



Ref No NB.HO. FSPD/346-774 / Circulars/ Policy 18 (I) /2019-20
18th June 2019

Circular No: 174 /FSPD- 05 /2019
18th June 2019

The Managing Director
All State Cooperative Banks

The Chief Executive Officer
All District Central Cooperative Banks

Madam/Sir

Credit Flow to Agriculture – Collateral free Agricultural loans

Please refer to paragraph 13 of the Statement on Development and Regulatory Policies of the Sixth Bi-Monthly Monetary Policy Statement for 2018-19 released by Reserve Bank of India on February 7, 2019 as also our circular no. 135/DPD-FS 04/2010 dated 23 July 2010 on the captioned subject addressed to Registrar of Cooperative Societies.

2. Keeping in view the overall inflation and rise in agriculture input cost over the years since 2010, it has been decided to raise the limit for collateral free agricultural loans from the existing level of ₹1 lakh (Rs. One Lakh) to ₹1.60 lakh (Rs. One Lakh Sixty Thousands). Accordingly, banks may waive security/ margin requirements for agricultural loans up to ₹1.60 lakh.
3. You are requested to give adequate publicity to this change and instruct your branches to implement the same immediately.
4. Please acknowledge receipt of this circular to our concerned Regional Office.

Yours faithfully


(K Venkateswara Rao)
Chief General Manager

राष्ट्रीय कृषि और ग्रामीण विकास बैंक
National Bank for Agriculture and Rural Development

कृषि क्षेत्र नीति विभाग

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