



# NEWS ALERT



## **World Bank to lend \$4.3 bn for banks, infrastructure**

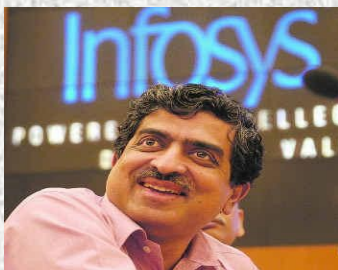
The World Bank on Wednesday sanctioned four loans aggregating \$4.3 billion to support India's economic recovery by strengthening its state-run banks and funding infrastructure projects.

The bank said loans would support the country's economic stimulus measures by channelizing resources into infrastructure, power and irrigation sectors.

## **Mobile number portability from January 1**

From January, mobile users can change their telecom service provider while retaining their phone numbers as the Telecom Regulatory Authority of India (Trai) on Wednesday issued regulations for implementation of mobile number portability (MNP) stating January 1, 2010, as the deadline to begin MNP in metros and category A circles. The service would be available in the rest of the country from March, 2010.

The regulator, however was silent on the most important aspect of 'porting charge' which is the amount that a mobile user shall have to pay for porting the number. The regulations come a year after the government had announced MNP implementation. The communications and IT minister, A Raja had last August said that MNP would be implemented last year however the process kept getting delayed.



## **Infosys set to roll back freeze, hike pay**

Going back on its earlier decision, the country's second largest software firm, Infosys Technologies, is considering giving salary increments to its over 1 lakh employees.

According to sources in the IT major, Infosys has sent out an e-mail statement to its workforce saying that the "company has decided to carry out the compensation review exercise and limited need-based promotion from October 1, 2009."

This will be the first for the Indian IT industry as other top industry players like TCS, Wipro and HCL Technologies have all resorted to salary freezes in order to save costs in the wake of the current economic downturn.

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## **LOAN SHOW**

More Indian companies and individuals are now borrowing from banks to build factories and buy cars and homes, taking advantage of low interest rates, a sign that economic growth may accelerate.

Banks, especially the state owned ones, now say many companies that had earlier obtained sanctions for borrowing are now seeking disbursement of loans to execute projects in the core and infrastructure sectors while individuals are signing up for home and auto loans, thanks to teaser rates offered by some big banks such as SBI and Axis Bank besides HDFC. The surge in loans is also in anticipation that interest rates may begin to rise this fiscal, according to bankers.