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CONTENTS

News Feature

Indian economy firmly on 8.5-9% growth path: Pranab

India remains firmly on a growth path of 8.5 per cent to 9 per cent in the medium to long-term, the Finance Minister, Mr Pranab Mukherjee, said.

However, adding some words of caution, he said “We need to be alert and respond to the emerging challenges and concerns in a timely manner, as we make efforts to achieve our potential as a young fast-growing nation.” He was speaking at a function to celebrate 25 years of India-Asian Development Bank (ADB) partnership.

While keeping the ambitious target of $1-trillion investment for infrastructure during the 12th Plan in mind, the Minister requested the bank to step up the momentum of collaboration. He also sought the bank's assistance in developing clean and alternative sources of energy and technologies to enhance energy-efficiency measures.

Mr Mukherjee expressed concern over food security and volatility in prices. “We recognise that increase in agricultural production on a sustainable basis is the only long-term solution to the problems of availability as well as high and fluctuating food and commodity prices,”, he added.

Terming ADB as ‘Knowledge Bank', he requested it to cover new ground through study and research on how Asian countries can help harness skills and innovations for sustaining growth. He urged the bank to find how social protection schemes could be better designed and inter-woven into an inclusive development agenda.

http://www.thehindubusinessline.com/todays-paper/tp-economy/article2546814.ece

India on track to meet growth targets: Manmohan Singh

Prime Minister Manmohan Singh said that the country should guard itself and reverse the spread of negativism. "We must guard against the mood of negativism that seems to have gripped the country...Investment is after all a reflection of animal spirits of enterprise," Singh said at a meeting of the National Development Council (NDC).

Singh sought to dispel doubts on the potential of the economy to achieve 9 % average annual GDP growth, as targeted by the approach paper to the 12th five-year plan

(2012-17), saying that the target was feasible.

http://economictimes.indiatimes.com/news/economy/indicators/india-on-track-to-meet-growth-targets-manmohan-singh/articleshow/10456919.cms

Consumer Price Index jumps 1.2% in Sep

Expensive food, clothing and fuel pushed up the Consumer Price Index (CPI) by 1.25 per cent in September vis-a-vis the previous month, but experts said too much should not be read into the numbers, as the data on retail prices is yet to stabilise.

The CPI based on retail prices stood at 113.1 points in September, compared to 111.7 points in August, as per data released by the government today.

At the all-India level, the CPI for 'food, beverages and tobacco' went up by 1.34 per cent to 113.2 points in September from 111.7 points in the previous month.

The main increase was seen in the prices of vegetables, with the index rising by 3.44 per cent month-on-month to 117.3 points, while the indices for milk and milk products went up by over 2.07 per cent to 118.6 points.

Similarly, the index for oils and fats went up by 1.51 per cent to 121.3 points.

Pulses prices also went up by 1.73 per cent to 100.1 points, as per the index, while eggs, meat and fish were up 1.76 per cent to 115.6 points in September in comparison to August.

Prices in the 'fuel and light' segment rose by 1.46 per cent in September vis-a-vis the previous month, with the index inching up to 118.1 points from 116.4 points in August.

The rise in the fuel index could be attributed to the Rs 3 per litre hike of petrol prises announced by oil marketing companies in mid-September.

In September, the CPI for 'clothing, bedding and footwear' stood at 119.4 points on an all-India basis, as against 117.7 points in August, an increase of 1.44 per cent.

The index for 'Housing' was up 1.12 per cent month-on-month at 108.8 points in September, up from 107.6 points in August.

This is the fourth month that housing prices have been factored into the CPI data. However, the data was compiled only for urban areas.

The government had earlier said that "house rent is negligible for the rural areas" and as such, only urban areas have been taken into account for the index on housing.

The price of miscellaneous items rose by 1.09 per cent in September vis-a-vis August, as per

the CPI data, with the index for this segment rising to 111.5 points on a countrywide basis in the month under review from 110.3 points in the previous month.

