

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**RBI HAS CHOSEN TO MAINTAIN A BALANCE BETWEEN GROWTH AND
INFLATION WHILE KEEPING THE POLICY RATES UNCHANGED AND
FOLLOWED A CALIBERATED APPROACH TO THAT EFFECT: FM**

**New Delhi, June 3, 2014
Jyaishta 13, 1936**

Following is the text of the Statement of the Union Finance Minister Shri Arun Jaitley with regard to RBI Policy announced today:

“The Reserve Bank of India (RBI) has reduced the SLR by 50 basic points while maintaining the repo rate as unchanged.

It is a priority for the Government to maintain a balance between growth and inflation. The Government is also concerned with restarting the investment cycle and moving towards higher growth and employment generation. We would like to address the problem of inflation through supply side measures particularly in relation to food inflation. Fiscal consolidation is a priority for the Government.

The RBI has also chosen to maintain a balance between growth and inflation while keeping the policy rates unchanged. It has allowed banks to lend more to the private sector since they will be required to subscribe less to government securities than earlier. It has followed a calibrated approach aimed in the direction of balancing between growth and inflation.”
