

# **FACT FILE OF THE ECONOMY**



**(23<sup>RD</sup> AUGUST 2010 – 29<sup>TH</sup> AUGUST 2010)**

# Segments

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# **MAJOR INDICATORS (MONEY MARKET)**

<b>MAJOR INDICATORS</b>	
<b>POLICY RATES AND RESERVE RATIOS AS ON 29<sup>TH</sup> AUGUST 2010.</b>	
BANK RATE	6.00%
REPO RATE	5.75%
REVERSE REPO RATE	4.50%
CRR	6.00%
SLR	25.00%
<b>LENDING AND DEPOSIT RATES AS ON 29<sup>TH</sup> AUGUST 2010.</b>	
BASE RATE	7.50%-8.00%
SAVINGS BANK RATE	3.5%
DEPOSIT RATE	6.00%-7.50%
91 DAY T-BILLS (cut off at last auction)	6.1908%
182 DAY T-BILLS (cut off at last auction)	6.4587%
364 DAY T-BILLS (cut off at last auction)	6.5369%
CALL MONEY RATES	3.20% - 4.65 %

# MARKETS

- **BSE:** The 30 share BSE Sensex decreased by 2.19 per cent and closed at 17,998.41.
- **NSE:** Nifty decreased by 2.20 per cent during the week and closed at 5,408.70.
- **Dollar:** The value of rupee depreciated by 0.28 and closed at ₹ 46.86 per dollar.
- **Euro:** Value of Euro depreciated by ₹ 0.07 and closed at ₹ 59.59 per euro.
- **100Yen:** Value of 100 YEN appreciated by ₹ 0.73 and closed at ₹ 55.31 per 100 Yen.
- **Pound Sterling:** Value of Pound Sterling appreciated by ₹ 0.27 and closed at ₹ 72.66 per pound.
- **Gold:** Prices of gold increased by ₹ 183 per 10 grams and closed at ₹ 18,897 per 10 grams.
- **Silver:** Prices of silver increased by ₹ 1575 per kg and closed at ₹ 30,435 per kg.

# REAL ECONOMY

## **Exporters, industry welcome new Foreign Trade Policy initiatives**

**23rd August 2010** Exporters and Industry hailed the new initiatives and sops worth Rs. 1052 crore announced in the annual supplement of the Foreign Trade Policy (FTP) stating that these steps would help India achieve the export target of \$200 billion this fiscal.

In order to give immediate relief, a bonus incentive (over and above the present benefits) of 2 per cent has been announced by Commerce and Industry Minister Anand Sharma to various sectors. The extra sops are 2 per cent of the export value.

The sectors which were not doing well have been considered and extension of the Duty Entitlement Pass Book (DEPB) Scheme and interest subvention are welcome steps. The focus of the changes has been on continuity of the existing schemes, support to labour-intensive sectors such as leather, handicrafts, handlooms, tea, certain engineering products, textiles, silk carpets, marine, toys and sports goods, and reduction of transaction cost and time by simplifying procedures and streamlining decision-making.

Extension of DEPB for six months and zero duty EPCG & SHIS for one year and their extension to additional sectors such as rubber, chemicals, sports goods, marine and toys will benefit these sectors.

## **IIP-like index for services output by early 2011**

**23<sup>rd</sup> August 2010** India will soon have an index to measure output of services that contribute more than half of its national income but still do not have a periodic measure like the index of industrial production. The government is likely to release by early next year regular data on sectors such as road transport, ports, aviation, telecom, post & telegraph and banking, for which the methodology has been firmed up. A full-fledged service output index could take some more time.

Over the years, services have become the most dynamic sector of the economy. They contributed 57% of the country's gross domestic product (GDP) in 2009-10, up from 29% in 1950. An index for services is expected to help policymakers and analysts get a better understanding of the economy.