Experts, however, said the index cannot be used yet as a measurement of retail inflation.

http://www.financialexpress.com/news/consumer-price-index-jumps-1.2-in-sep/861659/0

Overseas Investment

Higher FII investment cap on govt debt soon

India will soon raise the limit for investment in government debt by foreign institutional investors (FIIs), a finance ministry official has said.

The capital markets division of the ministry will analyse the impact of any reduction of the securities transactions tax (STT) by November 4, but any decision will happen only in the next budget.

"We will soon review the FII limit for government securities, but the final decision will be taken by the RBI," the official said. FIIs have almost utilised the total limit of $10 billion of Rs 43,650 crore available to them. After the last auction, the FII inflow in government securities stood at Rs 42,388 crore. As the global financial inflows have slowed down, measures that boost capital inflows are high on the agenda of the government.

The proposal figured in a meeting held by the capital markets division with stock exchanges, Sebi and department of revenue. A higher limit has become necessary after the recent auctions for government bonds has devolved on the primary dealers as investors have stayed away fearing the government borrowing may overshoot even the enhanced limit.

India has, in stages, liberalised FII investments into both debt and equities and is considering various other options to attract flows.

The finance ministry has already initiated discussions with financial sector regulators, including the RBI and the Sebi on allowing foreign individuals to invest directly in equities after allowing them to invest through mutual funds. While stock exchanges and Sebi had favoured removal of STT, the finance ministry is not in favour of removing it. The official said the revenue department was only

in favour of cutting the rate and not removing it altogether.

http://articles.economictimes.indiatimes.com/2011-10-18/news/30295767_1_fii-limit-govt-debt-government-securities

Forex reserves up $5.269 b to $317.5 b

India's foreign exchange reserves surged by $5.269 billion to $317.500 billion in the week ended October 14, according to Reserve Bank of India's 'Weekly Statistical Supplement'.

This is the second week in a row that foreign exchange reserves have seen an increase. In the previous week ended October 7, foreign exchange reserves rose by $749 million to $312.231 billion.

Currency assets

A major contributor to the rise in forex reserves was the $5.191 billion increase in the country's foreign currency assets to $281.653 billion.

Foreign currency assets expressed in dollar terms include the effect of appreciation or depreciation of non-US currencies such as the euro, sterling and yen held in reserves.

In the week under consideration, the euro strengthened against the dollar from $1.3642 on Monday to $1.3882 on Friday.

India's reserve position at the International Monetary Fund in the week under review rose by $29 million to $2.636 billion.

SDRs also rose by $49 million to $4.544 billion, while gold reserves remain unchanged at $28.667 billion.

http://www.thehindubusinessline.com/todays-paper/tp-money-banking/article2560396.ece

DIPP floats draft note on allowing FDI in domestic airlines

The Industry Ministry has recommended allowing foreign airlines to pick up stake in domestic carriers but with a cap of 26 per cent-a major move to liberalise the cash-strapped sector.

In a draft Cabinet note, the Department of Industrial Policy and Promotion (DIPP) has proposed 26 per cent FDI in domestic carriers, highly-placed sources said.

The nodal Civil Aviation Ministry could change its stance, they said. The Aviation Ministry has so far been opposing allowing foreign carriers to invest in their Indian counterparts on the grounds that it was not a practice in many major countries like the US.

Maintaining that no foreign player will be willing to invest in an Indian entity with a 24

per cent equity cap--suggested by the Aviation Ministry-- sources said such a low stake might not be an agreeable option as that would not give a right to block a special resolution in a company.

Any equity holding greater than 25 per cent gives a right to block a special resolution.

"The DIPP has circulated the draft Cabinet note for inter-ministerial consultation. The Civil Aviation Ministry is in favour of opening the sector for foreign players," they claimed. Such a move would help bring in capital and international practices, they added.

http://www.financialexpress.com/news/dipp-floats-draft-note-on-allowing-fdi-in-domestic-airlines/864328/0

Trade News

India-Malaysia bilateral trade seen rising to $15 billion by 2015

India-Malaysia bilateral trade is expected to touch $15 billion by 2015, said Mr Shah Nizam Ahmed, Consul (Trade), Consulate General of Malaysia.

