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19 November 2025

The Managing Director
All State Cooperative Banks

Madam/Dear Sir

Long-term refinance for investment credit for agriculture - Long Term Rural Credit Fund 2025-26 (LTRCF) – State Cooperative Banks (StCBs)

As you are aware, the Government of India has created the Long Term Rural Credit Fund (LTRCF) with NABARD to enhance the refinancing operations to Rural Cooperative Banks and Regional Rural Banks to meet the long-term investment credit needs in agriculture. The operational guidelines for LTRCF for the financial year 2025-26 are enclosed herewith.

2. The interest rate on refinance from NABARD will be 4.50% p.a. (with quarterly rests), subject to revision by NABARD from time to time. StCBs are encouraged to pass on the benefit of low-cost funds to the ultimate borrower. The bank needs to use the concessional funds under LTRCF for creating assets under Agriculture for eligible purposes.
3. It must be ensured that 25% of the corpus of the fund is utilised in identified districts where the credit flow is comparatively low (list of districts enclosed).
4. The Circular is also available on NABARD website www.nabard.org under the tab Information Centre.
5. Please acknowledge receipt.

Yours faithfully

(Dr. K.S. Mahesh)
Chief General Manager

Encls: As above

राष्ट्रीय कृषि और ग्रामीण विकास बैंक
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Long Term Rural Credit Fund 2025-26 (LTRCF)

1. Introduction

Capital formation in agriculture is critical to boost agriculture production and productivity. This also protects the farmers from uncertainty due to weather and climate change and provides them with a sustainable income flow. Further, capital formation in allied activities increases the resilience of farmers by enabling them to have a perennial flow of income.

To give boost to long term investment credit, Government of India set up a “Long Term Rural Credit Fund” with NABARD for providing long term refinance support for investment credit in agriculture activities exclusively for Cooperative Banks and Regional Rural Banks (RRBs).

The salient features of the scheme and important terms and conditions of providing refinance are as under:

2. Eligible institutions

All State Cooperative Banks(StCBs) which satisfy the eligibility criteria as stipulated by NABARD and are eligible to avail refinance facilities from NABARD will be eligible for refinance under this line of credit.

3. Eligibility criteria

The eligibility criteria will be applicable as specified in the extant operational guidelines on long term refinance and other guidelines issued from time to time.

However, to improve the flow of credit to districts where credit flow is comparatively low, NABARD has allocated 25% of the corpus funds under LTRCF for State Cooperative Banks (StCBs) towards these districts (list of districts is enclosed). The utilisation in these identified districts will be monitored closely by NABARD.

4. Activities covered.

All eligible investment activities under agriculture sector will be covered under this scheme. Women SHG loans above Rs.5 lakh disbursed by banks for farm sector investment activities will be eligible for refinance under LTRCF under a declaration that the loans are for farm sector investment activities and are not covered under NRLM/ Interest subvention scheme under NRLM. Detailed loan pool data to be submitted along with the refinance claim for concessional refinance claimed under LTRCF.

5. Extent of refinance

The extent of refinance for the States in Northeastern Region (Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim), Hilly Region (Jammu & Kashmir, Himachal Pradesh, Uttarakhand), Eastern Region (West Bengal,

Odisha, Bihar, Jharkhand and Andaman & Nicobar Islands), Lakshadweep and Chhattisgarh will be 95% of eligible bank loans for all purposes. For other regions the extent of refinance will be:

- (a) 95% for all thrust areas (as indicated in our refinance policy)
- (b) 90% for all other diversified purposes.

6. Automatic Refinance Facility (ARF)

Automatic Refinance Facility will be extended without any upper ceiling of refinance quantum, bank loan or Total Financial Outlay for all projects under agriculture sector. In case, any bank intends to avail refinance under pre-sanction procedure, they may submit projects to NABARD.

7. Interest rate

7.1 Loans to borrowers

The rate of interest on loans to ultimate borrowers will be as per RBI guidelines. Banks are encouraged to pass on the benefit of low-cost funds to the ultimate borrower.

7.2 Refinance from NABARD

The interest rate on refinance from NABARD will be 4.50% p.a. (with quarterly rests), subject to revision from NABARD from time to time. It is expected that Banks will pass on the benefit availing concessional refinance to the ultimate borrower.

7.3 Penal charge

In the event of default in repayment of principal and /or payment of interest, StCB will be liable to pay to NABARD penal charge on amount of default at 2% (plus applicable taxes) over and above the interest rate on LT refinance (Normal) for 5 years and above as prevailing on the date of default for the period for which the default persists. The penal charge is subject to revision from time to time.

