



Press Release

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Repo rate cut by RBI is a bold & welcome step and will revive consumption

The Reserve Bank of India's decision to cut the repo rate by 50 basis points and reduce the Cash Reserve Ratio (CRR) by 100 basis points is a bold and welcome move that signals much-needed support to India's economy at a crucial juncture- said Mr Praveen Khandelwal, Chandni Chowk MP & member of Parliament Standing Committee on Commerce.

Mr Khandelwal said that the frontloading of the repo rate cut reflects RBI's proactive approach in addressing liquidity concerns and stimulating credit growth. More importantly, the CRR cut will immediately inject liquidity into the banking system, ensuring that funds reach sectors that need it the most — especially MSMEs, traders, and retail businesses who have been battling rising costs and tight credit.

He said that this move must now be complemented by commercial banks passing on the benefit quickly and fully to borrowers. I urge the Finance Ministry and RBI to ensure monitoring mechanisms are in place so that the intended relief truly reaches the last mile.

Mr Khandelwal said that this is a significant step toward reviving consumption, encouraging entrepreneurship, and restoring economic momentum — and will particularly benefit Delhi's trade-intensive zones like Chandni Chowk and similar hubs across India.

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