Malaysia wants to develop direct trade with India and other Asian countries. India is Malaysia's largest trading partner among countries of the South, excluding ASEAN nations and China, he told a meeting organised by the Federation of Andhra Pradesh Chambers of Commerce and Industry.

The two countries have concrete trade relations through comprehensive economic cooperation agreement. For India, Malaysia is the second largest trading partner in the ASEAN region after Singapore, Mr Ahmed said. The bilateral trade figure as per 2010 data is around $9 billion, said Mr V.S. Raju, President of the chamber.

http://www.thehindubusinessline.com/todays-paper/tp-economy/article2560332.ece

Trade between India, Brazil and South Africa set to grow to $25 bn by 2015

Trade between India, Brazil and South Africa (IBSA) is set to grow to USD 25 billion by 2015, as the three key emerging economies have decided to remove non-trade barriers and improve maritime and air connectivity.

Commerce ministers of the three countries,decided to hold formal annual trilateral talks to boost intra-IBSA trade.

Commerce and Industry Minister Anand Sharma, who is accompanying Prime Minister Manmohan Singh to the IBSA Summit here, offered to host the first trade ministers' meeting in New Delhi next March.

"The leaders at the IBSA Summit felt that the trends indicate that the target of USD 25 billion trade by 2015 will be achieved early," an official said.

Currently, trade between the three nations amounts to about USD 20 billion.

The three countries can not only open their markets, but also become gateways to each other by aligning the existing free trade agreements among some Southern African (Southern African Customs Union) and Latin American countries grouped into the MERCOSUR trade bloc, it was felt.

The MERCOSUR members are Brazil, Argentina, Uruguay and Paraguay. The Southern African Customs Union (SACU) consists of Botswana, Lesotho, Namibia, South Africa and Swaziland.

After Sharma's meetings with his South African and Brazilian counterparts, the official-level Working Group on Trade and Investment was asked to examine all issues relating to non-tariff barriers, maritime and air links and opportunities for investment. Visa-related issues were also discussed.

It was felt that direct air connectivity would give tourism a major boost.

The ministers also decided to set up a technical team to reconcile trade data and devise a common reporting format.

Due to different methodologies of capturing trade data (calendar year vs financial year), the numbers vary at times.

Furthermore, the South African and Indian trade ministers decided to enter into long-term contracts for the purchase of raw materials and commodities.

The three ministers also agreed to meet before the next WTO Ministerial conference in Geneva in December to coordinate their position on all issues.

http://economictimes.indiatimes.com/news/economy/foreign-trade/trade-between-india-brazil-and-south-africa-set-to-grow-to-25-bn-by-2015/articleshow/10414324.cms

India to beat China as UAE's trading partner

Trade between India and the UAE is expected to touch $103.6 billion by 2025, financial services firm HSBC has said.

The country is currently ranked as one of the UAE's top 10 trade corridors, along with China, the US, and Japan. At the HSBC Trade

Connections UAE & India conference, the bank said that by 2013, the India-Middle East corridor is expected to grow by 34 per cent, placing it among the fastest growing global trade corridors.

The forum focused on trade connections and business potential arising from bilateral relations between the UAE and India.

Speaking on the occasion, India's Consul General in Dubai, Sanjay Verma, said the forum brought together significant stakeholders, including a leading bank, key Indian professionals and leading entrepreneurs from the Indian community.

“India is amongst the fastest growing market trade corridors. By 2050, it is forecast to become the world's third largest economy. Hearing some of the great success stories, as well as the panel discussions, today's event has brought to life the impact and importance of that relationship between our two countries," said HSBC Bank Middle East Limited's Chief Executive Officer in the UAE, Abdulfattah Sharaf.

“Trade has always been at the heart of what we do. It plays a central role in our global strategy. Through our unique global expertise and local knowledge, we believe we are best positioned to help companies leverage trade growth between emerging markets led by intra-Asia and South-to-South flows," said Sharaf.

