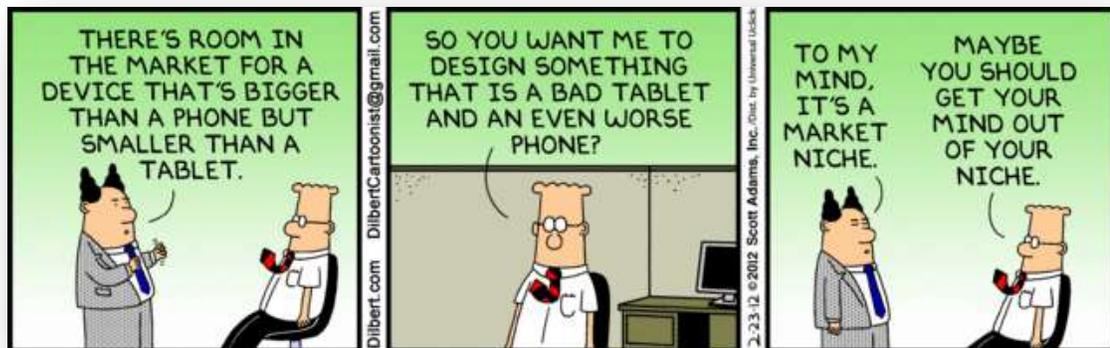


	SENSEX	NIFTY	USD/INR	Gold (MCX) (Rs/10g.)
Market Watch 24 Feb	17923.57 ↓-154.93	5429.30 ↓-54.00	49.32 ↑0.18	28740.00 ↓-173.00

- ✚ **Prospects for 2012/13:** Economy is likely to grow in the range of 7.5 to 8 per cent. Mining and manufacturing are expected to show substantial improvement in 2012/13 over the previous year. **Inflationary pressure** will continue to ease through 2012/13 and will remain around 5-6 per cent for the year. In the year 2012/13 **CAD** is projected to be around 3.0 per cent of GDP. Efforts are made to keep the CAD between 2.0 and 2.5 per cent of GDP over the medium term.
- ✚ The Economic Advisory Council to the Prime Minister in the **Economic Review** has asked to keep a vigil on food prices-focus on production as well as rolling out of adequate food logistics network. Greater need to invest in the infrastructure for both capacity creation as well as operational performance in coal, power, roads and railways. Greater need to invest in the infrastructure for both capacity creation as well as operational performance in coal, power, roads and railways. Need to make adjustments on sale of refined petroleum products to reduce the huge burden of subsidy. Capital inflows particularly in the form of equity must be encouraged along with improved domestic conditions for investment and growth. Government must effectively lay out a road map to achieve fiscal consolidation. Government borrowing programme must not affect the financing needs of the private sector. For the overall macroeconomic stability, attention must be paid to prices, exchange rate and fiscal balances.
- ✚ **Eurogroup Agreement with Greece paves way for new IMF Financing:** After weeks of talks, the Greek government and its European partners reached agreement on a package aimed at restoring growth and achieving debt sustainability. A cornerstone of the agreement is a substantial write-down of the country's public debt. IMF chief Christine Lagarde welcomed the agreement and said it opens the way for new IMF financing.
- ✚ **GST** will bring about a paradigm shift in the arena of indirect taxation in the country; asks CBEC to make extra efforts to meet the targets of indirect tax collections for the current Fiscal : FM
- ✚ The working paper by IMF on "India's Growth Spillovers to South Asia" investigates the role of India's economy in explaining the observed growth in South Asia, taking into consideration other sources of growth endogenous to the countries in the region. Since a review of key variables indicates that India's bilateral trade and financial linkages with South Asian countries (SAC) are relatively weak, the paper analyses the spillover effects by focusing on growth more generally with India's growth as an explanatory variable. The results of the panel growth regressions suggest that **India's growth has good explanatory power for growth in other SAC after 1995.**
- ✚ The Appointments Committee of the Cabinet (ACC) has approved the appointment of **Shri Pradeep Kumar Sinha, IAS** (UP:77), presently Special Secretary and Financial Adviser, Ministry of Petroleum and Natural Gas as Secretary, Ministry of Shipping vice Shri K. Mohandas, IAS (KL:74), on his retirement on 29.02.2012.
- ✚ Captain Chittarath Poovakkatt Krishnan Nair, The Leela Group Chairperson's granddaughters, Amruda Nair, Aishwarya, Samyukta take charge of family business (**The Leela luxury hotel** chain group).
- ✚ **Citigroup Inc** has raised USD 1.95 billion by selling its entire stake in Housing Development Finance Corp (HDFC) at Rs 657.50 a share.
- ✚ **The Department of Telecom (DoT)** has asked telecom operators Idea Cellular and Vodafone to provide Intelligence Bureau (IB) identification of subscribers using Internet on their mobile phones.
- ✚ The Reserve Bank of India, released the **Annual Report of the Banking Ombudsman Scheme** for the year 2010-2011. The Banking Ombudsman Scheme was instituted by the Reserve Bank in 1995 to provide speedy solutions to the grievances of bank customers. There are 15 Offices of Banking Ombudsmen across the country. The report is a synopsis of activities of all the offices of Banking Ombudsman. The report indicates that compared to last year there was decline of 10 per cent in number of complaints received by Ombudsman Offices in the year 2010-11.
- ✚ **Amendments to the Combination Regulations – Relief to Corporate entities by making process of filings simpler:** The provisions of the Competition Act, 2002 ("Act") relating to regulation of combinations and the Competition Commission of India (Procedure in regard to the transaction of business relating to combination) Regulation, 2011 ("Combination Regulations") have been in force with effect from 1st June, 2011. The Competition Commission of India, after gaining experience of implementation of the Combination Regulations for almost nine months, has amended the Regulations with a view to provide relief to the corporate entities from making filings for combinations which are unlikely to raise adverse competition concerns, reduce their compliance requirements, make filings simpler and to move towards certainty in the application of the Act and the Regulations.
- ✚ **Export of Marine Products** during April - December of 2011 of the current fiscal has indicated a positive growth in terms of both quantity and value. The exports registered a growth of 1.48% in quantity, 21.68% in rupee value and 18.72% in US \$ realization compared to the same period last year.
- ✚ **India has invited investors from the US to participate in the country's port development plans** and earn rich rewards. This invitation was extended by the Union Shipping Minister Shri G.K. Vasan when a business delegation from USA led by Undersecretary to the Government of the United States of America, Mr. Sanchez met him in Chennai. Foreign Direct Investments in ports are permitted in India under the automatic route. USA is the second largest source of FDI inflows into India.

