

Economy grew 7.2% in H1, inflation in comfort zone: FinMin

NEW DELHI, DEC 30 /- The Union Finance Ministry Friday said that the Indian economy grew 7.2 per cent in the first half of the current fiscal, retaining its position as one of the fastest growing major economies in the

world. The Ministry, in its year-end review, said that inflation has remained in "comfort zone" during the year with retail and wholesale inflation averaging 5.2 per cent and 2.7 per cent, respectively, in the April-October

period. "The stress given to fiscal consolidation through expenditure rationalisation and revenue raising efforts and the focus on administrative measures for cooperative financial governance and also steps towards containing inflation have contributed significantly to

fiscal deficit and current account deficit as percentage of GDP have improved, and the growth rate of the economy during the first half of the current fiscal is estimated at 7.2 per cent, which makes India one of the fastest growing major economies in the world. The growth rates for agriculture and allied sectors, industry and services sectors during the six-month period are estimated at 2.5 per cent, 5.6 per cent, and 9.2 per cent, respectively. "Inflation measured in terms of Consumer Price Index and Wholesale Price Index has remained in comfort zone. The current Financial Year 2016-17," the Ministry said. CPI (Combined) inflation for 2015-16 declined to 6.9 per cent from 5.9 per cent in 2014-15. It averaged 5.2 per cent in 2016-17 April-October period. Food inflation, as measured by Consumer Food Price Index, declined to 4.9 per cent in 2015-16 from 6.4 per cent in 2014-15. It averaged 6.1 per cent in 2016-17 April-October period. WPI inflation declined to (-) 2.5 per cent in 2015-16 from 2 per cent in 2014-15. It averaged 2.7 per cent in 2016-17 April-October period.



Union Minister for Social Justice and Empowerment Thastrav Chand Gehlot presenting a cheque to the National Trust, on its Foundation Day celebrations, in New Delhi on Friday.

Fiscal deficit hits 86% of BE in April-Nov

NEW DELHI: Fiscal deficit touched the Rs 4.58 lakh crore mark, or 85.8 per cent of the budget estimate (BE) for the whole financial year, at the end of April-November. The fiscal situation at the end of November was better than the same period of the previous year. The period as the deficit then stood at 87 per cent of BE. Fiscal deficit, the gap between expenditure and revenue for the entire fiscal, has been pegged at Rs 5.33 lakh crore, or 3.5 per cent of GDP, in 2016-17. As per data released by the Controller General of Accounts, tax revenue came in at Rs 6.21 lakh crore, or 59 per cent of the full-year BE of Rs 10.54 lakh crore. Total receipts from revenue and non-debt capital of the government during the eight months read Rs 7.96 lakh crore, or 57.8 per cent of BE. The government's Plan expenditure during the period came in at Rs 3.64 lakh crore, 66.2 per cent of the full-year budget estimate. During the same period last year, it stood at 64.1 per cent. The non-Plan expenditure in April-November of 2016-17 was Rs 9.22 lakh crore, or 64.6 per cent of the whole-year estimate. The total expenditure (Plan and non-Plan) was Rs 12.86 lakh crore, 65 per cent of the government's full-year estimate of Rs 19.78 lakh crore. The revenue deficit during April-November stood at Rs 3.48 lakh crore, or 84.4 per cent of BE for 2016-17. (PTI)



macro-economic stability," an official statement said. It further said that during 2016-17, the economy has continued to record pick-up in petroleum prices, the economic growth has continued to be robust and inflation has remained "more or less stable" in the current year. The statement also said that the

News In Brief

GE Power India bags contract from BHEL

NEW DELHI, DEC 30 /- GE Power India Ltd, which was formerly known as Alstom India Ltd, has bagged a contract of nearly Rs 271.1 crore from BHEL in Tamil Nadu. GE Power India Ltd has been awarded a contract worth approximately Rs 271.1 crore by Bharat Heavy Electricals Ltd (BHEL) to supply components and services for the supercritical steam generator island packages for 2x900 MW coal-based Uttar Thermal Power Project and 1x800 MW coal-based North Chennai Supercritical Thermal Power Project Stage-III. The company said in a BSE filing.

