

HIGHLIGHTS OF UNION BUDGET 2011-12

SHORT TAKE

Direct Taxes

⊙ **Income tax slabs for individual taxpayers to be as follows**

Income upto ₹ 1.8 lakh	Nil
Income above ₹ 1.8 lakh and upto Rs. 5 lakh	10 per cent
Income above ₹ 5 lakh and upto Rs. 8 lakh	20 per cent
Income above ₹ 8 lakh	30 per cent

- ⊙ Exemption limit for the general category of individual taxpayers enhanced from ₹ 1,60,000 to ₹ 1,80,000 giving uniform tax relief of ₹ 2,000.
- ⊙ Exemption limit enhanced and qualifying age reduced for senior citizens.
- ⊙ Higher exemption limit for Very Senior Citizens, who are 80 years or above.
- ⊙ Current surcharge of 7.5 per cent on domestic companies proposed to be reduced to 5 per cent.
- ⊙ Rate of Minimum Alternative Tax (MAT) proposed to be increased from 18 per cent to 18.5 per cent of book profits.
- ⊙ Tax incentives extended to attract foreign funds for financing of infrastructure.
- ⊙ Additional deduction of ₹ 20,000 for investment in long-term infrastructure bonds proposed to be extended for one more year.
- ⊙ Lower rate of 15 per cent tax on dividends received by an Indian company from its foreign subsidiary.
- ⊙ Benefit of investment linked deduction extended to businesses engaged in the production of fertilisers.
- ⊙ Investment linked deduction to businesses developing affordable housing.
- ⊙ Weighted deduction on payments made to National Laboratories, Universities and Institutes of Technology to be enhanced to 200 per cent.
- ⊙ System of collection of information from foreign tax jurisdictions to be strengthened.
- ⊙ A net revenue loss of ₹ 11,500 crore estimated as a result of proposals.

Indirect Taxes

- ⊙ To stay on course for transition to GST.
- ⊙ Central Excise Duty to be maintained at standard rate of 10 per cent.
- ⊙ Reduction in number of exemptions in Central Excise rate structure.
- ⊙ Nominal Central Excise Duty of 1 per cent imposed on 130 items entering in the tax net.
- ⊙ Lower rate of Central Excise Duty enhanced from 4 per cent to 5 per cent.

- ⊙ Optional levy on branded garments or made up proposed to be converted into a mandatory levy at unified rate of 10 per cent.
- ⊙ Peak rate of Custom Duty held at its current level.

Agriculture and Related Sectors

- ⊙ Scope of exemptions from Excise Duty enlarged to include equipments needed for storage and warehouse facilities on agricultural produce.
- ⊙ Basic Custom Duty reduced for specified agricultural machinery from 5 per cent to 2.5 per cent.
- ⊙ Basic Custom Duty reduced on micro-irrigation equipment from 7.5 per cent to 5 per cent.
- ⊙ De-oiled rice bran cake to be fully exempted from basic Custom Duty. Export Duty of 10 per cent to be levied on its export.

Manufacturing Sector

- ⊙ Basic Custom Duty reduced for various items to encourage domestic value addition vis-à-vis imports, to remove duty inversion and anomalies and to provide a level playing field to the domestic industry.
- ⊙ Rate of Export Duty for all types of iron ore enhanced and unified at 20 per cent ad valorem. Full exemption from Export Duty to iron ore pellets.
- ⊙ Basic Custom Duty on two critical raw materials of cement industry viz. petcoke and gypsum is proposed to be reduced to 2.5 per cent.
- ⊙ Cash dispensers fully exempt from basic Customs Duty.

Environment

- ⊙ Full exemption from basic Customs Duty and a concessional rate of Central Excise Duty extended to batteries imported by manufacturers of electrical vehicles.
- ⊙ Concessional Excise Duty of 10 per cent to vehicles based on Fuel cell technology.
- ⊙ Exemption granted from basic custom duty and special CVD to critical parts/assemblies needed for Hybrid vehicles.
- ⊙ Reduction in Excise Duty on kits used for conversion of fossil fuel vehicles into Hybrid vehicles.
- ⊙ Excise Duty on LEDs reduced to 5 per cent and special CVD being fully exempted.
- ⊙ Basic Customs Duty on solar lantern reduced from 10 to 5 per cent.
- ⊙ Full exemption from basic Customs Duty to Crude Palm Stearin used in manufacture of laundry soap.
- ⊙ Full exemption from basic Excise Duty granted to enzyme based preparation for pre-tanning.

