

## **FICCI COMMENTS ON GDP GROWTH AT 4.4% IN Q1 FY14**

**August 30, 2013, New Delhi:** GDP growth data for Q1 FY14 released today remained flat not seeing much recovery. This was anticipated given the difficult economic situation. GDP posted a growth of 4.4 % in Q1 FY14, vis-à-vis 4.8% growth in Q4 FY13 and 5.4% growth in Q1 FY14.

“The economy continues to tread in difficult waters as many challenges remain on the fore. The precariousness displayed by Rupee has raised concerns afresh on the external front, industrial growth continues to face deceleration, and the investment cycle is yet to kick off. The Gross Fixed Capital Formation registered a growth of (-)1.2% in Q1 FY14, vis-à-vis 3.4% growth in Q4 FY13. Understandably there is no perfect recipe to steer out of the current state of affairs but what we need is swift action given the volatile situation”, said **Ms. Naina Lal Kidwai, President, FICCI.**

“Further with good monsoons, agricultural growth is expected to pick up this year. However, we would have to strive harder on the reform front to give a push to the manufacturing sector. The government in the past few weeks has been very proactive announcing measures to step up FDI and manage the widening current account deficit. However, we need to pursue a longer goal of making India more investor friendly taking steps like rolling out GST, working on removing regulatory hassles. In fact, with the PM reiterating today on the need to focus on these difficult reforms, we hope that these steps would soon be expedited”, said Ms. Kidwai, President, FICCI.

Looking at the sector wise number, the agricultural growth improved to 2.7% in Q1 FY14, vis-à-vis 1.4% in previous quarter and 2.9% a year back. While for the industrial sector, the growth languished to (-)0.9% in Q1 FY14. The service sector growth moderated slightly to 6.2% in Q1 FY14, vis-à-vis 6.3% in Q4 FY14.

**FICCI Media Division**

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