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Confederation of Indian Industry-  
Northern Region

# ECONOMY AND POLICY UPDATE

*Economic & Policy Update is a monthly review, presenting the macro economic developments, industry trends, up-to-date news and an analytical view of policies and notifications, issued by the northern states.*

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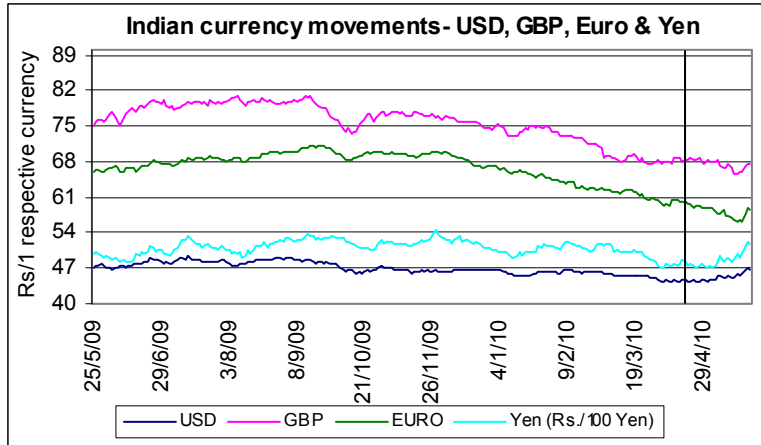
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## SECTION I: MONTHLY UPDATE OF MACRO-ECONOMIC DEVELOPMENTS

(Apr 25 - May 24, 2010)

### Indian Rupee weakens against US Dollar

The Indian Rupee witnessed a negative trend against most of world currencies during the period Apr 26, 2010-May 24, 2010. The first two weeks saw Indian Rupee depreciate against US Dollar due to distinctly weak equities amid increased capital outflows. However, on May 10, 2010, the Indian Rupee ended on a positive note on the back of investor confidence from the USD 1 trillion emergency rescue package aimed at preventing Greece's debt crisis from spreading through the

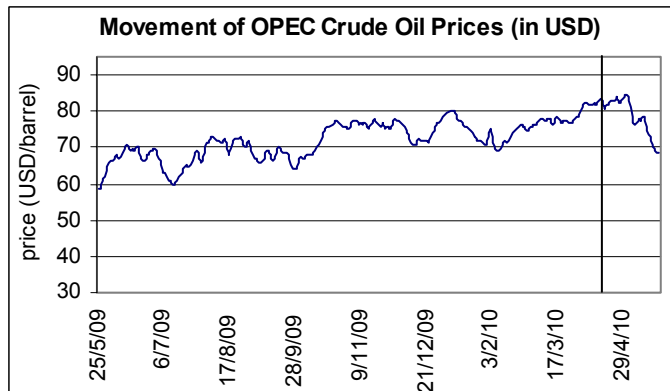


*Source: RBI and Cygnus Research*

The announcement of rescue plan led to dollar's weakness against major currencies globally and helped the local stock market to rebound. However, during the last week of period, the value of Indian Rupee further weakened against US Dollar. On May 20, 2010, Indian Rupee registered the biggest single-day fall (of the period) due to heavy demand for the US Dollar from banks and importers. The Indian Rupee depreciated by 5.3% against the US Dollar and by 9.9% against the Japanese Yen during the period Apr 26, 2010-May 24, 2010. The domestic currency, however, registered decent appreciation of 1.4% and 1.1% against Euro and British Pound, respectively during the same period.

### Oil prices witness significant decline

The crude oil price of OPEC Reference Basket (ORB) declined significantly during the period Apr 26, 2010-May 24, 2010. Though, the first week saw some upward movement in oil prices on back of optimism about the global economic recovery and higher oil demand expectations. However, the oil market turned bearish for most part of May 2010 amid concerns about the sovereign debt crisis in Greece with contagion risk and high oil inventories in the US. As a result, prices fell by more than USD15 over three weeks in May 2010 before recovering slightly to stand at USD68.6 per barrel on May 24, 2010. Oil prices witnessed the highest single-day fall of over USD3 on May 5, 2010.

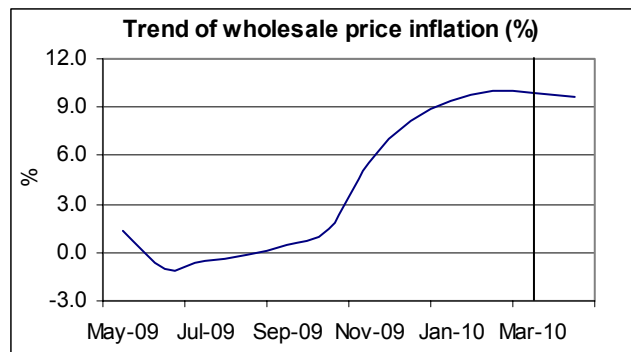


*Source: OPEC and Cygnus Research*

Between Apr 26, 2010 and May 24, 2010, the crude oil prices decreased by 18.3% to reach USD 68.6 per barrel on May 24, 2010.

### Inflation register slight decline

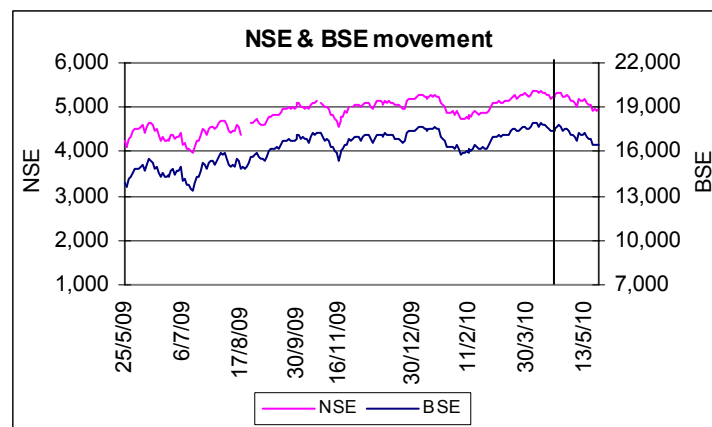
The average Wholesale Price Inflation (WPI) for the month of April 2010 decreased slightly to 9.59% as against 9.90% during the previous month. The rise in WPI inflation rate was primarily driven by food articles and the low base effect. The average inflation rate for commodities under the 'primary articles' group stood at 13.88% in April 2010 against 14.10% during the previous month. Within the primary articles group, inflation rate for food articles was recorded highest at 16.87% in April 2010 against 16.65% in March 2010, while inflation rate for non-food articles stood at 10.53% in April 2010 against 12.77% during the previous month. The average inflation rate for the "fuel, power, light & lubricants" group, stood at 12.55% during April 2010 as against 12.71% in the previous month. The inflation rate for manufactured products stood at 6.70% during April 2010 as against 7.13% in the previous month. As per the All India Consumer Price Index for Industrial Workers (CPI-IW), the year-on-year inflation in March 2010 was 14.86% (same as in February 2010) compared to 8.03% in March 2009.



Source: MOSPI and Cygnus Research

### Nifty & Sensex record negative trend

The Indian stock market witnessed a more or less negative trend from Apr 26, 2010 to May 24, 2010. Except for a couple of days, both NSE Nifty and BSE Sensex registered a constant downward movement during the first half of period under consideration. This was largely due to the shaky world markets as economic woes in Greece raised the spectre of a sovereign debt crisis in the euro zone. The second half recorded a fluctuating trend with alternate phases of ups and downs. While the European debt crisis continued its dark spell on NSE Nifty and BSE Sensex, there were a few sunny days in between. Incidents like the announcement of a rescue plan for European crisis and the reconciliatory move by Ambani brothers gave some relief to the bleeding markets. Both, NSE Nifty and BSE Sensex fell by 7.1% and 7.2%, respectively, during Apr 26, 2010-May 24, 2010.



Source: NSE, BSE and Cygnus Research

## Leading Indicators

Important Economic Indicators			
GDP Growth (%) at factor cost (2004-05) prices	7.4 (Apr-Mar 2009-10)		6.7 (Apr-Mar 2008-09)
	8.6 (Jan-Mar 2010)		5.8 (Jan-Mar 2009)
	% Change		
	March 2010 over March 2009	March 2010 over February 2010	March 2009 over March 2008
<b>IIP Growth*</b>	13.5	9.0	0.3
Mining	11.0	14.4	1.9
Manufacturing	14.3	8.2	-0.3
Electricity	7.7	14.5	6.3
	April 2010 over April 2009	April 2010 over March 2010	April 2009 over April 2008
<b>Six Core Industries Growth</b>	5.1	-10.8	3.7
Coal	-2.3	-35.8	14.2
Electricity Generation	6.0	-5.0	6.7
Crude Petroleum	5.2	-2.9	-3.1
Petroleum Products	5.3	-5.0	-4.5
Finished Steel	4.7	-12.2	-1.3
Cement	8.7	-5.9	11.9
International Trade			
Exports (USD billion)	19.9 (Mar 10) <sup>β</sup> - 54.1% growth over corresponding period of 2008-09		12.9 (Mar 09) <sup>#</sup> - 25.1% decline over same period of 2007-08
Imports (USD billion)	27.7 (Mar 10) <sup>β</sup> - 67.1% growth over corresponding period of 2008-09		16.6 (Mar 09) <sup>#</sup> - 29.6% decline over same period of 2007-08
Credit Indicators			
Prime Lending Rate (%)	11.00-12.00 (Apr 20, 2010)	11.00-12.00 (Mar 12, 2010)	11.50-12.25 (Apr 17, 2009)
Non-Food Credit (Rs. billion)	31,668 (Apr 23, 2010)	31,919 (Mar 26, 2010)	27,247 (Apr 10, 2009)
Advanced/Leading Indicators			
Railway Freight (million tonnes)	72.2 (Apr 10) - 3.3% growth over corresponding period of 2009-10		69.9 (Apr 09) - 3.1% growth over corresponding period of 2008-09
Automobiles Sales (million units)	1.1 (Apr 10) - 25.2% growth over corresponding period of 2009-10		0.9 (Apr 09) - 11.0% growth over corresponding period of 2008-09
Domestic Aircraft Passengers (millions)	4.2 (Apr 10) - 26.3% growth over corresponding period of 2009-10		3.3 (Apr 09) - 14.8% decline over corresponding period of 2008-09
New Telecom Subscription (million connections)	16.8 (Apr 10) - 42.7% growth over corresponding period of 2009-10		11.8 (Apr 09) - 46.9% growth over corresponding period of 2008-09
<i>Source: RBI, MOSPI, PIB, Ministry of Finance and Cygnus Research</i>			
<i>Note: * Latest available data is up to Mar 2010; <sup>β</sup> Provisional figures ; <sup>#</sup> Revised figures</i>			

## SECTION II: INDUSTRY SALES TREND

### INDUSTRY SALES TREND-REGION WISE

Region	Y-on-Y (%) Q4 FY 10
North	Up 12.9
South	Up 4.7
East	Up 9.2
West	Up 10.5
<i>Source: CMIE –Prowess</i> <i>Note: Industry sales trends are based on reported sales figures of listed companies</i> <i>Industries include Financial Services, Manufacturing, Irrigation, Mining Electricity, Non-Financial Services, Construction and Others</i>	

### SALES TREND OF MAJOR INDUSTRIES IN NORTHERN REGION

Industry	Y-on-Y (%) Q4 FY 10	
	Overall India	Northern Region *
<b>Manufacturing Sector</b>		
Agro and Food Processing Industry	Up 9.2	Up 5.8
Pharmaceuticals	Up 11.9	Up 13.8
Textile	Up 19.3	Up 19.7
Sugar	Up 20.6	Up 16.6
Auto and Auto Components	Up 25.3	Up 30.2
Consumer Durables	Up 14.6	Up 20.5
Metals and Minerals	Up 9.3	Up 13.6
Leather and Leather Products	Up 10.1	Up 8.7
<b>Services Sector</b>		
IT & ITES	Up 7.2	Up 6.3
Hotel & Tourism	Down 4.2	Down 15.8
<i>Source: CMIE –Prowess</i> <i>Note: Industry sales trends are based on reported sales figures of listed companies</i> <i>Note: Northern region consists of Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu &amp; Kashmir, Punjab, Rajasthan, Uttar Pradesh and Uttarakhand</i> <i>NA- Not Available</i>		

## SECTION III: INVESTMENT SCENARIO

### Foreign Direct Investments

FDI equity inflows in USD Million into Northern States					
Region	Mar, 2010	Feb, 2010	Mar, 2009	% growth of Mar, 2010 over Feb, 2010	% growth of Mar, 2010 over Mar, 2009
Delhi, parts of UP & Haryana	310	642	0	-51.8	NA
Chandigarh, Punjab, HP, Haryana	7	164	0	-96.0	NA
Rajasthan	4	0	10	36200.0	-62.6
UP & Uttarakhand	17	0	0	11193.3	NA

*Source: DIPP and Cygnus Research*  
*Note: NA- Not Applicable; Regions are as per RBI classification*