Infrastructure

- ⊙ Parallel Excise Duty exemption for domestic suppliers producing capital goods needed for expansion of existing mega or ultra mega power projects.
- ⊙ Full exemption from basic Customs Duty to bio-asphalt and specified machinery for application in the construction of national highways.

Other Proposals

- ⊙ Scope of exemptions from basic Customs Duty for work of art and antiquities extended to apply for exhibition or display in private art galleries open to the general public.
- ⊙ Exemption from Import Duty for spares and capital goods required for ship repair units extended to import by ship owners.
- ⊙ Concessional basic Custom Duty of 5 per cent and CVD of 5 per cent available to newspaper establishments for high speed printing presses extended to mailroom equipment.
- ⊙ Jumbo rolls of cinematographic film fully exempted from CVD by providing full exemption from Excise Duty.
- ⊙ Out right concession to factory-built ambulances from Excise Duty.
- ⊙ Relief measures proposed for raw pistachio, bamboo for agarbatti, lactose for the manufacture of homoeopathic medicines, sanitary napkins, baby and adult diapers.
- ⊙ Proposals relating to Customs and Central Excise estimated to result in a net revenue gain of ₹ 7,300 crore.

Service Tax

- ⊙ Standard rate of Service Tax retained at 10 per cent, while seeking a closer fit between present regime and its GST successor.
- ⊙ Hotel accommodation in excess of ₹ 1,000 per day and service provided by air conditioned restaurants that have license to serve liquor added as new services for levying Service Tax.
- ⊙ Tax on all services provided by hospitals with 25 or more beds with facility of central air conditioning.
- ⊙ Service Tax on air travel both domestic and international raised.
- ⊙ Services provided by life insurance companies in the area of investment and some more legal services proposed to be brought into tax net.
- ⊙ All individual and sole proprietor tax payers with a turn over upto ₹ 60 lakh freed from the formalities of audit.
- ⊙ To encourage voluntary compliance the penal provision for Service Tax are being rationalised. Similar changes being carried out in Central Excise and Custom laws.
- ⊙ Proposals relating to Service Tax estimated to result in net revenue gain of ₹ 4,000 crore.
- ⊙ Proposals relating to Direct Taxes estimated to result in a revenue loss of ₹ 11,500 crore and those related to Indirect Taxes estimated to result in net revenue gain of ₹ 11,300 crore.

Key Sectoral Initiatives in Budget

Agriculture

- ⊙ Removal of production and distribution bottlenecks for items like fruits and vegetables, milk, meat, poultry and fish to be the focus of attention this year.
- ⊙ Allocation under Rashtriya Krishi Vikas Yojana (RKVY) increased from Rs. 6,755 crore to Rs. 7,860 crore.

Bringing Green Revolution to Eastern Region

- ⊙ To improve rice based cropping system in this region, allocation of Rs. 400 crore has been made.

Integrated Development of 60,000 pulses villages in rainfed areas

- ⊙ Allocation of Rs. 300 crore to promote 60,000 pulses villages in rainfed areas.

Promotion of Oil Palm

- ⊙ Allocation of Rs. 300 crore to bring 60,000 hectares under oil palm plantations.
- ⊙ Initiative to yield about 3 lakh Metric tonnes of palm oil annually in five years.

Initiative on Vegetable Clusters

- ⊙ Allocation of Rs.300 crore for implementation of vegetable initiative to provide quality vegetable at competitive prices.

Nutri-cereals

- ⊙ Allocation of Rs. 300 crore to promote higher production of Bajra, Jowar, Ragi and other millets, which are highly nutritious and have several medicinal properties.

National Mission for Protein Supplement

- ⊙ Allocation of Rs.300 crore to promote animal based protein production through livestock development, dairy farming, piggery, goat rearing and fisheries.

Accelerated Fodder Development Programme

- ⊙ Allocation of Rs. 300 crore for Accelerated Fodder Development Programme to benefit farmers in 25,000 villages.



National Mission for Sustainable Agriculture

- ⊙ Government to promote organic farming methods, combining modern technology with traditional farming practices.

