

Market Watch	SENSEX	NIFTY	USD/INR	Gold (MCX)(Rs/10g.)
	17361.74 ▲ 165.27	5278.20 ▲ 49.75	51.20 ▲ 0.58	28050.00 ▲ 137.00

- Farm credit** to the tune of Rs. 3, 40,716 crore has been disbursed across the country as on 31.12.2011 in the current financial year (2011-12). With the credit disbursal data for the last two months and the current month yet to be compiled, credit flow target of Rs.4, 75, 000 crore is likely to be exceeded again. Target for the next financial year beginning 1st of April 2012 has been fixed at Rs. 5,75,000 crore, increase of Rs. 1,00,000 crore over the current financial year. Credit disbursement in 2010-11 was of Rs. 4,46,779 crore against the target of Rs.3,75,000 crore.
- The Government has provided for an amount of Rs.716 crore **under Grameen Bhandaran Yojana** for 2012-13 **to increase the capacity of godowns**. The total amount sanctioned so far under scheme is Rs.912.68 crore with an expenditure of Rs.872.44 crore.
- The Cabinet Committee on Economic Affairs has approved the proposal of the Ministry of **Food Processing Industries** for further upscaling the scheme of cold chain, value addition and preservation infrastructure for food processing with an investment outlay of Rs.231 crore to assist additional 30 cold chain projects in the country.
- The Cabinet Committee on Infrastructure approved the investment proposal for the implementation of the project for the **development of four laning of Solapur – Bijapur section of NH 13 in Maharashtra and Karnataka under NHDP Phase III on DBFOT basis in BOT (Toll) mode of delivery**. The cost of the project will be Rs.1091.89 crore out of which Rs.89.41 crore will be towards land acquisition, rehabilitation, resettlement and pre-construction. The total length of the project is 110.542 km. The concession period will be 20 years including construction period of 30 months. The main object of the project is to expedite the improvement of infrastructure in Maharashtra and Karnataka and also in reducing the time and cost of travel for traffic, particularly heavy traffic, plying between Solapur and Bijapur. It will also increase the employment potential for the local labourers for the project activities.
- The Union Cabinet approved the establishment of the **Credit Risk Guarantee Fund Trust (CRGFT) for Low Income Housing**. The CRGFT will have an initial corpus of Rs.1200 crore of which Rs.1000 crore is being contributed from the Centre and the remaining Rs.200 crore will come from the State Governments who draw on it, in accordance with their slum populations. The urban affordable housing deficit is estimated to be about 26 million. The total housing loan outstanding was about Rs.3.06 lakh crore of which only about 24% is for loans up to Rs.5 lakhs of which only a part is estimated as flowing to the Economically Weaker Sections and Low Income Groups. The establishment of such a Government-supported Credit Risk Guarantee Fund would facilitate credit enablement of the urban poor and the flow of institutional finance for affordable housing. The CRGF is intended to act as a risk-mitigant, thereby enhancing the confidence of the lending institutions in lending to this segment.
- Rs. 1850 crore have been allocated for implementation of National Horticulture Mission (NHM) and Horticulture Mission on North East and Himalayan States (HMNEH) in 2012-13. Government has declared 2012 as the year of **horticulture** to highlight the significant achievements of the horticulture sector and to give it a renewed thrust.
- The Government has decided that Coal India Limited (CIL) will sign **Fuel Supply Agreements (FSAs)** with power plants that have entered into long term Power Purchase Agreements (PPAs) with Distribution Companies (DISCOMS) and have been commissioned/would get commissioned on or before 31st March, 2015. This decision has been taken to make adequate coal availability for the power plants that have been commissioned/are being commissioned.
- Air traffic** witnessed 16.5 per cent growth during last seven years. Airports operating scheduled air services increased from 50 in 2000 to 82 in 2011. Flights per week on domestic network up from 8724 in 2006 to 12107 in 2011.
- The Ministry of Civil Aviation has **decided to open 11 new International Sectors under Bilateral Air Services Agreements (ASAs)** to the national carrier Air India as well as to other Indian Scheduled Carriers. These Sectors are: Mumbai-Dar-es-Salaam Delhi-Guangzhou; Delhi-Yangon ; Delhi-Tashkent; Delhi-Ho-Chi-Minh City; Delhi-Hanoi ; Delhi-Almaty Delhi-Macao ; Delhi-Addis Ababa ; Delhi-Melbourne; Delhi-Sydney .
- 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. 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. These are some of the key findings of a joint research report by a team from the World Bank and the Development Research Center of China's State Council, which 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.
- The **requirement of coal for power utilities for XII Plan period** has been estimated on the basis of the demand of power forecast by the 17th Electric Power Survey (EPS) Report of Central Electricity Authority (CEA). The report predicts likely power demand of 1392 Billion Units in 2016-17. If coal based thermal power plants continue to meet 70% of the power requirement of the Country, coal based generation would be around 974 Billion Units, for which requirement of coal would be around 682 Million Tonnes if specific coal consumption remains at 0.70 Kg/Unit. As per the revised estimate, the demand of coal in the Country in the terminal year (TY) of XI plan will be around 650 million tonnes against which indigenous availability would be around 545 million tonnes, leaving a gap of 105 million tonnes to be met through import. The demand is projected to increase to 980.5 million tonnes in the TY of XII Plan against which indigenous availability is projected to be 715 million tonne. The availability may increase to 795 million tonnes at the maximum, subject to availability of requisite land for coal mining and all



