



NEWSALERT

VOLUME VI, ISSUE 32

JUNE 26, 2010

Reserve Bank of India governor D Subbarao will announce the first quarter review of the monetary policy for 2010-11 on July 27. It is widely expected that the central bank will continue with increased rates as part of its ongoing efforts to reign in inflation.



AUTOFUEL PRICES LEFT TO MARKET; KEROSENE AND LPG GET COSTLIER

After years of dilly-dallying, UPA-II has finally shown that it has the stomach for some bold economic reforms by unshackling petrol & diesel from archaic subsidies, saving the day for PSU oilcos and paving the way for private giants to return to fuel retailing

The Manmohan Singh government on Friday announced the freeing up of petrol and diesel prices, raising hopes of a further decontrol of the oil sector over the next few years, which could help balance public finances and let private companies challenge state-run firms' decades-old retailing monopoly. Prices of cooking gas and kerosene, the biggest component of subsidies, were raised lower than recommended by a panel of experts, to avoid burdening poor people and ward off opposition within the coalition. Friday's decision by an empowered group of ministers (EGoM) may be the beginning of a long journey towards a market-oriented oil sector, but may fan inflationary expectations that are already threatening to get out of control.

The decision on petrol and diesel are in line with the recommendations of the Kirit Parikh panel, but the quantum of increase in kerosene and cooking gas prices is less than the Rs 6 a litre and Rs 100 a cylinder suggested by it.

GMAT To Introduce New Section On Analytical Skills

Getting admission into a US-based B-school might get tougher as the entrance exam, Graduate Management Admission Test or GMAT, will introduce a new section —integrated reasoning—to judge the analytical skills of the test takers in June 2012. Currently, GMAC is testing the new section. The company, GMAC, owns the GMAT.

The new section will be 30 minutes long and replace one of two essays that are part of the GMAT's analytical writing section, thus, maintaining the total duration to three-and-half-hours.

GMAT will have a listening aspect in the new section to judge the ability of a candidate to interpret complex spoken material. The total score of 800 will remain unchanged. However, GMAC is yet to identify the score scale, which categorises the performance of a student.