

- ✚ **Industrial production** grew by just 1.8% year-on-year in December 2011 due to contraction in mining and capital goods sectors and a lower manufacturing sector growth.
- ✚ **The Sensex** ended at 17,749, down 82 points and the 50 share Nifty ended lower by 31 points at 5,382 levels.
- ✚ The advanced estimates indicate that, the **growth in GDP** during 2011-12 is estimated at 6.9 per cent as compared to the growth rate of 8.4 per cent in 2010-11. The growth rate of 6.9 per cent in GDP during 2011-12 has been due to the growth rates of over 8 per cent in the sectors of electricity, gas and water supply, trade, hotels, transport and communication, and financing, insurance, real estate and business services. There may be slow growth in the sectors of agriculture, forestry and fishing' (2.5%), manufacturing (3.9%) and construction (4.8%). The growth in the mining and quarrying sector is estimated to be negative (-2.2%).
- ✚ The **national income** is expected to rise by 7.0 per cent during 2011-12 in comparison to the growth rate of 7.8 per cent in 2010-11. The growth rate in per capita income is estimated at 5.6 per cent during 2011-12, as against the previous year's estimate of 6.4 per cent.
- ✚ The **'agriculture, forestry and fishing' sector** is likely to show a growth 2.5 per cent in its GDP during 2011-12, as against the previous year's growth rate of 7.0 per cent. The **manufacturing sector** is likely to show a growth of 3.9 per cent in GDP during 2011-12 as against the growth of 7.6 per cent during 2010-11.
- ✚ The **estimated growth in GDP** for the trade, hotels, transport and communication sectors during 2011-12 is placed at 11.2 per cent as against growth of 11.1 percent in the previous year. This is mainly on account of growth during April-November, 2011-12 of 15.5 per cent in passengers handled in civil aviation. Further, **private corporate sector** registered significant growth in trade, hotels and restaurant and business services during first half of 2011-12. The sales of commercial vehicles witnessed an increase of 19.2 per cent per cent in April-December 2011. The sector, financing, insurance, real estate and business services, is expected to show a growth rate of 9.1 per cent during 2011-12, on account of 16.9 per cent growth in aggregate deposits and 15.9 per cent growth in bank credit during April-December 2011 (against the respective growth rates of 28.0 per cent and 19.2 per cent in the corresponding period of previous year).
- ✚ The Union Finance Minister Shri Pranab Mukherjee said that the main reason for **decline in the GDP growth is slowdown in industrial growth, in particular in investment growth**. The Finance Minister said that the negative growth in mining sector along with slowdown in construction sector has also contributed to the decline in GDP growth.
- ✚ Based on the recommendations of Foreign Investment Promotion Board (FIPB) in its meeting held on January 20, 2012, Government has **approved 20 Proposals of Foreign Direct Investment** amounting to Rs.1034.371 crore approximately.
- ✚ The **FAO Food Price Index** rose by nearly two percent or four points from December to January – its first increase since July 2011. Prices of all the commodity groups in the index registered gains last month with oils increasing the most, followed closely by cereals, sugar, dairy products and meat.
- ✚ The Prime Minister has directed that the **Dedicated Freight Corridor Project** costing nearly one lakh crore rupees should be given the highest priority by Central Ministries and urged the State Governments to also do so. The project will connect a land mass over 3300 kilometers in the country and could prove to be a backbone of India's economic transport facility. The Western corridor from Dadri in Uttar Pradesh to Jawaharlal Nehru Port Trust near Mumbai will be 1499 kilometers and will connect Haryana, Rajasthan, Gujarat and Maharashtra with an exclusive high speed railway track. The Eastern Dedicated Freight Corridor from Ludhiana to Dankuni will be 1839 kilometer long and will connect Punjab, Uttar Pradesh, Bihar and West Bengal. A major part of Western corridor will be funded with Japanese assistance and nearly two third of the Eastern corridor will be built with World Bank assistance. The Sonnagar- Dankuni section will be executed on PPP mode. Indian Railways is also investing a substantial amount in the Project.
- ✚ **Gross direct tax collection** during April-January of the current fiscal was up by 14.57 percent at Rs.4, 25,274 crore as against Rs.3, 71,188 crore in the same period last fiscal. While gross collection of corporate taxes was up 11.87 percent (Rs.2, 85,837 crore against Rs.2, 55,514 crore last year), gross collection of personal income tax was up by 20.43 percent (Rs.1, 38,730 crore against Rs.1, 15,192 crore last year). Net direct tax collections stood at Rs.3, 46,959 crore, up from Rs.3, 17,500 crore in the same period last fiscal, registering a growth of 9.28 percent. Growth in wealth tax was 45.11 percent (Rs.682 crore against Rs.470 crore), while growth in securities transaction tax (STT) was - 27.19 percent (Rs.4, 145 crore against Rs.5,693 crore).
- ✚ The Union Cabinet approved the guidelines for establishing **Joint Venture Companies by Defence Public Sector Undertakings (DPSUs)**.
- ✚ The Union Cabinet approved the **National Data Sharing and Accessibility Policy – 2012 (NDSAP-2012)**. The objective of the policy is to facilitate access to Government of India owned shareable data and information in both human readable and machine readable forms through a network all over the country in a proactive and periodically updatable manner, within the framework of various related policies, Acts and Rules of the Government, therefore, permitting a wider accessibility and use of public data and information.
- ✚ The Union Cabinet gave its ex-post facto approval for registering **National Centre for Cold Chain Development (NCCD)** as a society under the Societies Registration Act, 1860 with its Memorandum of Association and Rules and Regulations. All stakeholders will be having membership in the society in a Public Private Partnership (PPP) mode. The NCCD will be having a Governing Council under the Chairmanship of Secretary with 22 members, covering government officials, Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce & Industry (FICCI), growers, cold chain equipment manufacturers/supplies etc. A sum of Rs.25 crore has been allocated as one time grant for setting up a corpus fund for NCCD.



