

National Cooperative Development Corporation
Finance Division
4, Siri Institutional Area, Hauz Khas, New Delhi - 110 016

No. NCDC: 1-1/90-Budt.

23 June, 2021

Secretary In-charge of Cooperation,
All State Governments and Union Territories

Sub: Interest rates on NCDC loans

Sir,

In modification of letter of even reference dated 5 February 2021, interest rates for NCDC loans are revised with immediate effect as follows:

Scheme	Effective rate of Interest *
A. Term Loans:	
(a) Through State Government	
(i) Weaker section programmes	9.40%
(ii) Other programmes	9.60%
(b) Direct funding	
(i) Weaker section programmes	
- upto project cost of ₹100 lakh	9.70%
- above project cost of ₹100 lakh	9.82%
(ii) Other Programmes	9.87%

* Subject to payment of installments on or before due date.


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Effective rate of interest * for working capital loan through State Government and under Direct funding w.e.f. 23 June, 2021


B. Working Capital Loans:		Upto 30 days ^a		31 days - 120 days		121 days - 180 days		181 days - 270 days		271 days - One year		One year - Two years	
		Through State Govt	Direct Funding	Through State Govt	Direct Funding	Through State Govt	Direct Funding	Through State Govt	Direct Funding	Through State Govt	Direct Funding	Through State Govt	Direct Funding
(i)	upto 50 crore	6.48%	6.68%	6.71%	6.86%	6.98%	7.04%	7.38%	7.44%	7.74%	7.79%	8.36%	8.41%
(ii)	> 50 crore and upto 100 crore	6.47%	6.65%	6.70%	6.83%	6.94%	6.99%	7.34%	7.39%	7.72%	7.77%	8.36%	8.41%
(iii)	> 100 crore and upto 300 crore	6.46%	6.63%	6.69%	6.81%	6.91%	6.96%	7.31%	7.36%	7.70%	7.75%	8.36%	8.41%
(iv)	> 300 crore and upto 1000 crore	6.46%	6.60%	6.69%	6.78%	6.89%	6.94%	7.29%	7.34%	7.68%	7.73%	8.36%	8.41%
(v)	> 1000 crore	6.45%	6.58%	6.68%	6.76%	6.86%	6.91%	7.26%	7.31%	7.66%	7.71%	8.36%	8.41%
(vi)	For MSP/PSS operations by authorised bodies for amount < 2000 crore	6.18%	6.31%	6.29%	6.38%	6.69%	6.75%	7.24%	7.29%	7.64%	7.69%	8.26%	8.36%
(vii)	For MSP/PSS operations by authorised bodies for amount ≥ 2000 crore and <5000 crore with drawal @ tranches not < 300 crore \$	6.15%	6.18%	6.25%	6.29%	6.54%	6.59%	7.19%	7.24%	7.59%	7.64%	8.21%	8.31%
(viii)	For MSP/PSS operations by authorized bodies for amount 5000 crore and above with drawal @ tranches not < 500 crore #	6.13%	6.16%	6.23%	6.27%	6.52%	6.57%	7.17%	7.22%	7.57%	7.62%	8.18%	8.28%
(ix)	For Cold Chain projects	6.45%	6.58%	6.68%	6.76%	6.86%	6.91%	7.26%	7.31%	7.66%	7.71%	8.36%	8.41%

^aNo pre-payment is allowed for WC Loan drawn for a period upto 30 days.

* Subject to payment of installments on or before due date.

\$ For MSP/PSS operations by authorized bodies for sanction amount ≥Rs.2000 crore as indicated at Sl. No. (vii) and (viii) above, borrower is allowed to avail benefit of reduction in rate of interest, if any, upto a maximum of two times during the entire loan period availed for each disbursement after retention period of 21 days and further subject to condition that no pre-payment of loan is allowed till next 30 days after each reset of interest allowed by NCDC. The benefit of reset of interest rate will be effective from fifth day of date of receipt of request from borrower.

For MSP/PSS operations by authorized bodies for sanction amount of Rs.5000 crore and above as indicated at Sl. No. (viii) with Central Government Guarantee, 2 basis points less than the rate prescribed


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