

- ✚ The annual rate of **inflation**, calculated on point to point basis, stood at 12.11 percent (Provisional) for the week ended 23/04/2011 (over 24/04/2010) as compared to 12.08 percent (Provisional) for the previous week (ended 16/04/2011).
- ✚ The **Index of Six core industries** (Crude Oil, Petroleum Refinery Products, Coal, Electricity, Cement & Finished (carbon) steel) in the Index of Industrial Production (IIP) in March 2011 registered a growth of 7.4% (provisional) compared to 6.8% registered in March 2010. During April-March 2010-11, six core industries registered a growth of 5.9% (provisional) as against 5.5% during the corresponding period of the previous year.
- ✚ **Global food prices hold steady but cereals markets remain tight:** Food prices remained virtually steady in April after falling in March following eight months of successive increases, FAO announced. A fall in sugar prices and a decline in rice helped stabilize the index, but international prices of nearly all other food commodities remained firm. "A sliding dollar and increased oil prices are contributing to high food commodity prices, particularly grains. With demand continuing strong, prospects for a return to more normal prices hinge largely on how much production will increase in 2011 and how much grain reserves are replenished in the new season.
- ✚ **Wheat Procurement** Crosses 209 Lakh tonne Wheat procurement by various government agencies as on May 6, 2011, during current Rabi marketing season has touched 209,22,725 tonne. While the procurement during marketing season of 2010-11 till the date, was 206, 15,005 tonne. Punjab has led the procurement with 100, 04,312 tonne of wheat followed by Haryana with 62, 87,488 tonne and Madhya Pradesh with 28, 98,164 tonne of wheat.
- ✚ **Production & Availability of Fertilizers in the Country during March 2011:** In March, 2011 production of Urea had been more than the target by 0.62 lakh MT. Estimated production of Urea during March, 2011 was 18.25 lakh MT against the target of 17.63 lakh MT.. During March 2011, approximately 20.83 lakh MT (both indigenous and imported) urea was despatched to various States. Availability of urea during the month of March 2011 was about 26.93 lakh MT and availability was satisfactory in all the States. Further, sale of Urea in the current season upto 31.3.2011 was about 156.08 lakh MT which is higher by 10.16% as compared to the sale of 141.69 lakh MT in the corresponding period of the previous year. As regards decontrolled fertilizers, availability of DAP and MOP during the month of March 2011 had been about 4.08 lakh MT and 3.36 lakh MT respectively, which was adequate to meet the demand of the States. During the month of March 2.15 lakh MT of urea was imported from OMIFCO, Oman. In addition, 3.85 lakh MT of MOP was also imported into the country.
- ✚ **PPPAC Approves PPP Projects worth Rs. 7553.83 Crore:** The Forty-second meeting of PPPAC, chaired by Secretary, Department of Economic Affairs, Ministry of Finance, held on April 19, 2011 and granted approval to 7 projects of Ministry of Home Affairs and Ministry of Road Transport and Highways. These projects are in five States.
- ✚ The target is **to double the country's merchandise exports in dollar terms** over the next three years (2011-12 to 2013-14) from US \$ 246 billion in 2010-11 to US\$ 500 billion in 2013-14. To realize this, exports have to grow at a compound average growth of 26.7 % per annum.
- ✚ **21 FDI Proposals Approved:** Based on the recommendations of Foreign Investment Promotion Board (FIPB) in its meeting held on April 20, 2011, Government has approved 21 Proposals of Foreign Direct Investment amounting to Rs. 1027.20 crore approximately.
- ✚ **India's exports** during March, 2011 were valued at US \$ 29134.89 million (Rs. 131081.97 crore) which was 43.8 per cent higher in Dollar terms (42.2 per cent higher in Rupee terms) than the level of US \$ 20254.14 million (Rs. 92149.26 crore) during March, 2010. **India's imports** during March, 2011 were valued at US \$ 34743.08 million (Rs.156314.00 crore) representing a growth of 17.2 per cent in Dollar terms (15.9 per cent in Rupee terms) over the level of imports valued at US \$ 29626.87 million (Rs. 134791.91 crore) in March, 2010. **The trade deficit** for April - March, 2010-11 was estimated at US \$ 104826.68 million which was lower than the deficit of US \$ 109621.46 million during April -March, 2009-10.
- ✚ Total **import of sensitive items** for the period January- April 2011 has been Rs.58715 crores as compared to Rs.54375 crores during the corresponding period of last year thereby showing an increase of 8%. Import of sensitive items constitutes 4.9% and 4.7% of the gross imports during last year and current year respectively.
