

### **FICCI's REACTION TO IIP DATA FOR APRIL 2013**

New Delhi, 12 June 2013: Commenting on the Index of Industrial Production (IIP) data for April 2013 which was released today, Mrs Naina Lal Kidwai, President, FICCI said "Overall the investment sentiments remain subdued in manufacturing and infrastructure and unless we see speedy implementation of projects stuck due to inter-ministerial clearances, industrial growth is likely to remain moderate".

"Growth in manufacturing though seems to have bottomed-out but remains fragile as some major sectors like basic metals, automotive, machinery & equipment have shown negative growth" said Mrs Kidwai.

"Growth in electricity sector is an area of concern as it would impact further the growth of manufacturing and has wider implications for competitiveness of the manufacturing sector as reliance on costly captive power generation especially of SMEs increases the cost of manufacturing significantly" observed Mrs Kidwai.

"It's high time that we do not ignore the mining sector and look at policies to revive the sector", said Mrs Kidwai.

"Consumer durables segment registered one of its highest falls since 2009 and calls for moderation in interest rates to stimulate demand" noted Mrs Kidwai.

FICCI MEDIA DIVISION