8. Repayment period

Considering the reach of the State Cooperative Banks (StCBs) to support capital formation in rural /agriculture sector, State Cooperative Banks (StCBs) shall make a single bullet repayment at the end of five year under LTRCF. Servicing of interest would be as per the guidelines in vogue at present. (i.e Quarterly repayment of interest on 1 February, 1 May, 1 August and 1 November)

Any change in repayment obligations to depositing banks under LTRCF deposits shall have the effect on the repayment schedule of the RFIs to NABARD.

9. Maintenance of records

Refinance extended under the LTRC Fund has to be accounted for separately and necessary records should be maintained for the purpose. The banks have to provide all information like average amount of loan, interest rate charged, processing fee charged etc. as and when called for by NABARD.

10. Long Term Asset Coverage Certificate (LTACC) under LTRCF.

Since the repayment from bank will be in bullet mode at the end of 5 years, the outstanding of bullet repayment at ground level is to be ensured in such a way that the outstanding of loans disbursed by State Cooperative Banks (StCBs) to beneficiaries under LTRCF should not be lower than the NABARD's refinance amount outstanding under LTRCF. In order to match LT assets with outstanding, LTACC under LTRCF signed by authorised signatory of the bank is required to be submitted on quarterly basis as per the attached format by 10th of the succeeding month of every quarter. Apart from maintaining asset coverage, Banks need to use the concessional funds under LTRCF for creating assets under Agriculture for eligible purposes. NABARD through its ROs will be taking up yearly test checks at ground level on sample basis by visiting your branches.

11. All the other existing terms and conditions laid down in our existing LT Refinance operational guidelines for State Cooperative Banks (StCBs) for availing of refinance will be applicable under the scheme.

List of Districts with low Priority Sector Lending

Sl.No	State	District name
1	Andaman & Nicobar Islands	Nicobar
2	Andhra Pradesh	Alluri Sitharama Raju
3	Arunachal Pradesh	Anjaw
4	Arunachal Pradesh	Chunglang
5	Arunachal Pradesh	East Kameng
6	Arunachal Pradesh	East Siang
7	Arunachal Pradesh	Kamle
8	Arunachal Pradesh	Kra Daadi
9	Arunachal Pradesh	Kurung Kumey
10	Arunachal Pradesh	Leparada
11	Arunachal Pradesh	Lohit
12	Arunachal Pradesh	Longding
13	Arunachal Pradesh	Lower Dibang Valley
14	Arunachal Pradesh	Lower Siang
15	Arunachal Pradesh	Lower Subansiri
16	Arunachal Pradesh	Namsai
17	Arunachal Pradesh	Pakke Kessang
18	Arunachal Pradesh	Shi-Yomi
19	Arunachal Pradesh	Siang
20	Arunachal Pradesh	Tawang
21	Arunachal Pradesh	Tirap
22	Arunachal Pradesh	Upper Siang
23	Arunachal Pradesh	Upper Subansiri
24	Arunachal Pradesh	West Siang
25	Assam	Bajali
26	Assam	Baksa
27	Assam	Charaideo
28	Assam	Chirang
29	Assam	Dhemaji
30	Assam	Dhubri
31	Assam	Dima Hasao
32	Assam	Goalpara
33	Assam	Hailakandi
34	Assam	Hojai
35	Assam	Karbi Anglong
36	Assam	Karimganj
37	Assam	Kokrajhar
38	Assam	Majuli

Sl.No	State	District name
39	Assam	Morigaon
40	Assam	Nagaon
41	Assam	South Salmara-Mankachar
42	Assam	Udalguri
43	Assam	West Karbi Anglong
44	Bihar	Arwal
45	Bihar	Banka
46	Bihar	Bhojpur
47	Bihar	Buxar
48	Bihar	Gopalganj
49	Bihar	Jamui
50	Bihar	Jehanabad
51	Bihar	Kaimur
52	Bihar	Khagaria
53	Bihar	Lakhisarai
54	Bihar	Madhepura
55	Bihar	Madhubani
56	Bihar	Munger
57	Bihar	Nalanda
58	Bihar	Nawada
59	Bihar	Paschimi Champaran
60	Bihar	Saran
61	Bihar	Sheikhpura
62	Bihar	Sheohar
63	Bihar	Sitamarhi
64	Bihar	Siwan
65	Bihar	Supaul
66	Chhattisgarh	Balrampur
67	Chhattisgarh	Dakshin Bastar Dantewada
68	Chhattisgarh	Gariyaband
69	Chhattisgarh	Gaurela-Pendra-Marwahi
70	Chhattisgarh	Jashpur
71	Chhattisgarh	Khairagarh-Chhuikhadan-Gandai
72	Chhattisgarh	Kondagaon
73	Chhattisgarh	Koriya
74	Chhattisgarh	Manendragarh-Chirmiri-Bharatpur
75	Chhattisgarh	Mohla-Manpur-Ambagarh Chouki
76	Chhattisgarh	Narayanpur
77	Chhattisgarh	Sakti
78	Chhattisgarh	Sarangarh-Bilaigarh
79	Chhattisgarh	Sukma