Agriculture Credit

- ⊙ Credit flow for farmers raised from Rs.3,75,000 crore to Rs. 4,75,000 crore in 2011-12.
- ⊙ Interest subvention proposed to be enhanced from 2 per cent to 3 per cent for providing short- term crop loans to farmers who repay their crop loan on time.
- ⊙ In view of enhanced target for flow of agriculture credit, capital base of NABARD to be strengthened by Rs. 3,000 crore in phased manner.
- ⊙ Rs. 10,000 crore to be contributed to NABARD's Short-term Rural Credit fund for 2011-12.

Mega Food Parks

- ⊙ Approval being given to set up 15 more Mega Food Parks during 2011-12.

Storage Capacity and Cold Chains

- ⊙ Augmentation of storage capacity through private entrepreneurs and warehousing corporations has been fast tracked.
- ⊙ Capital investment in creation of modern storage capacity will be eligible for viability gap funding of the Finance Ministry.

Agriculture Produce Marketing Act

- ⊙ In view of recent episode of inflation, need for State Governments to review and enforce a reformed Agriculture Produce Marketing Act.

Infrastructure and Industry

- ⊙ Allocation of Rs. 2,14,000 crore for infrastructure in 2011-12. This is an increase of 23.3 per cent over 2010-11. This also amounts to 48.5 per cent of total plan allocation.
- ⊙ Government to come up with a comprehensive policy for further developing PPP projects.
- ⊙ IIFCL to achieve cumulative disbursement target of Rs. 20,000 crore by March 31, 2011 and Rs. 25,000 crore by March 31, 2012.
- ⊙ Under take out financing scheme, seven projects sanctioned with debt of Rs. 1,500 crore. Another Rs. 5,000 crore will be sanctioned during 2011-12.
- ⊙ To boost infrastructure development, tax free bonds of Rs. 30,000 crore proposed to be issued by Government undertakings during 2011-12.

National Manufacturing Policy

- ⊙ Share of manufacturing in GDP expected to grow from about 16 per cent to 25 per cent over a period of 10 years. Government will come out with a manufacturing policy.

- ⊙ Two Committees set up for greater transparency and accountability in procurement policy; and for allocation, pricing and utilisation of natural resources.
- ⊙ Issues relating to reconciliation of environmental concern from various departmental activities including those related to infrastructure and mining to be considered by a Group of Ministers.
- ⊙ National Mission for hybrid and electric vehicle to be launched.
- ⊙ Financial Assistance to be made available for metro projects in Delhi, Mumbai, Bengaluru, Kolkata and Chennai.
- ⊙ Capital investment in fertiliser production proposed to be included as an infrastructure sub-sector.

Exports

- ⊙ Of 23 suggestions made by Task Force on Transaction Cost, constituted by the Department of Commerce, 21 suggestions already implemented. Action to be taken on the remaining two suggestions. Transaction Cost of Rs. 2,100 crore will thus be mitigated.
- ⊙ Self assessment to be introduced in Customs to modernize the Customs administration.
- ⊙ Proposal to introduce scheme for refund of taxes paid on services used for export of goods.
- ⊙ Mega Cluster Scheme to be extended for leather products. Seven mega leather clusters to be set up during 2011-12.
- ⊙ Jodhpur to be included for the development of a handicraft mega cluster.

BLACK MONEY

- ⊙ Five fold strategy to be put into operation to deal with the problem of generation and circulation of black money.
- ⊙ Membership of various international fora engaged in anti money laundering, Financial integrity and Economic development, Exchange of information for tax purposes and transparency, secured.
- ⊙ Various Tax Information Exchange Agreements (TIEA) and Double Taxation Avoidance Agreements (DTAA) concluded. Foreign Tax Division of CBDT has been strengthened to effectively handle increase in tax information exchange and transfer pricing issues.
- ⊙ Enforcement Directorate strengthened three fold to handle increased number of cases registered under amended Money Laundering Legislation.
- ⊙ Finance Ministry has commissioned study on unaccounted income and wealth held within and outside the country.
- ⊙ Comprehensive national policy to be announced in near future to strengthen controls over prevention of trafficking on narcotic drugs.

STRENGTHENING INCLUSION

- ⊙ National Food Security Bill (NFSB) to be introduced in the Parliament during the course of this year.
- ⊙ Allocation for social sector in 2011-12 (Rs. 1,60,887 crore) increased by 17 per cent over current year. It amounts to 36.4 per cent of total plan allocation.