clearances in time. Therefore, the gap between the demand and indigenous availability is projected to be in the range of 185.5 million tonnes in the minimum to 265.5 million tonnes in the maximum. This gap is to be bridged by import of coal.

- As per UNCOMTRADE data, the **global export of apples** during the year 2010 was 71.02 lakh MTs whereas India's export of apples during the same year was 1946 MT. Therefore, India's share in export is a meager 0.02%. The reasons for low share of India's apple export in the world are Ø High demand and lucrative prices in the domestic market Ø Lack of cold chain infrastructure facilities Ø Poor rail and road connectivity in apple producing states.
- India and Malawi** have expressed happiness that after decline in bilateral trade in Fiscal Year 2010-11, bilateral trade has shown a strong growth in the current fiscal year. In the 8-month period of April to November, 2011 in the current fiscal year, bilateral trade was US \$ 113 mn, up from US \$ 61 mn in the corresponding 8-month preceding period of April to November, 2010 in Fiscal year 2010-11, that is, a growth of more than 85 %. In a bilateral meeting here today, the Union Minister of Commerce and Industry, Shri Anand Sharma and his Malawi counterpart Mr John Bande stressed the need to work on increasing the trade volume and expanding the basket of products to our mutual advantage.
- The Government has decided to establish a **Pan-India Secure Network for Intra Governmental communications**, which will be less vulnerable to attacks and would provide secured communications. The expenditure towards this project at present is proposed to be borne by the user Departments/Ministries on per line per month basis. Government has decided to establish the network initially at Delhi and thereafter, it will be scaled up for Pan-India communications.
- The Government is implementing the **National Optical Fiber Network (NOFN) scheme** for providing backhaul connectivity to village Panchayats by extending the existing optical fiber network utilizing the Universal Service Obligation Fund (USOF). Backhaul technology is used in telecom and information technology sector including mobile and broad band services. It uses optical cable, radio and satellite system.
- The Government has formulated comprehensive working plan for the development, expansion and modernization of **postal services**. The proposed financial allocation for the XII Five Year Plan, in this regard is Rs. 12,000 crore.
- The Government of India (GOI), Asian Development Bank (ADB) and the India Infrastructure Finance Company Ltd (IIFCL) signed a \$240 million loan agreement for the third and final tranche of the second **India Infrastructure Project Financing Facility (IIPFF II)**, which aims to stimulate infrastructure development through public-private partnership investments. The Facility was approved in 2009 for \$700 million as multi-tranche financing facility to finance subprojects under the Investment Program of IIFCL for financing viable infrastructure projects in transport, urban and power sectors. The tranche-III is expected to support the government's infrastructure agenda by enabling IIFCL to catalyze over 10 times its own resources from the private sector. Road networks in Andhra Pradesh, Bihar, Gujarat, Maharashtra, Jammu and Kashmir will be expanded. The loan to road projects will help connect far flung communities to markets. Long term funds for infrastructure financing will also improve financial viability and sustainability of the project companies and generate employment directly. A power project in Gujarat will also receive funding. The loan has a 25-year term with a grace period of five years and interest would be determined in accordance with ADB's LIBOR-based lending facility. The first and the second tranches of \$460 million were earmarked to finance subprojects for improving roads and highways in Madhya Pradesh, Punjab, Haryana, Himachal Pradesh, National Capital Region of Delhi, Uttar Pradesh, Maharashtra, Rajasthan, and to partially fund a power project in Kutch District in Gujarat. The loan would flow to the IIFCL on back-to-back basis with sovereign guarantee by the GOI.
- Government of India and the World Bank signed an IDA credit of US\$ 152 million to finance the Government of India's (GOI) efforts to help improve the efficiency, quality, and accountability of **health services in the state of Uttar Pradesh (UP)**, one of India's low-income States with some of the poorest health indicators in the country. With a population of approximately 200 million, UP will determine the achievement of India's own health goals and its health-related Millennium Development Goals (MDGs).
- The Union Minister of Commerce Industry and Textiles Shri Anand Sharma called on the Vice-President of **Zimbabwe** Mrs. Joice Mujuru, here today. Both the leaders expressed happiness at reaching Bilateral Trade of US \$ 125 mn in Financial Year 2010-11, with India's exports to Zimbabwe amounting to US \$ 114 mn and imports from Zimbabwe amounting to US \$ 11 mn. Bilateral Trade has shown an impressive growth, increasing from US \$ 64.02 mn in 2006-07 to US \$ 125 mn in the year 2010-11, i.e. almost doubling in the last 4 years. The Indian Minister requested the Zimbabwean side to ratify BIPPA which was signed in 1999 as it will help in increasing the investments in both countries. Indian side signed the Instrument of Ratification and the Ratification of the Agreement is awaited from Zimbabwe side.
- Lending Against Security of Single Product – Gold Jewellery**: According to the RBI Notification, it has been decided that all NBFCs shall i. hereafter maintain a Loan-to-Value(LTV) ratio not exceeding 60 percent for loans granted against the collateral of gold jewellery and ii. Disclose in their balance sheet the percentage of such loans to their total assets. NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50 percent or more of their financial assets) shall maintain a minimum Tier I capital of 12 percent by April 01, 2014. NBFCs should not grant any advance against bullion / primary gold and gold coins.
- High court notes AO's "consistent failure" to follow binding law in stay orders** : Tata Toyo Vs. Uoi (B'bay High Court)
- In stay matters, AO has to be fair to assessee**: Nishith Madanlal Desai Vs. CIT (Bombay High Court)
- Capital gains on shares' buy-back by holding co**: AAR takes strict view in Re RST (AAR)
- For S. 80-I, even "dependent" unit can be "new industrial undertaking"**: Gujarat Alkalies Vs. CIT (Gujarat High Court)
- In "finance lease" lessor is not "owner" for depreciation**: Indusind Bank Ltd Vs. ACIT (ITAT Mumbai Special Bench)



