



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
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(Updated as on May 31, 2021)

(Updated as on April 29, 2021)

**The Chairman / Managing Director/**

**Chief Executive Officer**

**[All Commercial Banks including Regional Rural Banks,**

**Small Finance Banks, Local Area Banks and**

**Primary (Urban) Co-operative Banks other than Salary Earners' Banks]**

Madam/Dear Sir,

**Master Directions – Priority Sector Lending (PSL) – Targets and Classification.**

The Reserve Bank of India has, from time to time, issued a number of instructions / guidelines to banks relating to Priority Sector Lending. The [Master Directions](#) enclosed incorporate the updated instructions / guidelines on the subject. The list of circulars consolidated in this Master Direction is indicated in the [Appendix](#).

Yours faithfully,

(Nisha Nambiar)

Chief General Manager-in-Charge

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**हिंदी आसान है, इसका प्रयोग बढ़ाइये**

**“चेतावनी : रिज़र्व बैंक द्वारा मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का ब्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।”**

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## **Master Directions- Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020**

In exercise of the powers conferred by Sections 21 and 35A read with Section 56 of the Banking Regulation Act, 1949, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest so to do, hereby, issues the Directions hereinafter specified.

### **CHAPTER – I PRELIMINARY**

#### **1. Short Title and Commencement**

**1.1** These Directions shall be called the Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020.

**1.2** These Directions shall come into effect on the day they are placed on the official website of the Reserve Bank of India.

#### **2. Applicability**

The provisions of these Directions shall apply to every Commercial Bank [including Regional Rural Bank (RRB), Small Finance Bank (SFB), Local Area Bank] and Primary (Urban) Co-operative Bank (UCB) other than Salary Earners' Bank.

#### **3. Definitions/ Clarifications**

**3.1** In these Directions, unless the context otherwise requires, the terms herein shall bear the meanings assigned to them below:

- (i) 'Urban Co-operative Bank' or 'UCB' means a Primary Co-operative Bank as defined under Section 5(ccv) of the Banking Regulation Act, 1949 read with Section 56 of the Act.
- (ii) "On-lending" means loans sanctioned by banks to eligible intermediaries for onward lending for creation of priority sector assets. The average maturity of priority sector assets thus created by the eligible intermediaries should be co-terminus with maturity of the bank loan.
- (iii) Contingent liabilities/off-balance sheet items do not form part of priority sector achievement. However, foreign banks with less than 20 branches have an option to reckon the Credit Equivalent of Off-Balance Sheet



Exposures (CEOBE) extended to borrowers for eligible priority sector activities for achievement of priority sector target, subject to the condition that the CEOBE (both priority sector and non-priority sector excluding interbank exposure) should be added to the Adjusted Net Bank Credit (ANBC) in the denominator for computation of PSL targets.

- (iv) Off-balance sheet interbank exposures are excluded for computing CEOBE for the priority sector targets.
- (v) The term “all-inclusive interest” includes interest (effective annual interest), processing fees and service charges.

**3.2** All other expressions, unless defined herein, shall have the same meaning as has been assigned to them under the Banking Regulation Act, 1949 or the Reserve Bank of India Act, 1934 or any statutory modification or re-enactment thereto or as used in commercial parlance, as the case may be.

**3.3** Banks must ensure that loans extended under priority sector are for approved purposes and the end use is continuously monitored. The banks should put in place proper internal controls and systems in this regard.

## CHAPTER – II

### CATEGORIES AND TARGETS UNDER PRIORITY SECTOR

**4. The categories under priority sector are as follows:**

- i. [Agriculture](#)
- ii. [Micro, Small and Medium Enterprises](#)
- iii. [Export Credit](#)
- iv. [Education](#)
- v. [Housing](#)
- vi. [Social Infrastructure](#)
- vii. [Renewable Energy](#)
- viii. [Others](#)

The details of eligible activities under the above categories are specified in [Chapter III](#).



## 5. Targets /Sub-targets for Priority sector

**5.1** The targets and sub-targets set under priority sector lending, to be computed on the basis of the ANBC/ CEOBE as applicable as on the corresponding date of the preceding year, are as under:

| Categories                                                                                                           | Domestic commercial banks (excl. RRBs & SFBs) & foreign banks with 20 branches and above                                                    | Foreign banks with less than 20 branches                                                                                                                                                               | Regional Rural Banks                                                                                                                                                                                                                               | Small Finance Banks                                                                                            |
|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| <b>Total Priority Sector</b>                                                                                         | 40 per cent of ANBC as computed in para 6 below or CEOBE whichever is higher                                                                | 40 per cent of ANBC as computed in para 6 below or CEOBE whichever is higher; out of which up to 32% can be in the form of lending to Exports and not less than 8% can be to any other priority sector | 75 per cent of ANBC as computed in para 6 below or CEOBE whichever is higher; However, lending to Medium Enterprises, Social Infrastructure and Renewable Energy shall be reckoned for priority sector achievement only up to 15 per cent of ANBC. | 75 per cent of ANBC as computed in para 6 below or CEOBE whichever is higher.                                  |
| <b>Agriculture</b>                                                                                                   | 18 per cent of ANBC or CEOBE, whichever is higher; out of which a target of 10 percent# is prescribed for Small and Marginal Farmers (SMFs) | Not applicable                                                                                                                                                                                         | 18 per cent ANBC or CEOBE, whichever is higher; out of which a target of 10 percent# is prescribed for SMFs                                                                                                                                        | 18 per cent of ANBC or CEOBE, whichever is higher; out of which a target of 10 percent# is prescribed for SMFs |
| <b>Micro Enterprises</b>                                                                                             | 7.5 per cent of ANBC or CEOBE, whichever is higher                                                                                          | Not applicable                                                                                                                                                                                         | 7.5 per cent of ANBC or CEOBE, whichever is higher                                                                                                                                                                                                 | 7.5 per cent of ANBC or CEOBE, whichever is higher                                                             |
| <b>Advances to Weaker Sections</b>                                                                                   | 12 percent# of ANBC or CEOBE, whichever is higher                                                                                           | Not applicable                                                                                                                                                                                         | 15 per cent of ANBC or CEOBE, whichever is higher                                                                                                                                                                                                  | 12 percent# of ANBC or CEOBE, whichever is higher                                                              |
| # Revised targets for <u>SMFs and Weaker Section</u> will be implemented in a phased manner as indicated in para 5.2 |                                                                                                                                             |                                                                                                                                                                                                        |                                                                                                                                                                                                                                                    |                                                                                                                |



**5.2** The targets for lending to SMFs and for Weaker Sections shall be revised upwards from FY 2021-22 onwards as follows:

| Financial Year | Small and Marginal Farmers target * | Weaker Sections target ^ |
|----------------|-------------------------------------|--------------------------|
| 2020-21        | 8%                                  | 10%                      |
| 2021-22        | 9%                                  | 11%                      |
| 2022-23        | 9.5%                                | 11.5%                    |
| 2023-24        | 10%                                 | 12%                      |

\* Not applicable to UCBs

^ Weaker Sections target for RRBs will continue to be 15% of ANBC or CEOBE, whichever is higher.

**5.3** UCBs shall comply with the stipulated targets as under:

| Categories                         | Primary Urban Co-operative Banks                                                                                                                                                                                                                             |                  |                  |                  |                  |                  |                  |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Total Priority Sector</b>       | 40 per cent of ANBC or CEOBE, whichever is higher, in FY2019-20, which shall stand increased to 75 per cent of ANBC or CEOBE, whichever is higher, with effect from FY2025-26. UCBs shall comply with the stipulated target as per the following milestones: |                  |                  |                  |                  |                  |                  |
|                                    | <b>FY2019-20</b>                                                                                                                                                                                                                                             | <b>FY2020-21</b> | <b>FY2021-22</b> | <b>FY2022-23</b> | <b>FY2023-24</b> | <b>FY2024-25</b> | <b>FY2025-26</b> |
|                                    | 40%                                                                                                                                                                                                                                                          | 45%              | 50%              | 60%              | 60%              | 65%              | 75%              |
| <b>Micro Enterprises</b>           | 7.5 per cent of ANBC or CEOBE, whichever is higher                                                                                                                                                                                                           |                  |                  |                  |                  |                  |                  |
| <b>Advances to Weaker Sections</b> | 12 per cent of ANBC or CEOBE, whichever is higher. The revised targets for weaker sections will be implemented in a phased manner as indicated below:                                                                                                        |                  |                  |                  |                  |                  |                  |
|                                    | <b>FY2019-20</b>                                                                                                                                                                                                                                             | <b>FY2020-21</b> | <b>FY2021-22</b> | <b>FY2022-23</b> | <b>FY2023-24</b> | <b>FY2024-25</b> | <b>FY2025-26</b> |
|                                    | 10.00%                                                                                                                                                                                                                                                       | 11.00%           | 11.50%           | 11.50%           | 11.50%           | 11.75%           | 12.00%           |

**5.4** All domestic banks (other than UCBs) and foreign banks with more than 20 branches are directed to ensure that the overall lending to Non-Corporate Farmers (NCFs) does not fall below the system-wide average of the last three years' achievement which will be separately notified every year. The applicable target for lending to the non-corporate farmers for FY 2022-23 will be 13.78% of ANBC or CEOBE whichever is higher. All efforts should be made by banks to increase the Farm Credit (as per para 8.1) higher than the NCF target.