“India is a key partner in the trade that we facilitate. We strongly value and support our relationship and the UAE's relationship with such a fast growing economy," he added.

“I look forward to this conference adding to this mutually beneficial trade partnership between India and the UAE," Verma said.

According to HSBC, India will be the Middle East's largest trading partner this year, with trade expanding by 140 per cent over the period. The growth will be both supply chain and commodity driven.

“We share a long history with India, dating back to October, 1853, when the Mercantile Bank of India, China and London was founded in Bombay.

India is now the sixth largest contributor to group profits after Hong Kong, China, the UK, Brazil and Canada. Today, the HSBC Group employs over 35,000 people in India, of which over 6,000 contribute to our commercial bank," Nick Levitt, head of Commercial Banking, HSBC UAE, said.

He said to further promote trade between the UAE and India, HSBC has a dedicated team to support Indian businesses looking to plant roots in the UAE.

http://www.financialexpress.com/news/india-to-beat-china-as-uaes-trading-partner/862767/0

India among fastest growing textile market for US

The textile and apparel trade between India and the US is not entirely a one-way street, as is generally believed.

India has been at the top of the list of fastest growing export markets for American apparel and textile products during the first eight months of this year. Ironically, this is at a time when the US industry is reeling under the impact of a continuing downturn and the US textile and apparel industry is severely cramped by its lack of competitiveness.

Data from the US Department of Commerce show that during the first eight months of 2011 textile and apparel exports to India went up 30 per cent, though the total value of the exported articles is relatively small at $164 million.

The items coming into India from the US include apparels, yarn, hosiery products as well as speciality and industrial fabrics. Items such as yarn coming in could be for re-export from India back to the US, industry players said.

Of the total imports from the US, yarns made up the biggest chunk at $51 million. The Netherlands tops the list of exports markets for American apparel and textile products, followed by Brazil, with India coming third.

http://www.thehindubusinessline.com/todays-paper/article2552953.ece

Nepal PM pushes for more Indian investments

Providing assurance of a conducive socio-political and business environment, the visiting Prime Minister of Nepal, Mr Baburam Bhattarai, announced a slew of steps to attract Indian investment.

Addressing a business meeting organised by industry chambers on Friday, Mr Bhattarai said: “We have planned Special Economic Zones targeting Indian, Chinese and other markets for which infrastructure development is currently underway. We expect private sector investment in these economic zones.”

Other measures include setting up a Social Security Fund for better industrial relations and constituting a Board of Investments chaired by the Prime Minister to provide a helping hand to potential investors. He also outlined Nepal's plans to announce 2012 as ‘Investment Year' for putting up different

infrastructure and business projects for large scale investments by joint ventures or foreign companies.

India and Nepal are expected to sign two agreements-Double Taxation Avoidance Agreement and Bilateral Investment Promotion and Protection Agreement (BIPPA). "The new DTAA between the two countries embodies modern principles for creating better investment environment and reducing the cost of doing business", added Mr Bhattarai.

During 2010-11, bilateral trade stood at $4 billion. Mr Bhattarai said: "India remains a significant economic partner of Nepal and the single largest source of our foreign investment. But there is serious imbalance in our trade and this can change only when Nepal produces commodities and services that can find market in India."

http://www.thehindubusinessline.com/todays-paper/tp-economy/article2560327.ece

Sectoral News

India, S. Africa ink long-term contracts for raw materials

India and South Africa have decided to enter into long term contracts for purchase of raw materials and commodities.

The Commerce, Industry and Textiles Minister, Mr Anand Sharma — who participated in a meeting of the Trade Ministers from India, Brazil and South Africa (IBSA) in Pretoria (South Africa) on Tuesday — asked the public sector MMTC to work expeditiously on the proposal for such long-term contracts. MMTC had recently opened an office in South Africa.