- ⚡ **Despite S. 80-IB(10) retro amendment, S. 147 (within 4 years) invalid:** Ganesh Housing Corp Vs DCIT (Gujarat High Court)
- ⚡ **Indecisive S. 263 revision order void:** ITO Vs. DG Housing Projects Ltd (Delhi High Court)
- ⚡ **Addition of new paragraph 8.7 in FTP making supplies to non mega power project ineligible for Deemed Export benefits:** As per Notification No.92 (RE-2010)/2009-2014 dated 28.12.2011, supplies to non mega power projects were entitled to benefits for Deemed Exports only under Para 8.3(a) of FTP, viz., Advance Authorisation / Advance Authorisation for annual requirement / DFIA. It has now been (According to the Notification No. 107 (RE-2010) /2009-2014) decided that supply to non mega power projects shall not be entitled to any deemed export benefit. When the annual supplement to FTP is brought out, the consequential changes of this decision will be reflected in various provisions of chapter 8 of FTP & also HBP vol. 1.

As a matter of fact ;)



Don't just have career or academic goals. Set goals to give you a balanced, successful life. I use the word balanced before successful. Balanced means ensuring your health, relationships, mental peace are all in good order. There is no point of getting a promotion on the day of your breakup. There is no fun in driving a car if your back hurts. Shopping is not enjoyable if your mind is full of tensions.



Life is one of those races in nursery school where you have to run with a marble in a spoon kept in your mouth. If the marble falls, there is no point coming first. Same is with life where health and relationships are the marble. Your striving is only worth it if there is harmony in your life. Else, you may achieve the success, but this spark, this feeling of being excited and alive, will start to die.

One thing about nurturing the spark - don't take life seriously. Life is not meant to be taken seriously, as we are really temporary here. We are like a pre-paid card with limited validity. If we are lucky, we may last another 50 years. And 50 years is just 2,500 weekends. Do we really need to get so worked up?

It's ok, bunk a few classes, scoring low in couple of papers, goof up a few interviews, take leave from work, Enjoy with your friends, fall in love, little fights with your loved Ones. We are people, not programmed devices.

Don't be serious, be sincere

- Chetan Bhagat at Symbiosis

