

FICCI comments on the RBI Monetary Policy

“As capacity utilization rates improve and fresh investment plans come on to the drawing board, it will be important to have a supportive monetary policy to sustain the momentum”. – FICCI president **Harshavardhan Neotia**

New Delhi, 7 June 2016: Commenting on the monetary policy announced today Mr. Harshavardhan Neotia, President, FICCI said, “Reserve Bank has maintained status quo on the policy rates. While this is on expected lines, we do hope that continuous focus of the central bank on improving the transmission of the previous rate cuts into lower lending rates would yield effective results and that we will see a greater pass through going ahead”.

“The recently announced GDP numbers indicate that the economy has moved to a steady growth trajectory. Further, we expect the capacity utilization rates to improve as both rural and urban demand will note an uptick on back of good monsoons and the pay commission announcement respectively. As capacity utilization rates improve and fresh investment plans come on to the drawing board, it will be important to have a supportive monetary policy to sustain the momentum”, Mr Neotia added further.

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