

FICCI comments on RBI Monetary Policy

New Delhi, 7 June 2017: Commenting on the monetary policy announced today **Mr Pankaj Patel, President, FICCI** said, “The reduction in the SLR rate by 0.5 basis points is a positive step. The move will help bring in greater liquidity in the system and should allow the banks to undertake a further reduction in lending rates”.

“A cut in the lending rates is much needed given the fact that domestic private investments have been weak persistently. Also, the GDP numbers released last week clearly reflect the effect of demonetization panning out in the fourth quarter of last fiscal year. At this juncture, the Central Bank signalling a move towards an accommodating stance would have helped uplift the sentiment”, **added Mr Patel.**

“The move to reduce the risk weight on certain types of housing loans is welcome and should give a push to the housing and other related sectors”, **said Mr Pankaj Patel.**

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