### Domestic Investments - Industrial Entrepreneur Memorandum (IEM)

State-wise IEMs proposed in March 2010						
State	No of IEMs			Investment in Rs Million		
	Mar, 2010	Mar, 2009	% change	Mar, 2010	Mar, 2009	% change
Chandigarh	0	0	NA	0	0	NA
Delhi	1	3	-66.7	0	170	-100.0
Haryana	10	5	100.0	1,150	1,730	-33.5
Himachal Pradesh	23	2	1050.0	9,980	30	33166.7
J&K	3	0	NA	2,990	0	NA
Punjab	12	10	20.0	4,090	1,480	176.4
Rajasthan	15	10	50.0	5,980	6,710	-10.9
Uttar Pradesh	18	13	38.5	10,790	2,940	267.0
Uttarakhand	109	10	990.0	35,100	3,670	856.4

*Source: DIPP and Cygnus Research*  
*Note: NA- Not Applicable; Regions are as per RBI classification*

State-wise IEMs implemented in March 2010						
State	No of IEMs			Investment in Rs Million		
	Mar, 2010	Mar, 2009	% change	Mar, 2010	Mar, 2009	% change
Chandigarh	0	0	NA	0	0	NA
Delhi	0	0	NA	0	0	NA
Haryana	1	2	-50.0	0	0	NA
Himachal Pradesh	2	0	NA	420	0	NA
J&K	0	0	NA	0	0	NA
Punjab	1	3	-66.7	350	1170	-70.1
Rajasthan	6	0	NA	14300	0	NA
Uttar Pradesh	4	0	NA	0	0	NA
Uttarakhand	69	9	666.7	6090	110	5436.4

*Source: DIPP and Cygnus Research*  
*Note: NA- Not Applicable; Regions are as per RBI classification*

## SECTION IV – IN FOCUS

### Investment Scenario in North India

#### India: A Favoured Investment Destination

India is fast emerging as one of the most attractive and preferred investment destinations in the world. Investments in business and financial services firms accounted for a major chunk of FDI inflows. Real Estate and Telecom companies saw a boost in their investment strategies in India during 2009-10. However, the power sector recorded significant increase in FDI with a growth rate of 57.8%; the automobile sector recorded a hike of 7.7% in FDI inflows during 2009-10. Investment is

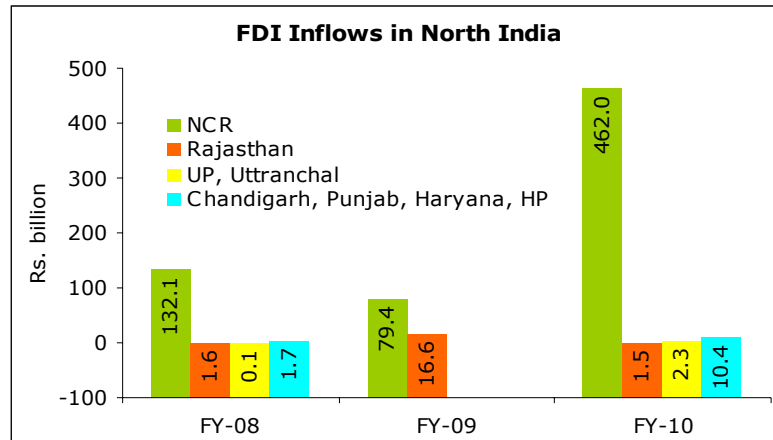
Sector-wise FDI Inflows in India			
	FY10 (Rs in bn)	FY09 (Rs in bn)	Growth (%)
Services Sector	213.0	284.1	-25.0
Real Estate	135.9	126.2	7.7
Telecommunications	122.3	117.3	4.3
Power	69.1	43.8	57.8
Automobile	56.1	52.1	7.7
Computer Software & Hardware	43.5	73.3	-40.7

Source: DIPP

pouring into other industry sectors too as the Indian economy fundamentals remain robust and perfect for global investors to make the most of potential business investment opportunities. During the last quarter of 2009-10, investments by global venture capitalists in Indian companies have also more than doubled to USD259 million.

#### Investment Scenario in North India

During 2009-10, North India witnessed an increase of 396.0% in FDI inflows over the previous year. As per FDI estimates released by Department of Industrial Policy and Promotion (DIPP), FDI inflows in Northern India stood at Rs476.1 billion in FY09-10. Over the years, the NCR region (comprising of Delhi and a portion of UP and Haryana) has received maximum FDIs while Rajasthan, Uttar Pradesh and Uttranchal are lagging in attracting FDI inflows.

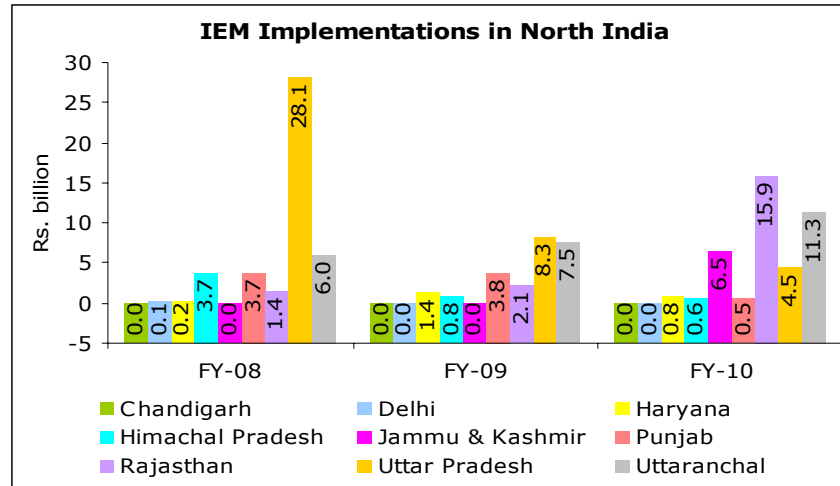


Source: DIPP

Measures initiated in Union Budget 2010-11 assured revival of domestic private investments in the MSME sector. The measures that would help revive private investments include enhancing allocation to the Micro, Small and Medium Enterprises (MSME) sector to USD535.8 million, increasing the limit for presumptive taxation, raising the threshold for compulsory auditing of accounts for small businesses, extension of interest subvention for exports in certain sectors and exemption from capital gains tax to facilitate conversion of small businesses to Limited Liability Partnership (LLP) format.

Several North Indian states also registered an encouraging growth in domestic investments during the fiscal year 2009-10. Total domestic investments in Rajasthan stood at Rs15.9 billion in 2009-10

compared to Rs2.1 billion during the previous year. Chandigarh and Delhi did not receive any substantial domestic investment during the years 2007-08, 2008-09 and 2009-10. Similarly, Jammu and Kashmir not received any domestic investment during the years 2007-08 and 2008-09. Though, the state clocked investments worth Rs6.5 in 2009-10.



Source: DIPP

### Central Government Initiatives

The Government of India released the consolidated policy framework for FDI in India. The policy framework, which came into effect from 1st April 2010, is transparent, predictable, simple and clear and reduces regulatory burden. As part of an investor friendly measure, Government will issue a new circular every six months to update the Consolidated FDI Policy Framework. The key features of the Consolidated FDI Policy Framework are as follows:

### Eligibility and Conditions for Foreign Investments

- **FVCI investment in DVCF:** Foreign investment by Foreign Venture Capital Investors (FVCI) in Domestic Venture Capital Fund (DVCF), set up as a trust, would now require specific Government approval. Such investments were earlier allowed under the Automatic Route.
- **FII limits for investments under FDI route:** The limits for investment by Foreign Institutional Investors (FIIs) under the FDI Scheme/Policy now stand at 10% for an individual FII and 24% in aggregate. Accordingly, an individual FII's investment in an Indian company appears to be restricted at 10%.
- **FVCI Investment under the FDI route:** It is now clarified that FVCI can make investments under the FDI route subject to compliance with the FDI Policy.
- **Conversion price for specified convertible instruments:** The pricing of the capital instruments (including conversion price for convertible instruments) issued by Indian Company is now required to be decided upfront at the time of issue of the instruments.
- **ECB Guidelines to apply to non-convertible/optionally convertible/partially convertible instruments:** Non-convertible, optionally convertible or partially convertible preference shares / debentures to be treated as debt and any issue thereof will need to comply with the External Commercial Borrowings (ECB) guidelines.
- **Ownership tests:** Earlier, the ownership test for foreign investments referred to beneficial ownership of more than 50% of the equity interest of the Indian company. However, under the Circular, reference to 'equity' has been replaced with 'capital'.
- **Warrants/partly paid shares:** It is now provided that foreign investment instruments such as warrants, partly-paid shares will not be permitted.
- **Downstream investments:** The indirect foreign investment in a wholly owned subsidiary of an operating-cum-investing/investing company is taken as the percentage of the foreign investment in the operating cum investing/investing company. As per the new circular, this provision would not apply in case of near 100% subsidiaries (say in case of 99% holding). In such cases, the entire downstream investment would be treated as the indirect foreign investment.

- **Government/FIPB approval:** In case where sectoral caps are specified in certain industries / sectors, the transfer of ownership / control in the Indian company to the non-resident entity through amalgamation, merger or acquisition warrants Government / FIPB approval. These provisions would now apply to restructuring through 'demerger' as well.
- **Guidelines for consideration of proposals by FIPB:** All applications to the FIPB would now be placed before the Secretariat within 15 days. The FIPB will endeavour to communicate their decision within 30 days. The FIPB has also been empowered to prioritize the applications based on the sector, as for example, the export or employment potential.

### Sectoral policies and conditions

- **Prohibition on Investment in India:** Foreign technology collaboration in any form (including licensing for franchise, trademark, brand name and management contract) is now expressly prohibited for Lottery Business and Gambling and Betting activities.
- **Private Sector Banks:** FDI in Private Sector Banks is now allowed under the Automatic Route upto 49% and under the Approval Route beyond 49% upto 74%. Earlier, one could take recourse to the Automatic Route for investments upto 74%.
- **Civil Aviation Industry:** FDI in Non-scheduled Air Transport Service / Non-scheduled airlines, Chartered Airlines and Cargo airlines is now allowed under the Automatic Route upto 49% and under the Approval Route beyond 49% upto 74%. Earlier, one could take recourse to the Automatic Route for investments upto 74%.
- **E-Commerce:** Entities engaged in E-commerce having FDI would now be allowed to engage only in B2B trade in line with the above wholesale trading policy. These entities would not be allowed to engage in retail trading.
- **Development of Township, Housing, Built-up Infrastructure and Construction-development projects:** Both the Investor and the Investee Company are now responsible for obtaining all necessary project approvals with respect to building/layout plans, infrastructure, etc. As per the earlier guidelines under Press Note 2 of 2005, this responsibility was solely of the Investor company.
- **Securities Agencies in Private Sector:** The Foreign Investment in an Indian Company engaged in operating private security agency has been restricted to 49% under the Government/Approval Route in line with the provisions of the Private Security Agencies (Regulation) Act 2005.
- **Telecom Industry:** FDI in ISPs without gateways is now capped under the new Circular at 74% (Automatic route continued to be allowed upto 49% and beyond that under approval route) in line with DOT guidelines issued in 2007.

### State Government Initiatives

#### **Jammu & Kashmir**

- The J&K Government has approved to develop world-class infrastructure for rapid industrial development of the State.
- The Government encourages private sector participation and provides the industries with incentives to promote privatisation.
- It also promotes environment friendly industries by providing incentives for upgrading the industrial technology to meet the environmental norms.

#### **Haryana**

- The Government approved to create and develop economic hubs by promoting participation by the private sector.
- It also approved to exempt all new industrial units from paying electricity duty for a period of five years; however units falling into the negative list shall not be given such a privilege

### ***Himachal Pradesh***

- Special priority has been given to 100% export-oriented units/information technology/biotechnology/foreign direct investment projects and sectors such as tourism for grant of power connections.
- The Government has approved setting up of activity specific industrial areas such as food parks, electronics city, export processing zones, biotechnology parks.
- The government has approved setting up of Single Window Clearance Agency and Monitoring Authority under the chairmanship of the Chief Minister, along with single window agencies at major industrial towns.

### ***Punjab***

- New Industrial Policy, 2009 of Punjab has been notified, under which, special package of concessions has been provided for Information Technology & Knowledge based industries, agro based industries and food processing industries.
- In order to encourage the development of Special Economic Zones, Punjab Special Economic Zones Act, 2009 has been enacted and implemented.
- To boost private investment in the state, 342 mega projects involving an investment of Rs976.2 billion have been approved. Out of these, 135 projects are under implementation.

### ***Rajasthan***

- To facilitate access of quality information to investors the Government approved setting up of an information dissemination portal, wherein all relevant information can be accessed and downloaded.
- The Government approved introduction of mandatory self certification for major non-hazardous industries and conducting joint inspections with other departments through prior information.
- An Infrastructure Development Act has been proposed for providing legal framework and roadmap for PPP development of gas grid in Rajasthan.
- The government has also approved to establish Rajasthan Council of Vocational Education & Training to improve quality of technical education.
- The State Government approved formulation of an Exit Policy aiming at gainful utilisation of resources.
- A single window system has been approved that would assure legal sanctity, using IT as a platform for efficiency and time bound clearances or deemed clearance.

