

- ✦ **Index of Industrial Production (IIP)** for the month of January 2011 is 3.7% higher as compared to the level in the month of January 2010. The cumulative growth for the period April- January, 2010-11 stands at 8.3% over the corresponding period of the previous year.
- ✦ The **Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors** for the month of January 2011 showed the growth rates of 1.6%, 3.3% and 10.5% as compared to January 2010. The cumulative growth during April-January, 2010-11 over the corresponding period of 2009-10 in these three sectors have been 7.2%, 8.6% and 5.3% respectively, which moved the overall growth in the General Index to 8.3%.
- ✦ Industry groups '**Jute and other vegetable fibre Textiles** (except cotton)' have shown the highest growth of 772.6%, followed by 39.0% in '**Other Manufacturing Industries**' and 27.0% in '**Leather and Leather & Fur Products**'. On the other hand, the industry groups '**Metal Products and Parts**, except Machinery and Equipment' have shown a negative growth of 34.4% followed by 22.2% in '**Wood and Wood Products; Furniture and Fixtures**'.
- ✦ The Sectoral growth rates in January 2011 over January 2010 are 7.6% in **Basic goods**, (-) 18.6% in **Capital goods** and 7.9% in **Intermediate goods**. The **Consumer durables and Consumer non-durables** have recorded growth of 23.3% and 6.9% respectively, with the overall growth in Consumer goods being 11.3%.
- ✦ The annual rate of **inflation**, stood at 13.96 percent for the week ended 26/02/2011 (over 27/02/2010) as compared to 14.85 percent for the previous week (ended 19/02/2011).
- ✦ The **total expenditure** incurred on Agriculture Census during the 11th Plan (as on 03.03.2011) is Rs. 59.45 crores.
- ✦ **Closing the gender gap in agriculture:** FAO report makes strong business case for investing in women. If women in rural areas had the same access to land, technology, financial services, education and markets as men, agricultural production could be increased and the number of hungry people reduced by 100-150 million, FAO said today in its 2010-11 edition of The State of Food and Agriculture report.
- ✦ **Avian Flu Resurgence Raises Concern in Asia, Middle East:** Since January, the H5N1 avian flu virus has re-emerged and caused deaths across Asia and in Egypt. Governments concerned with impacts on health, financial systems, and livelihoods of poor farmers and families. Experts say investment in stronger human and animal health surveillance and preparedness is needed to avoid recurring epidemics.
- ✦ **Resource-Rich Economies Lift Pacific's Performance - ADB Report:** The recovery in the global economy will help the Pacific economies improve in 2011. The strongest gains are expected in the resource-rich countries that are benefiting from both major new resource projects and better world commodity prices, says the Asian Development Bank's (ADB) Pacific Economic Monitor. The report projects that the 14 economies of the Pacific will expand by 6.3% in 2011, up from 5.3% last year. The resource-rich Papua New Guinea (PNG) and Timor-Leste are forecast to grow by 8.5% and 10% respectively, fuelled by the benefits of liquefied natural gas and petroleum developments. The resumption of gold exports and a stronger forestry sector will expand the Solomon Islands economy by 7.5% in 2011, while phosphate exports will help Nauru return to moderate economic growth. The region should see an increase in tourism and some recovery in wage remittances this year on the back of an improved outlook for the economies of Australia and New Zealand, the source of most visitors and remittances to the Pacific. The Cook Islands, Fiji Islands, Samoa, Tonga, and Vanuatu stand ready to gain the most from these improvements.
- ✦ **India and Brazil Sign Air Services Agreement:** The new ASA has the potential to spur greater trade investment, tourism and strengthening the cultural exchange between the two countries besides bringing it in tune with the developments in the international civil aviation scenario.
- ✦ **Export Grows 49.8% at US \$ 23.6 billion in February 2011:** During the period April-February 2010-11, exports have reached a level of US \$ 208.2 billion at a growth of 31.4% while the imports were US \$ 305.3 billion with a growth of 18% and a trade deficit of US \$ 97.1 billion. India's imports in February 2011 were US \$ 31.7 billion.
- ✦ As regards **exports** during April-February 2011, the following **sectors** have done well viz., engineering, 81% (\$ 52.7 billion); gems & jewellery, 5.4% (26.9 billion); POL, 34% (\$ 32.9 billion); RMG, 2% (\$ 10 billion); manmade fabrics, 14% (\$ 3.7 billion); cotton yarn, 43% (\$4.9 billion); electronics, 40% (\$ 7 billion) plastics, 41% (\$ 4.1 billion); chemicals, 22% (\$ 7.5 billion); pharmaceuticals, 15% (\$ 9.1 billion); carpets, 37% (\$ 0.9 billion); leather, 11% (\$ 3.3 billion); and marine products, 20% (\$ 2.3 billion).
