

RBI monetary policy LIVE: RBI keeps repo rate at 6%, flags inflation risks

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The Reserve Bank kept the key policy rate unchanged at 6 per cent for the third consecutive time today in view of firming inflation.

The Monetary Policy Committee (MPC), headed by RBI Governor Urjit Patel had last reduced the benchmark lending rate by 0.25 percentage points to 6 per cent last August, bringing it to a 6-year low.

In its December review, the MPC had kept the benchmark interest rate unchanged on concerns of a possible price rise but had left the door ajar for a rate cut in future.

Retail inflation crossed the RBI's comfort level and rose to 5.21 per cent in December on increase in prices of food items. The retail inflation, based on Consumer Price Index (CPI), was 4.88 per cent in November. In December 2015, it was 3.41 per cent.