

- 🌱 The annual rate of **inflation**, stood at 12.86 percent for the week ended 04/06/2011 (over 05/06/2010) as compared to 11.52 percent for the previous week (ended 28/05/2011).
- 🌱 RBI increased the **repo rate** under the Liquidity Adjustment Facility (LAF) by 25 basis points from 7.25 per cent to 7.50 per cent with immediate effect. Consequent to the increase in the repo rate, the **reverse repo rate** under the LAF will stand automatically adjusted to 6.50 per cent and the Marginal Standing Facility (MSF) rate to 8.50 per cent with immediate effect.
- 🌱 **Global Growth hits soft patch, expected to rebound**: IMF sees 2011 global growth broadly unchanged at 4.3 percent, 4.5 percent next year. But weakness in U.S. and Japan, problems in euro area pose greater risks. Strong policy adjustments needed to steer away from unbalanced growth. The global economy, hit by slowdowns in Japan and the United States, is expected to reaccelerate in the second half of the year, but growth remains unbalanced and concerted policy action by major economies is needed to avoid lurking dangers, the IMF says in its latest forecast.
- 🌱 Quantum Jump in **Credit Flow** During 2010-11, Rs. 4.26 Lakh Crore Disbursed Against Target of Rs. 3.75 Lakh Crore. In the current financial year (2011-12), the government is providing interest subvention by 3%, thus bringing down the effective rate of interest to 4% per annum. This interest subvention is provided to those farmers who repay their short term crop loans on time. In 2009-10 the subvention rate for timely repayment of crop loans was 1% which was raised to 2% in 2010-11 and further to 3% this year.
- 🌱 FM: Aim to achieve **GDP growth** of 9 to 9.5% during 12th Five Year plan period; asks Banks to bring down NPA to previous level. RBI by Raising Repo Rate by 25 Basis Points seeks to maintain an interest rate environment that moderates **inflation**. Finance Minister calls for close watch on domestic and international developments in the coming months and for appropriate adjustments to check inflation.
- 🌱 **Rice** sown in 10.35 Lakh hectare, pulses in 2.86 Lakh hectare, **sugarcane** acreage up by 2.23 Lakh hectare, **cotton** by 6.23 Lakh hectare
- 🌱 **Higher agriculture commodity prices here to stay**: The OECD-FAO Agricultural Outlook 2011-2020 says that a good harvest in the coming months should push commodity prices down from the extreme levels seen earlier this year. However, the Outlook states that over the coming decade real prices for cereals could average as much as 20 percent higher and those for meats as much as 30 percent higher, compared to 2001-10. These projections are well below the peak price levels experienced in 2007-08 and again this year.
- 🌱 **RBI announces rate of interest on Floating Rate Bonds, 2020**: The rate of interest on the Floating Rate Bonds, 2020 (FRB, 2020) applicable for the half year June 21, 2011 to December 20, 2011 shall be 8.23 percent per annum.
- 🌱 RBI releases DRG Study on **"Productivity, Efficiency and Competitiveness of the Indian Manufacturing Sector"**. Summary is enclosed.
- 🌱 Over the last five years, **China has increased its renewable energy generation** to 8.8% of total primary energy consumption, making it one of the world's leading producers. China is aiming to reduce its carbon emission intensity by up to 45% by 2020 – compared to the level in 2005. Renewable energy will be an important part of the solution.
