

No.1-16/2007-SDF
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution

Krishi Bhawan, New Delhi
Dated, the 25th March, 2013

To,

1. The President,
Indian Sugar Mills Association,
Ansal Plaza, Block 'C',
Second Floor, August Kranti Marg,
New Delhi -110049.
2. National Federation of Cooperative Sugar Factories Limited,
Ansal Plaza, Block 'C',
Second Floor, August Kranti Marg,
New Delhi -110049.
3. The General Manager,
IFCI Ltd., IFCI Tower,
61, Nehru Place,
New Delhi- 110019.
4. The Chief Director (Sugar),
National Co-operative Development Corporation,
4, Siri Institutional Area, Hauz Khas,
New Delhi.
5. Commissioner of Sugar (All Sugar Producing States)

Subject: Rate of interest on SDF loans – regarding.

Sir,

I am directed to say that as per the SDF Rules, 1983 loans are given to the sugar factories for sugarcane development, modernisation, cogeneration and ethanol project at an interest rate of 2% below the prevailing bank rate. Bank rate has been defined in the SDF Rules as follows:

“Bank rate” means the standard rate as made public by the Reserve Bank of India under Section 49 of the Reserve Bank of India Act 1934 (2 of 1934) and prevailing on the date of disbursement of the instalment of the loan by the Government [Rule 2(bb)].

The Reserve Bank of India vide their letter No.RBI/2012-13/452 Ref.No.RPCD.CO.RRB.RCB.BC.No.69/03.05.33/2012-13 dated 19.03.2013 (copy enclosed) have revised the bank rate from 8.75% p.a. to 8.50% p.a. with effect from 19.03.2013. This is to inform that the interest rate on SDF loans disbursed on or after 19.03.2013 shall be 6.50% p.a. (8.50% - 2%) till further orders.

Yours faithfully,

Encl: As above.


(Adhir Jha)
Director (SDF)
Tel.No.23382338

Copy to:

1. The Chief Controller of Accounts,
Ministry of Consumer Affairs, Food & Public Distribution,
Jeewan Deep Building, 4th Floor,
Parliament Street,
New Delhi - 110001.
2. Deputy Director (SDF A/cs)
3. The Senior Accounts Officer,
Ministry of Consumer Affairs, Food & Public Distribution,
Jeewan Deep Building, 4th Floor,
Parliament Street,
New Delhi - 110001.



RESERVE BANK OF INDIA

Date: Mar 19, 2013

Bank Rate

RBI/2012-13/452
RPCD.CO.RRB.RCB.BC. No. 69 /03.05.33/2012-13

March 19, 2013

The Chairmen/Chief Executive Officers,
All Regional Rural Banks / State and Central Co-operative Banks

Dear Sir/Madam,

Bank Rate

As announced in the Mid Quarter Review of Monetary Policy 2012-13, the Bank Rate stands adjusted by 25 basis points from 8.75 per cent to 8.50 per cent with effect from March 19, 2013.

2. All penal interest rates on shortfall in reserve requirements, which are specifically linked to the Bank Rate, also stand revised as indicated in Annex.

3. Please acknowledge receipt.

Yours faithfully

(C. D. Srinivasan)
Chief General Manager

Encl: as above

Annex

Penal Interest Rates which are linked to the Bank Rate

Item	Existing Rate	Revised Rate (Effective from March 19, 2013)
Penal interest rates on shortfalls in reserve requirements (depending on duration of shortfalls).	Bank Rate plus 3.0 percentage points (11.75 per cent) or Bank Rate plus 5.0 percentage points (13.75 per cent).	Bank Rate plus 3.0 percentage points (11.50 per cent) or Bank Rate plus 5.0 percentage points (13.50 per cent).