Near-term risks persist for private investments, says RBI study



While the economy is on a recovery path, private investments, which have been sluggish for years, will continue to see near-term risks in FY22, according to an RBI study.

Those in the pipeline can get a fillip from deferred work, increasing overall thrust to private investment, it added.

According to the RBI study the economy had been witnessing sluggish investment intentions even before Covid. This was reflected in the lower number of new announcements of projects as well as elongation of the life cycle of existing projects. The envisaged capex, based on the projects sanctioned by banks/FIs, indicates a decline from Rs 94,227 crore in FY21 to Rs 68,469 crore in FY22.

RBI