### **CCI suggests setting up state-level commissions**

**23<sup>rd</sup> August 2010** The competition watchdog CCI has proposed setting up of state-level commissions to safeguard interests of small businesses and spread its reach to different parts of the country. The proposal forms part of the recommendations submitted to the corporate affairs ministry on the National Competition Policy (NCP) by the Competition Commission of India (CCI). The move, it argued, would help the watchdog in promptly checking anticompetitive practices in states. The NCP is likely to be notified by the Planning Commission shortly. "We have mooted setting up of smaller commissions at the state-level for addressing competition issues. That way people will be more aware of the existence of Competition Commission and will therefore approach it. The idea is that we want to be more approachable to the common folks," a CCI official said. Although the CCI was notified in 2002, it became fully functional only last year with the appointment of a chairman and eight members.

### **Lok sabha nod for nuclear liability bill**

**25<sup>th</sup> August 2010** The UPA government successfully shepherded the Civil Liability for Nuclear Damage Bill, 2010, through the Lok Sabha, with active support from the BJP and strategic absence of some fence-sitters such as the Samajwadi Party. Quashing opposition from the Left Bloc and other critics, Prime Minister Manmohan Singh denied that the Bill was railroaded through the House to serve US interests. "This Bill is a completion of a journey to end the nuclear apartheid, which the world had imposed on India in the year 1974," he said.

The government managed to bring the BJP on board in return for accepting amendments to the controversial Clause 17(b) and dropping the word "intent". The new formulation of 17(b), now states that suppliers would be liable where "the accident has resulted as a consequence of an act of a supplier or his employees, done to cause nuclear damage, and such act includes supply of equipment or material with patent or latent defects or sub-standard services".

### **50,000 crore infra fund to be set up by early next fiscal: Montek**

**25<sup>th</sup> August 2010** The Planning Commission said that 50,000-crore Infra Debt Fund for financing infrastructure projects will become operational by beginning of next fiscal. A panel constituted by the Commission to look into the changes required in the regulatory framework for facilitating the setting of the Infra Debt Fund (IDF) is expected to give its report by next week. "If everything goes well, the Infra Debt Fund would be reality by the beginning of the next fiscal," Planning Commission deputy chairman Montek Singh Ahluwalia said. He added, "the committee headed by SBI chairman OP Bhatt which is looking into the changes required in the regulatory framework for creating IDF would submit its report by next week."

### **Natural gas availability to increase 52% by 2013-14**

**26<sup>th</sup> August 2010** Availability of natural gas, including imported LNG, is likely to increase in the country by over 52% to 271.92 million cubic meters a day by 2013-14, oil minister Murli Deora said on Thursday. "At present, total availability of natural gas in India, including liquefied natural gas (LNG), is around 167.80 mmcmd, which is projected to be around 202.97 mmcmd, 256.6 mmcmd and 271.92 mmcmd during 2011-12, 2012-13 and 2013-14, respectively," Deora told the Lok Sabha. Most of the increase would come when Reliance Industries hikes output from its eastern offshore KG-D6 fields to over 80 mmcmd and the commissioning of LNG import terminal at Kochi in Kerala. Kochi terminal would import 2.5 million tonnes of LNG a year and shipments to the currently operational Dahej and Hazira facilities in Gujarat are also going to rise.

### **Food inflation eases marginally to 10.05%**

**26<sup>th</sup> August 2010** Food inflation eased marginally for the second straight week as good rains boosted sowing of key crops, but the Reserve Bank of India is expected to maintain its hawkish stance on prices. The food price index rose to an annual 10.05% in the week ended August 14 as against 10.35% in the previous week. The fuel price index remained steady at 12.57%.

### **At 1.6%, US growth loses steam in Q2**

**27<sup>th</sup> August 2010** The US economy grew at a 1.6% annual rate in the second quarter, less than previously calculated, as companies reined in inventories and the trade deficit widened.

