The Chairman/Managing Director & CEOs
All Scheduled Commercial Banks including SFBs
(Excluding Regional Rural Banks)

Madam/Dear Sir,

**Priority Sector Lending (PSL) – Classification of Exports under priority Sector**

In order to boost credit to export sector, it has been decided to effect following changes in para 8 of the "**Master Direction on Priority Sector Lending-targets and Classification**" dated July 7, 2016 (updated as on December 4, 2018) pertaining to export credit.

1. **Enhance the sanctioned limit, for classification of export credit under PSL, from ₹ 250 million per borrower to ₹ 400 million per borrower.**

2. **Remove the existing criteria of ‘units having turnover of up to ₹ 1 billion’**

2. **The existing guidelines for domestic scheduled commercial banks to classify Incremental export credit over corresponding date of the preceding year, upto 2 per cent of ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher’ under PSL will continue to be applicable subject to the criteria mentioned at (i) above.**

3. **There is no change in the present instructions in respect of foreign banks.**

Yours faithfully,

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