



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI/2019-20/179

FIDD.CO.Plan.BC.No.19/04.09.01/2019-20

March 23, 2020

The Chairman/ Managing Director
Chief Executive Officer
All Scheduled Commercial Banks
(Excluding Regional Rural Banks & Small Finance Banks)

Dear Sir/ Madam,

Priority Sector Lending - Lending by banks to NBFCs for On-Lending

Please refer to our [Circular No. FIDD.CO.Plan.BC.07/04.09.01/2019-20 dated August 13, 2019](#) advising, inter alia, that the bank loans to registered NBFCs (other than MFIs) for on-lending will be eligible for classification as priority sector under respective categories up to March 31, 2020 and will be reviewed thereafter.

2. Accordingly, after undertaking a review, it has been decided to extend the priority sector classification for bank loans to NBFCs for on-lending for FY 2020-21. Further, existing loans disbursed under the on-lending model will continue to be classified under Priority Sector till the date of repayment/maturity.

3. Bank credit to registered NBFCs (other than MFIs) and HFCs for on-lending will be allowed up to an overall limit of five percent of individual bank's total priority sector lending. Further, banks shall compute the eligible portfolio under on-lending mechanism by averaging across four quarters, to determine adherence to the prescribed cap.

Yours faithfully,

(Gautam Prasad Borah)
Chief General Manager-in-Charge

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हिंदी आसान है, इसका प्रयोग बढ़ाइए

चेतावनी: रिज़र्व बैंक द्वारा -मेल ड्राक, 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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