The revised gain in gross domestic product was bigger than the median forecast of economists surveyed by Bloomberg News and compares with a 2.4% estimate issued last month, figures from the Commerce Department showed on Friday in Washington. Corporate profits grew last quarter at the slowest rate in a year and employee wages in the prior three months were revised lower.

### **Core sector grows 3.9% in July**

**27<sup>th</sup> August 2010** The six infrastructure industries grew 3.9% in July, marginally higher than in June, but the contraction in steel and cement production has raised doubts about the overall industrial output growth, which slowed to a 13-month low in June.

The headline core sector growth in July is better than the 11-month low of 3.6% for June, but strong double-digit growth in crude and petroleum refining has masked an otherwise poor set of numbers. Cement and steel production has contracted by 0.2% and 0.9%,

respectively from a year ago while production of electricity was up 3.8%, almost same as June.

The six core industries — crude oil, petroleum refining, coal, electricity, cement and finished steel — have a combined 26.7% weight in the index of industrial production, or IIP, and are considered an advance indicator of industrial activity. The industrial growth numbers for July will be released on September 10.

### **UK growth biggest since 2001**

**27<sup>th</sup> August 2010** The UK economy expanded faster than previously estimated in the second quarter in the biggest growth spurt since 2001 as companies rebuilt stocks and construction work surged.

Gross domestic product rose 1.2% from the previous three months, the Office for National Statistics said. On the year, the economy expanded 1.7%. Britain's growth pickup may deepen the divide among policy makers as the Bank of England considers whether the economy faces a greater threat from inflation or needs more stimulus to avert a further recession. The pound declined after the report, which showed slower services growth than previously estimated and a drop in fixed investment.

### **Forex reserves decline by \$242million**

**27<sup>th</sup> August 2010** The country's foreign exchange reserves declined for the second consecutive week, reaching USD 282.549 billion for the week ended August 20, down USD 242 million compared to previous week's USD 282.791 billion. Forex reserves had tanked by USD 4.5 billion last week due to changes in values of international currencies and import payments, making it the biggest weekly fall in over 20 months.

Foreign currency assets, a major component of the country's foreign exchange reserves, slid to USD 256.369 billion sliding by USD 222 million compared to previous week's USD 256.591 billion, the the Reserve Bank of India (RBI) said. The country's gold remained unchanged at USD 19.278 billion while India's Special Drawing Rights (SDRs) was down by USD 14 million to USD 4.97 billion, the data showed. India's reserve position in the International Monetary Fund (IMF) was also down by USD 6 million to USD 1.931 billion, the RBI said.

# FINANCIAL ECONOMY

## **FMC bans futures trading in electricity**

**26<sup>th</sup> August 2010** Commodity market regulator Forward Markets Commission (FMC) has banned futures trading in electricity owing to poor volumes of trade. "The ban on electricity futures has been made effective from August 23 for an indefinite period," an official with the consumer affairs ministry, which oversees the functioning of FMC said. At present, MCX is the only commodity exchange which is offering monthly contracts in electricity futures. However, the ban would not extend to spot trading in electricity, which is being offered by Indian Energy Exchange and Power Exchange of India, the official said. The government took the decision to ban electricity futures after considering views of the power ministry, FMC and the consumer affairs ministry.

# FISCAL SITUATION

## **Foreigners may get to set up LLPs in sectors open to FDI**

**24<sup>th</sup> August 2010** The government may soon allow foreigners to set up limited liability partnerships in sectors where 100% foreign investment is allowed, taking a decisive step after much flip-flop over funding guidelines for this form of business organisation, favoured globally for its flexibility.

The department of industrial policy and promotion (DIPP), the nodal agency for foreign investment policy, has written to the finance ministry giving the broad contours of the proposed foreign investment framework for LLPs. It has suggested that foreign investment be allowed in LLPs with prior approval.