## **SECTION V: POLICY, INVESTMENT AND NOTIFICATION TRACKER**

### **CHANDIGARH**

#### **POLICY TRACKER**

##### **UT revises workers' minimum wages (Source: Tribune News Service, Date: 14/05/2010)**

The UT administration has increased the basic daily and monthly rates of minimum wages for daily and monthly rated employees as per the Consumer Price Index Number of Chandigarh Centre for the half year ending March, 2010.

##### **News**

##### **UT keen to ban flexible plastic bags (Source: Tribune News Service, Date: 12/05/2010)**

After putting ban on the use of polythene in the city, the UT Administration is now considering prohibiting use of flexible plastic containers as well. A possibility of imposing a ban on flexible plastic containers used for food packaging and also industrial packaging are further options.

##### **Chandigarh to be developed as convention hub for north (Source: Financial Express, Date: 18/05/2010)**

The Union Ministry of Tourism is mulling over making Chandigarh a convention hub for the north. The Centre has released over Rs220 million in the 11th five-year plan for tourism promotion. The Union territory of Chandigarh, which is already dotted with gardens and green belts, will now have theme parks such as the Garden of Palms, Garden of Conifers and Valley of Animals. Development of a Garden of Spring, Japanese Garden and a Convention centre were also in the pipeline. The Ministry of Tourism has sanctioned a unique project for promotion of night tourism.

##### **E-pass to boost Chandigarh revenue (Source: Financial Express, Date: 13/05/2010)**

Giving it's functioning a leg-up and administering revenue generation a booster dose, Excise and Taxation Department of the UT Administration has introduced e-Pass system for issuance of licenses to the wholesale and retail agencies. The entire operation involving issuance of permits, passes and licenses for liquor, has been fully integrated and computerised. The e-Pass system has not only injected transparency and efficiency into the working of the department by bringing it on-line but also made it less time-consuming and people-friendly.

# CHANDIGARH

## INVESTMENT TRACKER

### **Chandigarh to spend Rs480mn on schools (Source: Times of India, Date: 22/05/2010)**

The Chandigarh administration will spend nearly Rs480 million this fiscal to upgrade facilities and infrastructure in existing schools and construct new schools in this union territory. Over Rs105 million will be spent on schools under the Sarva Shiksha Abhiyan and more than Rs180 million under the Rashtriya Madhyamik Shiksha Abhiyan in 2010-11. Sums of Rs12.5 million under the elementary education plan and Rs82.5 million under the secondary education have been allocated.

### **News**

### **Chandigarh hotels looking to thrive on corporate tourism (Source: Business Standard, Date: 11/05/2010)**

Corporate tourism is back on track as hoteliers in the region are trying to gain from it. Realising meeting, incentive, convention and exhibition (MICE) tourism was best suited for hospitality industry in the region; hoteliers are trying to promote corporate tourism which they believe is best suited for Chandigarh. Hoteliers in the region maintained that Chandigarh as a city has enough for the corporate traveller and in coming times they are looking at more business through this channel. Besides, having vibrancy and culture, features like easy access to city and attractions in and around Chandigarh were ideally suited for conference tourism.

# DELHI

## POLICY TRACKER

### **Property registration fee hiked (Source: Tribune News Service, Date: 17/05/2010)**

The cabinet has decided to revise the property registration fee in Delhi which was a mere Rs100 earlier. After the revision, the registration fee for a property worth upto Rs2 million will be 1% of the total cost. However, a fee of Rs50,000 would have to be paid for property worth more than Rs2 million. After the issue of notification, the move is likely to fetch the Government a revenue of Rs1 billion. In case of registration of wills, the authorities have to levy Rs500 for each instrument. For registration of all other documents, it will be Rs1,000 for each instrument. For making an inquiry about any property, the fee has been increased up to 10%.

### **Road tax up, vehicles to be costlier (Source: Tribune News Service, Date: 24/05/2010)**

Vehicles are set to get costlier as the Delhi cabinet gave its nod to a hike in road tax. Two-wheelers costing up to Rs25,000 would continue to be charged at the rate of 2% as earlier. However, two-wheelers costing between Rs25,000 and Rs40,000 will be charged at the rate of 4% instead of the earlier 2% while those costing more than Rs40,000 will now invite tax at the rate of 6%. In the cars section, cars costing up to Rs600,000 will be charged at 4% instead of the earlier 2%, and those worth Rs600,000 to Rs1 million will be taxed at 7%. Cars priced over Rs1 million would be charged 10%. The new rate will come into force after the issue of a notification.

### **DERC mulls new policy for power companies to meet demand (Source: Indian Express, Date: 28/05/2010)**

With DISCOMS submitting a string of petitions citing rising costs of power purchase, the Delhi Electricity Regulatory Commission (DERC) is debating introduction of a new regulation under which power distribution companies will be eligible to claim power purchase costs in the same year. Under the current system, DISCOMS need to wait for a year while the regulator goes about the process of “truing up” the claims. If the proposed system is adopted; it would require DISCOMS to submit their expense reports every three to six months. Accordingly, the claims will be scrutinised and adjusted in the tariff for that year itself.

### **Govt tightens liquor licence rules (Source: Indian Express, Date: 14/05/2010)**

The Delhi Government has revised norms under a new licence allowing the sale of imported beer and wine. According to the Finance Minister, 115 outlets are selling beer under the L-53 licence, but majority of these stores did not fulfil the basic rule of being a department store and were only stocking liquor. The other big change is that the Government is making an extra effort to encourage retail chains to avail this licence.

## News

### **PWD to extend Barapullah stretch up to UP link road after CWG (Source: Times of India, Date: 05/05/2010)**

The public works department (PWD) plans to extend the under-construction elevated stretch on Barapullah Nullah that connects Sarai Kale Khan and Jawaharlal Nehru Stadium up to the UP Link Road, which is being upgraded to six lanes. But the work will be taken up at a later stage after the Commonwealth Games, according to PWD officials. The elevated road over Barapulla Nullah will provide seamless connectivity between the Commonwealth Games Village near Akshardham temple and the J N Stadium.

### **Power tariff likely to go up (Source: Tribune News Service, Date: 20/05/2010)**

Power tariff in Delhi is likely to go up by Re1 per unit. It would first be implemented on the national

level by Central Electricity Regulatory Commission (CERC) after the cabinet's decision on the CNG tariff. Finally, it would be enforced by the Delhi Regulatory Electricity Commission (DERC) in the national Capital.

**Regulatory body to keep eye on groundwater use in city (Source: Indian Express, Date: 28/05/2010)**

Delhi is all set to have its own regulatory body to combat the twin problem of paucity of water and illegal extraction of groundwater. The Delhi Jal Board (DJB) and the New Delhi Municipal Council (NDMC) have been termed as 'competent authorities' that would act in consonance with the dictates of the advisory committees. The new policy will take care of all local issues and create a body dedicated to monitor and restrict individuals or groups from digging bore wells for domestic or commercial purposes without prior permission.

**CMs of Delhi, Haryana, Punjab to meet on VAT (Source: Indian Express, Date: 22/05/2010)**

According to Delhi Finance Minister, the Chief Ministers of Delhi, Haryana and Punjab will soon meet to check the variations in Value Added Tax (VAT) on diesel across the states, The Delhi Government, on April 1, had increased VAT on diesel from 12.5% to 20%, while the neighbouring states of Haryana and Punjab continued to charge 8.8%. While diesel is available in Delhi for Rs38.10 per litre, it is cheaper in Haryana and Punjab, at just Rs34.22 a litre. This variation also goes against an agreement between the states that stipulated a uniform floor rate of VAT on diesel.

**Revenue from VAT touches new high (Source: Indian Express, Date: 21/05/2010)**

The Delhi Sales Tax Department made record collections in 2009-10, most of it in the last two months of the fiscal. According to Delhi Sales Tax Commissioner, department collected Rs103.7 billion through VAT last fiscal. The overall growth last fiscal was more than 45%. Predictably, the main drivers of growth were items related to the construction industry.

# DELHI

## INVESTMENT TRACKER

### **Aditya Birla Retail plans 3 hypermarkets in Delhi (Source: Business Standard, Date: 18/05/2010)**

According to its CEO of Aditya Birla Retail Ltd. (ABRL), the company plans to open three hypermarkets in Delhi by next March. The company would open its first hypermarket in Delhi at Rohini on 25<sup>th</sup> May, 2010. Offering a varied choice of competitively priced products, each of these hypermarkets will be of 50,000-70,000 sq. ft. requiring an investment of Rs160 million. Moreover, ABRL plans to launch 100 supermarkets (of 2,400sq. ft. each) by March 2011, mostly in Tier-II and Tier-III cities, at an investment of Rs400 million.

### **Cabinet nod for project to keep sewage away from Yamuna (Source: Indian Express, Date: 20/05/2010)**

The Union Cabinet Committee approved the ambitious Rs13.6 billion Yamuna cleaning Interceptor Sewer project of the Delhi Jal Board (DJB). The project, which proposes to intercept the city's sewage and dump only treated waste into the river Yamuna, will be implemented by Engineers India Limited over the next two years. The bidding process for the project would begin as soon as the DJB gets a green signal from the State Government, which also funds a major portion of the project, apart from the Rs5 billion under JNNURM.

### **News**

### **Airport line handed over to Reliance Infra (Source: Indian Express, Date: 20/05/2010)**

The Delhi Metro has completed most of the civil work and has handed over the stations to Reliance Infra for undertaking system and other operational works. The 22.7km stretch, connecting New Delhi metro station to IGI Airport and Dwarka Sector 21, is slated to open in September 2010.

## HARYANA

### POLICY TRACKER

#### **DHBVN starts spot billing in Hisar (Source: Financial Express, Date: 12/05/2010)**

With an aim to give relief to the consumers and to minimise the complaints of wrong billing, distribution of bills and standing in queues for deposition of bill amount, the Dakshin Haryana Bijli Vitran Nigam (DHBVN) has introduced spot billing system in Hisar town. About half of the town has already been covered under this ongoing plan.

#### **Haryana gets tariff order for solar power purchase (Source: Financial Express, Date: 29/04/2010)**

Haryana has taken a lead in implementation of solar generation programme under Jawaharlal Nehru National Solar Mission as the State Electricity Regulatory Commission has issued order for fixation of tariff and grid connectivity issues under solar mission. The levelised tariff for the projects, which have not availed accelerated depreciation benefits would be Rs17.91 per unit and the projects which have availed accelerated depreciation benefits would be Rs14.95 per unit.

#### **News**

#### **Horticultural zone to come up in three Haryana districts (Source: Financial Express, Date: 14/05/2010)**

The area under the districts of Panchkula, Ambala and Yamunanagar will be developed as Horticultural Zone to take advantage of the upcoming International Airport at Chandigarh. The diversification of farming in the proposed horticultural zone from wheat-rice rotation to fruits, vegetables and floriculture would considerably reduce the consumption of irrigation water in the area.

#### **Haryana Chief Minister wants wheat MSP at Rs1,275 (Source: Financial Express, Date: 11/05/2010)**

Haryana's chief minister, has urged the commission for agricultural costs and prices to fix Rs 1,275 per quintal as Minimum Support Price of wheat while framing the price policy for rabi 2010-11 crops to be marketed during 2011-12. The recommendations made by the state government are based on the cost of cultivation which has been calculated on the basis of the variable and fixed costs of cultivation. The variable costs included human and machine labour, seeds, fertilizer, irrigation, pesticide, insecticide and weedicide.

#### **Haryana to bank on bio-waste for power (Source: Financial Express, Date: 01/05/2010)**

According to the director of renewable energy department and Haryana Renewable Energy Development Agency (HAREDA) services of consultants namely The Energy Resources Institute (TERI), Delhi and JAB-Green Consultants, Gurgaon have been hired for conducting study of biodegradable waste and preparing of feasibility detailed project report for setting up biogas-based power generation plants in four universities of the state.

#### **Gurgaon-Manesar corridor promises world-class infrastructure (Source: Financial Express, Date: 10/05/2010)**

In a bid to enhance the Gurgaon-Manesar corridor to overshadow its NCR counterparts in providing world class infrastructure and living standards, the state government has planned multiple development activities in the region. The authorities are busy constructing expanded ways for convenient navigation and seamless connectivity. Land for these roads has been acquired by HUDA and construction work is already under progress.

**Haryana to add 8k-mva transmission capacities (Source: Financial Express, Date: 01/05/2010)**

Haryana Vidyut Prasaran Nigam (HVPN) plans to add 8,000 mega volt amperes (mva) transmission capacity at 220 kv level during the 11th Plan. Haryana had a total of 5,810 mva capacity in the last twenty years before the 11th Plan, thus there will be a remarkable increase of 137% in transmission capacity over the previous years.

**Plan panel okays Rs182.6bn outlay for state (Source: Tribune News Service, Date: 11/05/2010)**

The Planning Commission has approved Rs182.6 billion Annual Plan outlay for the state for the ongoing fiscal. It includes Rs111 billion from the state Budget, which is about 10% more than last year's Plan of Rs100 billion. Another sum of Rs68 billion has been allocated for state public sector enterprises (PSEs) and Rs3.6 billion for local bodies to be met out of their own resources. The Plan outlay, proposed by the state government, was finalised at a meeting between Deputy Chairman of the Planning Commission, and Haryana Chief Minister.