- 🌱 **India and ADB** sign \$132 million loan agreement for strengthening Bihar's Power Sector
- 🌱 **OECD** appreciates India's efforts in handling issues relating to **tax evasion and black money**; India and OECD agree to have enhanced tax cooperation
- 🌱 **Harnessing the diaspora's resources to boost African Development**: Africa's diaspora accumulates an estimated US\$53 billion in savings every year. Much work must be done on both sides before this resource can reach its potential for development. The "diaspora bond" concept creates a win-win scenario for diaspora members and homeland governments: World Bank
- 🌱 **Joint efforts to map water levels across Arab Countries**: Fresh water is the key to growth, agriculture, even life in the Middle East and North Africa. But the scarcity of water across much of the region is an increasingly serious problem. A new project uses satellite and remote sensing tools to map, monitor in near real time, and predict rainfall, drought, and evaporation : World Bank



- 🚩 **India has set a target of training 500 million skilled workers by 2022**, says P. C. Chaturvedi Secretary Labour and Employment
- 🚩 Anand Sharma pushes for **lowering tariff of sensitive items in SAFTA**, India earmarks US\$100 million each for neighboring countries for basic infrastructure projects
- 🚩 The Government of India and the World Bank signed an agreement for **cleaning the Ganga River**. The Project has an estimated cost of Rs 7,000 crore. The share of the Government of India will be Rs 5,100 crore and that of the five state governments (Uttarakhand, Uttar Pradesh, Bihar, Jharkhand and West Bengal) will be Rs 1,900 crore. The World Bank will support the Government of India by providing technical assistance and finance. The assistance would be in form of a loan of \$801 million from IBRD and a credit of \$199 million from IDA.
- 🚩 **Total import of sensitive items** for the period April-February 2011 has been Rs.65596 crores as compared to Rs.60011 crores during the corresponding period of last year thereby showing an increase of 9.3%. 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 24016 crores last year to Rs 27314 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 16.6% and that of refined oil have gone down by 1.5%. 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 PRP, Argentina, Malaysia, Korea RP, United States of America, Germany, Ukraine, Thailand, Australia, Tanzania REP, United Kingdom, Cote D' Ivoire, Vietnam SOC REP etc. have gone up while those from Myanmar, Brazil, Japan, Canada, Czech Republic etc. have gone down.
- 🚩 A Technical Group constituted by the Ministry of Housing and Urban Poverty Alleviation in 2006 to assess the urban housing shortage has estimated that at the end of the 10th Five Year Plan (2007-08), the total housing shortage in the country was 24.71 million. The Technical Group has further estimated **the total requirement of housing during the 11th Five Year Plan period (2007-2012) will be 26.53 million**.
- 🚩 Export-Import Bank of India (**Exim Bank**) has concluded an agreement dated February 18, 2011 with the Government of the Federal Democratic Republic of **Ethiopia making available to the latter, a Line of Credit (LOC) of USD 91 million** (USD ninety one million) for financing eligible goods and services including consultancy services, machinery and equipment from India for the purpose of financing development of sugar industry in Ethiopia.
- 🚩 Export-Import Bank of India (**Exim Bank**) has concluded an Agreement dated March 28, 2011 with the Government of the United Republic of **Tanzania making available to the latter, a Line of Credit (LoC) of USD 36.56 million** (USD thirty six million and five hundred sixty thousand) for financing eligible goods and services including consultancy services from India for the purpose of financing the purchase of 723 vehicles under the India Africa Fund into Tanzania.
- 🚩 **An amendment in Paragraph of 1.1 of the Handbook of Procedures, v1 (RE 2010)**: "In pursuance of the provisions of paragraph 2.4 of FTP, the Director General of Foreign Trade (DGFT) hereby notifies the compilation known as HBP v.1, HBP v.2 and Schedule of DEPB rates. These compilations, as amended from time to time, shall remain in force until 31st March, 2014, except DEPB Scheme which shall continue to be operative till 30th September, 2011." DEPB Scheme gets an extension of 3 months from 30.6.2011 to 30.9.2011.
- 🚩 **Conditions and modalities for registration of contracts for additional quantity of 10 lakh bales (1, 70,000 MTs) of cotton with DGFT**: According to the Public Notice No. 55 (RE-2010)/2009-2014, the cap on export of cotton in the current cotton year has been increased to 65 lakh bales from 55 lakh bales. For allocation of this additional quantity of 10 lakh bales, the above procedure has been prescribed.
- 🚩 **Regn as Public Trust not reqd for s 12A "Charity" registration**: Grameen Initiative for Women vs. DIT (E) (ITAT Mumbai)