Meanwhile, decks were cleared to make progress on a tri-lateral Free Trade Agreement (FTA) involving India, SACU (South Africa Customs Union) and Mercosur (a Latin American trading bloc comprising Brazil, Argentina, Uruguay and Paraguay), an official statement said.

This FTA, linking developing countries in three continents, is envisaged as one of the most ambitious free trade area and will be a symbol of growing South-South co-operation, Mr Sharma said.

IBSA Trade Ministers also decided to hold an annual trilateral meeting to further enhance the intra-IBSA trade. Mr Sharma offered to host the first such meeting in New Delhi in March. The Ministers also agreed to co-ordinate their positions in World Trade Organisation ministerial meeting slated for December for a way forward on the Doha Round.

Air connectivity

They also mandated the Working Group on Trade and Investment to examine all issues related to trade, including those on non-tariff barriers, maritime and air links as well as investment opportunities.

Direct air connectivity is expected to give tourism a major boost and the ministers agreed to make the process for business visas easy.

Intra-IBSA trade is already close to $20 billion, having crossed in 2009 the target of $15 billion set for 2012. Trends indicate that the trade target of $25 billion by 2015 will be achieved earlier.

http://www.thehindubusinessline.com/todays-paper/tp-economy/article2552943.ece

India poised to be among top 5 aviation nations in next 10 years: Pratibha Patil

India is exploring opportunities to improve connectivity with Africa and plans to pump in $5 billion, according to aviation Ministry officials.

The Indian Government is also looking at enhancing the number of Indian carriers to Oman, Saudi Arabia and countries in the Gulf region through bilateral negotiations.

India is involved in negotiations with 65 countries for bilateral air traffic rights during the fourth International Civil Aviation Negotiation (ICAN) conference that began in Mumbai.

ICAN meet

Speaking on the occasion, the Civil Aviation Minister, Mr Vayalar Ravi, said that the country will have total traffic of 30 crore passengers by 2020. However, there is a shortage of skilled aviation professionals. To address the issue, the Government is planning to set up an aviation university with world-class facilities, the Minister said.

“To ensure that minimum standards of aviation skills are attained, a national aviation university is proposed to be set up with world-class facilities. We have set up a committee and are preparing a project report for this facility,” Mr Ravi said.

He said the Government is also planning to set up an independent civil aviation authority for regulation of civil aviation safety. Besides, an accident investigation committee is being set up on the lines of the National Transport Safety Board to address safety matters.

The conference that was being held in India for the first time was inaugurated by the President, Ms Pratibha Patil.

“Recent estimates suggest that domestic air traffic will touch 160-180 million passengers a year, in the next 10 years and the international traffic will exceed 80 million passengers a year. India is poised to be among the top five aviation nations in the world in the next 10 years. Currently, India is the 9th largest civil aviation market.” Ms Patil said at the ICAN conference.

“Flying is no longer the prerogative of a few privileged, but an option for an increasingly broader section of society” observed Ms Patil.

She said deregulation of the domestic sector and liberalisation of bilateral traffic rights in the past decade has brought choices of carriers, choices of timings and fares.

Rise in Air traffic

There is a sea change from 500 departures a week in the country in 1994 before deregulation, to nearly 15,000 departures daily - a 30 times jump. Today 87 foreign airlines fly to and from India and five Indian carriers fly to and from 40 countries.

In the last decade, domestic air traffic has quadrupled from 13 million to 52 million and international traffic more than tripled to 38 million. A similar trend is observed in the cargo sector, she added.

The rapidly expanding aviation sector handles 2.5 billion passengers across the world in a year; moves 45 million tonnes of cargo through 920 airlines, using 4,200 airports and deploying 27,000 aircraft.

She highlighted the importance of an economic regulator to create a level playing field, to promote competition, protect consumer interests and ensure better service levels.

“One of the key achievements of India in the last decade has been to set-up an independent regulator for economic regulation of airports by an Act of Parliament, with appropriate provision of an appellate body” said President Patil.

http://www.thehindubusinessline.com/todays-paper/tp-logistics/article2546839.ece

Farm investment upbeat in first 3 yrs of 11th Plan

Investment in the agriculture and allied sector stood at 18.7 per cent of the country's gross domestic production (GDP) in the first three years of the 11th Five Year Plan (2007-12).

