

Volume V, Issue 37

March 23, 2010

# NEWS ALERT

The Delhi government on Monday raised tax rates on several items to generate additional revenues to meet the expenditure on the Commonwealth Games. The state budget for 2010-11 proposes to withdraw the Rs 40 subsidy on cooking gas cylinders while raising VAT by 5-12.5 percentage points on several items. While CNG will attract a VAT rate of 5% and cost Rs 1.09 a kg more, the levy on diesel is set to go up to 20% from 12.5%, making the fuel costlier by Rs 2.37 a litre. The budget has also raised VAT to 12.5% from 5% on a number of household items such as tea, glucose, coffee, plastic items, wood, inverters, tea, fertilizers, utensils and cutlery.

**Economy will grow 8.75% next fiscal: FM**

*Favourable Monsoon, Oil Can Tame Inflation: RBI Dy Guv*

THE government remains optimistic about the countrys growth prospects even as inflation fears continue.

Finance minister Pranab Mukherjee said on the sidelines of the RBI-OECD workshop that while the economy would grow by around 7.2% this fiscal, in line with the Central Statistical Organisation (CSO) projections, India is expected to grow between 8.25% and 8.75% during 2010-2011.

Coca-Cola, the worlds largest beverages maker, should pay Rs 216 crore compensation for pollution and depleting groundwater, a Kerala government panel has said. The panel report, submitted to state water resources minister NK Premachandran in Thiruvananthapuram on Monday, held that besides heavy withdrawal of ground water, the bottling plant run by Coca-Colas bottling arm, Hindustan Coca Cola Beverages, had "inflicted harm on the farming and environment in the area" by dumping solid waste.

Rival beverages company Pepsi-Co has also come under fire in the state over water consumption by its plant, also in Palakkad district. Last week, a Kerala assembly panel had said the company should cut down the use of water by 60% at its bottling plant at Puducheri.



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