

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

12 July 2013, New Delhi: Commenting on the Index of Industrial Production (IIP) data for May 2013 which was released today, Ms Naina Lal Kidwai, President, FICCI said "The IIP figures for May are indeed disappointing and emphasize the need for bold reforms which would instill confidence in investors".

"The negative growth of four percent in consumer goods is particularly disappointing. In the last few years a excess capacity has developed in many industries due to slackening of both domestic and export demand. There is excess capacity in sectors like automotive, cement, metals and textiles. Therefore, Government should look at providing demand stimulus measures for sectors witnessing fall in demand", emphasized Ms Kidwai.

"It is important that banks pass on the rate cuts announced by RBI to industry and consumers.

"Clearing of stuck projects by CCI is an important step taken by the government to bring growth back into our economy . For the sustainable growth of manufacturing and industry we believe that the Cabinet Committee on Investments should also review various rules and procedures followed by Ministries to grant or refuse clearance so that the faster procedures used for specific projects are implemented across the board and not limited to a few projects ", noted Ms Kidwai.