

- ✚ The annual rate of **inflation**, stood at 17.26 percent for the week ended 15/01/2011 (over 16/01/2010) as compared to 17.03 percent for the previous week (ended 08/01/2011).
- ✚ **Wheat** Sown in over 291 and Pulses in 148 Lakh Hectare Wheat Acreage up by 8.95, Pulses by 11.11 and Total Foodgrains by 13.32 Lakh Hectare
- ✚ **Liquidity Adjustment Facility – Repo and Reverse Repo Rates:** As announced today in the Third Quarter Review of Monetary Policy 2010-11, it has been decided to increase the repo rate under the liquidity adjustment facility (LAF) by 25 basis points from 6.25 per cent to 6.50 per cent and the reverse repo rate by 25 basis points from 5.25 per cent to 5.50 per cent with immediate effect.
- ✚ The Reserve Bank of India's Reference Rate for the **US dollar** is Rs. 45.74 and the Reference Rate for **Euro** is Rs. 62.73 on January 28, 2011. The corresponding rates for the previous day (January 27, 2011) were Rs. 45.57 and Rs. 62.46 respectively.
- ✚ **Foreign exchange reserves** swelled \$1.98 billion during the week ended January 21. The latest figures released by the Reserve Bank of India on Friday show that the total foreign exchange reserves, including gold and special drawing rights (SDRs - reserve currency with the International Monetary Fund), moved up \$1,977 million to hit \$299.40 billion during the week ended January 21. While foreign currency assets soared \$1,685 million, the value of gold in reserves remained unchanged during the week. The value of SDR and the reserve capital with the IMF rose \$25 million and \$267 million, respectively, during the week.
- ✚ The partially convertible **rupee** ended at 45.7525/7625 per dollar, after falling to 45.8450, its lowest since December 1 and 0.4% weaker than Thursday's close of 45.57/58.
- ✚ The **Sensex dropped 288 points** or 1.5% to close at 18,396 points while Nifty slid 1.6% to 5,512 points. All the key indices ended in the red. The Sensex has lost more than 10% in January alone and is now over 12% lower than the highs it hit on November 5.
- ✚ The **total public debt of the Government** increased by 4 per cent to Rs 28,62,624 crore during the third quarter of the current financial year from Rs 27,53,378 crore in the previous quarter. Internal debt in Q3 constituted 89.6 per cent of public debt, compared to 89.2 per cent at end of the second quarter. The outstanding internal debt of the Government stood at Rs 25,64,983 crore in Q3, thereby constituting 36.6 per cent of GDP (Gross Domestic Product)) compared with 35 per cent in the previous quarter
- ✚ **Railway Revenue Earnings** up by 10.40 per cent During the period 11th – 20th January 2011
- ✚ As per the latest estimates, the **crude steel capacity** in the country is likely to reach 120 million tonnes by 2012 from 72.9 million tonnes in the 2009-10.
- ✚ **Global Prosperity Index:** The report by the Landon-based Legatum Institute titled 'The 2010 Legatum Prosperity Index' places India's rank at 88 in a ranking of prosperity of 110 countries. The prosperity index is based on 89 variables over 110 countries, grouped into 8 sub-indices taking into account both economic growth and citizen's quality of life.
- ✚ **The Ministry of Rural Development** has released **grant-in-aid worth Rs.36, 29, 52,000/-** as 2nd instalment of central share of funds for the implementation of centrally sponsored Swarnjayanti Gram Swarojgar Yojana to be spread over 13 districts of Maharashtra during the current financial year 2010-11.
- ✚ **Tax collection targets for the current financial year increased;** FM calls for more focus on increasing service tax collections: He said that direct tax collection target is to be increased to 4% and indirect tax collection target will be raised to 6%.
- ✚ **World Bank: Technology Strategy Anticipates Transformational Growth:** Bank consultations open on a new information and communications technology (ICT) strategy to expand connectivity networks and transform social and economic services. Strategy to encourage grass-roots innovation, local information and technology industries.



- ✦ Despite the improving **global outlook**, the pace of fiscal consolidation this year is slowing in some key countries, including India, China and Brazil, according to the International Monetary Fund (**IMF**). The US and Japan are adopting new stimulus measures and delaying consolidation, relative to the pace envisaged in the November 2010 Fiscal Monitor, the IMF said in its January update released here Thursday.
- ✦ **Indian Port Sector** Crosses one Billion Tonne Cargo Handling Capacity Three Major Port Projects Inaugurated at Ennore Port
- ✦ **Indian Railways** gets Rs 28 Crore for Development of Multi Functional Complex through Private Investment Bids Invited by RLDA for 6 Stations in Cities Evokes Overwhelming Response RLDA to Develop 86 More MFCS this Year
- ✦ **S. 147 Reopening Void If Reasons Supplied Late:** Balwant Rai Wadhwa vs. ITO (ITAT Delhi)
- ✦ **Transfer Pricing: Super-normal profit cos must be excluded:** Adobe Systems India Pvt Ltd vs. ACIT (ITAT Delhi)
- ✦ **Restriction on export of Cotton yarn- Exemption for export of cotton yarn manufactured out of imported raw material- regarding:** "Export of cotton yarn by manufacturers who manufacture and export cotton yarn exclusively out of imported raw cotton shall be exempted from the restriction imposed on export of cotton yarn vide above notifications, subject to a certificate from the jurisdictional Central Excise Authority certifying that the yarn has been manufactured exclusively out of the imported raw cotton." The effect of this notification: The manufacturers who manufacture and export cotton yarn out of the imported raw cotton shall be exempted from the restriction imposed on export of cotton yarn.
- ✦ **RBI invites Comments on Malegam Committee Report on MFIs:** The Reserve Bank of India has invited views/comments of all stakeholders and the public at large on the Malegam Committee report on microfinance institutions (MFIs). Comments/suggestions/views may be forwarded to the Chief General Manager-in-Charge, Rural Planning and Credit Department, Reserve Bank of India, Central Office Building, 10th floor, S.B.S. Road, Mumbai-400001 or emailed to rpcdplan@rbi.org.in latest by February 13, 2011.
- ✦ The Director General of Foreign Trade in the Department of Commerce has issued a Public Notice No. 21 (RE-2011)/2009-2014 dated January 10, 2011 mandating that **all exports of pharmaceuticals and drugs from India would be made under a trace and track surveillance system.**

