



External Circular No. 255 / DoR - 72 / 2019 dated 23 August 2019

No.NB.DoR.ST Policy / 1491 / A-1(Gen) / 2019-20

The Managing Director
All State Cooperative Banks

Dear Sir

Provision of Additional Short-Term (ST) refinance by NABARD to State Cooperative Banks for financing Seasonal Agricultural Operations (SAO) – Modification in Policy for F. Y. 2019-20

Please refer to letter No. NB.DoR.ST.Policy/3291/A-1(Gen)/2018-19 dated 28 March 2019 (Circular No.85/DoR-27/2019) on the captioned subject, communicating policy for sanction of additional Short -Term (ST) refinance to State Cooperative Banks for financing Seasonal Agricultural Operations (SAO) for the FY 2019-20.

2. In para 6 of the above circular, it has been made mandatory for banks to serve a notice of 15 days for prepayment of credit limit availed from NABARD.

3. The policy has since been reviewed and the changes in Para 6 of the circular may be read as under:

“The amount drawn against the limit are repayable on demand. However, each drawal on the credit limit would be treated as a separate loan and would normally be repayable in a period of 12 months from the date of drawal. Repayments before the expiry of 12 months may be accepted by NABARD with minimum notice of 15 working days. **The notice period may, however, be waived in case the repayment is made 30 days after the date of drawal.**”

4. Please acknowledge receipt of this circular to our Regional Office.

Yours faithfully


R Mahajan
General Manager

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

National Bank for Agriculture and Rural Development

पुनर्भित्त विभाग

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