## **Government has no plans for tax on wheat imports: Scindia**

**25<sup>th</sup> August 2010** Minister of state for commerce, Jyotiraditya Scindia said that the government has no plan to impose tax on wheat imports and will ensure balance for the better interest of farmers and consumers through remunerative price package. Addressing

in the Parliament, minister said that “The government keeps all its options open, to balance the interest of ensuring remunerative price to farmers and availability of food grains at reasonable prices to the consumers”. Industry officials had earlier expected the government to impose a tax to restrict cheap imports, but global wheat prices have risen over the past few months and the price of Indian wheat is now cheaper or at par with international varieties. Scindia also said that there was no plan to lift two years long export ban on non basmati for sake of domestic supply.

### **Cabinet clears Direct Taxes Code with some relief**

**26<sup>th</sup> August 2010** Individuals and companies can expect some relief in the Direct Taxes Code (DTC), with the government planning to widen personal income-tax slabs, enhance the exemption limit and remove levies on corporate tax. While the government remained silent on the tax slabs, the highest rate of 30 per cent may kick in for those with a taxable income of over Rs 10 lakh, against Rs 8 lakh at present. With the exemption limit increased from Rs 1.6 lakh to Rs 2 lakh, those earning between Rs 2 lakh and Rs 5 lakh, the tax rate will be 10 per cent. Individuals with an income of Rs 5-10 lakh will have to pay tax at 20 per cent. For senior citizens and women, the tax slabs are expected to be more generous.

Finance Minister Pranab Mukherjee, however, said the rates would be disclosed in Parliament when the Bill is presented. Corporation tax is sought to retained at the present level of 30 per cent, but without any surcharge or cess, Mukherjee told reporters after the Cabinet meeting clearing the DTC Bill. The Bill seeks to overwrite the Income-Tax Act, 1961.

"The whole objective is that a plethora of exemptions will be limited. (Income-) tax slabs will be three. Rate of taxes will be taken in the schedule so that they need not be changed every year," Mukherjee said.

# EXTERNAL SECTOR

## **India-Indonesia trade up two-fold during 2005-09**

**23<sup>rd</sup> August 2010** Annual bilateral trade between Indonesia and India grew from \$5 billion to about \$10 billion between 2005 and 2009, following strengthening of ties between the two nations, a top embassy official of that nation said today. "A comprehensive Economic Cooperation Agreement was signed between India and Indonesia in 2005, after which business ties have grown up to \$10 billion in a span of four years," the Indonesian ambassador to India Andi Muhammad Ghalib said. Stating that the two countries shared a solid foundation of values, commitment to democratic pluralism and rule of law and genuine multilateralism, he said trade is expected to double again in the next five years.

## **Trade policy, performance review again in December**

**24<sup>th</sup> August 2010** The government will review the impact of the trade policy and performance of different sectors once again in December to help exporters who are struggling from the continued slowdown in the global economy. "We will have another sectoral review in December," commerce and industry ministry Anand Sharma said. Mr Sharma said that the review would start in November this year and a view would be taken by December after consultations with various sectors. The commerce ministry has conducted two sectoral reviews following the Foreign Trade Policy 2009-14 in August 2009.

## **April-July spices exports rises 12% to 1,93,875 t**

**24<sup>th</sup> August 2010** India's total spices exports for the first four months of fiscal year 2010 rose 12% to 193,875 tonnes from 172,510 tonnes led by garlic, ginger and chilli, Spices Board data showed on Tuesday. Chilli exports during April-July rose 24% to 77,750 tonnes while garlic exports were up by 1,184% at 10,975 tonnes. Pepper exports rose 2% to 6,750 tonnes during the period. However, Hire math do not see pepper exports rising in the coming months due to a supply squeeze in the domestic market. Turmeric exports fell 16% to 18,350 tonnes, while jeera exports fell 19% to 13,500 tonnes.

## **India, Asean meet on services pact**

**25<sup>th</sup> August 2010** Trade ministers from India and the 10-member Asean bloc will try to fast-track the bilateral services and investment agreement in a two-day meeting beginning in Danang in Vietnam. Attempts will be made to put "some meat" into the skeletal offers

made by the Asean countries so far, in a last ditch attempt to ensure that the negotiations are wrapped up during the India-Asean Summit in October this year.