Godrej Properties to develop residential project in Pune

MUMBAI, DEC 30 /- Godrej Properties has entered into a partnership to develop a residential group housing project in Pune. Spread across 5.5 acres, the project will offer 5.6 lakh sq ft of saleable area and will be developed as a modern residential development comprising apartment of various configurations, the company said in a statement issued here on Friday. (PTI)

Tatas, drugs ban kept Delhi HC busy

NEW DELHI, DEC 30 /- A large number of PILs on issues relating to demonetisation and litigation involving Tatas over management and operation of its JV airline AirAsia India and the iconic Taj Mansingh hotel in the heart of capital were among major financial and corporate cases handled by the Delhi High Court in 2016. The high court, which was flooded with PILs on issues arising out of demonetisation, also gave much-needed relief to the Narendra Modi government by refusing to go into the "correctness" of

rectification that no court in the country other than itself will entertain matters relating to demonetisation. Just when the Modi government was heaving a sigh of relief over demonetisation, it suffered a major setback as it failed to defend banning of 344 fixed dose combination drugs as multinational pharma and healthcare giants like Pfizer, Glenmark, Procter & Gamble and Cipla won the battle, with the judge saying the decision was taken in a "haphazard manner". So was the case relating to the auctioning of coal block when in a crucial judgment, the high court held that the government's decision was a club-fudged special end-use together, the judge saying the auctioning of coal block "ran counter" to the logic of classification itself. The order, however, dismissed the plea of some private companies challenging this decision of the Coal Ministry over an allegation of illegal tapping of phones of high-profile people and

dering process for coal auctioning which was known to them. When the Tata-Mistry controversy hogged the high court (JNP) the court conferred a setback as the high court cleared the decks for auctioning of Taj Mansingh Hotel in Lutyen's Delhi by giving a go-ahead to New Delhi Municipal Council, saying the group's Indian Hotels Company Ltd, which runs the hotel, had "no right" of renewing the licence. The Tatas also had a tough time when the high court asked AirAsia India, a joint venture between Tata Sons and AirAsia Berhad, to place before the DGCA its brand licensing agreement (HLA) with the Malaysian entity to determine who controls the Indian low-cost carrier. UK-based Tata's group company, Cairn India Ltd, which wanted the court's nod to export its share of crude from Rajasthan's Barmer oil field, did not succeed in overcoming the defence of the government. While Tata and Reliance groups were fighting legal wrangles, there was a moment of scare for Essar Group over an allegation of illegal tapping of phones of high-profile people and

some union ministers by the corporate house between 2001 and 2006, even as the high court refused to direct a court-monitored probe by an SIT into it. The Ambanis had to be wary for a moment when there was a challenge to the government notification conferring the prestigious Padma Vibhushan to late Dhirubhai Ambani, the founder of Reliance Industries Ltd, which dismissed. Tata and Ambani groups also got a stern message from the high court which directed power distribution firms in Delhi, controlled by them, that they would have to compensate the kith and kin of the victims of electrocution if it was established that there were "lapses" on their part in maintaining the prescribed safety norms. Budget carrier SpiceJet too had a tough time in the high court which directed it to deposit Rs 578 crore in 12 months and ordered the airline and Sun Group to pay Kalanidhi Maran along with his Kal Airways to appoint an arbitral tribunal to decide the share transfer dispute between them in a year. (PTI)

On 'win-win' runway, aviation no more rich man's tarmac: Minister

NEW DELHI, DEC 30 /- Indian aviation is no more rich man's prerogative and growth will continue on high trajectory in the new year, Union Minister Ashok Gajapati said at the sector saw the much-needed reforms taking off in 2016 with new policy and ambitious regional connectivity plans. 2016 blossomed as a very meaningful year" with over 20 per cent domestic air passenger growth while scrapping of the once famous '5/20' overseas flying norms and relaxing of FDI rules added to the sector's mojo. "Turning operationally profitable in the last fiscal provided the much-needed impetus to Air India and stiff competition among domestic carriers in 2016 even as they reaped benefits of lower oil prices—a scenario unlikely to remain the same next year with changing geopolitical views. Against this benign backdrop, passengers have a lot to cheer with airlines—From budget full-service ones—coming up with dis-