- ✚ **EU** is India's 3rd largest trading partner in the world. The exports growth is 30% in 2010-11 which accounts for 53.494 billion US \$. EU as a region is the largest investor in India with FDI from EU totalling US \$ 33.24 billion during the period April 2000 to November 2011. Indian investments in EU nations have been US \$ 30 billion. Importance of Trade from India's perspective is India's export to EU was 18.64 % of its global trade during 2010-11 & India's imports from EU was 12.05 % of its global trade in 2010-11
- ✚ **India's exports** for the month of January 2012 have registered a growth of 10.1%, at US\$ 25.4 billion. **Imports** for the January 2012 were US \$ 40.1 billion with a growth of 20.3%. **Balance of Trade** stood at US \$ (-) 14.7 billion during January 2012. During April 2011-January 2012, the following sectors have done well viz., engineering, (US \$ 49.7 billion) which registered the growth of 21%; petroleum & oil products (48.9 US \$ billion), 50.1%; Gems & Jewellery registered the growth of 33% (US \$ 37 billion); Drugs and pharmaceuticals 21.1% (US \$ 10.20 billion US \$); leather 23.4% (US \$ 3.8 billion) Cotton yarn and fabric made-up 14.7% (US \$ 5.59 billion) ; electronics,(7.3 billion US\$) 13.4% ; Readymade garments, 21.5% ( US \$ 10.9 billion), other basic chemicals grows by 29.6 % with the (US \$ 8.8 billion US \$). As regards to imports during April 2011-January 2012, the growth estimates on the following sectors are: POL, 38.8% (US \$ 117.9 billion); Gold and silver 46.6% (US 50 billion); machinery, 25.8% (US \$ 28.8 billion), electronics, 22.9% (US \$ 27.8 billion), Organic & inorganic chemicals 23.6 % (US \$ 15.8 billion ) and coal 69% (US \$ 14.1 billion US \$).
- ✚ The Government is considering a **Special Purpose Vehicle for transportation of foodgrains from procuring states to consuming states and GPS tracking system to monitoring the movement of foodgrains**. Briefing the media persons after the conclusion of two days' Conference of State Food and Agriculture Ministers here today, Minister of Consumer Affairs & Food and Public Distribution, Prof. K V.Thomas said that States have resolved to modernize the Public Distribution System and create modern storage facilities.
- ✚ Standing Committee on Information Technology – Invites Suggestions on the **Electronic Delivery of Services Bill, 2011**. The Bill proposes to enact a new legislation that would mandate provisioning of all public services by the concerned Government Departments of the Central Government and the State Governments compulsorily through electronic means from a specified date to ensure transparency, efficiency, accountability, accessibility and reliability in delivery of such services and for matters connected therewith or incidental thereto.
- ✚ Standing Committee on Information Technology – Invites Suggestions on the **Press and Registration of Books and Publications Bill, 2011**. The Press and Registration of Books and Publications Act, 1867 was enacted for the registration of printing press and newspapers for the preservation of copies of books and newspapers printed in India, and for the registration of such books and newspapers. Though the aforesaid Act has been amended several times before 1870 and 1983, the existing provisions of the Act are not adequate to cater to the phenomenal growth of the Print media sector in view of the liberalized policy of the Government. Thus, it is proposed to enact a new legislation to amend and consolidate the laws relating to press and registration of books and publications so as to give statutory backing to the print media policy and various guidelines.
- ✚ Finance Minister, Shri Pranab Mukherjee has said that **massive investment in the agricultural sector** is needed as enhanced food production is must for the success of Food Security for all. Inaugurating the State Agriculture and Food Ministers Conference here today, Shri Mukherjee called for joint efforts by the Centre and States to modernize the PDS to make its reach more effective to the targeted people.
- ✚ The Central Board of Excise and Customs (**CBEC**) have been able to achieve nearly 80.74% of Budget Estimate up-to the month of January, 2012 in the current fiscal year. At the present rate of growth, CBEC should be able to achieve the target of Rs.3, 92,908 Crores. The overall growth in indirect tax revenue collections during the month of January, 2012 is around 7.2%. However the progressive growth during April-January of current fiscal year has shown 15.1% over the corresponding period of last financial year. The growth in Central Excise revenue has been negative for January, 2012. However, the overall growth in Central Excise Revenue up to January, 2012 is 6.8% showing a positive trend. The Service Tax revenue collections continue to be buoyant and have shown 34.2% growth during January, 2012. The Customs growth has been 2.5% during the month of January, 2012, though the overall growth up to January, 2012 has been 12.7%.
- ✚ As per the present assessment, the **Forest and Tree cover of the country** is 78.29 million ha, which is 23.81% of the geographical area of the country. In comparison to the 2009 assessment, after taking into account the interpretational changes, **there is a decrease of 367 square km in country's forest cover**. 15 states have registered aggregate increase of 5000sqkm in their forest cover with Punjab leading with increase of 100sqkm. 12 states/UTs (mainly the NE states) have shown decrease to the extent of 867sqkm. Decline of 281 sqkm in Forest cover of Andhra Pradesh is mainly attributed to harvesting of mature plantation of Eucalyptus & other species. Decline in Forest cover of NE is particularly due to prevailing practice of shifting cultivation in this region. The state of Madhya Pradesh has the largest forest cover in the country at 77,700 square km followed by Arunachal Pradesh at 67, 410 square km. In terms of percentage of forest cover in relation to total geographical area, Mizoram tops with 90.68% followed by Lakshadweed with 84.56%. The total growing stock of India's forests and trees outside forests is estimated as 6047.15 million cu m i.e. 4498.73 million cu m inside the recorded forest area and 1548.42 million cu m outside the recorded forests.
- ✚ **Import policy of arms and ammunition for Specified Sportspersons / Sport Bodies, amendment thereof:** According to the Notification No. 95 (RE-2010)/2009-2014, The procedure for issue of import license/authorization for import of arms & ammunition by specified sports persons/sports bodies has been dispensed with. NRAI, SAI and SSCB can freely import arms and ammunition for their own use or their affiliates. Renowned Shooter can freely import arms and ammunition for their own use. Import Policy Regime for 'Air Gun Pellets' continues to be 'free'. This notification does not exempt the specified sports persons/sports bodies from the Arms Act, 1959 or Rules thereunder; but merely makes amendments in the Import Policy regime for the specified categories of importers.
- ✚ **S. 143(3) assmnt order without AO's signature is void:** M/s. Vijay Corporation vs. ITO (ITAT Mumbai)
- ✚ **Even s 143(1) intimation cannot be reopened u/s 147 In Absence Of "New Material":** HV Transmissions vs ITO (ITAT Mumbai)
- ✚ **Netting of income from expenditure is allowed: S. 80HHC Gross vs. Net:** Supreme Court Reverses Law ACG Associated Capsules Pvt. Ltd vs. CIT (Supreme Court)