During the 10th Plan (2002-07), the farm investment stood 12.5 per cent of the total GDP.

"It (investment) has further risen to 18.7 per cent of GDP during the first three years of the Eleventh Plan," said the background note prepared by the Agriculture Ministry for the two-day Economic Editors' Conference.

Due to the government efforts, investments into the sector started showing a sign of improvement from 1996 onwards after witnessing a declining trend for 14 years since 1981, it said.

Agri-investment stood at Rs 1,33,377 crore in the 2009-10 fiscal, as compared to Rs 1,28,659 crore in the previous year, it added.

So far in the 11th Plan, the agriculture sector has achieved the average GDP growth rate of 3.2 per cent. In 2010-11, the farm GDP was highest at 6.6 per cent in the last six years, the agriculture ministry said. In the first quarter of the 2011-12, agriculture GDP growth is estimated 3.9 per cent. Foreign Direct Investment (FDI) of up to 100 per cent is permitted in the agriculture sector through automatic route in areas such as floriculture, horticulture and cultivation of vegetables under controlled conditions.

FDI is allowed in seeds production, animal husbandry, pisciculture, aquaculture and other services related to agro and allied fields.

FDI up to 100 per cent is also permitted with prior approval by the Foreign Investment Promotion Board (FIPB) in the tea sector, including tea plantation.

http://www.financialexpress.com/news/farm-investment-upbeat-in-first-3-yrs-of-11th-plan/861740/0

Jewellery exports up on rising gold rates

Helped by a sharp rise in gold prices, India's gems and jewellery exports grew 22 per cent in September to USD 4.3 billion.

In September last year, the exports stood at USD 3.5 billion, according to the Gems and Jewellery Export Promotion Council (GJEPC).

Prices of the yellow metal and diamonds have increased between 16 and 18 per cent in the last one year.

India imports gold and rough diamonds in large quantities and re-exports the value-added items like jewellery.

The value of exports is showing an increase despite sluggish demand in the US and European markets, largely because of rise in raw-material cost.

"The latest exports figures are reflective of an increase in gold and diamond prices," GJEPC Chairman Rajiv Jain said.

Exporters are also trying to tap new markets in countries like Latin America, Russia and Africa, Jain added.

As per the GJEPC data, exports of silver jewellery saw the maximum growth of 71.2 per cent, year-on-year, in September and gold medallions and coins 61 per cent.

Gold jewellery exports were up 58 per cent and coloured gemstones by 43.3 per cent.

In the first six months of this fiscal, the cumulative gems and jewellery exports jumped 17.4 per cent to USD 22.5 billion.

http://www.financialexpress.com/news/jewellery-exports-up-on-rising-gold-rates/862174/0

India's cellphone subscriber base at 865.71 mn users in Aug

India's mobile phone subscriber base grew by just 0.86 per cent in August with the addition of 7.34 million new connections, taking the total number of wireless users in the country to 865.71 million, according to telecom regulator Trai.

Videocon saw the decline in its subscriber base in July accelerate in August. The company lost 6.52 lakh customers in August, much more than the 95,010 users it lost in the month of July. S-Tel also lost over 67,000 subscribers during the month.

The total telecom subscriber base of the country stood at 899.78 million at the end of August, taking overall teledensity to 74.96 (telecom connections per 100 people), a statement issued by Trai said.

The number of wireline subscribers in the country reduced to 34.07 million in August from 34.18 million in July, it added.

There was marginal increase in India's broadband subscriber base to 12.69 million in August from 12.50 million in July.

During August, about 18.06 million subscribers made requests to change their operators while retaining their phone numbers through Mobile Number Portability (MNP).

The top three telecom circles where mobile phone users opted for MNP were Gujarat, with 1.7 million requests, followed by Maharashtra (1.47 million) and Karnataka (1.4 million).