counted ticket prices as they look to fill more seats even as many ancillary services come at a price. Also, biometric access for passengers has been tested at Hyderabad International Airport while tag-free hand baggage system is being tried at various airports. As Civil Aviation Minister Ashok Gajapati said, "It is a win-win situation. All said and done, the sector's trajectory had its share of air pockets with the abrupt sacking of Airports Authority of India (AAI) Chairman RK Srivastava as well as confusing signals over possible capping of air fares, an issue that has lost steam. As the year wound down, this week's incident of 15 B737s veering off the runway at Goa airport and two planes coming close to collision at the Delhi-Noida road to colli-

cerns over safety. Buoyed by high passenger growth numbers and headway in bridging the skill gap, Raju described 2016 as a "rather significant and a very meaningful year" for the aviation sector. Asserting that flying is "no more a rich man's prerogative", Raju, known for speaking a low price and speaking his heart, said more people are flying and that India is the world's largest growth in aviation market. "Things are much better than what they were. Of course, the scope for improvement is a continuous process. Wherever you are, there is always scope for improvement," he told PTI in an interview. This growth is not going to be for eternity... Once you reach your levels, there will be a flattening out of growth, but India has scope for growth and we will continue to grow. There is no reason why we should not grow," he noted. (PTI)

India inks revised DTAA with Singapore to check round-tripping

NEW DELHI, DEC 30 /- India Friday signed a pact with Singapore to amend a decade-old treaty to begin taxing capital gains on investments routed through the South East Asian nation from April next to check round-tripping of funds, after rolling back similar benefits to Mauritius and Cyprus. India had in May this year signed a revised tax treaty with Mauritius, triggering a change in the Double Taxation Avoidance Agreement (DTAA) with Singapore. Mauritius and Singapore are among the top sources of foreign direct investments into India and also account for a big chunk of total inflows into the country's capital markets. Under the amended treaty with Singapore, for two years beginning April 1, 2017, capital gains tax will be imposed at 50 per cent of the prevailing domestic rate. Full rate will apply from April 1, 2019. Union Finance Minister Arun Jaitley said. "This year on May 10 we had amended DTAA with Mauritius. Then in July we amended with Cyprus and today we amended the DTAA with Singapore," he said. "With these three... we have successfully stopped round tripping through this route." Of

the total FDI inflows of USD 29.4 billion in April-December 2015-16, Mauritius and Singapore accounted for USD 17 billion. Jaitley said the earlier DTAs with the three countries gave complete exemption from payment of tax on profits made through capital gains as there was no such levy in the host countries. The beneficiary did not pay any capital gains tax in India. "Therefore there was a reasonable apprehension that these agreements were misused for round tripping and bringing money back in country through this route," he said, adding 2016 has been significant and historic in getting these amended. Through the revision in the treaty, "we have given a reasonable burial to the black money rule that existed," he said. The Finance Minister said like the Mauritius pact, all investments will be grandfathered till March 2019. "Capital gains liability will be shared half and half after that entire capital gain will come to India," he said. Also, Switzerland will begin sharing with India from 2019 information on all investments or accounts maintained in its banks post-2018. The CBDT had signed an agreement to this effect with Switzerland about two months back, he said. (PTI)

Union minister Athawale to inaugurate RICCI's central office

JAIPUR, DEC 30 /- Union Minister of State for Social Justice and Empowerment Ramdas Athawale would inaugurate the central office of Reserve Category Indian Chamber of Commerce and Industry (RICCI), a body of reserved category entrepreneurs. RICCI was formed to protect the interests of the businessmen and entrepreneurs belonging to the served category. We are expanding fast and the central office of the organisation will be inaugurated by the union social justice minister on January 3 in Jaipur," RICCI Patron Gopal Denval told reporters here. He informed that the first trade fair will be organised in Chandigarh where zonal offices will be opened in Delhi next month, Ujjain and Bhopal in Madhya Pradesh in February and trade fair will be held in Jaipur in April. (PTI)

Railways minister reviews safety scenario

Constitutes task force to improve safety over IR

KOLKATA, DEC 30 /- Suresh Prabhakar Prabhu, Union Minister of Railways, held a Video Conference with all the General Managers of Indian Railways on Thursday to review and improve the safety scenario over Indian Railways.

