



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2016-17/198

DBR.No.BP.BC.49/21.04.048/2016-17

December 28, 2016

All Regulated Entities

Madam / Dear Sir,

Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances

Please refer to [circular DBR.No.BP.BC.37/21.04.048/2016-17 dated November 21, 2016](#).

2. On a review, it has been decided to:

(i) Provide 30 days, in addition to the 60 days provided vide the abovementioned circular, in the following categories of loans:

- (a) Running working capital accounts (OD/CC)/crop loans, with any bank, the sanctioned limit whereof is ₹1 crore or less;
- (b) Term loans for business purposes, secured or otherwise, the original sanctioned amount whereof is ₹1 crore or less, on the books of any bank or any NBFC, including NBFC (MFI). This shall include agriculture loans.

Note: The limits at (a) and (b) above are mutually exclusive limits applicable to respective category of loans.

The above dispensation will apply to dues payable between November 1, 2016 and December 31, 2016.

(ii) Permit all REs to defer the down grade of an account that was standard as on November 1, 2016, but would have become NPA for any reason during the period November 1, 2016 to December 31, 2016, by 90 days from the date of such downgrade in the following categories of accounts:

- (a) Running working capital accounts (OD/CC)/crop loans, with any bank, the sanctioned limit whereof is ₹1 crore or less;
- (b) Term loans for business purposes, secured or otherwise, the original sanctioned amount whereof is ₹1 crore or less, on the books of any bank or any NBFC, including NBFC (MFI). This shall include agriculture loans.

Note: The limits at (a) and (b) above are mutually exclusive limits applicable to respective category of loans

3. The additional time given in para 2 shall only apply to defer the classification of an existing standard asset as substandard and not for delaying the migration of an account across sub-categories of NPA.

4. Dues payable after January 1, 2017 will be covered by the extant instructions for the respective REs.

Yours faithfully,

(S.S. Barik)

Chief General Manager-in-Charge