

F. No. 18/2/2010-NS.II (Vol.II)  
Ministry of Finance  
Department of Economic Affairs  
(Budget Division)

North Block, New Delhi  
Dated, the 10<sup>th</sup> June, 2016

Office Memorandum

Subject: Interest relief to States against National Small Savings Fund (NSSF) loan after award period of FC (XIII) - regarding.

The undersigned is directed to refer to this Department's OM No. 6/1/2011-NS.II dated 11<sup>th</sup> November, 2011, vide which interest relief, as per recommendations of FC(XIII), to States against NSSF loan contracted by them from 1999-2000 to 2006-07 was communicated. The interest for NSSF loan for the aforesaid period was fixed at 9% in place of 10.5% or 9.5%. This relief was subject to achievement of FRBM targets.

2. Since there is no merit in extending the interest relief to States on NSSF loan contracted by them from 1999-2000 to 2006-07 during award period of FC (XIV); from 01.04.2015; States and Centre shall pay the interest of 10.5% in respect of NSSF loan contracted prior to 1.4.2003 and 9.5% in respect of NSSF loan contracted on or after 1.4.2003 but on or before 30.3.2007.

3. This has the approval of Finance Minister.



(Sigy Thomas Vaidhyan)  
Deputy Secretary (Budget)  
Tele: 23092649

To

1.The Secretary,  
Department of Expenditure  
North Block  
New Delhi.

2.Chief General Manager  
Department of Govt. & Bank  
Accounts  
Central Office  
Mumbai.

3.The Director,  
National Savings Institute  
Nagpur.

4.Reserve Bank of India  
Central Accounts Section  
Additional Office Section  
East High Court Road, Nagpur.

5. Chief Secretaries of States/UT  
Governments