

# NEWS ALERT

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## DISCRETIONARY SPENDING IS BACK IN MARKET

Be it dining, entertainment, fashion and accessories or high end gadgets, spenders are not holding back any longer in anticipation of happier times ahead. Economists feel the trend is a reflection of the fact that India has already managed to come out of the slow down.



National Council of Applied Economic Research senior fellow Rajesh Shukla is of the belief that the negative sentiments of the global recession on the mindsets of Indian consumers is over to a great extent.

### UPDATES:

- The government is likely to come up with an index in the next six months to track price variation in the services sector like telecom and railways. The services price index is expected to be on the lines of the wholesale price index or the consumer price index and will measure price movements within the sector.
- Mahindra Satyam or the erstwhile Satyam Computer Services has bagged around 30 IT contracts, after it was taken over by Tech Mahindra in April. Majority of the new deals have come from Asia Pacific and Europe.
- Households have curtailed consumption of pulses in the first half of this year due to high prices, a report brought out by ASSOCHAM has said. The per capita consumption of pulses declined to 11 kg in the first half. In contrast, the per capita consumption in the 1960s was 27 kg.

## RBI Wants to Regulate Housing Finance Firms

Housing finance companies are currently regulated by National Housing Bank (NHB), which is in turn, regulated by RBI. NHB is wholly owned by RBI.

RBI sources said the need for regulating housing companies arises because they do not have prudential guidelines or risk-linked capital limits to which banks, which come under the central banks' purview, are subject.

