Priority Sector Lending (Targets And Classification) – Second Amendment Directions, 2026

Effective date: 7 August 2026 (immediate)

RBI has excluded specified advances against fresh FCNR(B) and NRE term deposits from Adjusted Net Bank Credit (ANBC) used to compute Priority Sector Lending (PSL) obligations. The amendment aligns the PSL framework with RBI's June 2026 measures encouraging longer-tenor non-resident deposits — the USD–INR swap facility and the CRR/SLR exemption for specified fresh FCNR(B)/NRE deposits — by ensuring that advances against such deposits do not inflate the PSL base.

Key changes

- **FCNR(B) deposits:** Advances against fresh 3–5 year FCNR(B) deposits mobilised between 8 June and 30 September 2026 (including eligible renewals) are excluded from ANBC.
- **NRE term deposits:** Advances against fresh NRE term deposits of 3 years or more, mobilised between 19 June and 30 September 2026 (including eligible renewals), are excluded from ANBC.
- The exclusion is available, and capped, only to the extent the underlying deposits qualify for the CRR/SLR exemption under RBI's June 2026 directions.
- The earlier footnote prescribing the 2013–14 base-date methodology for incremental advances has been deleted.

Practical implication

Banks should update PSL computation controls and supporting documentation for deposits and advances falling within the June–September 2026 mobilisation windows.

Source: [Reserve Bank of India (Priority Sector Lending – Targets and Classification) Second Amendment Directions, 2026]