**Haryana to overhaul power supply to meet rising demand (Source: Financial Express, Date: 15/05/2010)**

The state had experienced enormous growth in demand of electricity daily with the start of paddy sowing operations as compared to yesteryears. The State was supplying power to agriculture sector from four to five hours daily this month for proper watering of sugarcane crop. After start of paddy sowing around 15th of June the arrangement has been made to supply power to tubewells for eight hours daily which would continue till the requirement of farmers.

**More water storage capacity for Haryana (Source: Times of India, Date: 08/05/2010)**

Haryana Chief Minister ordered the creation of additional storage capacity at the water works in the State. Chairing the meeting of the State Sanitary Board, he urged the Public Health Engineering Department to put up village-wise distance details about the location of water works in different villages so that a suitable decision could be taken to provide independent feeders to them. Additional funds worth Rs1 billion had been provided in the revised plan budget and now Rs12.4 billion would be spent in providing water supply and sewerage.

**Ban on mining hikes construction cost (Source: Tribune News Service, Date: 16/05/2010)**

The blanket ban on mining in the riverbeds in Haryana by the Punjab and Haryana High Court has taken its toll on the construction activity in the district, with both realtors and the common man feeling the pinch of unprecedented hike in the input costs. A sharp increase in the cost of sand and gravel (bajri) threatens to upset the budgets of the major projects and housing for the common man.

**PPP model for public transport (Source: Tribune News Service, Date: 19/05/2010)**

With the public transport system virtually non-existent in Haryana's Millennium City, Gurgaon, the Transport Department is set to launch an intra-city bus service under the Public-Private Partnership (PPP) model. The project would begin with two operators covering the city with 400 buses. The department is working out revenue sharing under the PPP model. While the ticketing revenue is likely to remain with the operators, the sharing of revenue to come in through advertisements on buses and bus stops and bus route displays remains to be worked out.

# HARYANA

## INVESTMENT TRACKER

### **Haryana to set up film and TV institute (Source: Business Standard, Date: 10/05/2010)**

The Haryana Government is setting up a state-of-the-art State Institute for Film & Television at Rohtak on the pattern of the Film and Television Institute, Pune. At the same location, the state is also setting up an institute of fine arts, design and fashion technology and a state institute of professional studies for women. The total project cost for all these institutes would be Rs2 billion and the state government has earmarked 22 acres of land for the institutes.

### **Haryana bags Rs18mn biogas project (Source: Financial Express, Date: 19/05/2010)**

Haryana will soon have a large scale biogas plant and bottling facility for use in cooking, transport and fertilisers. The Union ministry of new renewable energy has sanctioned the project to set up a biogas fertiliser plant at Shri Haryana Goshala, Hansi, Hisar, The plant would be set up at an estimated cost of over Rs18 million and Rs9.2 million would be provided by the ministry as financial assistance.

### **New projects worth Rs1.6bn to boost Haryana industry (Source: Financial Express, Date: 20/05/2010)**

Haryana State Industrial & Infrastructure Development Corporation Limited (HSIIDC) organised a business contact programme at its Delhi office and informed that 17 term loan proposals worth Rs800 million were contemplated during this meeting. When implemented, these projects are likely to catalyse an investment of over Rs1.6 billion besides generating valuable employment and revenue for the state exchequer.

### **Cantabil to set up factory in Haryana (Source: Financial Express, Date: 18/05/2010)**

Apparel maker and retailer Cantabil will open around 150 outlets this fiscal as a part of its expansion plan to be funded by the firm's upcoming initial public offering. The company is also going ahead with its plans to open a new manufacturing facility in Bahadurgarh (Haryana) as it looks to increase capacity to cater to the rise in demand.

### **HSIIDC to set up food development centre (Source: Financial Express, Date: 13/05/2010)**

Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) would set up Food Development Centre in Haryana in collaboration with the Manitoba Food Development Centre (MFDC), Province of Manitoba Canada. A Memorandum of Understanding (MoU) in this regard was signed at New Delhi.

### **Haryana ties up with Jhajjar KT Transco (Source: Financial Express, Date: 27/05/2010)**

With a view to execute the Rs3.82 billion Jhajjar Power Transmission Project under public private partnership (PPP) mode, the Haryana Vidyut Prasaran Nigam (HVPN) would sign an agreement with Jhajjar KT Transco in Chandigarh.

## News

### **Work on to strengthen power distribution (Source: Tribune News Service, Date: 02/05/2010)**

The Dakshin Haryana Bijli Vitran Nigam (DHBVN) authorities plan to complete the power infrastructure development and augment power supply to Gurgaon, Faridabad and Charkhi Dadri in Haryana under Rs4.3 billion World Bank project. Eighty per cent cost of the project would come as loan from the International Bank for Reconstruction and Development (IBRD) and the remaining 20 per cent contributed by the borrower as equity.

# HARYANA

## NOTIFICATION TRACKER

### EXCISE AND TAXATION DEPARTMENT

No. S.O. 68/H.A. 6/2003/S. 60/2010

Date: 17.05.2010

### NOTIFICATION

In exercise of the powers conferred by Sub-section (1) read with sub-section (3) of section 60 of the Haryana Value Added Tax Act, 2003 (6 of 2003), and with reference to Haryana Government, Excise and Taxation Department, notification No. web. 3/H.A. 6/2003/S. 60/ 2010, dated the 2nd April, 2010, the Governor of Haryana hereby makes the following rules further to amend the Haryana Value Added Tax Rules, 2003, namely :-

1. (1) These rules may be called the Haryana Value Added Tax (Amendment) Rules, 2010.

(2) They shall come into force with effect from date of publication of this notification in the Official Gazette.

2. In the Haryana Value Added Tax Rules, 2003, (hereinafter referred to as the said rules) in rule 11;—

(a) for existing sub-rule (5), the following sub-rule (5), shall be substituted, namely:—

"(5) An application for registration under sub-section (2) of section 11 shall be made by the dealer to the appropriate assessing authority in Form VAT-A1 within a period of fifteen days from his becoming liable to pay tax under the Act, and he shall append the following documents to the application VAT A-1 or any other document/identification mark as directed by the Commissioner;

(i) Treasury receipt showing deposit of one hundred rupees in the appropriate Government treasury or the Court fee stamps worth one hundred rupees duly affixed on the application on account of registration fee;

Note: For full text the aforesaid notification may be referred to.

**RAMENDRA JAKHU,**  
**Financial Commissioner and Principal Secretary**  
**to Government, Haryana, Excise and Taxation Department.**

# HIMACHAL PRADESH

## POLICY TRACKER

### **Solar passive design made mandatory (Source: Tribune News Service, Date: 09/05/2010)**

Solar passive design to trap natural heat to keep the structure warm was made mandatory in all constructions in November 2009. However, from now on authorities have decided to implement it strictly. So far, there are only a handful of government buildings which have adopted solar passive design. The Restricted Area Committee (RAC) for Shimla town, directed the local municipal corporation (MC) to approve building plans for about 35 structures in restricted area of the town only once solar passive design was incorporated.

### **News**

### **Power pangs for industries in HP (Source: Business Standard, Date: 05/05/2010)**

Industrialists in the Baddi-Barotiwala-Nalagarh region (BBN), which has the maximum concentration of industries in the state, have been experiencing scheduled power cuts. There was a shortage of 18-20% between the gap and supply of power for the industries in the BBN belt.

### **State to get five polytechnics (Source: Tribune News Service, Date: 23/05/2010)**

The state government has decided to start five new polytechnic colleges in five different districts in order to generate skilled manpower to tackle the employment crisis the state has been facing. These five polytechnics would be started in the current financial year, and currently there were already 25 polytechnics functioning in the state.

### **Centre enhances subsidies to hill states (Source: Tribune News Service, Date: 22/05/2010)**

The demand of Himalayan states for enhancing various subsidies under the centrally sponsored Horticulture Mission for Himalayan States, the Centre has made a substantial increase in the financial assistance being extended to the hill states. Himachal had received Rs297.5 million and with enhancement in subsidies, the allocation would go up substantially.

### **Himachal firms seek clarification on subsidy scheme (Source: Business Standard, Date: 07/05/2010)**

Around 149-odd industrial units located in Himachal Pradesh are awaiting release of funds which amounts to Rs268 million under the Central Capital Investment Subsidy. The investment subsidy notified in 2003 is applicable for units which come into production till 2013. According to the incentive, new industries in the notified location would be eligible for capital investment subsidy at the rate of 15% of their investment in plant and machinery, subject to a ceiling of Rs3 million.

### **Govt announces 50% subsidy on kharif seeds (Source: Tribune News Service, Date: 06/05/2010)**

The state government decided to provide 50% subsidy on kharif seeds as relief to farmers in view of losses caused to rabi crops on account of drought. During the current kharif season, about 35,000 quintals of seeds shall be supplied by the department to farmers at 50% subsidy, as per the decision of the government, which would be implemented with immediate effect.

### **Treatment plant to ease pollution woes in Baddi (Source: Business Line, Date: 08/05/2010)**

The roll out of one of the biggest-ever cleaning act for an industrial belt at the pharma hub of Baddi-Barotiwala-Nalagarh, in Himachal Pradesh is underway. The project—Industrial Infrastructure Upgradation Scheme will be the first project inaugurated by commerce and industry ministry. An in-principle approval for setting up of the common effluent treatment plant has already been given. The CETP is likely to cost around Rs500 million at the Pharmaceuticals and Allied Industries Cluster,

Baddi, Barotiwala, district Solan. The spin offs will be for 1,000 registered industrial units, employing over 5,000 people.

**Scientists mull ways to raise pulse production (Source: Tribune News Service, Date: 18/05/2010)**

Scientists from across the country gathered at Palampur Agriculture University (PAU) to mull over the issue. About 250 scientists deliberated on the steps that could be taken to increase the yield of major kharif pulse crops in the country.

**Arrangements for apple season (Source: Tribune News Service, Date: 18/05/2010)**

Horticulture Minister called a high-level meeting to finalise arrangements for the ensuing apple season. Issues regarding maintenance of roads in the apple-growing areas, arrangement for transportation of apple, ensuring timely availability of package material to the growers and also proper marketing of the apple were taken up at the meeting. A Rs850 million apple rejuvenation scheme was being started so as to replace the old plantation with new quality plantation. To save the crop from hail, an anti-hail gun and radar had also been set up at Kharapathar on trial basis.

**Govt gives priority to road construction (Source: Tribune News Service, Date: 17/05/2010)**

The government has fixed a target of tarring of 3,330 km of road length during the current financial year under the periodic surface renewal and metalling programme. The target was to metal about 2000 km road, including state road and national highways, by the end of June. As there was sufficient availability of bitumen in the state and about 6000 tonnes of bitumen worth Rs220 million had been procured and sent to various circles of the department.

**Govt to implement crop insurance scheme (Source: Tribune News Service, Date: 16/05/2010)**

The Himachal State government has decided to implement the National Agricultural Insurance Scheme (Rashtriya Krishi Bima Yojna) during the kharif season on pilot basis. The decision has been taken on the recommendation of the State-Level Coordination Committee on Crop Insurance. The scheme is open to all farmers growing maize, paddy, potato and ginger crops. It will be on compulsory basis to farmers availing seasonal agricultural operation loans from financial institutions.

**MC picks Mumbai firm to execute work (Source: Tribune News Service, Date: 26/05/2010)**

With the Himachal High Court setting the deadline of December for making operational the new solid waste management plant at Baral near Tara Devi, the local Municipal Corporation (MC) has shortlisted Mumbai-based Hanjer Biotech Energies Private Limited for executing the work. Bids are also being invited so that a consultant could be appointed with regard to developing the land-fill site near Baral.

**Himachal rolls out first PPP tourism project (Source: Indian Express, Date: 01/06/2010)**

Himachal Pradesh rolled out its first PPP tourism project - the Himachal Haat – with an intention to bring diversification in the tourism sector. The project located on the Shimla-Kalka National Highway was formally inaugurated by Union Minister of State for Tourism on May 31, 2010. Himachal Haat, a first of its kind in Himachal, had come up without any government investment, while, the total project cost stood at Rs2.3 million. This is an innovative project and will showcase Himachal's culture and handicraft. The luxury tourism project has over two dozen mud huts offering Himachali cuisines cooked and served in traditional style.

# HIMACHAL PRADESH

## INVESTMENT TRACKER

### **6 new industrial proposals cleared (Source: Tribune News Service, Date: 19/05/2010)**

The State-Level Single Window Clearance and Monitoring Authority cleared proposals for setting up six new industrial units in the state involving an investment of Rs6.5 billion. The proposals included Rs797.4 million unit for manufacturing efficient machinery and equipment for drip irrigation and sprinkler irrigation systems to be set up by Jain Irrigation Systems Limited, Rs220 million resin-based unit for manufacturing eco-friendly hollow concrete blocks for infrastructure industry by Dev Resins Private Limited and Rs631.3 million tourism resort-cum-health farm on the Kalka-Shimla highway. In all six units would together generate employment for 1,581 persons.

