

## FICCI comments on WPI data

**New Delhi, 14 March 2016:** “WPI based inflation numbers released today indicate that inflation continues to stay on the deflationary course. Prices of manufactured products continue to remain subdued and are a reflection of the weak demand conditions that persist in the economy. IIP numbers released last week reported negative growth for the third consecutive month in January 2016 and highlight that signs of pick up in the manufacturing sector remain elusive” **said Mr. Harshvardhan Neotia, President, FICCI.**

“Union Budget 2016-17 announced last month has given due focus on boosting demand and encouraging domestic value addition. We have also seen that the fiscal framework will be adhered to by the government. Given this, FICCI firmly believes that RBI should supplement the efforts of the government to strengthen demand and continue with its accommodative stance in the forthcoming monetary policy. A further cut in the policy rate at this juncture and its transmission by the banks in the form of lower lending rates would benefit both companies and consumers alike and impart some momentum to the still weak investment and consumption cycle”, **added Mr. Neotia.**

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