

Rate cut by banks will have a bearing on core sectors, propelling overall investments and growth

New Delhi, 30 September 2015: “FICCI is happy to note the initiation of reduction process in the base rate by some of the major Banks, following the policy rate reduction of 50 bps by the RBI yesterday. We hope that other Banks will also follow suit. FICCI has been strongly advocating the need for deeper rate cut and we are highly encouraged by the accommodative policy stance taken by the RBI. We are equally enthused by the commitment shown by the Government to facilitate the transmission by reviewing the framework of small savings. This is going to give a much needed boost to consumer demand as well as business investments, especially since the festive season is around the corner”, **said Dr. Jyotsna Suri, President, FICCI.**

“The reduction in lending rates and the proposal to reduce the risk weights applicable to lower value housing loans will give a boost to housing construction. This in turn will have a bearing on core sectors and thus propel overall investments and growth”, **added Dr. Suri.**

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