

FICCI comments on RBI's Monetary Policy

New Delhi, 2 February 2016: "RBI's decision to maintain status quo on the repo rate is on expected lines. However, the slip-up in industrial growth as reported in the November numbers indicates persistence of underlying weakness and the fact that we are still away from a firm turnaround. The demand situation remains weak and the cost of funds for the industry has not really come down. Bringing down interest rates is imperative to propel investments", **said Mr. Harshvardhan Neotia, President, FICCI.**

"In the policy statement RBI has put GDP growth forecast for the year 2016-17 at 7.6%, stating growth is below the medium term expectation and it remains important to rekindle the underlying growth drivers. We look forward to the forthcoming Union Budget, which should focus on strengthening the demand conditions and reviving the domestic capex cycle", **added Mr. Neotia.**

"The Start-up initiative of the Government is noteworthy and we look forward to getting detailed guidelines in this regard", **added Mr. Neotia.**

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