

HDFC, Bank of Maharashtra, Vijaya Bank cut lending rate by up to 0.25%

Two state-owned lenders Vijaya Bank and Bank of Maharashtra (BoM) as well as the housing finance company HDFC Ltd on Tuesday reduced their benchmark lending rates by up to 0.25 per cent .

HDFC reduced benchmark lending rate by 0.1 per cent.

Interest rate on home loans up to Rs 30 lakh will come down to 10.15 per cent, while above Rs 30 lakh will be 10.40 per cent. The new rates would be effective from tomorrow, HDFC said in a statement.

Vijaya Bank said its base has been reduced by 0.25 per cent to 10.20 per cent with immediate effect.

Bank of Maharashtra slashed benchmark lending rate by 0.25 per cent to 10.25 per cent.

The base rate or the minimum lending rate of the bank is reduced by 0.25 per cent from 10.50 per cent to 10.25 per cent with effect from February 9, BoM said in a filing on the BSE.

A host of lenders, including State Bank of India (SBI), Punjab National Bank, Bank of India, Bank of Baroda and IDBI Bank have cut lending rates following easing of monetary policy by the Reserve Bank.

In its third quarter policy review on January 29, RBI had lowered key short-term lending rate by 0.25 per cent and also injected Rs 18,000 crore liquidity through similar reduction of Cash Reserve Ratio.

The repo rate, at which RBI lends to banks, was eased after a gap of nine months as the central bank fought the stubbornly high inflation through tight money policy, leading to high interest rate regime.

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