However, the number of active mobile subscribers during August, according to visitor location register (VLR) data, was 608.63 million.

VLR numbers provide details on active customers at any given point of time, excluding switched-off and out-of- coverage area customers.

Growth in the wireless category was led by Idea Cellular, which added 2.33 million users, taking its subscriber base to 98.44 million at the end of August, 2011.

Bharti Airtel added 1.15 million subscribers in August, taking its user base to 171.84 million.

Reliance Communications, which was the telecom sector leader in the month of July in terms of new subscriber additions, slipped to number three in terms of new user registrations during August, adding 1.27 million new users to take its total customer base to over 146.06 million. Vodafone added 1.13 million new customers during the month, taking its user base to 144.14 million. Aircel added over 0.6 million users during the period.

State-run telco BSNL added 0.26 million new users, taking its total subscriber base to 95.41 million.

http://www.financialexpress.com/news/indias-cellphone-subscriber-base-at-865.71-mn-users-in-aug/862774/0

News Round-Up

India's ranking improves 7 notches in Doing Business Index

India has climbed up seven notches in the IFC-World Bank's 'Doing Business Index' indicating market improvement in the business environment, though its ranking remained well below those of the neighbours like Sri Lanka, Nepal, Bangladesh and Pakistan.

India has been placed at 132nd position, up from 139th in previous year, in the Index prepared by the International Finance Corporation and the World Bank.

While getting electricity connection and paying taxes have become easier in India, parameters pertaining to obtaining credit, protecting investors and registering property got poor ranking in the Index, according to the report.

The report also welcomed the government's recent decision to introduce mandatory electronic filing and said it has made payment for value-added taxes easier for Indian firms.

The report which ranks countries on the basis of ease of doing business has placed Sri Lanka above India at 89th position, Nepal at 107th,

Bangladesh at 122nd and Pakistan at 105th in the overall ranking.

Singapore was ranked the best place for doing business, followed by Hong Kong, New Zealand, the US and Denmark.

The annual World Bank report takes into account regulatory changes in 183 countries for starting and doing business by local firms.

It ranks the economies in 10 areas of business regulation such as starting a business and resolving insolvency and trading issues across borders. This year, the ranking also include indicators on getting electricity.

The survey found that Sri Lanka rose nine places in the global ranking to 89, partly by strengthening investor protection and reducing taxes on business.

The Doing Business Report said it takes 29 days to set up a business in India, 19 days in Bangladesh and 35 days in Sri Lanka. Interestingly, the report added that an entrepreneur can start a business in 7 days in Afghanistan, 9 days in Maldives, and 21 days in Pakistan.

http://economictimes.indiatimes.com/news/economy/indicators/indias-ranking-improves-7-notches-in-doing-business-index/articleshow/10428674.cms

India to grow faster than China with 9% economic expansion in 2013: E&Y

Bolstered by industrialisation, India is projected to grow at a faster clip than neighbouring China with a 9 per cent economic expansion in 2013, says a report by global consultancy firm Ernst & Young.

It cautioned, however, that India needs to tackle rising inflation and said the country's growth this year would be 7.2 per cent, much lower than 8.2 per cent recorded last year.

India's growth rate would rise to 8 per cent next year, according to the report.

"The forecast pegs India's real GDP growth rate to be the highest among all the Rapid Growth Markets (RGMs) starting in CY 2013, when the economy is expected to growth 9.5 per cent, followed by China at 9 per cent," it said.

In 2014, India is expected to see an expansion of 9 per cent while Chinese would see a growth of 8.6 per cent.

The RGMs Forecast focuses on 25 nations -- including India, China, Brazil and Russia -- that display strong growth potential and are, or could be, strategically important for business.

India and China's would be able to better withstand a likely slowdown mainly on

account of large size of their domestic markets as well as from beneficial effects of lower oil and commodity prices, E&Y said.

http://economictimes.indiatimes.com/news/economy/indicators/india-to-grow-faster-than-china-with-9-economic-expansion-in-2013-ey/articleshow/10474049.cms

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