- ✚ Imports of **pulses, cotton & silk, spices and tea & coffee have** declined at broad group level during the period. Imports of all other items viz. edible oil, automobiles, fruits & vegetables (including nuts), rubber, products of SSI, milk & milk products, alcoholic beverages, marble & granite and food grains have increased during the period under reference.
- ✚ In the **edible oil segment**, the import has increased from Rs 21235 crores last year to Rs 23991 crores for the corresponding period of this year. A significant feature of edible oil import is that import of crude oil has gone up by 17.4% and that of refined oil have gone down by 9.9%. 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, Argentina, Malaysia, Korea RP, United States of America, Germany, Ukraine, Thailand, Australia, United Kingdom, Tanzania REP, Vietnam, SOC REP etc. have gone up while those from Myanmar, Brazil, Canada, Japan Cote D' Ivoire, Czech Republic etc. have gone down.
- ✚ **Third Meeting of Inter Ministerial Group (IMG) on inflation held;** no conflict between the objectives of high growth and low inflation in long run: Says RBI Governor.



- ✚ **Members of Parliament get green signal to spend a maximum of rupees Ten Lakhs per year, from their MPLAD funds, for giving assistance to the physically challenged persons.**
- ✚ **Foreign Tourist Arrivals and Foreign Exchange Earnings in April 2011:** Foreign Tourist Arrivals (**FTAs**) during the month of April 2011 was 4.17 lakh as compared to FTAs of 3.54 lakh during the month of April 2010 and 3.48 lakh in April 2009. There has been a growth of 17.7 % in April 2011 over April 2010 as compared to a growth of 2 % registered in April 2010 over April 2009. Foreign Exchange Earnings (**FEE**) during the month of April 2011 were Rs. 5724 crore as compared to Rs. 4518 crore in April 2010 and Rs. 4061 crore in April 2009. The growth rate in FEE in Rupee terms in April 2011 over April 2010 was 26.7 % as compared to 11.3 % in April 2010 over April 2009.
- ✚ **Clarification Regarding Effective Date of Companies (Particulars of Employees) Amendment Rules, 2011:** The Ministry of Corporate Affairs has clarified that its notification of 31st March, 2011 regarding Companies (Particulars of Employees) Amendment Rules, 2011 raising the limit of employee's salary to be disclosed in the Directors Reports shall be applicable to all Director's Reports under Section 217 of the Companies Act, 1956 approved by the Board of Directors on or after April 1st, 2011. It will be irrespective of the accounting year of the annual account, being approved by the Board.
- ✚ **Transfer Pricing: Loss-making & super-profit companies are not comparable:** Sapient Corp Pvt Ltd vs DCIT (ITAT Delhi)
- ✚ **Interest on Tax refund not "effectively connected" with PE:** ACIT vs. Clough Engg Ltd (ITAT Delhi – Special Bench)
- ✚ **S. 194C vs. 194-I TDS on vehicle hire charges:** Ahmedabad Urban Development Authority vs. ACIT (ITAT Ahmedabad)
- ✚ **No Tax on Redevelopment Gains for Society & Members:** ITO vs. Hemandas J. Pariyani (ITAT Mumbai)
- ✚ **Service Tax On Lawyers Stayed By Gauhati High Court vide Order dated 29.04.11 till 25.05.11**
- ✚ According to Circular No. 138/07/2011 – Service Tax, it is clarified that the **services provided by the subcontractors / consultants and other service providers** are classifiable as per Section 65 A of the Finance Act, 1994 under respective sub clauses (105) of Section 65 of the Finance Act, 1944 and chargeable to service tax accordingly.
- ✚ **Permission to export 2, 50,000 MTs of wheat, in the year 2011-12, to Afghanistan, upto 31.03.2012:** Notification Number 27 of 28.2.2011 permitted export of 1, 00,000 MTs of wheat to Afghanistan, as a donation from Government of India to the Government of Islamic Republic of Afghanistan by 31.3.2011, now the quantity becomes 2, 50,000 MTs and time is available upto 31.3.2012 to do so.
- ✚ **Amendment in Paragraph 2.31 of FTP, 2009-14 to allow export of samples as part of passenger baggage:** According to Notification No. 45 (RE-2010)/2009-2014 Exporters can now take bonafide trade samples as part of their passenger baggage.

