

## **FINANCING OF INFRASTRUCTURE - DEFINITION OF 'INFRASTRUCTURE LENDING'**

**CIRCULAR DNBS. PD. CC. NO. 354/03.10.001/2013-14, DATED 2-8-2013**

Government of India, *vide* its Gazette Notifications dated April 5, 2013 and May 9, 2013, has updated the Harmonised Master List of Infrastructure sub-sectors and added the following new sub-sectors to the Notification dated March 27, 2012:

- i.* Capital Dredging, under the sub-sector 'Ports'.
- ii.* Slurry Pipelines
- iii.* Telecommunication & Telecom Services

2. Accordingly, the extant definition of infrastructure loan given in the NBFC Prudential Norms Directions, 2007 stands amended with immediate effect. The revised definition of 'infrastructure loan' is given in the Annex to this circular. Also please find enclosed (Annexures - I and II) the amending notification of date for meticulous compliance.

### **ANNEX**

#### **LIST OF SUB-SECTORS FOR 'INFRASTRUCTURE LENDING'**

"Infrastructure loan" means a credit facility extended by NBFCs to a borrower for exposure in the following infrastructure sub-sectors:

<i>Sr.No.</i>	<i>Category</i>	<i>Infrastructure sub-sectors</i>	
1.	Transport	<i>i</i>	Roads and bridges
		<i>ii</i>	Ports <sup>1</sup>
		<i>iii</i>	Inland Waterways
		<i>iv</i>	Airport
		<i>v</i>	Railway Track, tunnels, viaducts, bridges <sup>2</sup>
		<i>vi</i>	Urban Public Transport (except rolling stock in case of urban road transport)
2.	Energy	<i>i</i>	Electricity Generation
		<i>ii</i>	Electricity Transmission

		<i>iii</i>	Electricity Distribution
		<i>iv</i>	Oil pipelines
		<i>v</i>	Oil/Gas/Liquefied Natural Gas (LNG) storage facility <sup>3</sup>
		<i>vi</i>	Gas pipelines <sup>4</sup>
3.	Water Sanitation &	<i>i</i>	Solid Waste Management
		<i>ii</i>	Water supply pipelines
		<i>iii</i>	Water treatment plants
		<i>iv</i>	Sewage collection, treatment and disposal system
		<i>v</i>	Irrigation (dams, channels, embankments etc.)
		<i>vi</i>	Storm Water Drainage System
		<i>vii</i>	Slurry Pipelines
4.	Communication	<i>i</i>	Telecommunication (Fixed network) <sup>5</sup>
		<i>ii</i>	Telecommunication towers
		<i>iii</i>	Telecommunication & Telecom Services
5.	Social and Commercial Infrastructure	<i>i</i>	Education Institutions (capital stock)
		<i>ii</i>	Hospitals (capital stock) <sup>6</sup>
		<i>iii</i>	Three-star or higher category classified hotels located outside cities with population of more than 1 million
		<i>iv</i>	Common infrastructure for industrial parks, SEZ, tourism facilities and agriculture markets
		<i>v</i>	Fertilizer (Capital investment)
		<i>vi</i>	Post harvest storage infrastructure for agriculture and horticultural produce including cold storage
		<i>vii</i>	Terminal markets
		<i>viii</i>	Soil-testing laboratories
		<i>ix</i>	Cold Chain <sup>7</sup>

## Notes

1. Includes Capital Dredging
2. Includes supporting terminal infrastructure such as loading/unloading terminals, stations and buildings
3. Includes strategic storage of crude oil
4. Includes city gas distribution network
5. Includes optic fibre/cable networks which provide broadband/internet
6. Includes Medical Colleges, Para Medical Training Institutes and Diagnostics Centres
7. Includes cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, marine products and meat.

## ANNEXURE I

### **NON-BANKING FINANCIAL (DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007 - AMENDMENT IN PARAGRAPH 2**

#### **NOTIFICATION NO. DNBS.259 /CGM(CRS)-2013, DATED 2-8-2013**

The Reserve Bank of India, having considered it necessary in public interest and being satisfied that, for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to amend the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (hereinafter referred to as the said Directions) contained in Notification No.DNBS.192/DG(VL)-2007, dated February 22, 2007, in exercise of the powers conferred by section 45JA of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, hereby directs that the said Directions shall be amended with immediate effect as follows -

#### **Amendment of paragraph 2(1)(viii)**

Paragraph 2(1)(viii) may be replaced with the following :

"Infrastructure loan" means a credit facility extended by NBFCs to a borrower for exposure in the following infrastructure sub-sectors :

<i>Sr.No.</i>	<i>Category</i>	<i>Infrastructure sub-sectors</i>	
1.	Transport	<i>i</i>	Roads and bridges
		<i>ii</i>	Ports <sup>1</sup>
		<i>iii</i>	Inland Waterways