Bharat Nirman

- ⊙ Allocation for Bharat Nirman programme proposed to be increased by Rs. 10,000 crore from the current year to Rs. 58,000 crore in 2011-12.
- ⊙ Plan to provide Rural Broadband Connectivity to all 2,50,000 Panchayats in the country in three years.

MGNREGA

- ⊙ In pursuance of last years budget announcement to provide a real wage of Rs. 100 per day, the Government has decided to index the wage rates notified under the MGNREGA to the Consumer Price Index for Agricultural Labour. The enhanced wage rates have been notified by the Ministry of Rural Development on January 14, 2011.
- ⊙ From 1st April, 2011, remuneration of Anganwadi workers increased from Rs. 1,500 per month to Rs. 3,000 per month and for Anganwadi helpers from Rs. 750 per month to Rs. 1,500 per month.

Scheduled Castes and Tribal Sub-plan

- ⊙ Specific allocation earmarked towards Schedule Castes Sub-plan and Tribal Sub-plan in the Budget.
- ⊙ Allocation for primitive Tribal groups increased from Rs.185 crore in 2010-11 to Rs. 244 crore in 2011-12.

Education

- ⊙ Allocation for education increased by 24 per cent over current year.

Sarva Shiksha Abhiyan

- ⊙ Rs. 21,000 crore allocated, which is 40 per cent higher than Budget for 2010-11.
- ⊙ Pre-matric scholarship scheme to be introduced for needy SC/ST students studying in classes IX and X.

National Knowledge Network

- ⊙ Connectivity to all 1,500 institutions of Higher Learning and Research through optical fiber backbone to be provided by March, 2012.

Innovations

- ⊙ National Innovation Council set up to prepare road map for innovations in India.
- ⊙ Special grant provided to various universities and academic institutions to recognise excellence.

Skill Development



- ⊙ Additional Rs. 500 crore proposed to be provided for National Skill Development Fund during the next year.
- ⊙ An international award with prize money of Rs.1 crore being instituted for promoting values of universal brotherhood as part of National celebrations of 150th Birth Anniversary of Gurudev Rabindranath Tagore.

Health

- ⊙ Plan allocations for health stepped-up by 20 per cent.
- ⊙ Scope of Rashtriya Swasthya Bima Yojana to be expanded to widen the coverage.

Financial Inclusion

- ⊙ Target of providing banking facilities to all 73,000 habitations having a population of over 2,000 to be completed during 2011-2012.

Unorganised sector

- ⊙ Exit norms under co-contributory pension scheme “Swavalamban” to be relaxed.
- ⊙ Benefit of Government contribution to be extended from three to five years for all subscribers who enroll during 2010-11 and 2011-12.
- ⊙ Eligibility for pension under Indira Gandhi National Old Age Pension Scheme for BPL beneficiaries reduced from 65 years of age to 60 years. Those above 80 years of age will get pension of Rs. 500 per month instead of Rs. 200 at present.

Environment and Climate Change

Forests

- ⊙ Rs. 200 crore proposed to be allocated for Green India Mission from National Clean Energy Fund.

Environmental Management

- ⊙ Rs. 200 crore proposed to be allocated for launching Environmental Remediation Programmes from National Clean Energy Fund.

Cleaning of Rivers and Lakes

- ⊙ Special allocation of Rs. 200 crore proposed to be provided for clean-up of some more important lakes and rivers other than Ganga.

Some Other Initiatives

- ⊙ To boost development in North Eastern Region and Special Category States, allocation for Special Assistance doubled.
- ⊙ Rs. 8,000 crore provided in current year for development needs of Jammu and Kashmir.
- ⊙ Allocation made in 2011-12 to meet the infrastructure needs for Ladakh (Rs. 100 crore) and Jammu region (Rs. 150 crore).
- ⊙ Allocation under Backward Regions Grant Fund increased by over 35 per cent.
- ⊙ Funds allocated under Integrated Action Plan (IAP) for addressing problems related to Left Wing extremism affected districts. 60 selected Tribal and backward districts provided with 100 per cent block grant of Rs. 25 crore and Rs. 30 crore per district during 2010-11 and 2011-12 respectively.
- ⊙ A lump-sum ex-gratia compensation of Rs. 9 lakh for 100 per cent disability to be granted for personnel of Defence and Para Military forces discharged from service on medical ground on account of disability attributable to government service.
- ⊙ Provision of Rs. 1,64,415 crore, including Rs. 69,199 crore for capital expenditure to be made for Defence Services in 2011-12.
- ⊙ To build judicial infrastructure, plan provision for Department of Justice increased by three fold to Rs. 1,000 crore.