India will be represented by commerce and industry minister Anand Sharma who is leading a delegation of top officials for the talks, according to an official release. “While hard-core negotiations will not take place during the ministerial meeting, India will point out to the Asean that it needs to bring in seriousness into the talks by making substantial offers,” a commerce department official said.

The Asean group includes Brunei, Cambodia, Indonesia, Thailand, Singapore, Malaysia, Vietnam, Philippines, Laos and Myanmar.

### **Spices export jumps to over 2,000 crore during April-July**

**26<sup>th</sup> August 2010** Export of spices in April-July period this fiscal increased by 17% to over 2,084 crore over the same period last year but in volume terms the growth was just over 12%, mainly on spurt in garlic and ginger shipments. Total shipments of spices in April-July 2010 was 193,875 tonnes as against 172,510 tonnes compared to the year-ago period, according to the Spices Board data. In value terms, the spices export from the country jumped 17.4% to 2,084.96 crore during the period compared to 1,775.38 crore in the same period last year.

# REPORTS & STUDIES

## **Emerging markets see 25% rise in M&A deals in H1, India leads**

**23<sup>rd</sup> August 2010** Portraying a strong rebound in their deal making confidence, emerging markets led by India saw 25% rise in merger and acquisitions deals targeted towards developed markets in the past six months, a study by global consultancy KPMG said.

According to the latest Emerging Markets International Acquisition Tracker (EMIAT) report, 243 Emerging-to-Developed (E2D) deals were recorded in the first half of 2010, compared to 194 in the second half of 2009. "The 25% increase in E2D deals was in no small part due to a resurgent India. After three relatively quiet six month periods, India recorded 50 deals - well up on the 21 of the previous six months," the report stated.

China was also up by nine deals to 39, while South East Asia jumped from 34 to 47 deals. Although there has been a rise in emerging to developed market deals in the past six months, the number of deals from western markets targeting developing market firms' remains higher. The report revealed that 748 Developed-to-Emerging (D2E) deals have been witnessed in the past six months showing a nine per cent increase over the previous six-month period.

## **Trade deficit in FY11 seen at \$120 billion: Secretary**

**24<sup>th</sup> August 2010** India's trade deficit for the current fiscal year that ends in March 2011 is expected to be at least \$120 billion, Trade Secretary Rahul Khullar said. Khullar said that rising trade deficit is a matter of concern. "Look, any deficit of the order of \$120 billion is serious, but as long as it does not go over the top it can be financed," Khullar said. India's July trade deficit is seen at \$12.93 billion.

## **India tops Asia in luring FII inflows**

**25<sup>th</sup> August 2010** India has emerged as the star performer in terms of attracting foreign inflows into the domestic equity market. In the past month, the net inflow into India has been significantly higher than the whole of Asia put together. This despite the fact that the undertone of most recent reports by leading foreign institutional investors (FIIs) has been cautious.

According to data collated from Bloomberg, India registered net inflows of \$2.07 billion (Rs 9,700 crore) last month. This is much higher than the net inflow of \$1.35 billion into the rest of Asia. Japan is the only other leading Asian economy that witnessed significant inflows, of \$1.27 billion.

Some of the other Asian economies that reported net inflows in the past month include Indonesia (\$269 million), the Philippines (\$172 million) and Thailand (\$390.7 million). Vietnam and Pakistan registered marginal inflows. South Korea and Taiwan reported net outflows of \$294 million and \$519 million, respectively.

### **Economists give thumbs up to GDP growth in Q1**

**29<sup>th</sup> August 2010** The economy may have expanded at close to 9% in the three months to June, its fastest pace in more than two years, driven by high industrial growth and increased private investments. An ET poll of six senior economists revealed that the economy may have surpassed the 8.6% growth rate, recorded in the three months to March. The official growth figures for first fiscal quarter ended June will be released on 31<sup>st</sup> August 2010.