- ✦ As regards **imports** during April-February 2011, the growth estimates on the following **sectors** are POL, 12.5% (\$ 88.2 billion); pearls & precious stones, 55% (\$ 22 billion); gold & silver, 13.4% (\$ 28.6 billion); fertilizers, 6% (\$ 6.9 billion); vegetable oils, 18% (\$ 6 billion); machinery, 19% (\$ 24.3 billion); electronics, 5.6% (\$ 20.1 billion); organic & inorganic chemicals, 25% (\$ 13.4 billion); coal, 12% (\$ 9.2 billion); iron & steel 29% (\$ 9.7 billion); and ores and scrap, 31% (\$ 9 billion).



- ✦ 58.23 lac tons, 2.16 lac tons and 2.37 lac tons of **sugar** were **exported** during 2007-08,2008-09,and 2009-10 sugar seasons, respectively.
- ✦ **Tax Collections:** Net direct tax collections during the period April-February 2011 stood at Rs.3,36,177 crore, up from Rs.2,78,411 crore in the same period during last fiscal, The collections thereby registered a growth of 20.75 percent. The net direct tax collections have achieved 75.38 percent of the revised estimates (RE) target of Rs.4, 46,000 crore. This is despite much higher refunds at Rs.59,602 crore during this period as against Rs.41,741 crore in the same period during the last fiscal and thus, registering an increase of 42.79 percent.
- ✦ Growth in **Corporate Income Tax** during this period was 24.01 percent (Rs.2, 23,612 crore as against Rs.1, 80,318 crore), while Personal Income Tax (including STT, and residual FBT / BCTT) grew at 14.76 percent (Rs.1, 12,114 crore as against Rs.97, 692 crore). Growth of Securities Transaction Tax was 1.72 percent (Rs.6, 078 crore as against Rs.5, 975 crore).
- ✦ **Impact of FTA with EU on Garments Export:** European Union (EU) has been raising protective barriers against Textiles & Garments exports from India through various Non- Tariff barriers such as Labelling Certification and REACH (Registration, Evaluation, Authorisation and Restriction of Chemical Substances). Ministry of Textiles has mooted the idea of developing and implementing a Common Compliance Code incorporating all social compliance issues to empower the T&C industry with adequate compliance information and to train the industry to make itself compliant with these norms.
- ✦ **Procurement of Food grains:** Initial estimates of likely procurement during the Rabi Marketing Season (RMS) 2011-12 commencing from 1st April, 2011, based on the State Food Secretaries meeting held on 7.2.2011 is **262.75 lakh tonnes**.
- ✦ **RD Ministry Releases Rs. 30 lakhs Under SGSY to Maharashtra:** The Ministry of Rural Development has released grant-in-aid worth Rs.30,87,000/- (Rs. thirty lakh eighty seven thousand only) as 2nd instalment of central share of funds for the implementation of centrally sponsored Swarnjayanti Gram Swarajgar Yojana to be spread over Dhule district of Maharashtra during the current financial year 2010-11
- ✦ **Rs. 253.06 Crore for R&D in Renewable Energy Sector:** A budgetary provision of Rs. 253.06 crore has been made for research and development in new and renewable energy for the first four years of the 11th Five Year Plan of the Ministry of New and Renewable Energy (MNRE). Against this provision an expenditure of Rs. 199.74 crore has been incurred on R&D in renewable energy sector during the last three years and the current year (upto February, 2011).
- ✦ **Performance of Central Public Sector Enterprises (CPSEs)Shows Improvement in 2009-10:** Out of 217 Operating Units in 2009-10, 158 CPSES Posted Net Profit, Same as in 2008-09, While 59 CPSES Incurred Losses as against 55 in 2008-09. **Total paid up capital** in 249 CPSEs as on 31.3.2010 stood at 148367 crore compared to 138734 crore as on 31.3.2009, showing a growth of 6.94%. **Total investment** (equity plus long term loans) in all CPSEs stood at 579920 crore as on 31.3.2010 compared to 513532 crore as on 31.3.2009, recording a growth of 12.93%
- ✦ **Maharatna Status to Coal India Limited:** A proposal for conferring Maharatna status has been received from Coal India Limited and the same is under consideration at present, in consultation with Department of Public Enterprises. A Central Public Sector Enterprise (CPSE), conferred with the Maharatna status would have **greater delegation of financial and operational powers** to its Board of Directors so as to further expand its operations, and improve its financial performance, especially in global markets. The Board of Directors of such Maharatna CPSE shall also have the powers for mergers and acquisitions, subject to certain conditions.
