

FICCI WELCOMES CABINET'S DECISION TO SET-UP CCI

13 December 2012, New Delhi: FICCI President, Mr R V Kanoria welcomed the Cabinet decision to set-up Cabinet Committee on Investments under the chairmanship of Prime Minister to ensure faster clearances for large projects. "This will send a strong signal to the investors that Government is willing to assist the industry through reforms and by further improving the business environment. At a time when our economy and manufacturing sector have slowed down, this single decision will act as major stimulus for the economy. Given the size and diversity of a democratic country like India, there is a need for an institution which has the ability to get things done in a time bound manner" said Mr Kanoria.

"We hope that this Committee helps the industry in getting State clearances also in a faster and time-bound manner as maximum clearances are required at the State level" said Mr Kanoria. FICCI pointed out that according to CMIE, projects worth Rs 1.8 lakh crore got shelved during April-August 2012 period primarily because of problems related to land acquisition, environmental clearances and lack of fuel and mineral linkages. "Needless to mention that if these projects are implemented it would be self stimulating for economy's growth without any additional fiscal burden" noted Mr Kanoria.

Mr Kanoria further said that different countries have adopted varied models for coordination and speedy execution and there have been many successful examples of such mechanisms. Countries like China, Malaysia and Germany have all developed very competitive manufacturing and infrastructure sectors, and the common thread in all these have been an effective implementation mechanism ensuring linkages within the different sectors of the economy, observed Mr Kanoria.

FICCI MEDIA DIVISION