## 6. Computation of Adjusted Net Bank Credit (ANBC)

**6.1** For the purpose of priority sector lending, ANBC denotes the outstanding Bank Credit in India [As prescribed in item No.VI of Form 'A' under Section 42 (2) of the RBI Act, 1934] and computed as follows:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Bank Credit in India [As prescribed in item No.VI of Form 'A' under Section 42(2) of the RBI Act, 1934]                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | I                                   |
| Bills Rediscounted with RBI and other approved Financial Institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | II                                  |
| Net Bank Credit (NBC)*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | III(I-II)                           |
| Outstanding Deposits under RIDF and other eligible funds with NABARD, NHB, SIDBI and MUDRA Ltd in lieu of non-achievement of priority sector lending targets/sub-targets + outstanding PSLCs                                                                                                                                                                                                                                                                                                                                                                               | IV                                  |
| Eligible amount for exemptions on issuance of long-term bonds for infrastructure and affordable housing as per <a href="#">circular DBOD.BP.BC.No.25/08.12.014/2014-15 dated July 15, 2014</a>                                                                                                                                                                                                                                                                                                                                                                             | V                                   |
| Advances extended in India against the incremental FCNR (B)/NRE deposits, qualifying for exemption from CRR/SLR requirements, as per the Reserve Bank's <a href="#">circulars DBOD.No.Ret.BC.36/12.01.001/ 2013-14 dated August 14, 2013</a> read with <a href="#">DBOD.No.Ret.BC.93/ 12.01.001/2013-14 dated January 31, 2014</a> , DBOD mailbox clarification issued on February 6, 2014 and <a href="#">UBD.BPD.(PCB).CIR.No.5/13.01.000/2013-14 dated August 27, 2013</a> read with <a href="#">UBD.BPD.(PCB). Cir.No.72/ 13.01.000/ 2013-14 dated June 11, 2014</a> . | VI                                  |
| Investments made by public sector banks in the Recapitalization Bonds floated by Government of India                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | VII                                 |
| Other investments eligible to be treated as priority sector (e.g. investments in securitisation notes)                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | VIII                                |
| Face Value of securities acquired and kept under HTM category under the TLTRO 2.0 ( <a href="#">Press Release 2019-2020/2237 dated April 17, 2020</a> read with <a href="#">Q.11 of FAQ</a> and SLF-MF- <a href="#">Press Release 2019-2020/2276 dated April 27, 2020</a> and also Extended Regulatory Benefits under SLF-MF Scheme vide <a href="#">Press Release 2019-2020/2294 dated April 30, 2020</a> .                                                                                                                                                               | IX                                  |
| Bonds/debentures in Non-SLR categories under HTM category                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | X                                   |
| For UCBs: investments made after August 30, 2007 in permitted non SLR bonds held under 'Held to Maturity' (HTM) category                                                                                                                                                                                                                                                                                                                                                                                                                                                   | XI                                  |
| ANBC (Other than UCBs)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | III + IV- (V+VI+VII) +VIII - IX + X |
| ANBC for UCBs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | III + IV - VI - IX + XI             |

\* For the purpose of priority sector computation only. Banks should not deduct / net any amount like provisions, accrued interest, etc. from NBC.

**6.2** For the purpose of calculation of CEOBE, banks shall be guided by the Master Circular on Exposure Norms issued by Department of Regulation, RBI vide [DBR.No.Dir.BC.12/13.03.00/ 2015-16 dated July 1, 2015](#) and as updated from time to time. UCBs shall be guided by the relevant provisions of the [Master Circular dated July 1, 2015](#) on 'Prudential Norms on Capital Adequacy - UCBs' issued by Reserve Bank of India.



**6.3** SFBs shall be further guided by Para 6.5 (ii to vii) of the Operating Guidelines for Small Finance Banks issued by Department of Regulation ([RBI/2016-17/81 DBR.NBD. No.26/16.13.218/2016-17 dated October 06, 2016](#)), pertaining to treatment of grandfathered loans, for computation of ANBC.

**6.4** While calculating Net Bank Credit as above, if banks subtract prudential write off at Corporate/Head Office level, it must be ensured that the credit to priority sector and all other sub-sectors so written off should also be subtracted category wise from priority sector and sub-target achievement. Wherever, investments or any other items which are treated as eligible for classification under priority sector target/sub-target achievement, the same should also form part of Adjusted Net Bank Credit.

**6.5** All the banks have to adhere to the respective licencing guidelines and operating guidelines issued by the Department of Regulation, RBI and updated from time to time

## **7. Adjustments for weights in PSL Achievement**

To address regional disparities in the flow of priority sector credit at the district level, it was decided to rank districts on the basis of per capita credit flow to priority sector and build an incentive framework for districts with comparatively lower flow of credit and a dis-incentive framework for districts with comparatively higher flow of priority sector credit. With effect from FY 2024-25, a higher weight (125%) shall be assigned to the incremental priority sector credit in the identified districts where the credit flow is comparatively lower (per capita PSL less than ₹9,000), and a lower weight (90%) will be assigned for incremental priority sector credit in the identified districts where the credit flow is comparatively higher (per capita PSL greater than ₹42,000). The list of both categories of districts is given in [Annexes IA](#) and [IB](#) and will be valid up to FY 2026-27. The districts other than those mentioned in Annexes IA and IB will continue to have existing weightage of 100%.

The banks should continue to report the actual outstanding amount in QPSA returns as hitherto. Adjustments for weights to incremental PSL credit will be done by RBI, based on reporting of district wise credit flow to FIDD, CO through the ADEPT database. RRBs, UCBs, LABs and foreign banks (including WoS) would be exempted



from adjustments of weights in PSL achievement due to their currently limited area of operation/catering to a niche segment.

### CHAPTER – III

#### DESCRIPTION OF ELIGIBLE CATEGORIES UNDER PRIORITY SECTOR

##### 8. Agriculture

The lending to agriculture sector will include Farm Credit (Agriculture and Allied Activities), lending for Agriculture Infrastructure and Ancillary Activities.

##### 8.1 Farm Credit - Individual farmers

Loans to individual farmers [including Self Help Groups (SHGs) or Joint Liability Groups (JLGs) i.e. groups of individual farmers, provided banks maintain disaggregated data of such loans] and Proprietorship firms of farmers, directly engaged in Agriculture and Allied Activities, viz. dairy, fishery, animal husbandry, poultry, bee-keeping and sericulture. This will include:

- i. Crop loans including loans for traditional/non-traditional plantations, horticulture and allied activities.
- ii. Medium and long-term loans for agriculture and allied activities (e.g. purchase of agricultural implements and machinery and developmental loans for allied activities).
- iii. Loans for pre and post-harvest activities viz. spraying, harvesting, grading and transporting of their own farm produce.
- iv. Loans to distressed farmers indebted to non-institutional lenders.
- v. Loans under the Kisan Credit Card Scheme.
- vi. Loans to small and marginal farmers for purchase of land for agricultural purposes.
- vii. Loans against pledge/hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months subject to a limit up to ₹75 lakh against NWRs/eNWRs and up to ₹50 lakh against warehouse receipts other than NWRs/eNWRs.
- viii. Loans to farmers for installation of stand-alone Solar Agriculture Pumps and for solarisation of grid connected Agriculture Pumps.



- ix. Loans to farmers for installation of solar power plants on barren/fallow land or in stilt fashion on agriculture land owned by farmer.

**8.2 Farm Credit - Corporate farmers, Farmer Producer Organisations (FPOs)/(FPC) Companies of Individual Farmers, Partnership firms and Co-operatives of farmers engaged in Agriculture and Allied Activities**

(a) Loans for the following activities will be subject to an aggregate limit of ₹2 crore per borrowing entity:

- (i) Crop loans to farmers which will include traditional/non-traditional plantations and horticulture and loans for allied activities.
- (ii) Medium and long-term loans for agriculture and allied activities (e.g. purchase of agricultural implements and machinery and developmental loans for allied activities).
- (iii) Loans for pre and post-harvest activities viz. spraying, harvesting, grading and transporting of their own farm produce.

(b) Loans up to ₹75 lakh against pledge/hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months against NWRs/eNWRs and up to ₹50 lakh against warehouse receipts other than NWRs/eNWRs.

(c) Loans up to ₹5 crore per borrowing entity to FPOs/FPCs undertaking farming with assured marketing of their produce at a pre-determined price.

(d) UCBs are not permitted to lend to co-operatives of farmers.

**8.3 Agriculture Infrastructure**

Loans for agriculture infrastructure will be subject to an aggregate sanctioned limit of ₹100 crore per borrower from the banking system. List of activities is furnished in [Annex II](#).

**8.4 Ancillary Services**

**8.4.1** Following loans under ancillary services will be subject to limits prescribed as under:

- i. Loans up to ₹5 crore to co-operative societies of farmers for purchase of the produce of members (Not applicable to UCBs)



ii. Loans up to ₹50 crore to Start-ups, as per definition of Ministry of Commerce and Industry, Govt. of India that are engaged in agriculture and allied services.

iii. Loans for Food and Agro-processing up to an aggregate sanctioned limit of ₹100 crore per borrower from the banking system.

**8.4.2** Outstanding deposits under RIDF and other eligible funds with NABARD on account of priority sector shortfall.

**8.4.3** The eligible activities under ancillary services and food processing is given in [Annex II](#) and [Annex III](#), respectively.

### **8.5 Small and Marginal Farmers (SMFs)**

For the purpose of computation of achievement of the sub-target, Small and Marginal Farmers will include the following:

- i. Farmers with landholding of up to 1 hectare (Marginal Farmers).
- ii. Farmers with a landholding of more than 1 hectare and up to 2 hectares (Small Farmers).
- iii. Landless agricultural labourers, tenant farmers, oral lessees and share-croppers whose share of landholding is within the limits prescribed for SMFs.
- iv. Loans to Self Help Groups (SHGs) or Joint Liability Groups (JLGs), i.e. groups of individual SMFs directly engaged in Agriculture and Allied Activities, provided banks maintain disaggregated data of such loans.
- v. Loans up to ₹2 lakh to individuals solely engaged in Allied activities without any accompanying land holding criteria.
- vi. Loans to FPOs/FPC of individual farmers and co-operatives of farmers directly engaged in Agriculture and Allied Activities where the land-holding share of SMFs is not less than 75 per cent, subject to loan limits prescribed in para 8.2. UCBs are not permitted to lend to co-operatives of farmers.