Census 2011

- ⊙ To enumerate castes other than Schedule Castes and Schedule Tribes in Census 2011, 'caste' to be canvassed as a separate time bound exercise.

IMPROVING GOVERNANCE

UID Mission

- ⊙ From 1st October, 2011 ten lakh *Aadhaar* numbers will be generated per day.

IT Initiatives

- ⊙ Various IT initiatives taken for efficient tax administration. These include e-filing and e-payment of taxes, adoption of 'Sevottam' concept by CBEC and CBDT, web based facility for tax payers to track the resolution of refunds and credit for pre-paid taxes and augmentation of processing capacity.
- ⊙ Under Mission mode projects, funds released to 31 projects received from States/UTs for computerisation of Commercial taxes. This will allow States to align with roll out of GST.
- ⊙ Bill to amend the Indian Stamp Act proposed to be introduced shortly.
- ⊙ A new scheme with an outlay of ` 300 crore to be launched to provide assistance to States to modernise their stamp and registration administration and roll out e-stamping in all the districts in the next three years.
- ⊙ A new simplified form 'Sugam' to be introduced to reduce the compliance burden of small tax payers falling within presumptive taxation.
- ⊙ Three more benches of Settlement Commission to be set up to fast track the disposal of cases.
- ⊙ Steps initiated to reduce litigation and focus attention on high revenue cases.



Corruption

- © Group of Ministers constituted to consider measures for tackling corruption. Recommendations to be made in a time bound manner.

Performance Monitoring and Evaluation System

- © In pursuance of recommendations of Second Administrative Reforms Commission, 62 departments covered under Performance Monitoring and Evaluation System (PMES) to assess their effectiveness.

TAGUP

- © Recommendations of Technology Advisory Group for Unique Projects (TAGUP) submitted and accepted in principle.

Railway Budget 2011-12

Performance Review for FY 2010-11

- ⊙ The Indian Railways, in the fiscal '11, had the net revenue of Rs. 9,021.86 crore with total receipts of Rs. 94,840.44 crore and total working expenses of Rs. 87,200 crore.
- ⊙ Revised Operating ratio stood at 92.1 per cent as compared to 95.3 per cent a year ago.
- ⊙ Gross Traffic Receipts were Rs. 94,840 crore for the FY 2010-11 as against Rs. 86,963.97 crore for FY 2009-10.
- ⊙ Earnings from goods, passengers, sundry and other coaching earnings were estimated at Rs. 62,489.33 crore, Rs. 26,126.47 crore, Rs. 3,530.34 crore and Rs. 2,596.30 crore respectively.
- ⊙ Gross traffic revenue grew 9.06 per cent higher than the previous year.
- ⊙ Passenger earnings grew by 11.23 per cent during FY 2010-11.
- ⊙ Freight traffic earnings increased by 6.82 per cent in FY 2010-11.
- ⊙ Freight loading target of 993 MT – an increment of 111 MT.

Annual Plan 2011-12

Plan outlay is Rs 57,630 crore with an increase of Rs 16,204 crore over FY 2010-11.

◆ New lines outlay	Rs. 9,583 crore
◆ Gauge conversion	Rs. 2,470 crore
◆ Doubling	Rs. 5,406 crore
◆ Acquisition of rolling stock	Rs. 13,820 crore

- ⊙ Acquisition of 18,000 wagons in 2011-12.
- ⊙ In the last budgets surveys for 114 socially desirable new lines were announced, out of this 94 will be completed by March 2011.
- ⊙ 107 surveys for new lines, 4 for gauge conversion and 16 for doubling to be taken up.
- ⊙ 1,300 km new lines, 867 km doubling of lines and 1,017 km gauge conversion targeted in 2011-12.
- ⊙ Projects for supply of locomotives, coaches & critical loco components being taken forward

in many locations.

- ⊙ Group of officers working on PPP/JV project models.