- 🚩 **DEPB sale proceeds is not "profits"** : Supreme Court Reverses Law M/s Topman Exports vs. CIT (Supreme Court)
- 🚩 **CIT (A) Guilty of 'Contempt' For Not Following ITAT Verdict** M/s. Cargo Handling Private Workers vs. DCIT (ITAT Vizag)
- 🚩 **In a finance lease, claim for "lease equalization charge" as per ICAI Guidelines is allowable**: Taxability of Lease Transactions: High Court Explains Law CIT vs. Virtual Soft Systems Ltd (Delhi High Court)
- 🚩 **s. 194H TDS: In absence of principal-agent relationship, payment, though called "commission", not covered** : S. 194H TDS on "Commission": ITAT Explains Law Kotak Securities Limited vs. DCIT (ITAT Mumbai)
- 🚩 **Tax Dept cannot "torture" & violate "human rights"**: CCIT vs. Rajendra Singh (Patna High Court)

**As a matter of Fact ;)**

*I don't understand why Cupid  
was chosen to represent Valentine's Day.  
When I think about romance,  
the last thing on my mind is a short,  
chubby toddler coming at me with a weapon.  
~ Author Unknown*



*If you have reasons for loving someone, then you are using your mind  
If you love someone for no reason then you are using your heart...  
And that's True Love....!!!  
~ Author Unknown*