### **8.6 Lending by banks to NBFCs and MFIs for on-lending in agriculture**

- (i) Bank credit extended to registered NBFC-MFIs and other MFIs (Societies, Trusts etc.) which are members of RBI recognised SRO for the sector, for on-lending to



individuals and also to members of SHGs / JLGs will be eligible for categorisation as priority sector advance under respective categories of agriculture subject to conditions specified in para 21 (not applicable to RRBs, UCBs, SFBs and LABs).

- (ii) Bank credit to registered NBFCs (other than MFIs) towards on-lending for 'Term lending' component under agriculture will be allowed up to ₹ 10 lakh per borrower subject to conditions specified in para 22 and 24 (not applicable to RRBs, UCBs, SFBs and LABs).

## 9. Micro, Small and Medium Enterprises (MSMEs)

The definition of MSMEs shall be as given in the Master Direction – Lending to Micro, Small & Medium Enterprises (MSME) Sector [FIDD.MSME & NFS.12/06.02.31/2017-18 dated July 24, 2017](#) as updated from time to time. All bank loans to MSMEs shall qualify for classification under priority sector lending.

### 9.1 Factoring Transactions (not applicable to RRBs and UCBs)

- (i) 'With Recourse' Factoring transactions by banks which carry out the business of factoring departmentally wherever the 'assignor' is a Micro, Small or Medium Enterprise would be eligible for classification under MSME category on the reporting dates.
- (ii) In terms of paragraph 9 of [Circular DBR.No. FSD.BC.32/24.01.007/2015-16 dated July 30, 2015](#) on 'Provision of Factoring Services by Banks-Review', inter-alia, the borrower's bank shall obtain from the borrower, periodical certificates regarding factored receivables to avoid double financing/ counting. Further, the 'factors' must intimate the limits sanctioned to the borrower and details of debts factored to the banks concerned, taking responsibility to avoid double financing.
- (iii) Factoring transactions pertaining to MSMEs taking place through the Trade Receivables Discounting System (TReDS) shall also be eligible for classification under priority sector.

### 9.2 Khadi and Village Industries Sector (KVI)

All loans to units in the KVI sector will be eligible for classification under the sub-target of 7.5 percent prescribed for Micro Enterprises under priority sector.



### **9.3 Other Finance to MSMEs**

- (i) Loans up to ₹50 crore to Start-ups, as per definition of Ministry of Commerce and Industry, Govt. of India that conform to the definition of MSME as per Para 9.
- (ii) Loans to entities involved in assisting the decentralized sector in the supply of inputs and marketing of output of artisans, village and cottage industries. In respect of UCBs, the term “entities” shall not include institutions to which UCBs are not permitted to lend under the RBI guidelines / the legal framework governing their functioning.
- (iii) Loans to co-operatives of producers in the decentralized sector viz. artisans, village and cottage industries (Not applicable for UCBs).
- (iv) Loans sanctioned by banks to NBFC-MFIs and other MFIs (Societies, Trusts etc.) which are members of RBI recognised SRO for the sector for on-lending to MSME sector as per the conditions specified in paragraph 21 of these Master Directions (not applicable to RRBs, SFBs and UCBs)
- (v) Loans to registered NBFCs (other than MFIs) for on-lending to Micro & Small Enterprises as per conditions specified in para 22 of these Master Directions (not applicable to RRBs, SFBs and UCBs)
- (vi) Credit outstanding under General Credit Cards (including Artisan Credit Card, Laghu Udyami Card, Swarojgar Credit Card and Weaver’s Card etc. in existence and catering to the non-farm entrepreneurial credit needs of individuals).
- (vii) Overdraft to Pradhan Mantri Jan-Dhan Yojana (PMJDY) account holders as per limits and conditions prescribed by Department of Financial Services, Ministry of Finance from time to time, will qualify as achievement of the target for lending to Micro Enterprises.
- (viii) Outstanding deposits with SIDBI and MUDRA Ltd. on account of priority sector shortfall.



## 10. Export Credit (not applicable to RRBs and LABs)

Export credit under agriculture and MSME sectors are allowed to be classified as PSL in the respective categories viz. agriculture and MSME. Export Credit (other than in agriculture and MSME) will be allowed to be classified as priority sector as per the following table:

| Domestic banks / WoS of Foreign banks/ SFBs/ UCBs                                                                                                                                               | Foreign banks with 20 branches and above                                                                                       | Foreign banks with less than 20 branches                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Incremental export credit over corresponding date of the preceding year, up to 2 per cent of ANBC or CEOBE whichever is higher, subject to a sanctioned limit of up to ₹ 40 crore per borrower. | Incremental export credit over corresponding date of the preceding year, up to 2 percent of ANBC or CEOBE whichever is higher. | Export credit up to 32 per cent of ANBC or CEOBE whichever is higher. |

**10.1** Export credit includes pre-shipment and post-shipment export credit (excluding off-balance sheet items) as defined in Master Circular on Rupee / Foreign Currency Export Credit and Customer Service to Exporters issued by Department of Regulation, RBI vide [DBR No.DIR.BC.14/04.02.002/2015-16 dated July 1, 2015](#) and updated from time to time.

## 11. Education

Loans to individuals for educational purposes, including vocational courses, not exceeding ₹ 20 lakh will be considered as eligible for priority sector classification. Loans currently classified as priority sector will continue till maturity.

## 12. Housing

**12.1** Bank loans to Housing sector as per limits prescribed below are eligible for priority sector classification:

- Loans to individuals up to ₹35 lakh in metropolitan centres (with population of ten lakh and above) and up to ₹25 lakh in other centres for purchase/construction of a dwelling unit per family provided the overall cost of the dwelling unit in the metropolitan centre and at other centres does not exceed ₹45 lakh and ₹30 lakh respectively. Existing individual housing loans of UCBs presently classified under PSL will continue as PSL till maturity or repayment.



(ii) Housing loans to banks' own employees will not be eligible for classification under the priority sector.

(iii) Since Housing loans which are backed by long term bonds are exempted from ANBC, banks should not classify such loans under priority sector. Investments made by UCBs in bonds issued by NHB / HUDCO on or after April 1, 2007 shall not be eligible for classification under priority sector.

**12.2** Loans up to ₹10 lakh in metropolitan centres and up to ₹6 lakh in other centres for repairs to damaged dwelling units conforming to the overall cost of the dwelling unit as prescribed in para 12.1.

**12.3** Bank loans to any governmental agency for construction of dwelling units or for slum clearance and rehabilitation of slum dwellers subject to dwelling units with carpet area of not more than 60 sq.m.

**12.4** Bank loans for affordable housing projects using at least 50% of FAR/FSI for dwelling units with carpet area of not more than 60 sq.m.

**12.5** Bank loans to HFCs (approved by NHB for their refinance) for on-lending, up to ₹20 lakh for individual borrowers, for purchase/construction/reconstruction of individual dwelling units or for slum clearance and rehabilitation of slum dwellers, subject to conditions specified in para 23 and 24.

**12.6** Outstanding deposits with NHB on account of priority sector shortfall.

### **13. Social Infrastructure**

Bank loans to social infrastructure sector as per limits prescribed below are eligible for priority sector classification

**13.1.** Bank loans up to a limit of ₹5 crore per borrower for setting up schools, drinking water facilities and sanitation facilities including construction/refurbishment of household toilets and water improvements at household level, etc. and loans up to a limit of ₹10 crore per borrower for building health care facilities including under 'Ayushman Bharat' in Tier II to Tier VI centres. In case of UCBs, the above limits are applicable only in centres having a population of less than one lakh.



**13.2. #** Bank loans to MFIs extended for on-lending to individuals and also to members of SHGs/JLGs for water and sanitation facilities subject to the criteria laid down in paragraph 21 of these Master Directions.

*# not applicable to RRBs, UCBs and SFBs.*

#### **14. Renewable Energy**

Bank loans up to a limit of ₹30 crore to borrowers for purposes like solar based power generators, biomass-based power generators, wind mills, micro-hydel plants and for non-conventional energy based public utilities, viz., street lighting systems and remote village electrification etc., will be eligible for Priority Sector classification. For individual households, the loan limit will be ₹10 lakh per borrower.

#### **15. Others**

The following loans as per the prescribed limits are eligible for priority sector classification:

**15.1.** Loans provided directly by banks to individuals and individual members of SHG/JLG satisfying the criteria as prescribed in [Master Direction on Regulatory Framework for Microfinance Loans Directions, dated March 14, 2022](#).

**15.2.** Loans not exceeding ₹2.00 lakh provided by banks to SHG/JLG for activities other than agriculture or MSME, viz., loans for meeting social needs, construction or repair of house, construction of toilets or any viable common activity started by SHGs.

**15.3.** Loans to distressed persons [other than distressed farmers indebted to non-institutional lenders] not exceeding ₹1.00 lakh per borrower to prepay their debt to non-institutional lenders.

**15.4.** Loans sanctioned to State Sponsored Organisations for Scheduled Castes/ Scheduled Tribes for the specific purpose of purchase and supply of inputs and/or the marketing of the outputs of the beneficiaries of these organisations.



**15.5.** Loans up to ₹50 crore to Start-ups, as per definition of Ministry of Commerce and Industry, Govt. of India that are engaged in activities other than Agriculture or MSME.

