

PRESS RELEASE

Statement from Mr. Pankaj Patel, President, FICCI on lending rate cuts by banks

New Delhi, 01 January 2017: Commenting on the lending rate cuts announced by banks such as SBI, Union Bank of India and IDBI, Mr. Pankaj Patel, President, FICCI said “This reduction in the lending rates comes as a booster dose for the economy and will give a leg up to both consumption and investment demand. It is heartening to see the banks moving forward towards an easier lending rate regime and we hope that this rate cut cycle will be carried forward. With ample liquidity now at their disposal and with credit growth moving a slow pace, a lowering of interest rates was the need of the hour”.

“This is a clear positive that can be attributed to the demonetization move of the government and we hope to see more such decisions in the near future. Even the Prime Minister Shri Narendra Modi had yesterday mentioned that banks need to make extra effort to cater to the needs of the poor, lower middle class and middle class and these announcements are a clear reflection of this intent”, he added.

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