Sl.No	State	District name
80	Chhattisgarh	Surajpur
81	Chhattisgarh	Surguja
82	Gujarat	Dangs
83	Haryana	Nuh
84	Jharkhand	Chatra
85	Jharkhand	Dumka
86	Jharkhand	Garhwa
87	Jharkhand	Godda
88	Jharkhand	Gumla
89	Jharkhand	Jamtara
90	Jharkhand	Khunti
91	Jharkhand	Latehar
92	Jharkhand	Palamau
93	Jharkhand	Sahebganj
94	Jharkhand	Simdega
95	Madhya Pradesh	Alirajpur
96	Madhya Pradesh	Anuppur
97	Madhya Pradesh	Bhind
98	Madhya Pradesh	Dindori
99	Madhya Pradesh	Niwari
100	Madhya Pradesh	Panna
101	Madhya Pradesh	Sidhi
102	Madhya Pradesh	Tikamgarh
103	Madhya Pradesh	Umaria
104	Maharashtra	Gadchiroli
105	Manipur	Bishenpur
106	Manipur	Chandel
107	Manipur	Churachandpur
108	Manipur	Imphal East
109	Manipur	Jiribam
110	Manipur	Kakching
111	Manipur	Kamjong
112	Manipur	Kangpokpi
113	Manipur	Noney
114	Manipur	Pherzawal
115	Manipur	Senapati
116	Manipur	Tamenglong
117	Manipur	Tengnoupal
118	Manipur	Thoubal
119	Manipur	Ukhrul
120	Meghalaya	East Garo Hills

Sl.No	State	District name
121	Meghalaya	East Jaintia Hills
122	Meghalaya	Eastern West Khasi Hills
123	Meghalaya	North Garo Hills
124	Meghalaya	South Garo Hills
125	Meghalaya	South West Garo Hills
126	Meghalaya	South West Khasi Hills
127	Meghalaya	West Garo Hills
128	Meghalaya	West Jaintia Hills
129	Meghalaya	West Khasi Hills
130	Mizoram	Champhai
131	Mizoram	Hnahthial
132	Mizoram	Kolasib
133	Mizoram	Lawngtlai
134	Mizoram	Lunglei
135	Mizoram	Mamit
136	Mizoram	Saitual
137	Mizoram	Serchhip
138	Mizoram	Siaha
139	Nagaland	Chumoukedima
140	Nagaland	Kiphire
141	Nagaland	Longleng
142	Nagaland	Mokokchung
143	Nagaland	Mon
144	Nagaland	Niuland
145	Nagaland	Noklak
146	Nagaland	Peren
147	Nagaland	Phek
148	Nagaland	Shamator
149	Nagaland	Tseminyu
150	Nagaland	Tuensang
151	Nagaland	Wokha
152	Nagaland	Zunheboto
153	NCT of Delhi	North-East Delhi
154	Odisha	Malkangiri
155	Odisha	Nawrangpur
156	Rajasthan	Deeg
157	Rajasthan	Gangapurcity
158	Rajasthan	Jodhpur Rural
159	Rajasthan	Salumber
160	Rajasthan	Sanchoe
161	Sikkim	Gyalshing

Sl.No	State	District name
162	Sikkim	Soreng
163	Telangana	Adilabad
164	Tripura	Dhalai
165	Tripura	Gomati
166	Tripura	Khowai
167	Tripura	North Tripura
168	Tripura	Sepahijala
169	Uttar Pradesh	Amroha
170	Uttar Pradesh	Azamgarh
171	Uttar Pradesh	Ballia
172	Uttar Pradesh	Balrampur
173	Uttar Pradesh	Banda
174	Uttar Pradesh	Basti
175	Uttar Pradesh	Chitrakoot
176	Uttar Pradesh	Farrukhabad
177	Uttar Pradesh	Gonda
178	Uttar Pradesh	Jaunpur
179	Uttar Pradesh	Kanpur Dehat
180	Uttar Pradesh	Kaushambi
181	Uttar Pradesh	Kushi Nagar
182	Uttar Pradesh	Maharajganj
183	Uttar Pradesh	Mau
184	Uttar Pradesh	Sant Kabir Nagar
185	Uttar Pradesh	Shravasti
186	Uttar Pradesh	Sidharthanagar
187	Uttar Pradesh	Sitapur
188	Uttar Pradesh	Sultanpur
189	Uttar Pradesh	Unnao
190	Uttarakhand	Bageshwar
191	Uttarakhand	Chamoli
192	Uttarakhand	Pithoragarh
193	Uttarakhand	Rudraprayag
194	Uttarakhand	Tehri Garhwal
195	West Bengal	Jhargram
196	West Bengal	Puruliya

