

## **FICCI's REACTION TO IIP DATA FOR MAY 2012**

**12 JULY 2012, New Delhi:** Commenting on the Index of Industrial Production (IIP) data for May 2012 which was released today, **Mr R V Kanoria, President, FICCI** said "The May IIP figure of 2.5% perhaps indicate that the growth had bottomed out by April when there was a negative growth as per the revised figures. Industry is eagerly awaiting the implementation of some of the announcements being made in the last few weeks by the Government to scale-up this modest growth achieved in May".

"The growth in manufacturing is not broad based as only twelve out of twenty two sectors have shown positive growth and major sectors like capital goods, chemicals, apparels continue to register negative growth month after month" said Mr Kanoria.

"Industry wants that Government takes some bold decisions on reforms in areas like decontrolling diesel price, reducing fiscal deficit and encouraging foreign investments to uplift business sentiments" said FICCI.

Mr Kanoria further said "We also hope that RBI cuts down interest rates further at least by another 50 basis points immediately so as to encourage investments and prevent this modest growth from slipping into negative territory".

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