

## Advani meets top industrialists to discuss state of the economy

Top industrialists and representatives of apex chambers Thursday met with Leader of the Opposition L.K. Advani to discuss the state of the Indian economy in the wake of current global slowdown, in what has raised eyebrows in both the political and industrial establishment.

This was the first such meeting sought by Advani, the prime ministerial candidate for the Bharatiya Janata Party (BJP), and was attended by his party colleagues Jaswant Singh and Yashwant Sinha, both of whom handled the finance portfolios for the previous National Democratic Alliance (NDA) regime.

Some 15 industrialists, including Anil and Mukesh Ambani of the two Reliance groups, Sunil Mittal of Bharti group, Rahul Bajaj of Bajaj Auto, Subhash Chandra of Zee group and Sashi Ruia of the Essar group attended the meeting.

Also present were the presidents of the three apex chambers - K.V. Kamath of the Confederation of Indian Industry (CII), Sajjan Jindal of the Associated Chambers of Commerce and Industry (Assocham) and Rajeev Chandrasekhar of the Federation of Indian Chambers of Commerce and Industry (Ficci).

In a brief note for the meeting, Chandrasekhar sought to tell Advani that recent data on macroeconomic situation confirmed a slowing down of the Indian economy.

'While on the one hand industrial growth slumped to a measly 4.8 percent in September (against 7 percent in September 2007), on the other hand exports shrunk by 15 percent in October,' the Ficci president's note said.

Briefing reporters later, Jaswant Singh described the meeting as 'satisfactory' and added: 'Advaniji expressed his concern over loss of livelihood and loss of confidence. Even banks are not lending to one another.'

Singh said till a few months ago, India's foreign exchange reserves stood at \$316 billion, which has now come down to \$250 billion.

'Foreign exchange reserves have come down. We have lost \$66 billion in the past few months. If we keep losing funds, it's a matter of concern.'

He quoted the business leaders as having told Advani that 'the meeting in itself called by him is significant and would bring back confidence'.

According to him, the industry leaders also said growth of the manufacturing sector has declined by 50 percent.

Yashwant Sinha said Ficci wanted agricultural credit for farmers as the rabi sowing season has set in. 'If farmers don't get credit now, we will face a major problem very shortly.'

He said the business leaders told Advani that industry was saddled with surplus capacity and slowdown, and that the infrastructure projects had to be taken up in a big way to bring relief to the

industry.

Advani will now meet small and medium enterprises (SMEs) and other sectors, Sinha said.

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