## **16. Weaker Sections**

**16.1** Priority sector loans to the following borrowers will be considered as lending under Weaker Sections category:

|        |                                                                                                                                                                                                                       |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)    | Small and Marginal Farmers                                                                                                                                                                                            |
| (ii)   | Artisans, village and cottage industries where individual credit limits do not exceed ₹1 lakh                                                                                                                         |
| (iii)  | Beneficiaries under Government Sponsored Schemes such as National Rural Livelihood Mission (NRLM), National Urban Livelihood Mission (NULM) and Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) |
| (iv)   | Scheduled Castes and Scheduled Tribes                                                                                                                                                                                 |
| (v)    | Beneficiaries of Differential Rate of Interest (DRI) scheme                                                                                                                                                           |
| (vi)   | Self Help Groups                                                                                                                                                                                                      |
| (vii)  | Distressed farmers indebted to non-institutional lenders                                                                                                                                                              |
| (viii) | Distressed persons other than farmers, with loan amount not exceeding ₹1 lakh per borrower to prepay their debt to non-institutional lenders                                                                          |
| (ix)   | Individual women beneficiaries up to ₹1 lakh per borrower (For UCBs, existing loans to women will continue to be classified under weaker sections till their maturity/repayment.)                                     |
| (x)    | Persons with disabilities                                                                                                                                                                                             |
| (xi)   | Minority communities as may be notified by Government of India from time to time.                                                                                                                                     |

**16.2** Overdraft availed by PMJDY account holders as per limits and conditions prescribed by Department of Financial Services, Ministry of Finance from time to time may be classified under Weaker Sections.

**16.3** In States, where one of the minority communities notified is, in fact, in majority, item (xi) will cover only the other notified minorities. These States/ Union Territories are Punjab, Meghalaya, Mizoram, Nagaland, Lakshadweep and Jammu & Kashmir.



## CHAPTER IV

### MISCELLANEOUS

#### **17. Investments by banks in securitisation notes (not applicable to RRBs and UCBs)**

Investments by banks in 'securitisation notes', representing loans to various categories of priority sector, except 'others' category, are eligible for classification under respective categories of priority sector depending on the underlying assets provided:

- (i) The assets are originated by banks and financial institutions and are eligible to be classified as priority sector advances prior to securitisation and fulfil the Reserve Bank of India guidelines on 'Securitisation of Standard Assets' issued vide [Master Directions DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021](#) and updated from time to time.
- (ii) The all-inclusive interest charged to the ultimate borrower by the originating entity should not exceed the investing bank's MCLR + 10% or EBLR + 14%.
- (iii) The investments in securitisation notes originated by MFIs, which comply with the guidelines in Paragraph 21 of these Master Directions are exempted from this interest cap as there are separate caps on margin and interest rate for MFIs.
- (iv) Investment by banks in securitisation notes with loans against gold jewellery originated by NBFCs as underlying, are not eligible for priority sector status.

#### **18. Transfer of Assets through Direct Assignment /Outright purchase (not applicable to RRBs and UCBs)**

Assignment/outright purchase of pool of assets by banks representing loans under various categories of priority sector, except the 'others' category, will be eligible for classification under respective categories of priority sector provided:

- (i) The assets are originated by banks and financial institutions which are eligible to be classified as priority sector advances prior to the purchase and fulfil the Reserve Bank of India guidelines on 'Transfer of Loan Exposures'



issued vide [Master Directions DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021](#) and updated from time to time.

- (ii) The all-inclusive interest charged to the ultimate borrower by the originating entity should not exceed the investing bank's MCLR + 10% or EBLR + 14%.
- (iii) The Assignments/Outright purchases of eligible priority sector loans from MFIs, which comply with the guidelines in Paragraph 21 of these Master Directions are exempted from this interest rate cap as there are separate caps on margin and interest rate for MFIs.
- (iv) When the bank undertakes outright purchase of loan assets (eligible to be classified under priority sector) from banks/ financial institutions, they must report the outstanding amount actually disbursed to priority sector borrowers and not the premium embedded amount paid to the seller.
- (v) Loans against gold jewellery acquired by banks from NBFCs are not eligible for priority sector status.

#### **19. Inter Bank Participation Certificates (IBPCs) (not applicable to UCBs)**

- (i) IBPCs bought by banks, on a risk sharing basis, are eligible for classification under respective categories of priority sector, provided the underlying assets are eligible to be categorized under the respective categories of priority sector and the banks fulfil the Reserve Bank of India guidelines on IBPCs issued vide [circular DBOD.No.BP.BC.57/62-88 dated December 31, 1988](#) and updated from time to time.
- (ii) IBPCs bought by banks on risk sharing basis relating to 'Export Credit' as per Para 10, shall be classified from purchasing bank's perspective for priority sector categorization. However, in such a scenario, the issuing bank shall certify that the underlying asset is 'Export Credit', in addition to the due diligence required to be undertaken by the issuing and the purchasing bank as per guidelines in this regard.



## 20. Priority Sector Lending Certificates (PSLCs)

The outstanding PSLCs bought by banks will be eligible for classification under respective categories of priority sector provided the underlying assets originated by banks are eligible to be classified as priority sector advances and fulfil the Reserve Bank of India guidelines on Priority Sector Lending Certificates issued vide [Circular FIDD.CO.Plan.BC.23/04.09.001/2015-16 dated April 7, 2016](#). SFBs shall further be guided by the terms and conditions specified in Para 1.9 of [DBR circular No. DBR.NBD.26/16.13.218/2016-17 dated October 6, 2016](#) on credit risk transfer and portfolio sales/purchases.

## 21. Bank loans to MFIs (NBFC-MFIs, Societies, Trusts, etc.) for on-lending (not applicable to RRBs, UCBs and LABs)

**21.1** Banks other than SFBs are allowed to extend credit to registered NBFC-MFIs and other MFIs (Societies, Trusts etc.) which are members of RBI recognised SRO for the sector, for on-lending to individuals and also to members of SHGs / JLGs.

**21.2** With effect from [May 5, 2021](#), SFBs are allowed to extend fresh credit to registered NBFC-MFIs and other MFIs (Societies, Trusts, etc.) which are members of RBI recognised 'Self-Regulatory Organisation' of the sector, and which have a 'gross loan portfolio' (GLP) of up to ₹500 crore as on March 31 of the previous year, for the purpose of on-lending to individuals. In case the GLP of the NBFC-MFIs/other MFIs exceeds the stipulated limit at a later date, all priority sector loans created prior to exceeding the GLP limit will continue to be classified by the SFBs as PSL till repayment/maturity, whichever is earlier. Bank credit as above will be allowed up to an overall limit of 10 percent of an individual bank's total priority sector lending. These limits shall be computed by averaging across four quarters of the financial year, to determine adherence to the prescribed cap.

**21.3** Loans disbursed by banks under para 21.1 and 21.2 above are eligible for categorisation as priority sector advance under respective categories viz., Agriculture, MSME, Social Infrastructure and Others, provided the MFIs adhere to the conditions prescribed in Chapter II (xx) and Chapter VIII of [Master Directions DNBR PD.007](#) and Chapter II (xx) and Chapter IX of [Master Directions DNBR PD.008/03.10.119/2016-17 dated September 1, 2016](#), as updated from time to time.



**22. Bank loans to NBFCs for on-lending (not applicable to RRBs, UCBs, SFBs and LABs)**

Bank credit to registered NBFCs (other than MFIs) for on-lending will be eligible for classification as priority sector under respective categories subject to the following conditions:

- (i) **Agriculture:** On-lending by NBFCs for 'Term lending' component under Agriculture will be allowed up to ₹ 10 lakh per borrower.
- (ii) **Micro & Small enterprises:** On-lending by NBFC will be allowed up to ₹ 20 lakh per borrower.

**23. Bank loans to HFCs for on-lending (not applicable to RRBs, SFBs and LABs)**

Bank credit to Housing Finance Companies (HFCs), approved by NHB for their refinance, for on-lending for the purpose of purchase/construction/ reconstruction of individual dwelling units or for slum clearance and rehabilitation of slum dwellers, subject to an aggregate loan limit of ₹20 lakh per borrower. Banks should maintain necessary borrower-wise details of the underlying portfolio.

**24. Cap on On-lending**

Bank credit to NBFCs (including HFCs) for on-lending as applicable in para 22 and 23 above, will be allowed up to an overall limit of five percent of individual bank's total priority sector lending. Banks shall compute the eligible portfolio under on-lending mechanism by averaging across four quarters, to determine adherence to the prescribed cap.

**25. Co-lending by Banks and NBFCs to priority sector (not applicable to RRBs, UCBs, SFBs and LABs)**

All Scheduled Commercial Banks (excluding SFBs, RRBs, UCBs and LABs) are permitted to co-lend with all registered Non-Banking Financial Companies (including Housing Finance Companies) for lending to the priority sector. Detailed guidelines, in this regard, have been issued vide our [circular FIDD.CO.Plan.BC.No.8/04.09.01/2020-21 dated November 5, 2020](#). For the sake of business continuity and to ensure uninterrupted flow of credit to the



priority sector, banks may continue existing arrangement as per earlier guidelines on co-origination, issued vide our [circular No. FIDD.CO.Plan.BC/08/04.09.01/2018-19 dated September 21, 2018](#), till the Board approved co-lending policy is put in place by them.

## 26. COVID19 measures for PSL

- (i) In terms of the [press release 2019-2020/2237 dated April 17, 2020](#) notifying the TLTRO 2.0 scheme, banks were allowed to exclude the face value of such securities kept in the HTM category from computation of adjusted net bank credit (ANBC) for the purpose of determining priority sector targets/sub-targets as shown in para 6.1. This exemption is only applicable to the funds availed under TLTRO 2.0.
- (ii) In terms of [press release 2019-2020/2276 dated April 27, 2020](#), the face value of securities acquired under the SLF-MF and kept in the HTM category will not be reckoned for computation of adjusted net bank credit (ANBC) for the purpose of determining priority sector targets/sub-targets as shown in para 6.1.
- (iii) In terms of [press release 2019-2020/2294 dated April 30, 2020](#), the regulatory benefits announced under the SLF-MF scheme will be extended to all banks, irrespective of whether they avail funding from the Reserve Bank or deploy their own resources under the above-mentioned scheme and the same can be reckoned for computation of adjusted net bank credit (ANBC) for the purpose of determining priority sector targets/sub-targets as shown in para 6.1.
- (iv) In terms of [press release: 2021-2022/177 dated May 7, 2021](#), an on-tap liquidity window of ₹50,000 crore with tenors of up to three years at the repo rate till March 31, 2022 has been opened to boost provision of immediate liquidity for ramping up COVID-related healthcare infrastructure and services in the country. Banks are expected to create a COVID loan book under the scheme. These loans will continue to be classified under priority sector till repayment or maturity, whichever is earlier. Banks may deliver these loans to borrowers directly or through intermediary financial entities regulated by the RBI. Banks desirous of deploying their own resources without availing funds



from the RBI under the scheme for lending to the specified segments mentioned above will also be eligible for the incentives stipulated as above.