Budget Estimates for FY 2011-12

- ⊙ Freight loading of 993 Million Tonnes, an increment of 111 Million Tonnes.
- ⊙ The number of passenger likely to grow by around 6.4 per cent.
- ⊙ Gross Traffic Receipts at Rs 1,06,239 crore to exceed one lakh crore mark for the first time.
- ⊙ Ordinary Working Expenses assessed at Rs 73,650 crore.
- ⊙ Appropriation to Depreciation Reserve Fund (DRF) at Rs 7,000 crore.
- ⊙ Provision of Rs 6,735 crore made for dividend payment.
- ⊙ Excess at Rs 5,258 crore and Operating Ratio of 91.1 per cent.

Major Initiatives in Railway Budget

Passenger Amenities/Facilities

- ⊙ 236 stations to be upgraded as Adarsh Stations.
- ⊙ More MFCs and Budget Hotels to be set up at 45 locations.
- ⊙ Pan – India multi – purpose smart card “Go India” to be introduced.
- ⊙ Two new coaching terminals at Neman and Kottayam in Kerala, one in Mau Nath Bhanjan in Uttar Pradesh and another in Dankuni, West Bengal proposed.
- ⊙ Better accessibility at stations for physically challenged customers.
- ⊙ Extension of Rail Yatri Sevaks with modern trolleys to six more stations.
- ⊙ A new portal for e-ticketing by Centre for Railway Information Systems (CRIS) is ready and will be launched shortly.
- ⊙ Provision of internet access on Howrah-Rajdhani Express as a pilot project.
- ⊙ Extension of Train Management System to five stations.
- ⊙ Introduction of advance booking of retiring rooms.
- ⊙ Introduction of new super AC class of travel.
- ⊙ Feasibility study with the help of Japan to raise speed of passenger trains to 160-200 kmph.

Infrastructure

- ⊙ A new scheme 'Pradhan Mantri Rail Vikas Yojana' to start to fund socially desirable projects.
- ⊙ Construction of 4 new lines to connect unserved and underserved regions.
- ⊙ Increase in allocation of 19 projects in under-developed and underserved areas to Rs 771 crore.
- ⊙ Non-lapsable fund for railway projects in North East region created.
- ⊙ All state capitals in the North East except Sikkim to be connected in next 7 years.

Freight Business

- ⊙ Run double-stack container trains from Gujarat ports to the major ICD at Gurgaon.
- ⊙ A Diesel Locomotive Centre will be set up in Manipur.

Concessions

- ⊙ Concession to physically handicapped persons to be extended on Rajdhani and Shatabdi trains.
- ⊙ Concession of 50 per cent to press correspondents with family increased to twice a year.
- ⊙ Concession to Kirti and Shaurya Chakra awardees to be extended to Rajdhani and Shatabdi trains.
- ⊙ Facility of card passes to be extended to the parents of unmarried posthumous Param Vir Chakra & Ashok Chakra gallantry award winners.
- ⊙ Senior citizen concession to be increased from 30 per cent to 40 per cent for men; women to get senior citizen concession from 58 years age.

New Suburban Services

- ⊙ 47 additional services to be started for Mumbai suburban.
- ⊙ 107 suburban services in Mumbai area to be augmented from 9-car to 12-car rakes.
- ⊙ 9 additional services to be run in Chennai area.
- ⊙ 50 new suburban services to be introduced in Kolkata area.
- ⊙ Introduction of peak-time local to BBD Bagh from Bongaon/Krishnanagar.
- ⊙ Two non-stop trains between Bardhaman & Howrah to be introduced.
- ⊙ 10 additional services to be run in Secunderabad area and 83 suburban services to be augmented from 6-car to 9-car services.
- ⊙ 2 additional services to be run on Delhi-Ghaziabad section.

Special Trains

- ⊙ AC double decker services to be introduced on Jaipur-Delhi and Ahmedabad-Mumbai routes.
- ⊙ 4 Vivek Express trains to be introduced, to commemorate Swami Vivekananda.
- ⊙ 4 Kavi Guru Express trains to be introduced, on the occasion of 150th birth anniversary of Rabindra Nath Tagore.
- ⊙ 10 Rajya Rani Express trains connecting state capitals with important cities in respective states.
- ⊙ To promote tourism, special tourist trains called 'Janam Bhoomi Gaurav' to be introduced on four routes.
- ⊙ Special trains to be run to meet spikes in the demand for passenger traffic during vacations, festivals, melas etc.