### **News**

### **HP invites bids for heli-taxi service (Source: Business Standard, Date: 01/05/2010)**

In the near absence of air services in the state, the state government is to start heli-taxi service to provide connectivity to lesser-known places in the state and attract high spending tourists, and also saves lot of time and energy. The state tourism department finalised the air routes which include popular tourist resorts of Shimla, Kullu, Manali and Dharamsala. The tribal regions of Lahaul, Spiti and Kinnaur are also on the list.

### **State to spend Rs25.7bn on education (Source: Tribune News Service, Date: 05/05/2010)**

In an effort to provide proper physical infrastructure in educational institutions the state government has earmarked 17% of the budget for construction of buildings in the current year. The state would spend Rs25.67 billion on education. .

### **SJVN to venture into solar, wind power (Source: Tribune News Service, Date: 29/04/2010)**

Satluj Jal Vidyut Nigam (SJVN) plans to diversify into solar and wind power. It will also explore the possibility of setting up nuclear power plants in joint venture.

### **Himachal to seek bids for 15 hydel projects (Source: Business Standard, Date: 14/05/2010)**

The Himachal Pradesh government plans to invite bids for at least 15 hydro power projects in the current financial year with a total capacity of around 3,000MW and will be awarded on a competitive bidding basis. This bonanza will, however, benefit only private companies. It is also expected that private majors like Tata Power, Reliance Power, GMR and GVK, which have large presence in the country's hydro power sector, will line up for bidding for these projects.

### **Himachal to invite bids for mini-hydropower projects (Source: Business Standard, Date: 12/05/2010)**

The Himachal Pradesh state cabinet has decided to advertise 54 small and mini Himachal Pradesh Energy Development Agency-Himurja identified hydropower projects with a combined generating capacity of 132 MW. It adopted revised criteria for evaluation of small hydro projects of 1-Mw to 5-Mw capacity. The Cabinet decided to grant extension in time period of Implementation Agreement to 33 small projects and extension in completion period to 23 others as one time measure for small hydro electric projects.

**HIMACHAL PRADESH**  
**NOTIFICATION TRACKER**

**DEPARTMENT OF TRANSPORT**

**NO: TPT-F(6)2/2000-I**

**Date: 25.05.2010**

**NOTIFICATION**

Whereas the draft Himachal Pradesh Motor Vehicles (First Amendment) Rules, 2010 were published in the Rajpatra, Himachal Pradesh on dated 19/04/2010, vide notification of even number dated 13/04/2010 in pursuance of the provision of section 212 of the Motor Vehicles Act, 1988 (Act NO. 59 of 1988) for inviting objections and suggestion from person(s) likely to be affected thereby, within a period of 30 days from the date of publication;

2. And, whereas no objection has been received to the Government on the said draft rules within the stipulated period;

3. Now, therefore, in exercise of the powers conferred by section (1) of section 212 of the Motor Vehicles Act, 1988, (Act NO:59 of 1988), the Governor of Himachal Pradesh is pleased to make the following rules, further to amend the Himachal Pradesh Motor Vehicles Rules, 1999, namely:-

Short title      1            These rules may be called the Himachal Pradesh Motor Vehicles (First Amendment) Rules, 2010.

Amendment of rule-68      2            (1) For sub rule (2) of rule 68 of the Himachal Pradesh Motor Vehicles Rules, 1999, the following shall be substituted, namely:-

Note: For full text the aforesaid notification may be referred to.

By order,

Principal Secretary (Transport) to the  
Government of Himachal Pradesh

**DEPARTMENT OF REVENUE (STAMP REGISTRATION)**

**No. Rev. Stamp (A) 4-1/2005, Dated Shimla-171002**

**Date: 17.05.2010**

**NOTIFICATION**

In exercise of the powers conferred by Clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (Act No. II of 1899) as applicable to the State of Himachal Pradesh, the Governor of Himachal Pradesh is pleased to remit the entire stamp duty chargeable under the said Act on instruments of hypothecation i.e. mortgage without possession executed by the small/marginal agriculturists/horticulturists in respect of Education loans subject to a maximum of Rs. 7.50 lacs, obtained by them from Financial Institutions, i.e. Nationalized Banks, Co-operative Banks registered under the H.P. Cooperative Societies Act, 1968, Regional Rural Banks, Gramin Banks and other Private Banks in Himachal Pradesh, from the date of its publication in the Rajpatra (Extra-Ordinary), Himachal Pradesh.

By order,

(Harinder Hira)

Addl. Chief Secy.-cum-FC (Revenue) to the  
Government of Himachal Pradesh

**DEPARTMENT OF LABOUR & EMPLOYMENT**

**No.Shram (A)1-2/2009(M.W.)**

**Date: 01.05.2010**

**NOTIFICATION**

**1. CONSTRUCTION OR MAINTENANCE OF ROADS AND BUILDING  
OPERATIONS, STONE BREAKING & STONE CRUSHING**

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of "Construction or Maintenance of Stone Breaking and Stone Crushing" may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 2. PUBLIC MOTOR TRANSPORT

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Public Motor Transport may be revised in respect of unskilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 3. SHOPS & COMMERCIAL ESTABLISHMENT

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Shops and Commercial Establishments may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 4. FORESTRY INDUSTRIES

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Forestry Industries may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 5. CHEMICAL & CHEMICAL PRODUCTS

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Chemical and Chemical Products may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 6. ENGINEERING INDUSTRIES

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Engineering Industries may be revised in respect of unskilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 7. TEA PLANTATION

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Tea Plantation may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

**NOTIFICATION**

**8. ESTABLISHMENTS WITH MANUFACTURING PROCESS AS DEFINED IN  
CLAUSE (K) OF SECTION-2 OF FACTORIES ACT, 1948**

(INCLUDING: LEATHER, CASTING INDUSTRIES, FOOD & DRINKS, BREWERIES, DISTILLERIES AND INCIDENTAL OPERATION, SHAWL WEAVING AND CARPET MAKING, TEXTILE HOSIERY/INDUSTRY, WOOD BASED FURNITURE INDUSTRIES, SAW MILLS, BRICK-KILN, CEMENT FACTORY AND MANUFACTURING OF OTHER CEMENT PRODUCTS, PAPER & PAPER PRODUCTS, ELECTRONICS INDUSTRY)

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Manufacturing Process as Defined in Clause (K) of Section 2 of Factories Act, 1948, may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 9. HOTEL AND RESTAURANTS

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Hotel and Restaurants may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

No.Shram (A)1-2/2009(M.W.)

Date: 01.05.2010

## NOTIFICATION

### 10. PRIVATE EDUCATIONAL INSTITUTES

Whereas the Governor, Himachal Pradesh is of the opinion that the minimum rates of wages in the Scheduled employment of Private Educational Institutes may be revised in respect of un-skilled and other categories of workers with effect from 01.02.2010.

And whereas the proposal for the revision of minimum rates of wages in this employment was notified vide Notification of even number dated 01-02-2010 and published in Himachal Pradesh Rajpatra dated 05-02-2010 under Clause (b) of sub-section (1) of Section 5 of the Minimum Wages Act, 1948( Act No. 11 of 1948), for general information and inviting objections/suggestions;

And whereas objections/suggestions were received from the general public and the same were considered at the Government level.

Now, therefore, in exercise of the powers vested in her under subsection (2) of Section 5 of the Minimum Wages Act, 1948 ( Act No. 11 of 1948), the Governor of Himachal Pradesh in consultation with the State Minimum Wages Advisory Board is pleased to revise the minimum rates of wages from 01.02.2010 as under:-

Note: For full text the aforesaid notification may be referred to.

By order,

Secretary (Labour & Employment) to the  
Himachal Pradesh.

# JAMMU & KASHMIR

## POLICY TRACKER

### **Dumping of construction material on roads banned (Source: Tribune News Service, Date: 23/05/2010)**

The District Magistrate of Udhampur has issued an order banning dumping of all types of construction materials like bricks, sand, stones and bajri on public paths, link roads as well as the National Highways passing through the district. The order shall remain effective for a period of two months. The District Magistrate has also banned all types of construction on common land, particularly on nullahs, ponds and common paths to keep a check on encroachments by unscrupulous elements and land mafias.

### **News**

### **Officials told to revive silk industry (Source: Tribune News Service, Date: 04/05/2010)**

On his visit to various silkworm-rearing units, including B&C unit, where rearing of cocoons is in progress, the Agriculture minister of J&K was informed that about 800 metric tonnes of cocoon worth Rs80 million is being produced during the current season. Around 22,000 farmers are engaged directly or indirectly with the silk industry in the State. The minister urged the officers concerned to put in effort to get the glory of the silk industry back as it had been affected during the past 20 years.

### **Rise in tourist flow to Leh (Source: Tribune News Service, Date: 07/05/2010)**

According to Assistant Director, Jammu and Kashmir Tourism Department, there has been a substantial increase in the number of tourists, both domestic and foreign, visiting the district of Leh in the recent years. Last year, 79,000 tourists, including 49,000 foreigners, visited the district against 75,000 in the previous year. The number of tourists visiting Ladakh is expected to reach 100,000 by the year-end. Even in the off season, which is from January to April, over 4,000 tourists visited Leh against 3,000 in the previous year.

### **Commercial tax arrears nearly double in J&K (Source: Financial Express, Date: 10/05/2010)**

The Commercial Tax arrears have nearly doubled during the last nine years in Jammu and Kashmir due to failure to ensure speedy recovery of taxes. According to an official document of the State Finance Department, the arrears outstanding on account of commercial taxes have risen from Rs4.78 billion in 2001-02 to Rs8.85 billion in 2009-10.

### **Tunnel planned to shorten distance (Source: Financial Express, Date: 18/05/2010)**

The Jammu and Kashmir Government plans to construct a tunnel at Vailoo on the just-opened Anantnag-Kishtwar road to reduce the distance between the two places. This would boost tourism especially religious tourism and improve the economy of the area.

### **Plan to reorganise Power Corpn. (Source: Tribune News Service, Date: 21/05/2010)**

Chairing a high-level Board of Directors meeting of the Jammu and Kashmir Power Development Corporation (JKPDC), the Chief Minister stressed the need for assessing losses suffered by the State due to the Indus Water Treaty. Moreover, he proposed for the streamlining and reorganisation of the JKPDC, based on the need for generating full efficiency in the corporation so that the target of tapping 3,000MW of power during the next four years is achieved comfortably.

### **Katra-Kashmir rail link to be completed by 2017 (Source: Tribune News Service, Date: 14/05/2010)**

According to the General Manager of Northern Railways, the dream project of connecting the

Kashmir valley with the rest of the country through a rail link will be completed by the end of 2017. Similarly, the project to extend the rail link from Udhampur to Katra — the base camp of Mata Vaishno Devi — is likely to be completed next year.

**State to get more electricity from next year (Source: Tribune News Service, Date: 12/05/2010)**

There is good news for the power starved state of J&K as the Uri II, a 240MW power project, which is in the final stage of completion, will be completed by February 2011. The project, which is being constructed by the National Hydel Power Corporation (NHPC) at a cost of Rs17.25 billion, was commissioned in 2005. Out of the total power generation 12% would be given to the State as royalty and rest of the generation would go to the power grid.

**Hydel project to be completed by Sept. (Source: Financial Express, Date: 18/05/2010)**

The 45MW Nimmo-Bazgo Hydroelectric Power Project in Leh will start producing power by the end of the current year as it is scheduled to be completed by September 2010. Located on the river Indus near the village of Alchi in Leh district, the project's work is already 90% complete. The cost of the project is estimated at Rs6.11 billion.

**Tourist Mela begins in Kargil (Source: Tribune News Service, Date: 27/05/2010)**

A three-day Tourist Mela, being organised by the Department of Tourism, took off in the Dard Tribal area of Batalik in Kargil district of the Ladakh region. Appreciating the State and Central Governments for opening Batalik for tourists, the Chief Executive of the Ladakh Hill Development Council (LHDC) stated that besides promoting tourism this would provide ample opportunities to the domestic and foreign tourists to understand and see the age-old heritage in various parts of Kargil, including Darchaks.

**JAMMU & KASHMIR**  
**NOTIFICATION TRACKER**

**FINANCE DEPARTMENT**

**SRO 186**

**Date: 27.04.2010**

**NOTIFICATION**

In exercise of the powers conferred by section 17 of the Jammu and Kashmir Value Added Tax Act, 2005, the Government hereby direct that Schedule "A" of the said Act shall be amended as under; namely:-

**1. the entry appearing against S.No.53 shall be substituted by the following:-**

"Handicrafts items viz; paper mache articles, handmade Kashmiri, Ladakhi or Basoli Shawls whether Kani, embroidered or not, Namda, Gabba, Chain stitch, Copper/Silver filigree, Crewel, Wood carving except furniture, Basoli and Ladakhi paintings, Phulkari, Ladakhi Shoes and Tanka paintings, Zari embroidered cloth, Tapestry and locally handmade Carpets (Goods of local importance)"

This shall come into force w.e.f 01.04.2008.