- ✦ **Wheat and Rice Stock** over 471 lakh tonnes as on 1st January, 201. Rice Offtake in December 2010 26.76 lakh tonnes, Wheat 20.74 lakh tones. The **procurement** of rice as on January 1, 2011 (KMS 2010-11) is 144.71 lakh tonnes as against 157.31 lakh tonnes procured last year. In respect of wheat, the procurement for RMS 2010-11 is 225.14 lakh tonnes as against 253.82 lakh tonnes procured last year. The total stocks of rice and wheat held by **FCI and State agencies** as on January 1, 2011 is 471.20 lakh tonnes comprising 255.80 lakh tonnes of rice and 215.40 lakh tonnes of wheat.
- ✦ The year wise **FDI inflows in power sector** has gradually increased from 2003-04 to 2009-10 from US \$ 28 Million to US \$ 1437 Million.
- ✦ **Performance of SEZs:** In addition to 7 Central Government Special Economic Zones (SEZs) and 12 State/Private Sector SEZs set up prior to the enactment of SEZ Act, 2005, formal approval has been accorded to 582 proposals out of which 374 SEZs have been notified. **A total of 130 SEZs have commenced export**. As on 31st December, 2010, an investment of Rs. 1, 95,348 crore has been made in SEZs and the total direct employment in SEZs is 6, 44,073 persons. The total physical Exports of Rs. 2,20,711 crore approximately have been made from SEZs during the year 2009-10 registering a growth of about 121.40% over the exports for the previous financial year. Exports from SEZs have been 26.10% of the total exports of the country during the said financial year. The total physical exports from SEZs as on 31st December, 2010 i.e. in the first three quarters of the current financial year, has been to the tune of Rs. 2,23,132 crore approximately registering a growth of 46.7% over the exports of corresponding period of the previous financial year. Total land area of notified SEZs is 44,414 hectares.



- ✦ **FDI in Defence:** The Department of Industrial Policy and Promotion (DIPP) has circulated a Discussion Paper suggesting raising FDI cap in Defence manufacturing sector to 74% or more from the existing 26%. This issue is under inter ministerial consultations and a final decision will be taken by Government thereafter. Government has a policy of moving towards greater self-reliance in Defence Production. To this end, it seeks to encourage indigenous research, development and design of equipment/weapons system within the country.
- ✦ **Increased Cargo at Major Ports:** The Traffic handling at Major Ports is projected at 615.70 million tonnes during 2011-12 as per National Maritime Development Programme.
- ✦ **Report on Urban Infrastructure and Services Submitted to Kamal Nath:** The Committee has emphasized that India's economic growth momentum cannot be sustained if urbanization is not actively facilitated nor can urban poverty be effectively addressed if the needs of the urban poor are isolated from the broader challenges of managing urbanization. The Committee has stated that cities will have to become the engines of national development. The fortunes of the agricultural sector are also crucially linked to the development of markets for agriculture which will be enhanced by urban expansion. Noting that the urban population is expected to increase from about 350 million in 2010 to 600 million in 2031, **the Committee has estimated that urban infrastructure will require a total investment of Rs 39.2 lakh crore over the next 20 years**, with Rs 17.3 lakh crore for urban roads, Rs 8 lakh crore for sectors delivering urban services such as water supply, sewerage, solid waste management, and storm water drains, Rs 4 lakh crore for renewal and redevelopment including slums, etc. The Committee has emphasised the importance of maintaining these assets if the investments are to make a durable impact on service delivery. The Committee recommends that the scale of The Jawaharlal Nehru National Urban Renewal Mission (**JNNURM**) **be expanded from the current 0.1 per cent of GDP to 0.25 per cent of GDP every year, and the new Mission should be a 20-year Mission beginning 2012-13.**
- ✦ **Quantity restriction of 720 million Kg on export of cotton yarn during 2010-11:** The export of cotton yarn (Tariff Codes 5205, 5206 & 5207) was allowed under licence. Now, issue of export licences for cotton yarn will be subject to a limit of 720 million Kgs during the fiscal year 2010-11 (i.e. upto 31.03.2011).
- ✦ **CBDT Circular on monetary limits applies to pending appeals:** CIT vs. Delhi Race Club Ltd (Delhi High Court)
- ✦ **Despite s 80HHE bar Non-Residents eligible for dedn per non-discrim cl in DTAA:** Rajeev vs ACIT ITAT A'bad – Spl Bn
- ✦ **Despite Bar In DTAA, Tax Credit Available:** Tata Sons Limited vs. DCIT (ITAT Mumbai)
- ✦ **AO entitled to issue s. 154 notice, drop it, & issue s. 148 notice:** CIT vs. M/s India Sea Foods (Kerala High Court)