- (v) In terms of [press release: 2021-2022/323 dated June 4, 2021](#), a separate liquidity window of ₹15,000 crore with tenors of up to three years at the repo rate till March 31, 2022 has been opened for certain contact-intensive sectors i.e., hotels and restaurants; tourism - travel agents, tour operators and adventure/heritage facilities; aviation ancillary services - ground handling and supply chain; and other services that include private bus operators, car repair services, rent-a-car service providers, event/conference organisers, spa clinics, and beauty parlours/saloons. Banks are expected to create a separate COVID loan book under the scheme. Banks desirous of deploying their own resources without availing funds from the RBI under the scheme for lending to the specified segments mentioned above will also be eligible for this incentive.

## 27. Monitoring of Priority Sector Lending targets

To ensure continuous flow of credit to priority sector, the compliance of banks will be monitored on 'quarterly' basis. The data on priority sector advances shall be furnished by banks to FIDD, Central Office at quarterly and annual intervals as per the reporting format ([quarterly](#) and [annual](#)), within fifteen days and one month, respectively from the date of ending of each quarter and financial year in terms of [circular FIDD.CO.Plan.CO.BC.No.17/04.09.001/2016-17 dated October 6, 2016](#). In respect of RRBs, the data on priority sector advances, in the above format, shall be furnished to NABARD at quarterly and annual intervals. UCBs shall be guided by [Master Direction – Reserve Bank of India \(Filing of Supervisory Returns\) Directions – 2024 dated February 27, 2024](#), as updated from time to time, as regards submission of data on priority sector advances.

## 28. Non-achievement of Priority Sector targets

- (i) Banks having any shortfall in lending to priority sector shall be allocated amounts for contribution to the Rural Infrastructure Development Fund (RIDF) established with NABARD and other funds with NABARD/NHB/SIDBI/ MUDRA Ltd., as decided by the Reserve Bank from time to time.



- (ii) With effect from March 31, 2023, all UCBs (excluding those under all-inclusive directions) will be required to contribute to Rural Infrastructure Development Fund (RIDF) established with NABARD and other funds with NABARD / NHB / SIDBI / MUDRA Ltd., against their priority sector lending (PSL) shortfall vis-à-vis the prescribed target.
- (iii) While computing priority sector target achievement, shortfall / excess lending for each quarter will be monitored separately. A simple average of all quarters will be arrived at and considered for computation of overall shortfall / excess at the end of the year. The same method will be followed for calculating the achievement of priority sector sub-targets. (Illustration given in [Annex IV](#)).
- (iv) The interest rates on banks' contribution to RIDF or any other funds, tenure of deposits, etc. shall be fixed by Reserve Bank of India from time to time.
- (v) The mis-classifications reported by the Reserve Bank's Department of Supervision (DoS) (NABARD in respect of RRBs) would be adjusted/ reduced from the achievement of that year, to which the amount of misclassification pertains, for allocation to various funds in subsequent years.
- (vi) Non-achievement of priority sector targets and sub-targets will be taken into account while granting regulatory clearances/approvals for various purposes.

## 29. Common guidelines for priority sector loans

Banks should comply with the following common guidelines for all categories of advances under the priority sector.

- (i) **Rate of interest:** The rates of interest on bank loans will be as per directives issued by Department of Regulation (DoR), RBI from time to time.
- (ii) **Service charges:** No loan related and *ad hoc* service charges/inspection charges should be levied on priority sector loans up to ₹25,000. In the case of eligible priority sector loans to SHGs/ JLGs, this limit will be applicable per member and not to the group as a whole.
- (iii) **Receipt, Sanction/Rejection/Disbursement Register:** A register/ electronic record should be maintained by the bank wherein the date of receipt, sanction/rejection/disbursement with reasons thereof, etc. should be



recorded. The register/electronic record should be made available to all inspecting agencies.

- (iv) Issue of acknowledgement of loan applications:** Banks should provide acknowledgement for loan applications received under priority sector loans. Bank Boards should prescribe a time limit within which the bank communicates its decision in writing to the applicants.

~\*~\*~\*~\*~\*~\*



## List of Districts with comparatively high PSL credit

| Sl.No | State                                    | District name               |
|-------|------------------------------------------|-----------------------------|
| 1     | Andaman & Nicobar Islands                | South Andaman               |
| 2     | Andhra Pradesh                           | Bapatla                     |
| 3     | Andhra Pradesh                           | Dr. B.R. Ambedkar Konaseema |
| 4     | Andhra Pradesh                           | East Godavari               |
| 5     | Andhra Pradesh                           | Eluru                       |
| 6     | Andhra Pradesh                           | Guntur                      |
| 7     | Andhra Pradesh                           | Kakinada                    |
| 8     | Andhra Pradesh                           | Krishna                     |
| 9     | Andhra Pradesh                           | NTR                         |
| 10    | Andhra Pradesh                           | Palnadu                     |
| 11    | Andhra Pradesh                           | Prakasam                    |
| 12    | Andhra Pradesh                           | Sri Potti Sriramulu Nellore |
| 13    | Andhra Pradesh                           | Tirupati                    |
| 14    | Andhra Pradesh                           | Visakhapatnam               |
| 15    | Andhra Pradesh                           | West Godavari               |
| 16    | Andhra Pradesh                           | Y.S.R.                      |
| 17    | Arunachal Pradesh                        | Papumpare                   |
| 18    | Assam                                    | Kamrup Metropolitan         |
| 19    | Bihar                                    | Patna                       |
| 20    | Chandigarh                               | Chandigarh                  |
| 21    | Chhattisgarh                             | Bilaspur                    |
| 22    | Chhattisgarh                             | Raipur                      |
| 23    | Dadra and Nagar Haveli and Daman and Diu | Dadra & Nagar Haveli        |
| 24    | Dadra and Nagar Haveli and Daman and Diu | Daman                       |
| 25    | Goa                                      | North Goa                   |
| 26    | Goa                                      | South Goa                   |
| 27    | Gujarat                                  | Ahmedabad                   |
| 28    | Gujarat                                  | Bharuch                     |
| 29    | Gujarat                                  | Gandhinagar                 |
| 30    | Gujarat                                  | Jamnagar                    |
| 31    | Gujarat                                  | Kachchh                     |
| 32    | Gujarat                                  | Mahesana                    |
| 33    | Gujarat                                  | Morbi                       |
| 34    | Gujarat                                  | Porbandar                   |
| 35    | Gujarat                                  | Rajkot                      |
| 36    | Gujarat                                  | Surat                       |
| 37    | Gujarat                                  | Vadodara                    |
| 38    | Gujarat                                  | Valsad                      |
| 39    | Haryana                                  | Ambala                      |
| 40    | Haryana                                  | Faridabad                   |
| 41    | Haryana                                  | Fatehabad                   |
| 42    | Haryana                                  | Gurugram                    |



## List of Districts with comparatively high PSL credit

| Sl.No | State             | District name   |
|-------|-------------------|-----------------|
| 43    | Haryana           | Hisar           |
| 44    | Haryana           | Jhajjar         |
| 45    | Haryana           | Jind            |
| 46    | Haryana           | Kaithal         |
| 47    | Haryana           | Karnal          |
| 48    | Haryana           | Kurukshetra     |
| 49    | Haryana           | Panchkula       |
| 50    | Haryana           | Panipat         |
| 51    | Haryana           | Rewari          |
| 52    | Haryana           | Rohtak          |
| 53    | Haryana           | Sirsa           |
| 54    | Haryana           | Sonipat         |
| 55    | Haryana           | Yamunanagar     |
| 56    | Himachal Pradesh  | Kulu            |
| 57    | Himachal Pradesh  | Shimla          |
| 58    | Himachal Pradesh  | Sirmaur         |
| 59    | Himachal Pradesh  | Solan           |
| 60    | Jammu and Kashmir | Jammu           |
| 61    | Jammu and Kashmir | Pulwama         |
| 62    | Jammu and Kashmir | Shopian         |
| 63    | Jammu and Kashmir | Srinagar        |
| 64    | Jharkhand         | Ranchi          |
| 65    | Karnataka         | Bengaluru Rural |
| 66    | Karnataka         | Bengaluru Urban |
| 67    | Karnataka         | Chikkamagaluru  |
| 68    | Karnataka         | Dakshin Kannad  |
| 69    | Karnataka         | Dharwad         |
| 70    | Karnataka         | Hassan          |
| 71    | Karnataka         | Kodagu          |
| 72    | Karnataka         | Mysuru          |
| 73    | Karnataka         | Ramanagara      |
| 74    | Karnataka         | Shivamogga      |
| 75    | Karnataka         | Udipi           |
| 76    | Kerala            | Alapuzha        |
| 77    | Kerala            | Ernakulam       |
| 78    | Kerala            | Idukki          |
| 79    | Kerala            | Kannur          |
| 80    | Kerala            | Kasaragod       |
| 81    | Kerala            | Kollam          |
| 82    | Kerala            | Kottayam        |
| 83    | Kerala            | Kozhikode       |
| 84    | Kerala            | Palakkad        |
| 85    | Kerala            | Pathanamthitta  |