**2. the entry appearing against S.No.54 shall be substituted by the following:-**

" items covered under the Jammu and Kashmir General Sales Tax Act, 1962 and or the Motor Spirit and Diesel Oil ( Taxation of Sales) Act, 2005 (1948 A. D)"

This shall come into force w.e.f. 01.04.2005.

By order of the Government of Jammu and Kashmir.

Sd/-  
Commissioner/Secretary to Government,  
Finance Department.

**SRO 185**

**Date: 27.04.2010**

**NOTIFICATION**

Whereas the transport operators plying passenger vehicles in the State, have represented that they have not plied their vehicles on various routes for most of the days during the months of June, July and August, 2008 owing to certain extraordinary factors prevailing during that time; and

Whereas, the issue was examined by the Government and it has been found that the representation of the transporters merits consideration.

Now, therefore, the Government in exercise of the powers conferred by section 10 of the Jammu and Kashmir Passenger Taxation Act, 1963 exempts the transporters operating passenger vehicles in the State from payment of Passenger Tax for the months of June, July and August, 2008 liable under the said Act, wherever the same is outstanding on the date of issuance of this notification. The exemption shall be available on proportionate basis, to vehicles as are registered with the Passenger Tax officer of the concerned division and for which the passenger tax due, for balance period of the year, has been paid in time.

By order of the Government of Jammu and Kashmir.

Sd/-  
Commissioner/Secretary to Government,  
Finance Department.

**SRO 184**

**Date: 27.04.2010**

**NOTIFICATION**

In exercise of the powers conferred by section 85 of the Jammu and Kashmir Value Added Tax Act, 2005, the Government hereby direct that in the Jammu and Kashmir Value Added Tax Rules, 2005, the following amendment shall be made; namely:-

1. in clause (m) of rule 12 after the words 'certificate of registration' the words 'and sign board' shall be added;
2. sub-rule (5) of rule 28 shall be substituted by the following;  
"(5) The tax depicted in the return shall be due on the last day of the month at the end of the relevant tax period and shall be paid within one month from the expiry of that period";
3. in rule 35 the following shall be added as proviso to the said rule:  
"Provided that a dealer may be assessed on the basis of a single notice and by a single order of assessment involving more than one tax period covered by a return so long as all such tax periods fall in one financial year".

By Order of the Government of Jammu & Kashmir.

Sd/-  
Commissioner/Secretary to Government,  
Finance Department.

**SRO 183**

**Date: 27.04.2010**

**NOTIFICATION**

In exercise of the powers conferred by section 79-A of the Jammu and Kashmir Value Added Tax, 2005 , the Government hereby direct that in notification SRO 263 dated 20-07-2007, the figures "1-04-2007" shall and shall always be deemed to have been substituted by the figures "20-07-2007"

By order of the Government of Jammu and Kashmir.

Sd/-  
Commissioner/Secretary to Government,  
Finance Department.

**SRO 182**

**Date: 27.04.2010**

**NOTIFICATION**

Whereas a class of dealers had failed to file returns and to deposit admitted tax for the first quarter of the accounting year (2008-2009) before 31<sup>st</sup> July, 2008 because of certain extraordinary factors prevailing during that time; and

Whereas the Government, as a gesture of goodwill, agreed that such of the defaulting dealers would be allowed to deposit tax by 31<sup>st</sup> of October, 2008 without charging interest or resorting to any penal action against them;

Now, therefore, in exercise of the powers conferred by section 25-D of the Jammu and Kashmir General Sales Tax Act, 1962, the Government hereby grants immunity from interest chargeable on the admitted tax pertaining to the above period and penalty for late filing of returns for the said period, provided the tax has been deposited and returns filed by or before 31<sup>st</sup> October, 2008. However, dealers who have not adhered to the dead line of 31<sup>st</sup> October, 2008, shall not be covered by this amnesty.

By order of the Government of Jammu and Kashmir.

Sd/-  
Commissioner/Secretary to Government,  
Finance Department.

**SRO 181**

**Date: 27.04.2010**

**NOTIFICATION**

In exercise of the powers conferred by section 5 of the Jammu and Kashmir General Sales Tax Act, 1962 (Act No. xx of 1962), the Government hereby rescind the notification SRO-256 dated 23-07-1997 with immediate effect.

By order of the Government of Jammu and Kashmir.

Sd/-  
Commissioner/Secretary to Government,  
Finance Department.

# PUNJAB

## POLICY TRACKER

### **New policy for issuance of drug licence (Source: Tribune News Service, Date: 20/05/2010)**

Punjab has unveiled stricter guidelines for grant of retail sale and wholesale drug licences. An application has to be sent to a committee comprising of Drug Controller and two Assistant Drug Controllers at Chandigarh that scrutinises the application before forwarding it to the District Drug Inspector concerned for further verification. After the verification, it would be sent back to Chandigarh, where the same three-member committee would verify it again and the applicant would be interviewed before issuance of drug.

### **Punjab gives nod to private varsities policy (Source: Financial Express, Date: 18/05/2010)**

The Punjab Cabinet gave a go ahead to the Punjab Private Universities Policy 2010 for setting up of self financed private universities in the state to raise the standard of education and entrepreneurs skills of youth workforce. The government also cleared a host of other policies and amendments to existing Acts. The Cabinet gave approval to set up a Common Facility Centre (CFC) for the local Hi-Tech Metal Cluster at SAS Nagar in Mohali which would provide testing and calibration facilities to the manufacturers of the state.

## **News**

### **Punjab to adopt e-tendering by May 31 (Source: Business Standard, Date: 07/05/2010)**

The Chief Minister issued directions to every department, board, corporation of the Punjab government to adopt e-tendering for every tender to be floated after May 31, 2010. It was decided to adopt e-tendering in every department to bring transparency in the tender allotment process and also explore e-stamping in all property transactions, doing away with stamp papers to bring relief to the common man. This system, besides giving equal opportunity to every competitor, would bring transparency and objectivity in the tender allocation procedure.

### **Punjab to bring 2.7mn hectares under paddy (Source: Business Standard, Date: 11/05/2010)**

The Punjab government has designated 2.7 million hectares under paddy cultivation this Kharif season, an increase of 100,000 hectares over the previous year's target. Also, it is expecting that the actual production of rice would touch 10.8 million tonnes (mt) this season.

### **Sugarcane area in Punjab to miss target (Source: Business Standard, Date: 05/05/2010)**

The Punjab government's plans to increase the sugarcane acreage by 50% from 60,000 hectares to 90,000 hectares would not be met this season due to shortage of electricity, as power plays an important role in irrigation. According to officials, the area under sugarcane cultivation in the current season would be 80,000 hectares and sugar output would be likely to the tune of 2.6 million quintals.

### **Punjab to review agriculture Scheme (Source: Business Standard, Date: 06/05/2010)**

The Punjab Government is planning to incorporate new guidelines and also review the existing concessions for the new rice mills to be set up in the state under Agri Mega Projects as in some districts the concentration of rice mills is very high, which makes business unviable. It also identified three districts where the potential of setting up new rice mill exists like Amritsar, Guradaspur and Ferozpur as the districts where the influx of rice sellers is less, so there lies a potential for a new entrant.

### **Bt cotton productivity falling, say PAU experts (Source: Tribune News Service, Date: 11/05/2010)**

As the sowing of cotton is in full swing in the cotton belt of the state, there are conflicting reports

regarding the productivity of Bt cotton. Experts of Punjab Agricultural University (PAU) maintain that per hectare productivity of Bt cotton has been falling from the past three years. But the officials of the state Agricultural Department do not agree with them. Therefore, further tests were being conducted.

**Power board gears up for paddy transplantation season (Source: Tribune News Service, Date: 09/05/2010)**

In order to meet demands during the peak paddy transplantation season starting June 10 to October 15, the corporation has contracted power worth Rs18-19 billion with various states and private power suppliers. It will buy about 1,200 MW power for this purpose. Efforts would be made to ensure eight-hour power supply to tubewells during the paddy transplantation period.

**Wheat husk prices dip (Source: Tribune News Service, Date: 09/05/2010)**

The prices of wheat husk have dipped by almost 50% after the harvesting season. Priced Rs550-600 per quintal a fortnight ago, the husk now costs Rs300-350. Every year prices of wheat husk decreases immediately after the harvesting season and again increases after a couple of months. This is because of increase in quantity of wheat husk in the market.

**Farmers reap profits in emu farming (Source: Tribune News Service, Date: 03/05/2010)**

Poultry farmers in Amritsar have taken to emu farming to exploit the multiple returns offered by these birds, in terms of their meat, oil, skin, feathers and even their colourful eggs are in huge demand for ornamental purposes. Emu farming is not labour-intensive and it is compatible with rearing other livestock.

**Solar systems likely to be installed in buildings (Source: Times of India, Date: 17/05/2010)**

The Punjab Energy Development Agency (PEDA) is mulling to make it compulsory to install solar systems in newly constructed buildings in major cities. This is being done in view of increasing number of malls and commercial buildings coming up in cities.

**Ludhiana now connected via air (Source: Times of India, Date: 13/05/2010)**

Punjab's most industrialised city, Ludhiana, got air connectivity with Alliance Air flight from New Delhi landing at the Sahnewal airport. The flight between Ludhiana and Delhi will operate daily.

**Quality education gets priority in Punjab (Source: Financial Express, Date: 18/05/2010)**

The Punjab government has decided to chalk out a comprehensive plan to identify the brilliant students at school level for providing them free additional coaching and guidance for the selection of higher educational stream of their interest and aptitude. The state government would announce special incentives for the teachers to be appointed in these schools, along with Adarsh schools in the state. Under the program of Skill Development, Punjab InfoTech has initiated a training programme for the college students to match the exact requirement of the IT sector.

**Punjab to give dairying a new lease of life (Source: Financial Express, Date: 14/05/2010)**

Punjab has managed to give a new lease of life to dairying as an allied agriculture activity by being the first state in the country to go in for commercial dairy farms. This has helped in the economic upliftment of dairy farmers as well as increasing milk production in the state.

**ESI to launch project for industrial workers (Source: Tribune News Service, Date: 18/05/2010)**

The Employees State Insurance Corporation of India (ESICI) will launch Panchdeep project in August. Under this project, dependents of insured industrial employees could get free treatment at ESI hospitals even at their native places and also get issued their smart electronic cards to get health benefits for their immediate dependents. Wipro company has been assigned to e-connect all ESI hospitals and dispensaries in the country before the final commencement of the project in August.

**State offers subsidy on transplantation machines (Source: Tribune News Service, Date: 14/05/2010)**

The Punjab Government has announced a subsidy for farmers for the purchase of transplantation machines. Based on the recommendations of the Farmers Commission, the state will extend a subsidy of Rs75,000 on each transplanter machine and in addition, farmers who will help fellow farmers with paddy plantation with these machines, will be given an additional subsidy of Rs 5,000 per acre.

**Punjab urban facelift plan gets nod (Source: Financial Express, Date: 22/05/2010)**

The Punjab government gave a nod to an integrated comprehensive urban development plan to change the face of urban areas of the state within time bound frame. Chief Minister approved the Accelerated and Integrated Urban Development Plan to rejuvenate all components of urban development. Chief Minister also suggested a nodal officer for every city to coordinate the development process of all agencies for smooth execution of projects.

**Punjab launches first of its kind national e-permit system for transporters news (Source: Times of India, Date: 27/05/2010)**

Punjab has become the first state in country to launch an online national permit system for trucks and heavy vehicles. Deputy chief minister handed over permits to truck operators within minutes of their filing applications over the internet. The Chief Minister also launched a unique SMS service for truck operators that would help any truck operator illegally detained by any state authority.

**Mohali, Bathinda airports a priority (Source: Tribune News Service, Date: 24/05/2010)**

After a successful resumption of air traffic on the Ludhiana-Delhi route, the state government has stepped up efforts to make functioning of the Mohali International Airport and Bathinda Domestic Airport a reality. Though the farmers have been given compensation for their land, work on the project will take some time.

# PUNJAB

## INVESTMENT TRACKER

### **Omaxe launches new commercial project in Punjab (Source: Business Standard, Date: 06/05/2010)**

Real estate developer Omaxe Limited announced launching of a new commercial project in Punjab. 'India Trade Tower' dubbed as the tallest commercial building of Punjab, with a realisation value of Rs1.2 billion, is slated to be complete within two-and-half years from the commencement of construction.

### **Rs18.79bn road projects in Punjab get Centre nod (Source: Financial Express, Date: 05/05/2010)**

The Centre has approved various road projects amounting to Rs18.79 billion for Punjab. The projects that received approval included four-laning of southern By Pass Ludhiana to be constructed at Rs4.16 billion, NH-95 along Sidhwan Canal (Rs2 billion), Ropar Bye Pass (Rs600 million), Ropar Bye Pass Phase-II (Rs950 million) and four laning of Ropar-Nawanshehar-Phagwara Road (7 billion). It also approved some more projects amounting to Rs4 billion.

### **Rs1.34bn water project on anvil (Source: Tribune News Service, Date: 09/05/2010)**

Water Supply and Sewerage Board has prepared a canal water project worth Rs1.34 billion. As per project details, big water works would be set up in 75 acres of land. Directions were given to officials to start the process of the identification of the land at the earliest. In case, if not able to find 75-acre land, the project would be split into two parts, pipelines would be laid for water accumulation in water works, where it would be treated and subsequently be supplied to residents.

