

FICCI Comments on the statement of C. Rangarajan

*New Delhi, 13 September 2013: Reacting to the statement made earlier today by Dr. C Rangarajan, Chairman, PMEAC, **Dr. Didar Singh, Secretary General, FICCI** said “The downward revision in growth projection for the year 2013-14 was anticipated. Even earlier several independent estimates as well as those by RBI had indicated that growth this year will be in the range of 5 to 5.5 per cent. Given the present state of the economy, it is imperative that all steps are taken to bring growth back to the higher trajectory”.*

“We are happy to note that PMEAC has outlined a series of steps such as further liberalisation of FDI norms, resolution of tax concerns of industry, fast tracking public sector investments and containing the fiscal deficit through a compression in subsidies. All these would give a boost to investor sentiment and help kick start the investment cycle in the economy. Incidentally, many of these suggestions were earlier shared by FICCI in its submission to the PMEAC and the council has taken due note of industry’s view point”, he added.

*“We agree with the PMEAC that controlling CAD remains the main concern at present. Improving trade deficit in recent months is a healthy sign and we hope that with global growth picking up this situation will improve further. Our efforts should however be geared towards having a long term strategy to economise imports of oil, coal, capital goods, electronics and fertilisers. Further, we need to have greater clarity on our policy with regard to iron ore mining and exports”,**said Dr. Singh.***

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