National Cooperative Development Corporation
Finance Division
4, Siri Institutional Area, Hauz Khas, New Delhi - 110016

No. NCDC: 1-1/90-Budt. 20 October, 2026

Secretary, Cooperation, Government of India,
All State Governments and Union Territories

Sub: Interest rates on NCDC loans

Sir,

In supersession of letter of even no. dated 18.06.2025 & 30.04.2026, interest rates for NCDC loans are revised with effect from 26.10.2026 as follows:

Floating Interest Rates

A. Term Loans:

Scheme	Effective rate of interest *
(a) Through State Government	
(i) Weaker section programmes	9.21%
(ii) Other programmes	9.41%
(b) Direct funding	
(i) Weaker section programmes	
- up to project cost of ₹100 lakh	9.52%
- above project cost of ₹100 lakh	9.57%
(ii) Other Programmes	9.57%

B. Working Capital Loans:

Amount-wise period-wise rate of interest for disbursement of working capital loans *#		**Up to 180 days**	**181 days - One year**	**One year - Two years**
(i)	Up to ₹100 crore	9.21%	9.31%	9.41%
(ii)	> ₹100 crore	9.20%	9.30%	9.40%
(iii)	For MSP operations by authorised bodies for amount up to ₹1000 crore	8.92%	9.02%	9.37%
(iv)	For MSP operations by authorised bodies for amount above ₹1000 crore	8.72%	8.82%	9.23%
(v)	For working capital loans up to ₹100 crore secured against 100% FDRs	7.75%		
(vi)	For working capital loans > ₹100 crore secured against 100% FDRs	7.60%		

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Central Sector Scheme- Grant-in-Aid to NCDC

Scheme	Effective rate of interest *
A. Term Loans:	8.50%
B. Working Capital Loans: • Women Self Help Groups (SHGs): • Others:	 7.75% 8.00%

Fixed Interest Rates

A. Term Loans:

Scheme	Effective rate of interest *
(a) Through State Government	
(i) Weaker section programmes	10.90%
(ii) Other programmes	11.10%
(b) Direct funding	
(i) Weaker section programmes	
- up to project cost of ₹100 lakh	11.20%
- above project cost of ₹100 lakh	11.32%
(ii) Other Programmes	11.37%

B. Working Capital Loans:

Amount-wise period-wise rate of interest for disbursement of working capital loans *#		**Up to 180 days**	**181 days - One year**	**One year - Two years**
(i)	Up to ₹100 crore	9.46%	9.66%	10.01%
(ii)	> ₹100 crore	9.45%	9.65%	10.00%
(iii)	For MSP operations by authorised bodies for amount up to ₹1000 crore	9.17%	9.37%	9.72%
(iv)	For MSP operations by authorised bodies for amount above ₹1000 crore	8.97%	9.17%	9.58%
(v)	For working capital loans up to ₹100 crore secured against 100% FDRs	8.50%		
(vi)	For working capital loans > ₹100 crore secured against 100% FDRs	8.35%		

- * Subject to payment of installments on or before due date.
- # In case of State Government, a discount of 10 basis points less than the rate prescribed for working capital loan as above shall be applicable.

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2. In all cases under floating regime/special rate of interest offered by NCDC, there shall be a uniform flat increase of 25 basis points w.e.f. from 26.10.2026. Further in case of repo linked interest rates, 25 basis points on the outstanding amount has already been increased w.e.f. 07.10.2026.

3. In case payment of installment not received on or before due date, Normal Rate (effective + 1%) and penal rate of interest @ 2.5% over and above Normal Rate would be applicable.

4. Weaker Section Programmes:

    (i) Fisheries
    (ii) Scheduled Castes/Scheduled Tribes/ Hill Area Cooperatives
    (iii) Dairy and Livestock
    (iv) Poultry
    (v) Handloom
    (vi) Coir, Jute and Tobacco
    (vii) Sericulture
    (viii) Women Cooperatives
    (ix) Labour Cooperatives

5. Processing fee shall be charged on all loans of more than one year tenure @ 0.5% of the sanctioned amount, not exceeding Rs.3.00 lakhs (0.5% of Rs.6.00 crores) plus applicable tax. However, processing fee shall not be charged for :

    (i) All loans to State Government
    (ii) All loans to North East Region
    (iii) All loans of sanction amount upto Rs.25 lakhs

6. Other terms and conditions as contained in Corporation's letter of even reference dated 15 October, 1984 shall continue to be applicable.

Yours faithfully,

Mukesh Raj
Deputy Director (Finance)

Copy to:

1. Registrar of Cooperative Societies,
All States and Union Territories.

2. Secretary In-charge, Fisheries Department, State Government of West Bengal, Maharashtra, Karnataka, Gujarat, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Odisha, Manipur, Tripura, Assam, Nagaland.

3. Additional Secretary (Cooperation),
Ministry of Cooperation, Atal Akshay Urja Bhawan, New Delhi.

4. Director of Fisheries, State Government of West Bengal, Maharashtra, Karnataka, Gujarat, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Odisha, Manipur, Tripura, Assam, Nagaland.

5. Director of Textiles, State Government of Maharashtra, Tamil Nadu, Andhra Pradesh, Telangana, Kerala, Gujarat, Madhya Pradesh, Karnataka, West Bengal.

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6. Sr.PPS/PPS to Secretary to the Government of India, Ministry of Cooperation, New Delhi.

7. MD Secretariate/ DMDs Secretariate /DG (LINAC).

8. All Executive Directors/Chief Directors/Directors, NCDC, H.O.

9. All Regional Directors, NCDC.

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Mukesh Raj
Deputy Director (Finance)

Signature Not Verified

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