### **Punjab to set up 10 pack houses (Source: Business Standard, Date: 15/05/2010)**

Punjab government is planning to have 10 pack houses at different locations for grading and packaging agricultural and horticultural products. Already, the state government has got nod from the Agricultural and Processed Food Products Export Development Authority (APEDA) for setting up five pack houses and a grant of Rs53.5 million as the cost of the project. The approval for the remaining pack houses from the Ministry of Commerce is awaited.

### **Eight more towns in Punjab to get sewage treatment plants (Source: Financial Express, Date: 15/05/2010)**

As a part of river conservation project, the union ministry of environment and forests on cleared a proposal for laying sewage disposal pipes, and provision of sewage treatment plants in eight more towns of Punjab. These are Hoshiarpur, Phagwara South, Rajpura, Patran, Lehraghaga, Derabassi, Khanuri and Jalandhar. The project will be taken up at a cost of Rs4.65 billion.

### **Rs3.2bn plan for hospitals cleared (Source: Tribune News Service, Date: 15/05/2010)**

The Punjab Government approved Rs3.2 billion plan for the construction of new hospitals and the upgradation of existing hospitals. Approval has been given for the construction of a new district hospital at Nawanshahr, four new subdivisional hospitals at Khadoor Sahib, Bholath, Moonak and Tapa and 29 community health centres.

### **NFL to upgrade ammonia plant (Source: Tribune News Service, Date: 16/05/2010)**

National Fertilizers Limited (NFL), a leading manufacturer of fertilisers in the country, entered into an agreement with Consortium of Technimont Spa Italy and Technimont ISB Pvt Ltd, Mumbai, to execute works to upgrade ammonia plant at Nangal unit for changeover of feedstock from fuel oil to natural gas. The agreement is for the entire execution of the project on lump sum turnkey (LSTK) basis. NFL has already signed agreement with Larson & Toubro Limited (L&T) for execution of

similar projects at Bathinda and Panipat units.

## News

### **State eyes Puncom assets for Rajpura IT park (Source: Tribune News Service, Date: 30/04/2010)**

The Punjab Government is eyeing the assets of Punjab Communication Ltd (Puncom) to acquire land for 1,276 acre self-contained Integrated Information Technology and Knowledge Industry Park at Rajpura. In return, the respective establishment would be given land holding in the project. For the IT park, the common village land in contiguity of six villages was being acquired.

### **Pvt players set up CFSs in Ludhiana to facilitate cargo (Source: Business Standard, Date: 24/05/2010)**

The cargo generated from the Ludhiana region has grown 40-fold over the last two decades, especially after the Inland Container Depot (ICD) was developed in 1989 by CONCOR. Visualising these potential, private players commenced operations from this industrial city to handle cargo movements. Today there are six Cargo Freight Stations (CFSs) operational, four of which are private, and CONCOR as well as 4 private rail operators are providing services.

### **Milkfed mulls tie-up with New Zealand co (Source: Financial Express, Date: 21/05/2010)**

Punjab's Milkfed is mulling a joint venture with Fonterra—largest dairy cooperative of New Zealand. The Officials evinced keen interest in the dairy cooperative system of Punjab and working of the Milkfed. The visiting officials were apprised of the progress made by Milkfed during the last four years and the ever increasing trends in the turnover of Milkfed Punjab from 22-25% and the successful experiment of larger scale dairy farming in the state.

# RAJASTHAN

## POLICY TRACKER

### News

#### **Tourism curbs lifted in Barmer, Jaisalmer (Source: Times of India, Date: 13/05/2010)**

In a boost to tourism, the home ministry has relaxed the Protected Area Permit (PAP) in certain areas of the districts of Barmer and Jaisalmer which are considered to have a high tourism potential. In Barmer, areas around Kiradu, 35 km from Barmer town, has been opened up for tourists. However, areas around it like Marudi, Langer, Jasai, Danta, Anta and Hathma have been excluded from the PAP regime. Similarly, Juna Patrasar, known for its Jain temples, has also been opened up along with the Marudi, Langer, Meethi, Beri and Juna Patrasar route.

#### **Rajasthan tourism to get a facelift, courtesy Centre (Source: Times of India, Date: 23/05/2010)**

With the aim of developing new sectors and nurturing new destinations, the Union Ministry of Tourism has sanctioned close to Rs1 billion for tourism developmental work. The projects getting a go ahead include: Jodhpur-Jaisalmer-Barmer-Bikaner for mega desert tourism circuit, getting a bounty of Rs500 million; the not much explored Pali-Jalore-Sirohi sector receiving Rs80 million for developing the Goadvad tourism circuit; Daang tourism circuit (Bharatpur, Karauli and Sawai Madhopur), Virat Nagar and Alwar district circuit too to get Rs80 million for development. In addition to these circuits, Rs50 million has been sanctioned for Bhanddevra in Baran which is envisaged to be developed in a circuit.

## RAJASTHAN

### INVESTMENT TRACKER

**Rajasthan to roll out Rs5.15bn solar water pump project (Source: The Hindu, Date: 14/05/2010)**

Rajasthan government is planning to come up with a Rs5.15 billion solar water pump project to cut down on its power expenses. The government is likely to install 10,000 solar water pumps in the first phase to save 90 million units per annum. The state government has sent a proposal to the central government for its approval under the National Agriculture Development Scheme. The state government has already invited expressions of interest from solar pump set manufacturers. Around 10 manufacturers have shown interest in supplying solar pump sets in the rural areas.

**Honda plans to set up Rs5bn 2-wheeler project in Rajasthan (Source: Economic Times, Date: 11/05/2010)**

Honda Motorcycle & Scooters (I) Pvt Ltd (HMSI) and the Rajasthan government signed a Memorandum of Understanding (MOU) for setting up a 2-wheeler plant in the Tapukara Industrial Area of Alwar district. The Rs5 billion project will manufacture 600,000 units annually in the first phase. Later, the investment will go up to Rs11 billion to ramp up production to 1.2 million units. The project will generate direct employment for 3,000 persons initially in the first 3 years and indirect employment will be around 10,000 persons.

# RAJASTHAN

## NOTIFICATION TRACKER

### COMMERCIAL TAXES DEPARTMENT

No.F.16(375)Tax/VAT/CCT/06/162

Date 28.04.2010

### NOTIFICATION

In exercise of the powers conferred by sub-section (3) of section 21 of the Rajasthan Value Added Tax Act, 2003 (Act No.4 of 2003), I, Niranjana Arya, Commissioner, Commercial Taxes, Rajasthan, Jaipur, being of the opinion that it is expedient in the public interest so to do, hereby extend the date of submission of the fourth quarterly return (i.e. for the period ending March 31, 2010) for the year, 2009-10, to be furnished by the class of registered dealers as notified under sub-rule (7) of rule 19 of the Rajasthan Value Added Tax Rules, 2006, or any other dealer who files return electronically under clause (i) of sub-rule (1) of rule 19A up to 14.06.2010,

(Niranjana Arya)  
Commissioner,  
Commercial Taxes,  
Rajasthan, Jaipur.

No.F.16(375)Tax/VAT/CCT/06/154

Date 28.04.2010

### NOTIFICATION

In exercise of the powers conferred by sub-section (3) of section 21 of the Rajasthan Value Added Tax Act, 2003 (Act No.4 of 2003), I, Niranjana Arya, Commissioner, Commercial Taxes, Rajasthan, Jaipur, being of the opinion that it is expedient in the public interest so to do, hereby extend the date of submission of the fourth quarterly return (i.e. for the period ending March 31, 2010) for the year, 2009-10, to be furnished by a dealer under sub-rule (1) of rule 19 of the Rajasthan Value Added Tax Rules, 2006, up to 30.05.2010.

(Niranjana Arya)  
Commissioner,  
Commercial Taxes,  
Rajasthan, Jaipur.

**FINANCE DEPARTMENT (TAX DIVISION)**

**No. F. 12 (36) FD/Tax/2010-15**

**Date 26.05.2010**

**NOTIFICATION**

In exercise of the powers conferred by sub-section (3A) of section 8 of the Rajasthan Value Added Tax Act, 2003 (Act No. 4 of 2003), the State Government being of the opinion that it is expedient in the public interest so to do/ hereby makes the following amendment in Schedule II appended to the said Act, namely:-

**AMENDMENTS**

In Schedule II appended to the said Act, after the existing serial number 40 and entries thereto, the following new serial number and entries thereto shall be added, namely:-

41.	Registered dealers engaged in manufacturing of carry bags made from paper/cloth/ cellulose/ canvass/ jute or coir material within the State.	
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By Order of the Governor,

(S.S. Rajawat)

Dy. Secretary to the Government

**No.F.12(36)FD/Tax/10-16**

**Date 26.05.2010**

**NOTIFICATION**

In exercise of the powers conferred by sub-section (3) of section 8 of the Rajasthan Value Added Tax Act, 2003 (Act No.4 of 2003), the State Government being of the opinion that it is expedient in the public interest so to do, hereby exempts from the tax payable under the said Act. by a registered dealer having place of business in the State, in respect of the sale of carry bags made from paper, cloth, cellulose, canvass, jute or coir material, manufactured by him in the State.

By Order of the Governor,

(S.S. Rajawat)

Dy. Secretary to the Government

**NOTIFICATION**

In exercise of the powers conferred by sub-section (5) of section 4 of the Rajasthan Value Added Tax Act, 2003 (Act No. 4 of 2003), the State Government being of the opinion that it is expedient in public interest so to do, hereby makes the following amendments in Schedule IV appended to the said Act, with effect from 9th March, 2010, namely:-

**AMENDMENTS**

In part B of Schedule IV appended to the said Act,-

- (i) after the existing serial number 277 and entries thereto, the following new serial number and entries thereto shall be added, namely:-

278	Dextrins and other modified starches	5
279	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated	5
280	Artificial waxes and prepared waxes	5
281	Petroleum jelly, paraffin wax, microcrystalline petroleum wax, stack wax, ozokerite, lignite wax, peat wax, other mineral waxes, and similar products obtained by synthesis or by other processes, whether or not coloured	5
282	Potassium permanganate, Polyvinyl Alcohol. Carboxy methyl cellulose, sodium alginate, calcium propionate, improvers and gel EDTA, precipitated silica, electroplating salt, water treatment chemicals.	5

- (i) the existing note appearing at the end shall be numbered as NOTF 1.  
(ii) after the "NOTE 1". so numbered, the following new note shall be added, namely:-

"NOTE 2: For the interpretation of entries related to chemicals mentioned in part B of this Schedule, generally, the rules for the interpretation of the provisions of the Central Excise Tariff Act, 1985, read with explanatory notes as amended from time to time, shall apply subject to any order passed under section 36 of Rajasthan Value Added Tax Act, 2003'."

By Order of the Governor,

(S.S. Rajawat)  
Dy. Secretary to the Government

**No. F-4 (8) FD/Excise/2008**

**Date 24.05.2010**

**NOTIFICATION**

In exercise of the powers conferred by sub-section (2) of section 71 of the Rajasthan Excise Act, 1950 (Act No. II 1950), the State Government being of the opinion that reasonable grounds exist for doing so, hereby exempts the Rajasthan State Ganganagar Sugar Mills Limited from the payment of 50% of the excise duty payable on heritage liquor under section 28 of the said Act.

By Order of the Governor,

(S.S. Rajawat)  
Dy. Secretary to the Government

**No.F.12(34)FD/Tax/10-12**

**Date 07.05.2010**

**NOTIFICATION**

In exercise of the powers conferred by sub-section (3) of section 8 of the Rajasthan Value Added Tax Act, 2003 (Act No.4 of 2003), the State Government being of the opinion that it is expedient in the public interest so to do, hereby exempts from the tax payable under the said Act, by a registered dealer engaged in manufacturing of Bitumen Emulsion and Crumb Rubber Modified Bitumen, to the extent the rate of tax exceeds 5% on the sales of Bitumen Emulsion and Crumb Rubber Modified Bitumen manufactured by him within the State.

This notification shall be deemed to have come into force with effect from 09-03-2010 and shall remain in force up to 31.03.2013, or the Goods and Service Tax when introduced in the State, whichever is earlier.

By Order of the Governor,

(Bhawani Singh Detha)  
Dy. Secretary to the Government

No. F12(34)FD/Tax/2010-11

Date 07.05.2010

**NOTIFICATION**

In exercise of the powers conferred by sub-section (3A) of section 8 of the Rajasthan Value Added Tax Act, 2003 (Act No. 4 of 2003), the State Government being of the opinion that it is expedient in the public interest so to do, hereby makes the following amendment in Schedule 11 appended to the said Act, namely-

**AMENDMENTS**

In Schedule 11 appended to the said Act, after the existing serial number 39 and entries thereto, the following new serial number and entries there to shall be added, namely:-

40.	Registered Dealers engaged in manufacturing of Bitumen Emulsion and Crumb Rubber Modified Bitumen within the State	
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This notification shall be deemed to have come into force with effect from 09-03-2010.