Other New Train Services

- ⊙ 9 new Durgam Express trains to be introduced.
- ⊙ 3 new Shatabdis to be introduced.
- ⊙ Frequency of 5 Durgams to be increased.
- ⊙ 56 new express trains to be introduced.
- ⊙ 13 new passenger services, 22 DEMU services and 8 MEMU services are to be introduced.
- ⊙ The run of 33 trains to be extended.
- ⊙ Frequency of 17 trains to be increased.

Safety and Security

- ⊙ Anti Collision Device (ACD) sanctioned to cover 8 zonal railways.
- ⊙ All unmanned level crossings of TVU upto 3,000 to be eliminated. Construction of 200 ROB's & 325 RUB's/subways.
- ⊙ Deployment of GPS-based 'Fog Safe' device.
- ⊙ Two new trains and two projects as a special package to states which ensure trouble free running of trains.
- ⊙ All India Security Help line on a single number set up.

Other Projects

- ⊙ 25 new line, 6 gauge conversion and 28 doubling projects are proposed to be taken up.
- ⊙ A Central Organization for Project Implementation (COPI) with offices at Delhi, Kolkata, Mumbai and Bangalore proposed to be set up.
- ⊙ 107 new line surveys, 4 gauge conversion surveys and 16 doubling surveys are proposed to be taken up in 2011-12.
- ⊙ In 2011-12, 1,000 km route to be electrified.

Other Important Announcements:

Railway Research

- ⊙ The Centre for Railway Research (CRR), collaboration between IIT, Kharagpur and RDSO, has been sanctioned and is under implementation.

Culture and Heritage

- ⊙ A special 'Sanskriti Express' exhibition train being run to commemorate the 150th Birth Anniversary of Gurudev Rabindranath Tagore is being run which will also go to Bangladesh.
- ⊙ Running of Vivekananda Express to be extended for two more years.

Green Initiatives

2011-12 declared 'Year of Green Energy' for Railway

- ⊙ Free supply of 14 lakh CFLs to railway households and phasing out of incandescent lamps.
- ⊙ Regenerative braking in Mumbai EMUs.
- ⊙ Windmill at ICF, Chennai.
- ⊙ Production of locos with 'hotel load converter'.
- ⊙ Increase use of solar energy at LC gates, stations etc.
- ⊙ Use of bio-diesel, CNG and LNG in locos, workshops etc.

Sports



- ⊙ Railway sportsperson won 25 medals in the Commonwealth Games 2010 and 7 out of 14 golds won by India in the Asian Games.
- ⊙ A separate sports cadre to be created.

Policy Initiatives

- ⊙ Railways have developed several business-oriented policies for the first time.
 - Railways' Infrastructure for Industry Initiative (R3i)
 - Private Freight Terminal (PFT)
 - Special Freight Train Operators (SFTO)
 - Automobile Freight Train Operators (AFTO)
 - Automobile and Ancillary Hubs
 - Kisan Vision (Cold Chains)
 - New Catering Policy
 - Rail Connectivity to Coal and Iron Ore mines (R2CI)
- ⊙ 85 proposals received; Single Window System set up to take forward these proposals.

