

## FICCI comments on WPI Inflation numbers - March 2014

New Delhi, 15 April, 2014: The WPI numbers released today indicate inflation inching up to 5.7 per cent in March 2014. A sizable jump is seen in the inflation rate for fruits and vegetables. This coupled with the fact that we could witness some disruption in the progress and spread of monsoon going ahead again highlight the importance of tackling supply side issues on a priority basis. *"Tackling food inflation should be the top priority for the incoming government. Unless this critical economic variable is brought under control, we could see a lasting impact on the overall growth scenario"*, said Mr. Sidharth Birla, President, FICCI.

*"Straightening the kinks on the supply side and improving overall agri-productivity are the real solutions to food inflation. The central bank must take a more nuanced stand on its reading of the growth inflation dynamics as we are fast losing ground with regard to performance of the industrial sector. Latest IIP numbers show a decline of 3.7 per cent in manufacturing in February 2014. For how long we can stay on this course should be a matter of national debate. Along with growth of the industrial economy, we also have on stake sufficient employment generation"*, added Mr. Birla.

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