

Daily Economic News Summary: 2 March 2020

1. Reserve Bank governor Shaktikanta Das to hold meet with bank CEOs today

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

Reserve Bank of India Governor Shaktikanta Das will meet chief executives of commercial banks on 2 March to take stock of monetary transmission. The issue of dealing with the effects of the coronavirus outbreak on the financial sector is also likely to figure during the interaction. Senior public sector bank executives said usually, bank chiefs meet the RBI brass immediately after the monetary policy review. The Monetary Policy Committee met on February 4-6, and kept the repo rate unchanged at 5.15 per cent. One of the issues that will come up for review is how much transmission of policy rate actions to the final customer has happened. In its last monetary policy review, held in early February, the RBI had introduced measures like long-term repo operations (LTRO) and external benchmarking of new floating rate loans by banks to medium enterprises. "The RBI would likely to hear us out on the progress being made in these areas. The assessment of the implications of the coronavirus outbreak may figure in our discussions," a senior PSB official said.

2. Govt to give major boost to MSME sector: Nitin Gadkari

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

Union minister Nitin Gadkari said the Modi government was all set to give a major boost to the micro, small and medium enterprises (MSMEs) in the country. He was speaking at the first-ever Bunts Star Achievers Awards 2020 instituted by the Indian Bunts Chamber of Commerce & Industry (IBCCI). "MSMEs account for 48 percent of the exports and employ 11 crore people. We are giving a major boost to the MSME sector...it drives the economy," Gadkari said. The MSME minister added that India needs an institute for enterprises and entrepreneurship.

3. Malaysia and India aim to repair soured ties that hit palm trade

Source: Firstpost ([Link](#))

Malaysia and India will work on improving ties that soured under former Malaysian Prime Minister Mahathir Mohamad and badly affected palm oil trade between the countries, officials from both nations said on 1 March. India is the world's biggest palm oil importer but its

purchases from Malaysia, the second-biggest palm exporter behind Indonesia, dropped drastically in recent months after attacks on India's policies by Mahathir. Malaysia swore in a new prime minister on Sunday after last week's resignation by the outspoken Mahathir, 94, after a power battle in his coalition government. Wee Ka Siong, a lawmaker expected to gain a ministerial post, said that mending ties is a priority because Malaysian palm oil producers have been suffering because of India's effective ban on purchases.

4. PM Modi launches 10,000 Farmer Producer Organisations – move to turn farmers into businessmen

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

Prime Minister Narendra Modi on 29 February effected a country-wide launch in Chitrakoot, Uttar Pradesh of 10,000 Farmer Producer Organisations, aimed at providing small farmers a platform to collectively tackle their challenges right from accessing various agricultural inputs to marketing their produce. These FPOs will turn farmers into businessmen, said Prime Minister Modi after effecting the launch of the novel cooperative platforms for farmers, 86 percent of which fall into small and marginal category, each having less than 1.1 hectare of landholding.

5. India pips Russia, Poland to secure \$40 million defence deal with Armenia

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

In a major boost to the country's defence sector, India has reportedly overtaken Russia and Poland to win a \$40 million defence deal to supply four indigenously-built weapon locating radars to Armenia in Europe. The deal is being seen as a major achievement for 'Make in India' programme in the defence sector. "The deal is for supplying four SWATHI weapon locating radars developed by the Defence Research and Development Organisation (DRDO) and manufactured by the Bharat Electronics Limited (BEL) to Armenia in Europe," news agency ANI quoted government sources as saying. According to the sources, Armenians had conducted trials of systems offered by Russia and Poland that were also good but they gave a final nod to the Indian system, which was developed by DRDO. India has already started the supply of the equipment to Armenia, they said.

6. ICAR inks pact with Haridwar-based Patanjali for farm research, training, education
Source: Firstpost ([Link](#))

The country's premier agri-research body ICAR on 1 March signed an agreement with Haridwar-based Patanjali Bio Research Institute (PBRI) to undertake research work as well as training and education. The Memorandum of Understanding (MoU) was signed by Indian Council of Agricultural Research (ICAR) Director General Trilochan Mohapatra and PBRI CEO Acharya Balkrishna in the presence of Agriculture Minister Narendra Singh Tomar, an official statement said. Junior Agriculture Ministers Parshottam Rupala and Kailash Choudhary were also present. Speaking on the occasion, Tomar emphasised that the venture will provide a new opportunity to include a new arena to work for both the organisations.