

NEWS ALERT

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Indian Tea to get new branding

The lady in black and white with a wicker basket of three tea leaves strapped to her head may soon fade into history as the government eyes a more contemporary image of the Indian tea abroad.

The move to replace the face of Indian tea for more than three decades is spear-headed by Union Minister of state for commerce Jyotiraditya Scindia, who wants the Indian Tea logo to reflect the country more than the trade, just like Sri Lanka's Ceylon tea logo that sports a lion.

A section of the industry and some brand experts, however, believe the move will only backfire as the simple and elegant logo has already become synonymous with Indian tea that brings in more than Rs2500 crore in foreign exchange every year. Just a storm in a tea cup?. Perhaps.

Budget: a mathematical confirmation of your suspicions.

~A.A. Latimer



Finance Minister Pranab Mukherjee will start with a big statistical advantage when he presents the budget for 2010-11, which is expected to outline an aggressive roadmap for fiscal consolidation. Thanks to the revision in the base year to 2004-05 for national accounts from 1999-2000, the fiscal deficit for the current year is likely to drop to 6.5%, other things being equal.

With the revision in the base year, the GDP at market prices for 2008-09 is estimated at Rs55,74,449 crore as against Rs5321753 crore estimated in the earlier series and used in the fiscal deficit calculations in the budget for 2009-10.

However, this is only a statistical comfort that does not allow the country to escape the consequences of the high fiscal deficit if it were not reined in quickly.

Panel on affordable banking & credit to LIGs likely in budget

The government plans to constitute a panel for suggesting policy changes to ensure affordable banking services and availability of credit to low-income groups in the country. The upcoming Union budget could announce the setting up of a National Mission on Financial Inclusion (NMFI) along with specific timelines and targets, said a government official involved in the budget making process.

The move comes almost two years after a committee on financial inclusion, chaired by C Rangarajan, who is now the prime minister's chief economic advisor, floated the idea.

The budget will also chalk out phased targets to provide access to comprehensive financial services, including credit to at least 50% of the financially excluded households. The Union government may ask the state government to take a more active role in bringing about financial inclusion, said the official, adding that only a few states like Rajasthan has taken steps in the direction so far.