**List of Districts with comparatively high PSL credit**

| Sl.No | State          | District name            |
|-------|----------------|--------------------------|
| 86    | Kerala         | Thiruvananthapuram       |
| 87    | Kerala         | Thrissur                 |
| 88    | Kerala         | Wayanad                  |
| 89    | Ladakh         | Leh Ladakh               |
| 90    | Madhya Pradesh | Bhopal                   |
| 91    | Madhya Pradesh | East Nimar               |
| 92    | Madhya Pradesh | Gwalior                  |
| 93    | Madhya Pradesh | Harda                    |
| 94    | Madhya Pradesh | Indore                   |
| 95    | Madhya Pradesh | Jabalpur                 |
| 96    | Madhya Pradesh | Narmadapuram             |
| 97    | Madhya Pradesh | Ratlam                   |
| 98    | Madhya Pradesh | Ujjain                   |
| 99    | Maharashtra    | Chhatrapati Sambhajnagar |
| 100   | Maharashtra    | Kolhapur                 |
| 101   | Maharashtra    | Mumbai                   |
| 102   | Maharashtra    | Mumbai Suburban          |
| 103   | Maharashtra    | Nagpur                   |
| 104   | Maharashtra    | Nasik                    |
| 105   | Maharashtra    | Pune                     |
| 106   | Maharashtra    | Raigad                   |
| 107   | Maharashtra    | Thane                    |
| 108   | NCT of Delhi   | Central Delhi            |
| 109   | NCT of Delhi   | East Delhi               |
| 110   | NCT of Delhi   | New Delhi                |
| 111   | NCT of Delhi   | North Delhi              |
| 112   | NCT of Delhi   | Shahdara                 |
| 113   | NCT of Delhi   | South Delhi              |
| 114   | NCT of Delhi   | South-East Delhi         |
| 115   | NCT of Delhi   | West Delhi               |
| 116   | Odisha         | Khurda                   |
| 117   | Puducherry     | Karaikal                 |
| 118   | Puducherry     | Mahe                     |
| 119   | Puducherry     | Puducherry               |
| 120   | Puducherry     | Yanam                    |
| 121   | Punjab         | Amritsar                 |
| 122   | Punjab         | Barnala                  |
| 123   | Punjab         | Bathinda                 |
| 124   | Punjab         | Faridkot                 |
| 125   | Punjab         | Fatehgarh Sahib          |
| 126   | Punjab         | Fazilka                  |
| 127   | Punjab         | Jalandhar                |
| 128   | Punjab         | Kapurthala               |



## List of Districts with comparatively high PSL credit

| Sl.No | State      | District name              |
|-------|------------|----------------------------|
| 129   | Punjab     | Ludhiana                   |
| 130   | Punjab     | Mansa                      |
| 131   | Punjab     | Moga                       |
| 132   | Punjab     | Muktsar                    |
| 133   | Punjab     | Patiala                    |
| 134   | Punjab     | Sahibzada Ajit Singh Nagar |
| 135   | Punjab     | Sangrur                    |
| 136   | Rajasthan  | Ajmer                      |
| 137   | Rajasthan  | Bhilwara                   |
| 138   | Rajasthan  | Bikaner                    |
| 139   | Rajasthan  | Ganganagar                 |
| 140   | Rajasthan  | Hanumangarh                |
| 141   | Rajasthan  | Jaipur                     |
| 142   | Rajasthan  | Jodhpur                    |
| 143   | Rajasthan  | Kota                       |
| 144   | Rajasthan  | Neem Ka Thana              |
| 145   | Tamil Nadu | Ariyalur                   |
| 146   | Tamil Nadu | Chengalpattu               |
| 147   | Tamil Nadu | Chennai                    |
| 148   | Tamil Nadu | Coimbatore                 |
| 149   | Tamil Nadu | Cuddalore                  |
| 150   | Tamil Nadu | Dharmapuri                 |
| 151   | Tamil Nadu | Dindigul                   |
| 152   | Tamil Nadu | Erode                      |
| 153   | Tamil Nadu | Kallakurichi               |
| 154   | Tamil Nadu | Kanyakumari                |
| 155   | Tamil Nadu | Karur                      |
| 156   | Tamil Nadu | Krishnagiri                |
| 157   | Tamil Nadu | Madurai                    |
| 158   | Tamil Nadu | Mayiladuthurai             |
| 159   | Tamil Nadu | Namakkal                   |
| 160   | Tamil Nadu | Nilgiris                   |
| 161   | Tamil Nadu | Perambalur                 |
| 162   | Tamil Nadu | Pudukkottai                |
| 163   | Tamil Nadu | Ramanathapuram             |
| 164   | Tamil Nadu | Ranipet                    |
| 165   | Tamil Nadu | Salem                      |
| 166   | Tamil Nadu | Sivaganga                  |
| 167   | Tamil Nadu | Tenkasi                    |
| 168   | Tamil Nadu | Thanjavur                  |
| 169   | Tamil Nadu | Theni                      |
| 170   | Tamil Nadu | Thiruvallur                |
| 171   | Tamil Nadu | Thiruvarur                 |



## List of Districts with comparatively high PSL credit

| Sl.No | State         | District name       |
|-------|---------------|---------------------|
| 172   | Tamil Nadu    | Tiruchirapalli      |
| 173   | Tamil Nadu    | Tirunelveli         |
| 174   | Tamil Nadu    | Tiruppur            |
| 175   | Tamil Nadu    | Tiruvannamalai      |
| 176   | Tamil Nadu    | Toothukudi          |
| 177   | Tamil Nadu    | Virudhunagar        |
| 178   | Telangana     | Hanumakonda         |
| 179   | Telangana     | Hyderabad           |
| 180   | Telangana     | Jangaon             |
| 181   | Telangana     | Medchal-Malkajgiri  |
| 182   | Telangana     | Rangareddi          |
| 183   | Telangana     | Sangareddy          |
| 184   | Telangana     | Suryapet            |
| 185   | Uttar Pradesh | Agra                |
| 186   | Uttar Pradesh | Gautam Buddha Nagar |
| 187   | Uttar Pradesh | Ghaziabad           |
| 188   | Uttar Pradesh | Kanpur Nagar        |
| 189   | Uttar Pradesh | Lucknow             |
| 190   | Uttar Pradesh | Meerut              |
| 191   | Uttarakhand   | Dehra Dun           |
| 192   | Uttarakhand   | Haridwar            |
| 193   | Uttarakhand   | Nainital            |
| 194   | Uttarakhand   | Udham Singh Nagar   |
| 195   | West Bengal   | Alipurduar          |
| 196   | West Bengal   | Darjiling           |
| 197   | West Bengal   | Kalimpong           |
| 198   | West Bengal   | Kolkata             |



## List of Districts with comparatively low PSL credit

| 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                  |
| 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                 |



## List of Districts with comparatively low PSL credit

|    |              |                                 |
|----|--------------|---------------------------------|
| 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                           |
| 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                       |



## List of Districts with comparatively low PSL credit

|     |                |                          |
|-----|----------------|--------------------------|
| 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          |
| 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                  |



## List of Districts with comparatively low PSL credit

|     |               |                  |
|-----|---------------|------------------|
| 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     | Sanchore         |
| 161 | Sikkim        | Gyalshing        |
| 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          |

**List of Districts with comparatively low PSL credit**

|     |               |               |
|-----|---------------|---------------|
| 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      |



An indicative list of eligible activities under Agriculture infrastructure and Ancillary activities is given below:

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agriculture infrastructure | <p>i) Loans for construction of storage facilities (warehouse, market yards, godowns and silos) including cold storage units/cold storage chains designed to store agriculture produce/products, irrespective of their location.</p> <p>ii) Soil conservation and watershed development.</p> <p>iii) Plant tissue culture and agri-biotechnology, seed production, production of bio-pesticides, bio-fertilizer, and vermi composting.</p> <p>iv) Loans for construction of oil extraction/ processing units for production of bio-fuels, their storage and distribution infrastructure along with loans to entrepreneurs for setting up Compressed Bio Gas (CBG) plants.</p>                                                                                                                                                                        |
| Ancillary activities       | <p>(i) Loans for setting up of Agri-clinics and Agri-business centres.</p> <p>(ii) Loans to Custom Service Units managed by individuals, institutions or organizations who maintain a fleet of tractors, bulldozers, well-boring equipment, threshers, combines, etc., and undertake farm work for farmers on contract basis.</p> <p>(iii) Bank loans to Primary Agricultural Credit Societies (PACS), Farmers' Service Societies (FSS) and Large-sized Adivasi Multi-Purpose Societies (LAMPS) for on-lending to agriculture.</p> <p>(iv) Loans sanctioned by banks to MFIs for on-lending to agriculture sector as per the conditions specified in paragraph 21 of these Master Directions.</p> <p>(v) Loans sanctioned by banks to registered NBFCs (other than MFIs) as per conditions specified in paragraph 22 of these Master Directions.</p> |



**Indicative list of Permissible Activities under Food Processing Sector as shared by Ministry of Food Processing Industries (MoFPI)**

1. Cleaning, Air Cooling (Field Heat Removal), Sorting, Grading/Sizing, Packaging, Warehousing, Distribution of Fruits & Vegetables etc.
2. Transportation including in refrigerated van/Cold Chain infrastructure system Packaging and storage including techniques like Silo, Hermetic storage; pest management.
3. Storage at low temperature/Cold Storage/Modified/Controlled Atmosphere packaging, Refrigeration/Chilling etc.
4. Primary and/or Minimal Processing of F&V: - Blanching (Vegetables), Peeling, Cutting, Storage, Distribution at Low temperature, vacuum packaging etc.
5. Sun Drying and Mechanical Drying: - Solar Drying, Hot air drying, Dehydration, hybrid drying, fluidized bed drying, refractive window drying, drum drying, radio frequency drying, Lyophilisation (Freeze Drying), Vacuum Drying, Spray Drying, De-hydro-freezing etc.
6. Preservation through various methods; both traditional and modern.
7. Frozen Products: Individually Quick Frozen (IQF) of Fruit, Vegetables, Meat, Fish, Sea Foods etc.
8. Milk and Milk products processing, including their transportation, packaging and storage.
9. Canning of Fruit, Vegetables including Mushrooms, Meat, Fish, crustaceans, molluscs, other Sea Foods etc.
10. Milling Grains, Legumes & Pulses, Preparation of their by-products such as Bran Oil, Cattle Feed/Poultry feed etc.
11. Processing of F&V into different products such as juices, concentrates, sauces, jam, jellies, marmalades, Chips, Flakes, Powders etc.
12. Processing of Grains & Pulses, Fish, Meat, Poultry, Sea Foods, Egg etc. into their different products including extruded, popped, puffed and flaked products and their packaging and storage including fumigation, Smoking etc.
13. Oil seed Extraction- Rendering, Pressing, Hydrogenation, Refining with Extraction, Filling/packaging etc.