By Order of the Governor,

(Bhawani Singh Detha)  
Dy. Secretary to the Government

No.F.12(142)FD/Tax/09- 13

Date 07.05.2010

**NOTIFICATION**

In exercise of the powers conferred by section 5 of the Rajasthan Value Added Tax Act, 2003 (Act No.4 of 2003), the State Government being of the opinion that it is expedient in the public interest so to do, hereby makes the following amendment in this department's notification No.F.12(63)FD/Tax/2005-70 dated 11.7.2006 (as amended from time to time), namely:-

**AMENDMENTS**

In sub-clause (2) of clause 3.0 of the said notification, after the existing expression "the operative period." the following expression shall be added, namely:-" However, the composition amount shall not be revised upto 31.3,2011 due to revision of tax rate vide notification No. F.12(84)FD/Tax/2009-14 dated 8-7-2009, on the condition that composition amount already deposited, if any, shall not be refunded."

By Order of the Governor,

(Bhawani Singh Detha)  
Dy. Secretary to the Government

**FINANCE DEPARTMENT (G&T DIVISION)**

**No. E.2(4)FD/PWF&AR/99 Part-II**

**Date 28.04.2010**

**ORDER**

The Governor has been pleased to order that the following amendments shall be made in Public Works Financial & Accounts Rules (Part-II) :-

1. After the existing Clause 31 (Conditions of Contract) in Appendix-XI (General Rules and Directions for the Guidance of Contractors) a Note shall be added as under :-

"Note: All Contracts with Government shall require registration of workers under the Building & other Construction Workers (Regulation of Employment & Conditions of Services) Act, 1996 and extension of benefit to such workers under the Act."

By Order,

(G.D. Vyas),  
Officer on Special Duty

# UTTAR PRADESH

## POLICY TRACKER

### **Property registration fee up in Ghaziabad & Greater Noida (Source: Tribune News Service, Date: 26/05/2010)**

Registration of property will be costlier in Ghaziabad from June 1 and in Greater Noida from July 1, as new circle rates in both the places will be hiked between 15% and 20% respectively. The sectors of Greater Noida Authority adjoining Ghaziabad and Noida—sectors 1, 2, 3, 4 and 16—are likely to witness steeper hike in circle rates. The rates in villages where the land acquisition process has been completed will be hiked by 10% by the district administration. But the villages where the land acquisition process has not been completed yet could witness a bigger hike in rates.

### **News**

### **Plan panel nod to UP's Rs420bn plan (Source: TOI, Date : 10/05/2010)**

The Planning Commission approved Rs420 billion annual plan for the state for the year 2010-2011. According to official release, the chief minister had demanded special package for Purvanchal and Bundelkhand but the Centre had not taken any decision in this regard so far.

### **UP cement market pegged at 22 mt (Source: Business Standard, Date: 10/05/2010)**

The annual cement market in Uttar Pradesh has been pegged at about 22 million tonnes (mt), both at the institutional and retail level. However, almost 75% of local demand in the state is met with imports especially from Rajasthan and Madhya Pradesh, since the total capacity of cement units in UP is only about six mt. The cement demand-supply mismatch in UP is likely to continue in the near future as the demand for cement would continue to outpace capacity additions.

### **Record payment of Rs122.3bn by UP sugar mills (Source: Business Standard, Date: 05/05/2010)**

A record payment of about Rs122.3 billion has been made by Uttar Pradesh sugar mills to farmers during the 2009-10 crushing season. This is the highest ever sugarcane payment made in the state, which is the leading cane producing state in India. However, the sugarcane prices in UP were quite remunerative in comparison with the earlier years and had peaked to almost Rs300 per quintal compared to the Fair and Remunerative Price (FRP) of Rs130 fixed by the Centre and the State Advised Price (SAP) fixed by UP at Rs165 for common variety.

### **During US visit, BHU V-C signs three MoUs (Source: TOI, Date: 13/05/2010)**

The vice-chancellor of Banaras Hindu University (BHU) signed memorandum of understanding (MoU) with three top ranking American universities during his US visit. A MoU was signed with the university for five years for cooperation in agriculture and life science. Another MoU with the University of Georgia, one of the oldest universities of the US includes cooperation in the areas of agriculture and environment sciences. The third MoU was signed with the University of Illinois wherein areas of mutual interest and cooperation in future were discussed.

### **PCL plans for power backup (Source: Times of India, Date: 22/05/2010)**

With the demand and supply gap touching a mark of nearly 3,000 Mw, authorities were keeping their hopes pinned on revival of at least two power plants unit-1 of Rosa and unit-3 of Anpara 300 Mw unit of Rosa got functional. Unit-3 of Anpara of 210 Mw which was shut down for annual maintenance would be functional.

# UTTAR PRADESH

## INVESTMENT TRACKER

### **UP eyeing Rs1,250bn investment (Source: Business Standard, Date: 13/05/2010)**

Uttar Pradesh is looking at private investment to the tune of about Rs1,250 billion. Investment is touted to flow under the PPP mode, which has been adopted by the dispensation to usher in speedy development, since the state lacks financial resources. The PPP projects have either been launched or awaiting the nod in all the major sectors like power, sugar, transport, education, tourism, infrastructure, urban development and health. Major companies, which have joined hands with the state government under these PPP projects, include Lanco, Jaypee, Bajaj Hindusthan and Torrent.

### **News**

### **Omaxe expects Rs 2.5bn revenue from UP housing project (Source: Financial Express, Date: 08/05/2010)**

Real estate firm Omaxe Ltd expects sales revenue of Rs2.5 billion over the next two-and-a-half years from a group housing project at Lucknow, Uttar Pradesh. The company also announced the launch of Omaxe Residency, which is spread over 14 acres and comprises 960 apartments. This is the company's third project in Lucknow and will have a realisation value of about Rs2.5 billion.

### **'Dadri, Jhajjar plants to start before CWG' (Source: Financial Express, Date: 01/05/2010)**

Being the official partner of the Commonwealth Games scheduled to be held in New Delhi in October, Power will be supplied from the Dadri coal-based thermal plant and Jhajjar unit. NTPC is taking all necessary steps to ensure that both the projects were commissioned well before the Games. While unit-II of Dadri power station in UP would have a capacity of 490 mw , the total capacity of two units of Jhajjar in Haryana would be 1,000 mw.

### **Modern abattoir on outskirts of Meerut (Source: Financial Express, Date: 11/05/2010)**

The State government has directed the Meerut Municipal Corporation to set up of a modern abattoir on the outskirts of Meerut through public private partnership. The state Cabinet has given its consent to the project, which envisages an investment of Rs1.02 billion.

### **LDA makes stadium project lucrative (Source: TOI, Date: 16/05/2010)**

The proposed site for an international stadium on Sultanpur Road is likely to undergo a significant landuse modification in the days to come. The 120 acre of land earmarked for the project would not only have a stadium, but would also house a commercial complex, a five-star hotel and even a group housing society.

### **Industrial units in Lucknow to get natural gas by Diwali (Source: Financial Express, Date: 20/05/2010)**

For the 40-odd industrial units in Amausi and Sarojini Nagar Industrial Areas in Lucknow, the coming Diwali will be brighter and more prosperous. Green Gas Ltd, a joint venture of GAIL and IOCL, which had been incorporated with the explicit purpose of implementing the city gas projects for supply of piped natural gas (PNG) to domestic, commercial and industrial consumers, has assured delegates of the Indian Industries Association that all out efforts will be made to start the supply of natural gas to industries before Diwali this year.

**UTTAR PRADESH**  
**NOTIFICATION TRACKER**

**SANSTHAGAT VITTA, KAR EVAM NIBANDHAN ANUBHAG-2**

**No.KA.NI.-2-485:XI-9(1)/08-U.P.Act-5-2008-Order-(60)-2010**

**Date 13.05.2010**

**NOTIFICATION**

In exercise of the powers under sub-section (13) of section 3 read with clause (a) of sub-section (2) of section 81 of the Uttar Pradesh Value Added Tax Act, 2008 (U.P. Act no. 5 of 2008) and read with section 21 of the Uttar Pradesh General Clauses Act, 1904 (U.P. Act no. 1 of 1904) and in supersession of Government notification no-KA.NI.-2-1771/XT-9(l)/2QG4-UP.Act-I5-48-Order-(19)-2004 dated July 05, 2004, the Governor is pleased to permit with effect from May 13, 2010, a Power Project Industrial Unit engaged in generation (new capacity and Renovation and Modernisation), transmission and distribution under the State Power Policy, 2003, as amended from time to time and having aggregate capital investment of rupees one thousand Crore or more within the policy period i.e. upto March 31, 2009, to own the liability of payment of tax on the sale or purchase of goods, of other dealers, if such goods are ultimately sold to such Power Project Industrial Unit, subject to the condition that such unit issues to such dealers declaration in such Form as may be determined by the Commissioner.

Explanation:- The declaration issued by the unit in the Form determined by the Commissioner shall also be applicable to the transactions made during the period commencing on January 01, 2008 and ending with the date of commencement of this notification and covered under the notification no-KA,NI.-2-1771/XI-9n)/2004-U,RAct-I5-48-Order-(19)-2004 dated July 05, 2004.

By Order,

(Durga Shanker Mishra)  
Pramukh Sachiv.

**No.KA.NI.-2-484:XI-9(1)/08-U.P.Act-30-70-Order-(59)-2010**

**Date 26.04.2010**

**NOTIFICATION**

In exercise of the powers under section 6 of the Uttar Pradesh Tax on Entry of Goods Into Local Areas Act, 2007 (U.P.Act no. 30 of 2007), read with section 21 of the Uttar Pradesh General Clauses Act, 1904 (U.P.Act no. 1 of 1904), the Governor is pleased to make with effect from April 26, 2010, the following amendment in Government notification no.KA.NI.-2-765/XI-9(203)/92-U.P.Act-30-07-Order-(10)-2008 dated March 04, 2008:

**AMENDMENT**

In the aforesaid notification, the words and commas " , before entry of such goods into a local area," shall be omitted.

By Order,

(Durga Shanker Mishra)  
Pramukh Sachiv.

# UTTARAKHAND

## POLICY TRACKER

### **Uttarakhand to restrict tourists in eco-sensitive zones (Source: Business Standard, Date: 03/05/2010)**

The Uttarakhand Government has decided to put up restrictions on travellers visiting highly eco-sensitive zones in order to protect the precious biodiversity of the Himalayas, including the glaciers. After the Centre decided to ban two key hydropower projects – the 480MW Pala Maneri and 381MW Bhaironghati in the Bhagirathi valley last month to protect the biodiversity of the region, the State Government has now decided to put up sign boards and fencing just 500-metres before the Gaumukh to forbid tourists from trekking beyond.

### **Power through co-generation for full season now (Source: Business Standard, Date: 28/05/2010)**

Sugar mills can now produce power through the process of co-generation under the PPP mode during off-season from natural waste and other sources. After receiving 9 Expressions of Interest (EOIs), the Government is now finalising the bidding process for co-generation from two of its sugar mills – Kitchha and Baajpur– expected to generate 20MW of power. Some top companies like Dhampur, Uttam Sugar mill, India Glycol, Perry are participating in the bidding process. There are 10 sugar mills in the state with 6 of them in the Government Sector.

## News

### **European project to address water crisis in Uttarakhand (Source: Business Standard, Date: 05/05/2010)**

Scientists and engineers have now successfully installed the River Bank Filtration (RBF) network at hilly areas like Satpuli and Srinagar towns in Pauri district. The RBF is an age-old European technique under which soil alongside rivers naturally removes harmful microbes and organic material as water passes through it. Under the Rs80 million project, the Uttarakhand Jal Sansthan— the State-run drinking water supply agency, have identified five sites in the hills in order to provide safe drinking water.

### **NTPC plugging leakages in Tapovan project (Source: Business Standard, Date: 06/05/2010)**

National Thermal Power Corporation (NTPC) was plugging leakages in an underground tunnel of its 520MW Tapovan Vishnugad hydropower project after the water discharge began receding considerably. The water discharge from the underground tunnel is now 200 litres per second from 700 litres per second in December. An investment of Rs8 billion is proposed in the project on the Dhauliganga, a tributary of Alaknanda, near Joshimath.

### **Uttarakhand wants new rail line to be declared as national project (Source: Business Standard, Date: 07/05/2010)**

The Uttarakhand Government has asked the Centre to take up the Rishikesh-Karanprayag rail line as a national project owing to its heavy cost of Rs42.95 billion following the completion of its survey. According to the Chief Minister, this project needs to be taken up on a priority basis as tourists and pilgrims from all across the globe visit Uttarakhand in large numbers. Hence, better rail connectivity is the need of the hour for this backward hilly region.

# UTTARAKHAND

## INVESTMENT TRACKER

### News

**Uttarakhand gets Rs26.4bn to clean up Ganga (Source: Hindustan Times, Date: 09/05/2010)**

National Ganga River Basin Authority had allotted a fund of Rs26.44 billion to Uttarakhand for removing pollutants and cleaning river Ganga. As part of the centrally sponsored multi-million National River Ganga Conservation Project India's biggest river system would be made pollution free by 2020.

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