

FINANCE MINISTRY STATEMENT ON FIFTH BI-MONTHLY MONETARY POLICY STATEMENT, 2018-19 RESOLUTION OF THE MONETARY POLICY COMMITTEE, RESERVE BANK OF INDIA¹

The Monetary Policy Committee (MPC) in its Fifth bi-monthly Statement, issued on December 5, 2018, on the basis of its assessment of the current and evolving macroeconomic situation, decided to keep the Policy Repo Rate under the Liquidity Adjustment Facility (LAF) unchanged at 6.5 per cent. The MPC has, however, retained its stance of 'calibrated tightening'.

The GDP growth projection for 2018-19 is retained at 7.4 per cent as in the Fourth Bi-monthly Resolution in October, 2018. The projections of inflation for 2018-19 and Q1:2019-20 have been substantially revised downwards from the October resolution.

The Secretary, Department of Economic Affairs, Shri Subhash Chandra Garg in a Statement said that the assessment of the MPC for growth and inflation outlook is consistent with the Government's assessment of inflation and growth.

Shri Garg said that the Government welcomes the assessment of the MPC. The Government notes its decision to maintain the Policy Rate. The policy stance probably required calibration, he added.

The RBI has also decided to reduce SLR from existing 19.5% to 18.0% in six quarterly instalments beginning January 2019. Secretary, DEA, Shri Garg said that this will have some implications for the Government securities. However, the momentum created by the reduction in oil prices and reversal of foreign flows has resulted in further moderation of yields post policy announcement, he concluded.

SURVEY ON INDIAN STARTUP SECTOR²

The Reserve Bank has launched a survey on India's startup sector (SISS). The survey is intended to create a profile of the startup sector in India and provide dimensions relating to turnover, profitability and workforce. The SISS would also throw light on the problems faced by the startup sector.

The survey schedule is placed in the Bank's website www.rbi.org.in under the head 'Forms' (available in the 'More Links' at the bottom of the home page) and sub-head 'Survey'. (Available at: https://rbi.org.in/Scripts/BS_ViewForms.aspx?FCId=40)

It has also been mailed to all startup entities as per the details made available by the Department of Industrial Policy and Promotion (DIPP) in the Ministry of Commerce and Industry, Government of India in March 2018.

Other startups, who have not been approached for want of location details may also participate in this survey by downloading the survey schedule from the link given above.

The filled-in survey schedule as Available at: <http://rbidocs.rbi.org.in/rdocs/Forms/DOCS/INDIANSTARTUP27112018.xlsm> may be mailed to siss@rbi.org.in (also mentioned in the survey schedule).

Individual responses or identity of the respondents will not be revealed.

In case of any query/clarification, kindly email at sissquery@rbi.org.in.

Team ICSI

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¹ Available at: <http://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1554662>

² Available at: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=45568