To improve the safety scenario over Indian Railways, the Ministry of Railways has constituted a high level 'Task Force' under the chairmanship of Arun Saxena, General Manager, North Central Railway, to suggest system and

process to improve the safety performance of Indian Railways. Suresh Prabhakar Prabhu, Union Minister of Railways, and John Thomas, CEE, South Central Railway are members of the high level task force. Mr. Subhash Chandra, Chief Safety Officer, Central Railway is the Convener of the Task Force. During the meeting, the minister emphasized on "Going Back to the Basics" by issuing instructions for strict adherence to the rules and manuals and codal provisions relating to train operations and maintenance of Railway assets like track and rolling stock etc. so that safe

working is ensured at all levels of functioning. The MR emphasized for zero tolerance to accidents and directed that the next 7 days should be devoted to safety inspections by all concerned. He also stated that DRMs of all Divisions must ensure compliance of inspections & super-checks done by various branch officers and supervisors of the Division. The entire safety related activity should be monitored in weekly meetings in all the Divisions & Zones and the safety departments must continue to highlight the safety related shortcomings until these are resolved.

JNPT initiates direct port delivery system

MUMBAI, DEC 30 /- As part of ease of doing business, the Jawaharlal Nehru Port Trust (JNPT) has taken several initiatives, including introduction of direct port delivery system. "Given the fact that 55 per cent of the total container handling of all the Indian ports in done at JNPT, our performance is very essential from the perspective of India's global ranking," Anil Digdigkar, chairman and managing director of the port trust said here on Thursday. "Direct port delivery is one of the latest initiatives on our part to better our performance," he added. According to Digdigkar, JNPT is "successful in matching several of international benchmarks in port productivity parameters." This has also resulted in over 10 per cent growth in operational income, while operational profits have gone up by 16 per cent, he claimed. Elaborating on various parameters, Digdigkar said the Import Dwell Time has come down from 75.78 hours two year back to 33.36 hours, while the international benchmark is 36 hours. Likewise turnaround time has come down from 2.24 days to 1.77 days, while the benchmark is 2.2 days, he claimed. "JNPT is also investing in an array of capacity expansion and connectivity infrastructure projects, including a fourth container terminal designed to double capacity to 10 million TEUs annually," he said. "The port trust also aims to route 30 per cent of its inbound traffic via DPD. This is expected to bring down export dwell time further shortened in coming months," Digdigkar said. (PTI)

BSNL to lease 15k PoS to push digital bill payment



NEW DELHI, DEC 30 /- State-run BSNL is planning to take on lease about 15,000 point of sale (PoS) machines to enable more customers to use digital methods of bill payment, and sees digital transactions accounting for up to 40 per cent of all bill payments by March 2017, nearly double of current levels. "We are in the process of leasing about 15,000 point of sale (PoS) machines to be used by customer service centres so that electronic payment can be encouraged. That is also the direction in which the country is moving, everyone is looking at electronic payment methods," BSNL CMD Anupam Srivastava told PTI. He further said that telecom corporation intends to have about 20-50 customer service centres in

each of its telecom districts, equipped with PoS machines. "We have 334 telecom districts or SSA. We are saying that in each telecom district, between 20-50 customer service centres should have PoS machines," he said, adding that for less than 20 per cent of the overall bill payment, "Before March 1, we would like it (digital methods of payment) to account for 35-40 per cent of our overall bill payment across mobile, landline, broadband, Fibre to the Home (FTTH) services," he said.



The November 8 notification scrapping Rs 1,000 and Rs 500 notes, saying courts should not venture into policy matters. The order, however, came much before the Supreme Court, which had initially declined to stop the proceedings in various high courts, allowing the Centre's plea to pass a di-