INDICATORS OF INDIAN ECONOMY

- ⊙ The real Gross Domestic Product (GDP) at factor cost indicative a growth of 8.6 per cent during 2010-11 as compared to the growth of 7.2 per cent in 2009-10 and is expected to be around 9 per cent in the next fiscal year.
- ⊙ Savings rate has gone up to 33.7 per cent as compared to 32.5 per cent during 2008-09 while the investment rate is up to 36.5 percent of GDP in 2009-10.
- ⊙ The Agriculture sector is expected to grow around 5.4 per cent during 2010-11 as against the previous year's 0.2 per cent.
- ⊙ The food grain production went up to 232.1 billion tonnes during 2010-11 from 218.1 billion tonnes in 2009-10.
- ⊙ The industrial output growth rate was 8.6 per cent while the manufacturing sector registered a growth rate of 9.1 per cent in 2010-11, as compared to the growth rates of 8.0 per cent and 8.4 per cent respectively during the corresponding period of FY 2009-10.
- ⊙ Six core industries registered a growth of 5.3 per cent (provisional) in April-December, 2010 as against 4.7 per cent during the same period in 2009-10.
- ⊙ The telecommunications sector has done exceedingly well as the tele density has increased from 20.74 per cent in 2004 to 143.95 per cent in 2010 in urban areas. While in the rural areas it has gone up from 1.57 per cent in 2004 to 30.18 per cent in 2010.
- ⊙ India's merchandise exports during April-December 2010 went up by 29.5 per cent, as compared to 20.3 per cent decline during the corresponding period of the 2009-10.
- ⊙ India's merchandise imports during April-December 2010 registered a growth rate of 19 per cent, as compared to 23.6 per cent decline during the corresponding period of the 2009-10.
- ⊙ Foreign exchange reserves stood at USD 297.3 billion as on December 31, 2010, as compared to USD 279.4 billion during the same period last year.
- ⊙ Gross Fiscal Deficit is 4.8 per cent of GDP in 2010-11 as against 6.3 percent of GDP in the previous year.
- ⊙ The Revenue deficit in the current financial year has been 3.5 percent of GDP as against 5.1 percent in the previous year.

- © Growth in GDP has been fueled by pick up in Private consumption growth of 8.2 per cent as compared to 7.3 per cent during the last year. However the government consumption sharply declined to 2.6 per cent during 2010-11, as compared to 16.4 per cent growth during the 2009-10.
- © In the social and financial inclusion, the specific schemes for Scheduled Castes, Tribes, OBCs and the regions such as North-East, expansion of Mahatma Gandhi NREGA, Sarva Shiksha Abhiyan, National Rural Health Mission, in terms of coverage as well as the spending and monitoring have found specific mention and better convergence of the schemes to address the issues of unemployment and poverty alleviation could avoid duplication and leakages.
- © Reforms in the university and higher education and correcting the demand supply mismatch in the job market has been made. The gap in resources for higher education may be met on the basis of public private partnership without diluting the regulatory oversight of the Government.
- © It has also made specific active engagement on issues related to climate change with expanded financing of programs and better policies.

Table 1: Key Indicators

(Percentage change over previous period)

Items	2007-08	2008-09	2009-10	2010-11
Gross Domestic Product (at factor cost 2004-05 prices)	9.3	6.8	8.0	8.6
Index of Industrial Production ^c (growth)	8.7	3.2	10.5	NA
Wholesale Price Index (52-week average)	4.8	8.0	3.6	9.4 ^d
Consumer Price Index for Industrial Workers	6.2	9.1	12.4	11.0 ^d
Money Supply (M ₃)	21.4	19.3	16.8	16.5 ^h
Imports at current prices (in USD terms)	29.0	13.6	-3.5	29.5 ^e
Exports at current prices (in USD terms)	35.5	20.7	-5.0	19.0 ^e

Source: Economic Survey 2010-11

^c The annual growth rates have been recompiled from 2005-06 onwards since the indices have been recompiled from April 2004 onwards using new series of WPI for the IIP items reported in value terms.

^d Average April-December 2010.

^e April-December 2010.

^h Provisional.

Table 2: Ratio of Savings and Investment to GDP

(In per cent at current market prices)

Items	2007-08	2008-09 ^{PE}	2009-10 ^{QE}
Gross Domestic Saving	36.9	32.2	33.7
Public Sector	5.0	0.5	2.1
Private Sector	31.9	31.7	31.6
Household Sector	22.5	23.8	23.5
Financial Saving	11.7	10.8	11.8
Saving in Physical Assets	10.8	13.1	11.7
Private Corporate Sector	9.4	7.9	8.1
Gross Capital Formation (Investment)	38.1	34.5	36.5
Public Sector	8.9	9.5	9.2
Private Sector	28.1	24.6	24.9
Corporate Sector	17.3	11.5	13.2
Household Sector	10.8	13.1	11.7
Gross Fixed Capital Formation	32.9	32.0	30.8
Stocks	4.0	2.0	3.3
Valuables	1.1	1.3	1.7
Saving Investment Gap			
Public Sector	-3.9	-9.0	-7.0
Private Sector	3.8	7.1	6.7

Source: Central Statistical Organisation (CSO), Economic Survey 2010-11.

Note: Totals may not tally due to adjustment for errors and omissions.

^{PE} Provisional Estimates

^{QE} Quick Estimates