14. Spices, Seasoning and Condiments - Grinding, Crushing, Milling, Sieving, Mixing, Blending, Roasting, Packaging, Storage, Distribution.
15. Production of fermented Products and Alcoholic- Wines, Vinegar, Milk products, Prebiotics, Probiotics etc.
16. Production of beverages - Juices, RTS, Nectar, Squash, Cordial, Syrups/Sherbets, Soups, Carbonated Beverages etc.
17. Production of Cocoa, Coffee, Chicory and Tea Products; including Cocoa Butter, Cocoa Powder, Chocolates, wafers etc.
18. Production of Bakery and Confectionary Products - Biscuits, Bread, Cakes, Cookies, Toffee etc.
19. Production of Jaggery, Sugar, Khandasari etc from Sugarcane, Beet, Palm etc.
20. Production of apiary products (honey processing; both natural and artificial honey).
21. Production of Starch and Starch Products - Sago, Tapioca, Corn, Noodles, Macaroni, Vermicelli etc,
22. Slaughtering of animals/ruminants/birds etc. and their processing.
23. Nuts Processing; coconut-based product processing such as water, nuts etc.
24. Processing of other products such as Instant Mixes, Ready to Eat (RTE) retort-based products, ready to cook and Beverages etc.
25. Nutraceutical products/functional foods/fortified food/enriched food preparation.
26. Production of Organic food products.
27. Processing of algal and fungal products (eg Spirulina, Mushrooms etc), including packaging and enhancement of shelf life.
28. Processing plantation crops, packaging, storage and enhancement of shelf life.
29. Production of food grade packaging material such as laminates, tetra packs, bottles, tin containers etc.

**Priority Sector achievement - Calculation of shortfall / excess****Illustration:**

Tables No.1 and 2 below illustrate the method followed for computation of shortfall / excess in priority sector target achievement at the end of the financial year under the revised PSL guidelines.

| (Table 1)         |                 |                                        |                                                                                                 |                                |
|-------------------|-----------------|----------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------|
| Amount in ₹ crore |                 |                                        |                                                                                                 |                                |
| Quarter ended     | PSL targets (A) | Priority Sector Amount Outstanding (B) | Adjustments for weightage on incremental credit to identified districts as per para 7 of MD (C) | Shortfall / Excess (B)+(C)-(A) |
| June              | 329615          | 316938                                 | 1625                                                                                            | -11052                         |
| September         | 308826          | 311945                                 | -810                                                                                            | 2309                           |
| December          | 317694          | 319291                                 | -819                                                                                            | 778                            |
| March             | 324560          | 321347                                 | 2925                                                                                            | -288                           |
| Total             | 1280695         | 1269521                                | 2921                                                                                            | -8253                          |
| Average           | 320174          | 317380                                 | 730                                                                                             | -2063                          |

| (Table 2)         |                 |                                        |                                                                                                 |                                |
|-------------------|-----------------|----------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------|
| Amount in ₹ crore |                 |                                        |                                                                                                 |                                |
| Quarter ended     | PSL targets (A) | Priority Sector Amount Outstanding (B) | Adjustments for weightage on incremental credit to identified districts as per para 7 of MD (C) | Shortfall / Excess (B)+(C)-(A) |
| June              | 329615          | 327967                                 | 1500                                                                                            | -148                           |
| September         | 308826          | 312378                                 | -729                                                                                            | 2823                           |
| December          | 317694          | 327225                                 | 975                                                                                             | 10506                          |
| March             | 324560          | 321315                                 | -765                                                                                            | -4010                          |
| Total             | 1280695         | 1288885                                | 981                                                                                             | 9171                           |
| Average           | 320174          | 322221                                 | 245                                                                                             | 2293                           |

In the example given in Table - 1, the bank has overall shortfall of ₹2063 crore at the end of the financial year. In Table – 2, the bank has overall excess of ₹2293 crore at the end of the financial year.

The Adjustments due to weightage on incremental credit in identified districts as per para 7, will be as per the data submitted by banks in the Automated Data Extraction Project (ADEPT).

The same method will be followed for calculating the achievement of quarterly and yearly priority sector sub-targets.

Note: The computation of priority sector targets/sub-targets achievement will be based on the ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposures, whichever is higher, as at the corresponding date of the preceding year.



LIST OF CIRCULARS CONSOLIDATED

| Sr.# | Circular No.                                                       | Date              | Subject                                                                                                                                                                              |
|------|--------------------------------------------------------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.   | <a href="#">FIDD.CO.PSD.BC.No.7/<br/>04.09.01/2024-25</a>          | June 21, 2024     | Priority Sector Lending – Amendments to the Master Directions                                                                                                                        |
| 2.   | <a href="#">DOR.CRE.REC.18/07.10.00<br/>2/2023-24</a>              | June 8, 2023      | Priority Sector Lending (PSL) targets / sub-targets and contribution against shortfall in achievement of PSL targets – Primary (Urban) Co-operative Banks (UCBs) - Extension of time |
| 3.   | <a href="#">CO.FIDD.PCD.No.S725/<br/>04.09.001/2022-23</a>         | August 11, 2022   | Priority Sector Lending (PSL)- Target for Non-Corporate Farmers FY2022-23                                                                                                            |
| 4.   | <a href="#">FIDD.CO.Plan.BC.No.5/04.0<br/>9.001/2022-23</a>        | May 13, 2022      | Lending by Commercial Banks to NBFCs and Small Finance Banks (SFBs) to NBFC-MFIs, for the purpose of on-lending to priority sectors                                                  |
| 5.   | <a href="#">FIDD.CO.Plan.BC.No.15/<br/>04.09.01/2021-22</a>        | October 8, 2021   | Priority Sector Lending- Banks' lending to NBFCs for on-lending – Extension of facility                                                                                              |
| 6.   | <a href="#">CO.FIDD.PCD.No.S414/0<br/>4-09-001/2021-22</a>         | August 17, 2021   | Priority Sector Lending (PSL) - Target for Non-Corporate Farmers FY2021-22                                                                                                           |
| 7.   | <a href="#">FIDD.CO.Plan.BC.No.10/<br/>04.09.01/2021-22</a>        | May 5, 2021       | Priority Sector Lending (PSL) - On-lending by Small Finance Banks (SFBs) to NBFC-MFIs                                                                                                |
| 8.   | <a href="#">FIDD.CO.Plan.BC.No.7/0<br/>4.09.01/2021-22</a>         | April 7, 2021     | Priority Sector Lending (PSL) – Increase in limits for bank lending against Negotiable Warehouse Receipts (NWRs) / electronic Negotiable Warehouse Receipts (eNWRs)                  |
| 9.   | <a href="#">FIDD.CO.Plan.BC.No.8/0<br/>4.09.01/2021-22</a>         | April 7, 2021     | Priority Sector Lending (PSL) - Lending by banks to NBFCs for On-Lending                                                                                                             |
| 10.  | <a href="#">CO.FIDD.PCD.No.S7850/<br/>04-09-001/2020-21</a>        | February 16, 2021 | Priority Sector Lending (PSL) – Interest Cap on Investment by Banks in Securitised Assets/Direct Assignment                                                                          |
| 11.  | <a href="#">CO.FIDD.PCD.No.S7519/<br/>04-09-001/2020-21</a>        | February 15, 2021 | Regional Rural Banks- Issue of Inter-Bank Participation Certificates                                                                                                                 |
| 12.  | <a href="#">FIDD.CO.Plan.BC.No.8/0<br/>4.09.01/2020-21</a>         | November 5, 2020  | Co-Lending by Banks and NBFCs to Priority Sector                                                                                                                                     |
| 13.  | <a href="#">DOR<br/>(PCB).BPD.Cir.No.12/09.<br/>09.002/2019-20</a> | April 24, 2020    | Non-achievement of Priority Sector Lending Targets by Primary (Urban) Co-operative Banks (UCBs) - Contribution to the Rural Infrastructure Development Fund (RIDF) and other funds   |
| 14.  | <a href="#">FIDD.CO.Plan.BC.No.19/<br/>04.09.01/2019-20</a>        | March 23, 2020    | Priority Sector Lending - Lending by banks to NBFCs for On-Lending                                                                                                                   |



