



भारतीय रिज़र्व बैंक  
**RESERVE BANK OF INDIA**  
[www.rbi.org.in](http://www.rbi.org.in)

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June 15, 2010

The Chief Executive Officers  
All Primary (Urban) Co-operative Banks

Dear Sir,

**Priority Sector Lending – Advances to Micro and Small Enterprises engaged in Exports and Export Credit to Agriculture and Allied Activities –UCBs**

Please refer to our Master Circular no. 7 dated July 1, 2009 on 'Priority Sector Lending'. In this connection, it is clarified that loans granted to Micro and Small Enterprises (MSE) (manufacturing and services) are eligible for classification under priority sector provided such enterprises satisfy the definition of MSE sector as contained in MSMED Act 2006, irrespective of whether the finance is for export activities or domestic activities. The export credit granted to MSEs may be reported separately as "Export Credit to Micro and Small Enterprises Sector" in Statement II.

2. Similarly, all loans granted to agriculture and allied activities are eligible to be classified as priority sector loans. The export credit granted for agriculture and allied activities may be reported separately under heading "Export Credit to Agriculture Sector" in Statement II.

Yours faithfully

(Uma Shankar)  
Chief General Manager

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बैंक हिन्दी में पत्राचार का स्वागत करता है —