		<i>iv</i>	Airport
		<i>v</i>	Railway Track, tunnels, viaducts, bridges <sup>2</sup>
		<i>vi</i>	Urban Public Transport (except rolling stock in case of urban road transport)
2.	Energy	<i>i</i>	Electricity Generation
		<i>ii</i>	Electricity Transmission
		<i>iii</i>	Electricity Distribution
		<i>iv</i>	Oil pipelines
		<i>v</i>	Oil/Gas/Liquefied Natural Gas (LNG) storage facility <sup>3</sup>
		<i>vi</i>	Gas pipelines <sup>4</sup>
3.	Water Sanitation	<i>i</i>	Solid Waste Management
		<i>ii</i>	Water supply pipelines
		<i>iii</i>	Water treatment plants
		<i>iv</i>	Sewage collection, treatment and disposal system
		<i>v</i>	Irrigation (dams, channels, embankments etc.)
		<i>vi</i>	Storm Water Drainage System
		<i>vii</i>	Slurry Pipelines
4.	Communication	<i>i</i>	Telecommunication (Fixed network) <sup>5</sup>
		<i>ii</i>	Telecommunication towers
		<i>iii</i>	Telecommunication & Telecom Services
5.	Social Commercial Infrastructure	<i>i</i>	Education Institutions (capital stock)
		<i>ii</i>	Hospitals (capital stock) <sup>6</sup>
		<i>iii</i>	Three-star or higher category classified hotels located outside cities with population of more than 1 million
		<i>iv</i>	Common infrastructure for industrial parks, SEZ, tourism facilities and agriculture markets

		<i>v</i>	Fertilizer (Capital investment)
		<i>vi</i>	Post harvest storage infrastructure for agriculture and horticultural produce including cold storage
		<i>vii</i>	Terminal markets
		<i>viii</i>	Soil-testing laboratories
		<i>ix</i>	Cold Chain <sup>7</sup>

#### Notes

1. Includes Capital Dredging
2. Includes supporting terminal infrastructure such as loading/unloading terminals, stations and buildings
3. Includes strategic storage of crude oil
4. Includes city gas distribution network
5. Includes optic fibre/cable networks which provide broadband/internet
6. Includes Medical Colleges, Para Medical Training Institutes and Diagnostics Centres
7. Includes cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, marine products and meat.

## ANNEXURE II

### **NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007 - AMENDMENT IN PARAGRAPH 2**

#### **NOTIFICATION NO. DNBS.260 /CGM(CRS)-2013, DATED 2-8-2013**

The Reserve Bank of India, having considered it necessary in public interest and being satisfied that, for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to amend the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (hereinafter referred to as the said Directions) contained in Notification No. DNBS.193/DG(VL)-2007, dated February 22, 2007, in exercise of the powers conferred by section 45JA of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, hereby directs that the said Directions shall be amended with immediate effect as follows, namely -

#### **Amendment of paragraph 2(1)(viii)**

Paragraph 2(1)(viii) may be replaced with the following :

"Infrastructure loan" means a credit facility extended by NBFCs to a borrower for exposure in the following infrastructure sub-sectors :

<i>Sr.No.</i>	<i>Category</i>	<i>Infrastructure sub-sectors</i>	
1.	Transport	<i>i</i>	Roads and bridges
		<i>ii</i>	Ports <sup>1</sup>
		<i>iii</i>	Inland Waterways
		<i>iv</i>	Airport
		<i>v</i>	Railway Track, tunnels, viaducts, bridges <sup>2</sup>
		<i>vi</i>	Urban Public Transport (except rolling stock in case of urban road transport)
2	Energy	<i>i</i>	Electricity Generation
		<i>ii</i>	Electricity Transmission
		<i>iii</i>	Electricity Distribution
		<i>iv</i>	Oil pipelines
		<i>v</i>	Oil/Gas/Liquefied Natural Gas (LNG) storage facility <sup>3</sup>
		<i>vi</i>	Gas pipelines <sup>4</sup>
3.	Water Sanitation	&	<i>i</i> Solid Waste Management
			<i>ii</i> Water supply pipelines
			<i>iii</i> Water treatment plants
			<i>iv</i> Sewage collection, treatment and disposal system
			<i>v</i> Irrigation (dams, channels, embankments etc.)
			<i>vi</i> Storm Water Drainage System
			<i>vii</i> Slurry Pipelines
4.	Communication	<i>i</i>	Telecommunication (Fixed network) <sup>5</sup>
		<i>ii</i>	Telecommunication towers

		<i>iii</i>	Telecommunication & Telecom Services
5.	Social and Commercial Infrastructure	<i>i</i>	Education Institutions (capital stock)
		<i>ii</i>	Hospitals (capital stock) <sup>6</sup>
		<i>iii</i>	Three-star or higher category classified hotels located outside cities with population of more than 1 million
		<i>iv</i>	Common infrastructure for industrial parks, SEZ, tourism facilities and agriculture markets
		<i>v</i>	Fertilizer (Capital investment)
		<i>vi</i>	Post harvest storage infrastructure for agriculture and horticultural produce including cold storage
		<i>vii</i>	Terminal markets
		<i>viii</i>	Soil-testing laboratories
		<i>ix</i>	Cold Chain <sup>7</sup>

#### Notes

1. Includes Capital Dredging
2. Includes supporting terminal infrastructure such as loading/unloading terminals, stations and buildings
3. Includes strategic storage of crude oil
4. Includes city gas distribution network
5. Includes optic fibre/cable networks which provide broadband/internet
6. Includes Medical Colleges, Para Medical Training Institutes and Diagnostics Centres
7. Includes cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, Marine products and meat.