## APPENDIX

|     |                                                                            |                                                     |                                                                                                                                  |
|-----|----------------------------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| 15. | <a href="#">FIDD.CO.Plan.BC.12/04.09.01/2019-20</a>                        | September 20, 2019                                  | Priority Sector Lending (PSL)- Classification of Exports under Priority Sector                                                   |
| 16. | <a href="#">FIDD.CO.Plan.BC.No.11/04.09.01/2019-20</a>                     | September 19, 2019                                  | Priority Sector Targets- Lending to Non-Corporate Farmers-FY 2019-20                                                             |
| 17. | <a href="#">FIDD.CO.Plan.BC.7/04.09.01/2019-20</a>                         | August 13, 2019                                     | Priority Sector Lending – Lending by banks to NBFCs for On-Lending                                                               |
| 18. | <a href="#">Master Directions FIDD.CO.Plan.BC.No.08/04.09.01/2019-20</a>   | July 29, 2019 (Updated as on March 12, 2020)        | Master Directions – Priority Sector Lending – Small Finance Banks – Targets and Classification                                   |
| 19. | <a href="#">FIDD.CO.Plan.BC.18/04.09.01/2018-19</a>                        | May 06, 2019                                        | Priority Sector Lending – Targets and Classification                                                                             |
| 20. | Letter to Indian Banks' Association No. FIDD.CO.Plan.772/04.09.001/2018-19 | October 4, 2018                                     | Exemption of Special GOI Securities issued to Public Sector Banks from Adjusted Net Bank Credit (ANBC)                           |
| 21. | <a href="#">FIDD.CO.Plan.BC.08/04.09.01/2018-19</a>                        | September 21, 2018                                  | Co-origination of loans by Banks and NBFCs for lending to priority sector                                                        |
| 22. | <a href="#">FIDD.CO.Plan.BC.07/04.09.01/2018-19</a>                        | July 12, 2018                                       | Priority Sector Lending – Targets and Classification: Lending to non-corporate farmers – System wide average of last three years |
| 23. | <a href="#">FIDD.CO.Plan.BC.22/04.09.01/2017-18</a>                        | June 19, 2018                                       | Priority Sector Lending – Targets and Classification                                                                             |
| 24. | <a href="#">DCBR.BPD (PCB).Cir.No.07/09.09.002/2017-18</a>                 | May 10, 2018                                        | Revised guidelines on lending to Priority Sector for Primary (Urban) Co-operative Banks (UCBs)                                   |
| 25. | <a href="#">FIDD.CO.Plan.BC.18/04.09.01/2017-18</a>                        | March 1, 2018                                       | Priority Sector Lending – Targets and Classification                                                                             |
| 26. | <a href="#">FIDD.CO.Plan.BC.16/04.09.01/2017-18</a>                        | September 21, 2017                                  | Priority Sector Lending – Targets and Classification: Lending to non-corporate farmers – System wide average of last three years |
| 27. | <a href="#">FIDD.CO.SFB.No.9/04.09.001/2017-18</a>                         | July 6, 2017                                        | Small Finance Banks – Compendium of Guidelines on Financial Inclusion and Development                                            |
| 28. | <a href="#">FIDD.CO.Plan.BC.No.17/04.09.001/2016-17</a>                    | October 6, 2016                                     | Priority Sector Lending – Revised Reporting System                                                                               |
| 29. | <a href="#">DBR.NBD.No.26/16.13.218/2016-17</a>                            | October 6, 2016                                     | Operating Guidelines for Small Finance Banks                                                                                     |
| 30. | <a href="#">Master Directions DNBR PD.007 and 008/03.10.119/2016-17</a>    | September 1, 2016 (updated as on February 17, 2020) | Master Directions 2016-NBFC-Non-SI-Non-deposit taking and SI-Non-Deposit and Deposit taking Company, respectively                |
| 31. | <a href="#">FIDD.CO.Plan.BC.No.14/04.09.001/2016-17</a>                    | September 1, 2016                                   | Priority Sector Lending-Targets and Classifications: Lending to Non-corporate Farmers –                                          |



## APPENDIX

|     |                                                                   |                                                |                                                                                                                                             |
|-----|-------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                                                   |                                                | System Wide Average of last three years                                                                                                     |
| 32. | <a href="#">FIDD.CO.Plan.BC.No.10/04.09.001/2016-17</a>           | August 11, 2016                                | Priority Sector Lending Status for Factoring Transactions                                                                                   |
| 33. | <a href="#">FIDD.CO.Plan.BC.No.8/04.09.001/2016-17</a>            | July 28, 2016                                  | PSL-Targets and Classification – Bank loans to MFIs for on-lending- Qualifying asset – Revised loan limit                                   |
| 34. | <a href="#">Master Directions FIDD.CO.Plan.2/04.09.01/2016-17</a> | July 07, 2016<br>(Updated as on June 18, 2019) | Master Directions - Regional Rural Banks - Priority Sector Lending – Targets and Classification                                             |
| 35. | <a href="#">FIDD.CO.Plan.BC.23/04.09.01/2015-16</a>               | April 7, 2016                                  | Priority Sector Lending Certificates                                                                                                        |
| 36. | DBOD Mailbox clarification                                        | March 28, 2016                                 | Bank loans to proprietorship under Priority Sector                                                                                          |
| 37. | DBOD Mailbox clarification                                        | March 17, 2016                                 | Eligibility of IBPC as Priority Sector Asset                                                                                                |
| 38. | <a href="#">FIDD.CO.Plan.BC.No.14/04.09.01/2015-16</a>            | December 03, 2015                              | Regional Rural Banks - Priority Sector Lending – Targets and Classification                                                                 |
| 39. | DBOD Mailbox clarification                                        | November 27, 2015                              | Bank loans to SHGs/ JLGs- Processing Charges                                                                                                |
| 40. | <a href="#">FIDD.CO.Plan.BC.13/04.09.01/2015-16</a>               | November 18, 2015                              | Priority Sector Lending-Targets and Classification                                                                                          |
| 41. | DBOD Mailbox clarification                                        | September 7, 2015                              | Calculation of shortfall/ excess                                                                                                            |
| 42. | DBOD Mailbox clarification                                        | August 14, 2015                                | Social Infrastructure and Bank loans to MFIs for on-lending - Social Infrastructure                                                         |
| 43. | <a href="#">FIDD.CO.Plan.BC.08/04.09.01/2015-16</a>               | July 16, 2015                                  | Priority Sector Lending – Targets and Classification                                                                                        |
| 44. | DBOD Mailbox clarification                                        | June 26, 2015                                  | Outstanding deposits with MUDRA Ltd. On account of priority sector shortfall                                                                |
| 45. | DBOD Mailbox clarification                                        | June 12, 2015                                  | Loans to Minority Communities                                                                                                               |
| 46. | DBOD Mailbox clarification                                        | June 11, 2015                                  | Loans to Custom Service Units                                                                                                               |
| 47. | <a href="#">FIDD.CO.Plan.BC.54/04.09.01/2014-15</a>               | April 23, 2015                                 | Priority Sector Lending-Targets and Classification                                                                                          |
| 48. | <a href="#">DCBR.BPD.(PCB) Cir.No. 7/14.01.062/2014-15</a>        | March 19, 2015                                 | Priority Sector Lending – Persons with Disabilities (PwD) – Inclusion under Weaker Sections                                                 |
| 49. | <a href="#">DCBR.BPD.(PCB) Cir.No. 5/14.01.062/2014-15</a>        | February 18, 2015                              | Credit Facilities to Minority Community – Inclusion of Jain Community under Section 2© of National Commission of Minorities (NCM) Act, 1982 |
| 50. | <a href="#">UBD.BPD.(PCB) Cir.No.7/13.01.000/2013-14</a>          | June 11, 2014                                  | Section 42(1) of the Reserve Bank of India Act, 1934 and Section 18 & 24 of the Banking Regulation Act, 1949 (AACS)-                        |



## APPENDIX

|     |                                                              |                    |                                                                                                                                                                                                                                              |
|-----|--------------------------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                                              |                    | FCNR (B)/NRE deposits – Exemption from Maintenance of CRR/SLR and Exclusion from ABC for Priority Sector Lending                                                                                                                             |
| 51. | <a href="#">UBD.CO.BPD.(PCB).Cir.No.13/09.22.010/2013-14</a> | September 10, 2013 | Finance for Housing Schemes - Primary (Urban) Co-operative Banks - Loans for Repairs / Additions / Alterations - Enhancement of Limits                                                                                                       |
| 52. | <a href="#">UBD.BPD.(PCB).CIR.No.5/13.01.000/2013-14</a>     | August 27, 2013    | Section 42(1) of the Reserve Bank of India Act, 1934 and Section 18 and 24 of the Banking Regulation Act, 1949 (AACS) - FCNR (B) / NRE Deposits - Exemption from Maintenance of CRR / SLR and Exclusion from ABC for Priority Sector Lending |
| 53. | <a href="#">UBD.BPD.(PCB).CIR.No.33/09.09.001/2011-12</a>    | May 18, 2012       | Priority Sector Lending -Indirect Finance to Housing Sector.                                                                                                                                                                                 |
| 54. | <a href="#">UBD.BPD.(PCB)CIR.No.50/13.05.000(B)/2010-11</a>  | June 2, 2011       | Financing of Self Help Groups (SHGs) and Joint Liability Groups (JLGs) by Primary (Urban) Co-operative Banks (UCBs)                                                                                                                          |
| 55. | <a href="#">UBD.CO.BPD.No.70/09.09.001/2009-10</a>           | June 15, 2010      | Advances to MSEs engaged in exports and export credit to agriculture / allied activities                                                                                                                                                     |
| 56. | <a href="#">UBD.BPD(PCB).Cir.No.50/09.09.01/2009-10</a>      | March 25, 2010     | Categorisation of activities under Services                                                                                                                                                                                                  |
| 57. | <a href="#">UBD.PCB.Cir.No.26/09.09.001/07-08</a>            | November 30, 2007  | Priority Sector lending-Revision of target - UCBs                                                                                                                                                                                            |
| 58. | <a href="#">UBD.PCB.Cir.No.11/09.09.01/07-08</a>             | August 30, 2007    | Revised Guidelines on Lending to Priority Sector for UCBs                                                                                                                                                                                    |
| 59. | <a href="#">UBD.PCB.Cir.No.11(126A)/09.09.001/2007-08</a>    | August 30, 2007    | Priority Sector Advances - List of minority Concentrated Districts                                                                                                                                                                           |