- 📌 **No s. 271AAA Penalty even if tax on undisclosed income unpaid:** DCIT vs. Pioneer Marbles & Interiors (ITAT Kolkata)
- 📌 **Salaried assesseees with income upto Rs. 5 Lakhs exempt from ROI for AY 2012-13**
- 📌 **Amendment in Chapter 10 of Schedule 2 of ITC (HS) Classification of Export and Import Items relating to export of Basmati Rice:** According to Notification No. 97 (RE-2010) /2009-2014, (i) Minimum Export Price of Basmati Rice has been reduced to US\$ 700 per MT. Earlier it was US\$ 900 or Rs. 41,400/- per MT FOB. MEP is expressed only in terms of US dollar. (ii) Export is now permitted through all EDI ports. Earlier it was allowed only through six ports. (iii) There is no change in any of the other existing conditions for export of basmati rice as have been notified from time to time. These conditions have been consolidated in the column "Nature of Restrictions" in the table of para 2.
- 📌 **Toll in the nature of 'user charge' or 'access fee' paid by roads users — regarding:** According to Circular No. 152/3 /2012-ST, Service tax is not leviable on toll paid by the users of roads, including those roads constructed by a Special Purpose Vehicle (SPV) created under an agreement between National Highway Authority of India (NHAI) or a State Authority and the concessionaire (Public Private Partnership Model, Build-Own/Operate-Transfer arrangement). 'Tolls' is a matter enumerated (serial number 59) in List-II (State List), in the Seventh Schedule of the Constitution of India and the same is not covered by any of the taxable services at present. Tolls collected under the PPP model by the SPV is collection on own account and not on behalf of the person who has made the land available for construction of the road. However, if the SPV engages an independent entity to collect toll from users on its behalf and a part of toll collection is retained by that independent entity as commission or is compensated in any other manner, service tax liability arises on such commission or charges, under the Business Auxiliary Service [section 65(105) (zzb) read with section 65(19) of the Finance Act, 1994]. Further, an SPV formed as a result of agreement between NHAI or State Authority and the concessionaire under the BOT arrangement, cannot be considered as an agent of the NHAI. Renting, leasing or licensing of vacant land by the NHAI or State Authority to an SPV for construction of road and such construction do not attract service tax.
- 📌 The Reserve Bank invites views/comments on **the Report of the Nair Committee on Priority Sector Lending** from banks, non-bank financial institutions, other institutions and members of public. Suggestions and comments on the Report may be sent by March 31, 2012.
- 📌 The Reserve Bank of India today released on its website, **Draft Guidelines on Liquidity Risk Management and Basel III Framework on Liquidity Standards** for comments and feedback latest by March 21, 2012.
- 📌 **Permission for export of wheat through Land Custom Stations (LCS) on Indo-Bangladesh and Indo-Nepal border:** Notification No. 72 dated 09.09.2011 made export of wheat free but only through Custom EDI ports. Now, According to the Notification No. 99 (RE-2010)/2009-2014, export of wheat is also being permitted from non-EDI Land Custom Stations on Bangladesh and Nepal border. The only requirement will be registration of quantity with DGFT.
- 📌 **Permission for export of non-basmati rice through Land Custom Stations (LCS) on Indo-Bangladesh and Indo-Nepal border:** Notification No. 71 dated 09.09.2011 made export of non-basmati rice free by the private parties from privately held stocks only through Custom EDI ports. Two changes are being notified now in Notification No.98 (RE-2010)/2009-2014: (i) State Trading Enterprises (STEs) including M/s. NCCF & NAFED have also been permitted to export privately held stocks of non-basmati rice. (ii) Export of non-basmati rice is also being permitted from non-EDI Land Custom Stations on Bangladesh and Nepal border. The only requirement for export through LCS will be registration of quantity with DGFT. (b) This notification also consolidates some other notification on the subject.

As a matter of fact ;)



"When a management team with a reputation for brilliance tackles a business with a reputation for bad economics, it is the reputation of the business that remains intact".

~Warren Buffett