reduced import dependency on petroleum products and the country has exported petroleum products worth Rs 2, 84,643/- crore during 2011-12

- The quarterly **growth of manufacturing** measured in terms of IIP has registered a decline from 7.7% in first quarter to 0.3% in the last quarter of 2011-12.

- The High Level Committee on **External Commercial Borrowings (HLCECB)** met and the decisions were taken: a. SIDBI will be permitted as an eligible borrower for accessing ECB for on-lending to MSME sector subject to certain conditions which will be finalized in consultation with the RBI. b. (i) The eligible Non-Resident entities will be allowed to credit enhance the issue of INR bonds by all companies. The minimum maturity period of such bonds has also been reduced from seven years to three years. (ii) FIIs will be permitted to invest in these bonds upto the equivalent of US$5 billion within the overall corporate bond limit of US$45 billion. c. It has already been decided to allow ECBs for low cost housing projects. It has been further decided that entities like NHB and Housing Finance Companies (HFCs) will be included as eligible borrowers for financing such low cost housing projects. d. Re-financing of buyer's credit for import of capital goods in the infrastructure sector will be placed under automatic route subject to certain conditions. It has also been decided to increase the maturity of such buyer's credit to maximum five years. e. In June 2012, a new scheme was introduced to allow companies in the infrastructure and manufacturing sector to re-finance their existing rupee loans through ECBs subject to the condition that their ECB liabilities are extinguished from their future forex earnings. It has been decided to enhance the maximum permissible limit for ECB that can be availed by such companies from 50% to 75% of the average forex earnings realized during the past three financial years or 50% of the highest forex earnings recorded in any of the last three years, whichever is higher. It has also been decided to include SPVs of companies who are in existence for at least one year under the ambit of this scheme.

- The Government has set a target of awarding 29 PPP and 13 Non-PPP Projects involving capacity addition of about 245 MTPA for expansion and capacity creation in the major **ports** during the current financial year.

- **S 147 "Change of Opinion" Law of Kelvinator Full Bench is NOT approved by Supreme Court**: Gujarat Power (Guj High Court)

- **S. 143(1) intimation cannot be reopened u/s 147 in absence of "Tangible Material"**: Inductotherm (Gujarat High Court)

- **No s. 271(1)(c) penalty even if revised ROI filed after detection**: Radheshyam Sarda vs. ACIT (ITAT Indore)

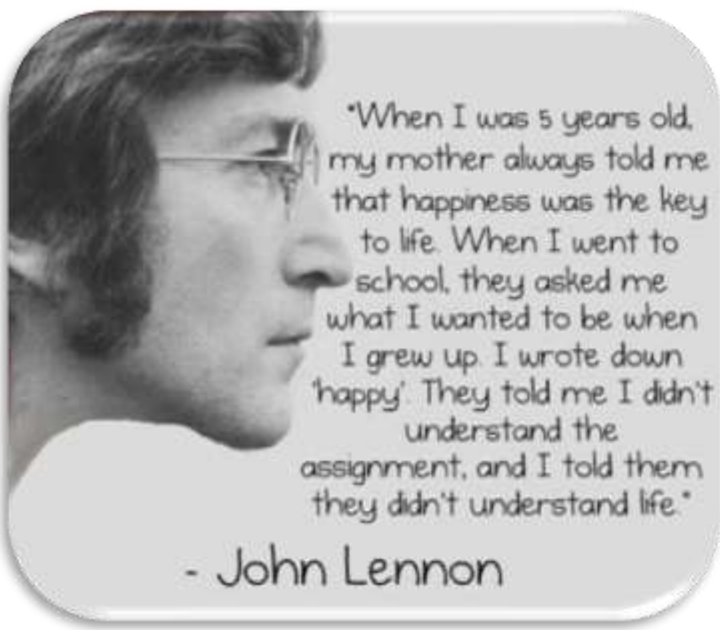
- **In remand by ITAT, assessee cannot be worse off**: Kellogg India Pvt. Ltd vs. ACIT (ITAT Mumbai)

- **Policy for issue of import licenses of Rough Marble and Travertine Blocks for the Financial year 2012-13**: According to the Notification No. 12 (RE-2012)/2009-2014, Import policy of Rough Marble and Travertine blocks for the year 2012-13 has been notified with a quota of 6 lakh MT and an MIP of US$ 325 per MT .

- **Amendment in para 4A.2.1 of FTP (RE-2012) / 2009-14 regarding Export of Cut & Polished Diamonds sent abroad for Certification/ Grading & re-import**: According to the Notification No. 11(RE-2012) /2009-2014, to the existing authorised laboratories, five additional laboratories are added for purpose of certification/grading of diamonds of 0.25 carrots & above.

- **Conditions and modalities for registration of contracts of sugar with DGFT- relaxation of (-) 5% by weight in export of sugar**: According to the Policy Circular No. 3 (RE-2012)/2009-14, It has been decided with the approval of Competent Authority that a variation of (-) 5% in weight against Registration Certificates issued for export of sugar shall be allowed. Thus, a variation of (-) 5% in weight in exports of sugar against registered contracts shall not be treated as default for the purpose of imposition of penalty or debarment from future registrations.

As a matter of fact ;)



Modern education is premised strongly on materialistic values.
It is vital that when educating our children's brains
we do not neglect to educate their hearts,
a key element of which has to be the nurturing of our compassionate nature.
~ Dalai Lama