

FICCI comments on WPI data

New Delhi, 15 February 2016: “WPI data released today reported persistence of deflationary conditions indicating continued moderation in demand. This combined with two consecutive months of negative IIP growth point towards strain in industrial activity. Given that external markets might take a little longer to recover, there is an urgency to revive domestic demand. We are hopeful that the forthcoming Union Budget will carry forward the reform momentum, with adequate thrust on pushing domestic investments and boosting demand.

Further, in a scenario of deflationary pressures being faced by the economy, the government should not shy away from recalibrating the fiscal deficit target in order to push public investments with a view to add productive capacity to the economy. It should be ensured that the spending stimulus is directed towards fruitful capital expenditure, especially in infrastructure”, **said Dr. A Didar Singh, Secretary General, FICCI.**

“Food prices have reported some moderation. In order to keep food prices under check going ahead, we do hope the Government will continue to take measures to manage supply side situation”, **added Dr. Singh.**

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