

## Annex II

### Definitions

In these guidelines, unless the context otherwise requires:

(a) "bank" or "banking company" means a banking company as defined in clause (c) of Section 5 of the Banking Regulation Act, 1949 (10 of 1949) or a "corresponding new bank", "State Bank of India" or "subsidiary bank" as defined in clause (da), clause (nc) and clause (nd) respectively thereof and includes a "co-operative bank" as defined in clause (cci) of Section 5 read with Section 56 of that Act.

(b) "scheduled bank" means a bank included in the Second Schedule of the Reserve Bank of India Act, 1934.

(c) "All-India Financial Institutions (FIs)" mean those financial institutions which have been permitted specifically by the Reserve Bank of India to raise resources by way of Term Money, Term Deposits, Certificates of Deposit, Commercial Paper and Inter-Corporate Deposits, where applicable, within umbrella limit.

(d) "Primary Dealer" means a non-banking financial company which holds a valid letter of authorisation as a Primary Dealer issued by the Reserve Bank, in terms of the "Guidelines for Primary Dealers in Government Securities Market" dated March 29, 1995, as amended from time to time.

(e) "corporate" or "company" means a company as defined in Section 45 I (aa) of the Reserve Bank of India Act, 1934 but does not include a company which is being wound up under any law for the time being in force.

(f) "non-banking company" means a company other than banking company.

(g) "non-banking financial company" means a company as defined in Section 45 I (f) of the Reserve Bank of India Act, 1934.

(h) "working capital limit" means the aggregate limits, including those by way of purchase/discount of bills sanctioned by one or more banks/FIs for meeting the working capital requirements.

(i) "Tangible net worth" means the paid-up capital plus free reserves (including balances in the share premium account, capital and debentures redemption reserves and any other reserve not being created for repayment of any future liability or for depreciation in assets or for bad debts or reserve created by revaluation of assets) as per the latest audited balance sheet of the company, as reduced by the amount of accumulated balance of loss, balance of deferred revenue expenditure, as also other intangible assets.

(j) words and expressions used but not defined herein and defined in the Reserve Bank of India Act, 1934 (2 of 1934) shall have the same meaning as assigned to them in that Act.