# ***NORTHERN STATES***

## **Punjab forms potato development board**

**24<sup>th</sup> August 2010** In a bid to improve the quality of potato crop and ensure its better marketing mechanism, the Punjab government constituted an 11-member Potato Development Board under the chairmanship of the chief minister. The board would also review the prospects of potato crop from time to time and give recommendations to improve its quality and devising ways and means for its storage.

Disclosing this here today, a spokesperson of chief minister's office said that the agriculture minister would be the vice-chairman of the board. The official members of the board would comprise: Financial Commissioner Development, Vice Chancellor Punjab Agriculture University Ludhiana or his representative, Managing Director Markfed, Managing Director Punjab Agri-Export Corporation, Director Potato Research Centre Jalandhar, Director Horticulture besides three non official members Sukhjot Singh Bhatti President POSCON, Raghvir Singh, President Jalandhar Potato growers Association and Jang Bahadur Singh Sangha.

## **Madhya Pradesh boosts PDS flour fortification project**

**24<sup>th</sup> August 2010** With the highest child malnutrition rate in the world, Madhya Pradesh needs to revise its food system if things are to be changed for the better. Officially, more than 56 per cent of ration cards are fake in the state, believed to have been issued by low-rank officials to cultivate benefits. The state food and civil supplies department is looking at institutions like GAIN, a Swiss foundation created at a special session of United Nations General Assembly on Children in 2002, to ensure the supply of nutritious foods to the locals.

As a solution to bribery at Public Distribution Systems (PDS) shops that sell subsidised grain, sugar and kerosene, the department has invited bids from private roller flour mills and automatic flour mills with at least 30 tonnes per day capacity for supply of fortified wheat flour. It will contain vital vitamins and iron as key ingredients.

By September select ration shops will place the fortified wheat flour for sale at subsidised rates. To combat malnutrition, the state government is learnt to have proposed for a tie-up with Global Alliance for Improved Nutrition (GAIN) for the smooth running of the project.

### **Punjab extends last date for plot allotment at IT park**

**24<sup>th</sup> August 2010** The Punjab government has extended the last date for allotment of industrial plots at Railmajra IT Park for setting up IT, ITeS, Electronics, Knowledge Industry to August 30 from August 16.

Officials in the government revealed that the government aims to attract some prominent players, so it extended the date. The new upcoming IT Park at Railmajra would be a self-contained IT Park right on the national highway and currently, the government has invited entrepreneurs for allotment of five plots each of 1,000 square yards and 2,000 square yards. Also, areas for commercial activities, multiplex etc. have also been earmarked to cater to the IT industry.

The IT Park will particularly benefit SME entrepreneurs and start-up companies with the availability of small sizes of plots. Punjab Infotech will also set up an incubation centre and provide built up space to the start ups.

### **Punjab simplifies Industrial plot allotment method**

**25<sup>th</sup> August 2010** The Punjab government simplified procedures for providing different nature of clearances to the allottees of Industrial plots allotted by Punjab Small Industries and Export Corporation Limited (PSIEC). The move would benefit around 3,000 plot holders covering the focal points Mohali, Jalandhar, Ludhiana, Amritsar, Dera Bassi, Patiala, Bathinda, Sangrur, etc.

Punjab Industry and Commerce Minister Manoranjan Kalia said, “We have liberalised the steps for the simplification of procedures applicable for providing different nature of clearances to allottees of industrial plots. Considering the demand of plot holders and associations of different focal points, PSIEC have given relief to the effected plot holders by giving them additional period of two years for coming into production.”

### **Punjab cotton prices rise on weather woes**

**26<sup>th</sup> August 2010** Continuous rain in north India is forcing Punjab farmers to harvest cotton crop earlier than usual period. It could also push up raw material costs for textile makers and exporters if it hurts standing crop in the region.

