

- ✚ The annual rate of **inflation**, stood at 13.53 percent for the week ended 12/03/2011 (over 13/03/2010) as compared to 12.31 percent for the previous week (ended 05/03/2011).
- ✚ The **30-share Sensex** closed at 18,815.64, up 464.90 points or 2.53% over its previous close. It had touched a high of 18,858.30 earlier in the session. The **50-share Nifty** closed at 5,654.25, up 131.85 points or 2.39% over the previous close. IT, banking, capital goods and realty shares were the star performers of the day.
- ✚ **Farm Sector to Grow 5.4% in 2010-11**: Public Investment in Agriculture on The Rise; States Making use of RKVY. National Mission on Seeds on the ANVIL: Annual Report of Department of Agriculture & Cooperation
- ✚ **14 FDI Proposals worth Rs. 1289.85 Crore approved**: Based on the recommendations of Foreign Investment Promotion Board (FIPB) in its meeting held on March 11, 2011, Government of India has approved 14 Proposals of Foreign Direct Investment (FDI) amounting to Rs. 1289.85 crore approximately.
- ✚ **Global wheat production to increase in 2011**: FAO's first forecast for world wheat production in 2011 stands at 676 million tonnes, representing a growth of 3.4 percent from 2010, the March 2011.
- ✚ Government of India and the **World Bank** Sign \$7.98 Million Agreement for Watershed Project in Uttarakhand
- ✚ The World Bank Group will work in close cooperation with 17 agencies of the US Government to support developing countries in managing **global water crises** such as the lack of safe drinking water and sanitation, diminishing aquifers, drought, flooding, and climate change impacts.
- ✚ **East Asia and Pacific Economic Update**: As a result of the earthquake and tsunami, Japan's real GDP growth will slow, but the slowdown will likely be temporary. Growth should start picking up after mid-2011 as reconstruction efforts get underway. While there are uncertainties such as the situation with nuclear reactors, Japan's past experience suggests an accelerated reconstruction effort. The short term impact on the economies of developing East Asia is likely to be limited. In terms of impact on trade, disruption to production networks, especially in automotive and electronics industries, could continue to pose problems. Real GDP growth in East Asia has been moderating after a sharp rebound from the global crisis. Inflation has become the key short-run challenge for the authorities in the region, complicated by a surge in portfolio capital inflows and rapidly increasing food and commodity prices that hit low-income households disproportionately. For many middle-income countries in East Asia, lowering inflation presents difficult policy choices. The sharp increase in commodity prices portends increased volatility for the foreseeable future. Over the medium-term, East Asia has the potential to sustain rapid increases in living standards even as the global economy enters a more challenging phase. China, today the world's second largest economy and its leading exporter and manufacturer, will remain a powerful source of external demand for East Asian producers in the foreseeable future. But even as developing East Asia continues to grow rapidly, rising inequality is a matter for concern and could pose a challenge to future social stability. As much as one-third of per-capita growth in East Asia over the last half a century was due to the favorable demographic dividend. No country has grown to middle income without industrializing and urbanizing. The risks of climate change and natural disasters complicate East Asia's quest for continuous rapid growth.
- ✚ **Non-Compete Fee Not Taxable**: Guffic Chem P. Ltd vs. CIT (Supreme Court)



- ✚ Capital asset treated as stock-in-trade of proprietary business has to be valued at market value: Madhu Rani Mehra vs. CIT (Delhi High Court)
- ✚ Implicit support by holding company to sub to be considered in determining ALP: Queen vs General Electric (CA Canada)
- ✚ S. 40A(3) Disallowance can be made in Block Assessment even if GP estimated: CIT vs. M/s Sai Metal Works (P&H High Court)
- ✚ Merely because shares are purchased by taking loan at high interest does not mean gains are taxable as business profits: CIT vs. Niraj Amidhar Surti (Gujarat High Court)
- ✚ Extension of prohibition on export of Pulses (except Kabuli Chana and 10,000 tonnes of organic pulses) upto 31.03.2012– regarding: According to Notification No 35 (RE – 2010)/2009-2014 prohibition on export of pulses has been extended by one more year; from 31.03.2011 to 31.03.2012. But, there are two exceptions to this. One is export of Kabuli Chana (it was permitted earlier too). Second is export of Organic Pulses (new addition now); but with a ceiling of 10,000 tonnes and subject to certain conditions mentioned above.
- ✚ Minimum Export Price of Onions: According to Notification No 36 (RE – 2010)/2009-2014 i) Minimum Export Price (MEP) of onions other than Bangalore Rose Onions and Krishnapuram onions will be US\$ 225 per Metric Ton F.O.B. It was US\$ 275 per Metric Ton as notified on 16.03.2011. (ii) Minimum Export Price (MEP) of Bangalore Rose Onions and Krishnapuram onions will be US\$ 600 per Metric Ton F.O.B. It was US\$ 1400 per Metric Ton as notified on 18.02.2011.
- ✚ Exemption for export of milk powders(including skimmed milk powder, whole milk powder, dairy whitener and infant milk foods), Casein and Casein products under para 9.12 of Handbook of Procedure Vol. 1: According to Notification No 37(RE – 2010)/2009-2014, in relaxation of the prohibition imposed by Notification No:23 dated 18th February 2011, read with Notification No:25 dated 24th February 2011,export of milk powders, Casein and Casein products etc (as described above) would be permitted in respect of such consignments only which were already handed over to customs for examination and export on or before 18.02.2011 .

