



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2013-14/515

RPCD.CO.Plan.BC91/04.09.01/2013-14

March 12, 2014

The Chairman/ Managing Director/
Chief Executive Officer
[All scheduled commercial banks
(excluding Regional Rural Banks)]

Dear Sir,

Priority Sector Lending-Targets and Classification-Bank loans to MFIs for on-lending-pricing criteria

Please refer to paragraphs VIII (c) (i) and (ii) of our master [circular No. RPCD.CO.Plan.BC.9/04.09.01/2013-14 dated July 1, 2013](#) on Priority Sector Lending-Targets and Classification.

2. On a review of the above provision, it has been decided that banks have to ensure MFIs comply with the cap on individual loans and margin cap as under in order to be eligible to classify these loans under priority sector as under:-.

(i) Cap on individual loans: - The average Base Rate of five largest commercial banks by assets multiplied by 2.75 per annum or cost of funds plus margin cap, whichever is less. The average of the Base Rate shall be advised by Reserve Bank of India.

(ii) Margin cap: Further, with effect from April 1, 2014, the margin cap shall not exceed 10 percent for MFIs having loan portfolio exceeding Rs.100 crore and 12 percent for others, as against 12 percent for all hitherto.

3. All other guidelines in terms of Para VIII of circular No. RPCD.CO.Plan. BC.9/04.09.01/2013-14 dated July 1, 2013 will remain unchanged.

Yours faithfully,

(T.V.Rao)
Deputy General Manager

ग्रामीण आयोजना और ऋण विभाग, केंद्रीय कार्यालय, 10वीं मंजिल, केंद्रीय कार्यालय बिल्डिंग, शहीद भगत सिंह मार्ग, पो.बा.सं.10014, मुंबई 400 001
टेलीफोन: Tel No.: +912222601000/ फैक्स: +91-22-22621011/22610948/22610943 ईमेल: cgmincrpcd@rbi.org.in

Rural Planning & Credit Department, Central Office, 10th Floor, Central Office Building, Shahid Bhagat Singh Marg, P.Box No.10014, Mumbai 400 001

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।
Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.