

Daily Economic News Summary: 4 February 2020

1. RBI governor Shaktikanta Das is Asia Pacific central banker of the year

Source: Business Standard ([Link](#))

Reserve Bank of India (RBI) Governor Shaktikanta Das has been named the Central Banker of the Year, Asia-Pacific 2020, by the Banker magazine, a unit of Financial Times (FT). The award is given to central bankers who have “best managed to stimulate growth and stabilise their economy.” Jorgovanka Tabakovi, National Bank of Serbia, was adjudged the winner as the Global Central Banker of the Year. The awards were announced in an editorial of the Banker magazine on January 2. Nominating Das, the magazine said India’s banks have faced a series of challenges, from non-performing loans to issues around fraud. Repeated economic slumps saw the central bank cut interest rates five times during 2019, and it was open to cutting them again, if necessary.

2. Strict provisions across Customs rules to tighten the screws on imports

Source: Business Standard ([Link](#))

Apart from raising import duties on hundreds of goods, the government has also added tougher provisions to all Customs rules in order to tighten the screws on imports further. A string of measures includes specific provisions in rules governing anti-dumping, safeguards, and basic Customs duties. A case in point, when importing from countries which have already been slapped with anti-dumping duties: an importer may fall foul of the rules if the imported product in an unassembled form is less than 35 per cent of the value addition, compared to its manufacturing cost. The latest rules also stipulate that for calculation of value addition, expenses on account of procurement of technology, such as patent, copyright, trademark, royalty, technical know-how, etc, shall not be included in the value of the parts brought in.

3. Centre gives nod to nearly Rs 6,000cr multi-purpose project in J&K

Source: Money Control ([Link](#))

The central government has approved a nearly Rs 6,000-crore multi-purpose project to provide uninterrupted water for irrigation to farmers in Jammu and Kashmir's Kathua district and to produce power, Union Minister Jitendra Singh said. It was decided at a high-level meeting that

the work for the Ujh multi-purpose project will start immediately and an appropriate mechanism will be developed to utilise the surplus water on the Indian side itself, he said in a statement. For this purpose, the administration of the Union Territory of Jammu and Kashmir also offered to come forward with a suitable DPR. Expressing satisfaction over the outcome of 3 February's meeting, Singh appreciated the intervention by the Prime Minister's Office as well as the role of the Jal Shakti Ministry.

4. Malaysia says palm oil dispute with India is 'temporary'

Source: Money Control ([Link](#))

Malaysia said on 4 February that India's move to cut back on palm oil purchases from the Southeast Asian nation is "temporary" and will be resolved amicably between the two nations. Last month, India restricted imports of refined palm oil and asked importers to avoid purchases from Malaysia after its criticism of India's actions in Kashmir and a new citizenship law. "Having long-standing bilateral ties, the two nations will overcome the current challenges, and prevail towards mutual and beneficial outcomes," the Malaysian Palm Oil Council said in a statement, citing Primary Industries Minister Teresa Kok.

5. Centre to release GST compensation to states in 2 instalments

Source: Money Control ([Link](#))

The Centre will release all due GST compensation to states in two instalments, Union Minister Anurag Thakur said in Lok Sabha on February 3. The reply came after MPs from Telangana and Odisha complained during Question Hour that their states were not getting the share of the Goods and Services Tax (GST) and Integrated Goods and Service Tax (IGST). "All due GST compensation will be given to states in two instalments," Thakur, union minister of state for finance, said. The minister said GST (Compensation to States) Act, 2017 provides for compensation to States/UTs (UT with legislature only) on account of revenue loss due to implementation of GST on a bi-monthly basis.

6. RBI to come out with last monetary policy for FY20 on Thursday

Source: Financial Express ([Link](#))

Amid slowing GDP growth and rising inflation, the Reserve Bank of India (RBI) will unveil its last monetary policy for the current financial year on 6 February. The sixth bi-monthly monetary policy statement for 2019-20 would be the last one for the current financial year. The Monetary

Policy Committee (MPC) will meet during February 4-6 for the policy review, the RBI said in a release on 3 February. The RBI said it will place the resolution of the MPC on its website before noon on February 6. The government has estimated India's gross domestic product (GDP) to be growing at a slower pace of 5 per cent in the current financial year on the back of various factors, domestic and global, including weakening consumption demand in the country.

7. Microsoft to back startup ecosystem in Assam

Source: Financial Express ([Link](#))

A comprehensive global programme of the Microsoft designed to support startups as they build and scale their companies would collaborate with the Assam government to back the startup ecosystem in the state. A team of the Microsoft for Startups met officials of the state industries and commerce department in Guwahati on 3 February, an official release said. The tech giant also submitted a proposal to the department for facilitating its knowhow on advanced technological system, cloud computing and artificial intelligence to the startup incubates for national and international exposure, it said. Microsoft would also conduct reach-out programmes to encourage the entrepreneur community of the State.

8. Govt takes first step towards Rs 3 lakh crore-turnover target proposed in budget for its e-marketplace

Source: Financial Express ([Link](#))

Business-to-government e-commerce portal Government e-Marketplace (GeM) on 3 February announced partnership with Trade Receivables Discounting System (TReDS) platform operator Receivables Exchange of India Ltd (RXIL) to help government departments, public sector units, CPSEs etc. to finance their payments to MSME sellers of goods and services. RXIL- a joint venture between SIDBI and National Stock Exchange is among the three licensees for operating the TReDS platform. Invoicemart and MIXchange are the other two operators. The development comes days after the Finance Minister Nirmala Sitharaman proposed increasing the turnover of GeM to Rs 3 lakh crore.

9. TCS bags \$1.5 billion contract as it expands partnership with pharmacy giant

Source: Livemint ([Link](#))

India's biggest IT services exporter Tata Consultancy Services or TCS has expanded its long-standing partnership with Walgreens Boots Alliance (WBA), which is into the business of retail and wholesale pharmacy, to transform its IT operating model. "TCS has expanded its long-

standing partnership with Walgreens Boots Alliance, a global leader in retail and wholesale pharmacy, to transform the latter's IT operating model. The contract is valued at over \$1.5 billion over a ten-year period," TCS said in a BSE filing. Walgreens Boots Alliance is into the business of retail and wholesale pharmacy. Including equity method investments, WBA has a presence in more than 25 countries, employs more than 440,000 people and has more than 18,750 stores.