“Over 25 quintal of cotton arrived in the Abohar mandi in Ferozepur district of Punjab. The farmer got Rs 3,500 per quintal. If the weather remains favourable, cotton arrivals will pick up,” said Bathindabased North India Cotton Association president Rakesh Rathi. He added that the previous year farmers were getting Rs 2,900-Rs 2,950 per quintal for J-34 variety in the beginning of the season. Most of the crop is either in the ball formation stage or in the flowering stage in the northern region. Punjab Agriculture

University's plant breeding section head MS Gill said that infestation of whitefly on cotton has been observed in the cotton belt of Punjab.

Ginned cotton in north was selling for Rs 3,400-Rs 3,500 per maund (one maund = 37.32 kg). Gujarat's Shankar-6 (28 mm) variety was ruling at Rs 33,400 to Rs 34,000 per candy. "There is aggressive purchase by exporters in the spot and forward market," said a Coimbatore-based trader Narendra Dave. He added that over 3,500 bales of Shankar-4 variety at spot market were purchased by exporters for Rs 34,000 per candy.

### **Sukhbir clears Rs 2,414 crore for Mohali**

**26<sup>th</sup> August 2010** Punjab Deputy Chief Minister Sukhbir Singh Badal gave final touches to Rs 2,414 crore blueprint of integrated development of SAS Nagar Mohali (Punjab) and adjoining areas of Zirakpur, Lalru, Derabassi, Chhat, Kumbra, Matour, Sohana, Kambali and Mullanpur besides Aerocity, to upgrade the total infrastructure of this area, anticipating accelerated development after the construction of International Airport at Mohali.

Besides, approving the 20 major infrastructure projects of the region, he also approved the modernisation plan of Mohali Police. Among the projects approved includes augmentation of Water Supply Scheme of city by bringing 40 MBD canal Water from Kajauli (Rs 300 crore) and up gradation and widening of Mullanpur Road (Rs 290 crore). Badal also gave go ahead to the ambitious Kharar Bypass project from Sector 56A to NH-95 on Kharar-Ludhiana – Ropar Junction (Rs250 crore). It was decided to expedite construction of 200' Wide road connecting NH-21 with Mohali Sector 73-74 besides International Airport besides construction of 300' wide road connecting International Airport to Aerotropolis city and Mohali town.

### **Uttar Pradesh to update official websites on real-time basis**

**27<sup>th</sup> August 2010** To maintain transparency in the working of different departments and enable faster information dissemination, the Uttar Pradesh government decided to update all the official websites on real time basis. Although, the websites of various departments have been functioning for several years, the latest information is not updated either due to laxity of the concerned department or lack of technical expertise.

It was decided in a high-level meeting that all the official websites numbering around 80 would be updated by the end of this month with the help of National Informatics Centre (NIC). Thereafter, the concerned department would ensure that the respective websites contain fresh information and are updated regularly.

## **Chhattisgarh's GDP growth highest in 2009-10**

**29<sup>th</sup> August 2010** Chhattisgarh, often considered a hot-bed of left wing extremism, has emerged as the state with the highest economic growth in the last financial year. The state, which was carved out of Madhya Pradesh in November 2000, posted a growth rate of 11.49 per cent in constant prices to Rs 60,079 crore in 2009-10.

Chhattisgarh had been dubbed as one of the worst Naxal-infested states in the country and left extremism had stranded the growth of the state. “But the data (of GDP growth) released underlined that state was on fast track of progress and prosperity,” the chief minister noted.

In the process, it even bested industrialised states like Gujarat which emerged as the runner-up with a GDP growth rate of 10.53 per cent. Gujarat’s GDP at constant prices over the last decade went to Rs 2,52,528 crore. Senior officials in the finance department here said that Chhattisgarh had recorded average growth of 10.9 per cent in last five years, while the same figure for the other states in the country stood at 7.44 per cent.