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# Regulatory Updates

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## **Mar 02, 2026 : Implementation of Section 51A of UAPA,1967: Updates to UNSC's 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Delisting of 01 entry**

### **Tags:**

UNSC Sanctions List, Compliance, Section 51A UAPA, Terrorist Links, Delisting

### **Summary:**

This RBI regulatory document addresses the implementation of Section 51A of the UAPA, 1967, focusing on updates to the UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List, specifically the delisting of Al-Nusra Front for the People of the Levant. The regulation mandates that all regulated entities ensure they maintain no accounts with individuals or entities listed by the UNSC as having terrorist links, and highlights the Ministry of Home Affairs' instructions for requests to be forwarded through the designated channels. This chiefly impacts commercial banks, cooperative banks, payment banks, NBFCs, and financial institutions required to comply with these updated directives.

### **Insights:**

- Regulated entities must stop account operations immediately for individuals/entities removed from the UNSC ISIL and Al-Qaida Sanctions List, as per clause Section 51A of the UAPA, 1967.
- Entities previously holding accounts for the delisted entity 'AL-NUSRAH FRONT FOR THE PEOPLE OF THE LEVANT' need to adjust their compliance frameworks promptly.
- Follow procedural adjustments as outlined in Chapter IX of the Reserve Bank of India - Know Your Customer, Directions, 2025, updated to include the recent UNSC changes.
- Entities receiving delisting requests should forward them immediately to Joint Secretary (CTCR), MHA, highlighting adherence to the UAPA Order from February 02, 2021.
- Compliance teams must regularly check updated lists of restricted individuals/entities via the UN security council's website to ensure ongoing compliance.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13310&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Small Finance Banks – Prudential Norms on Declaration of Dividends) Repeal Directions, 2026**

### **Tags:**

Small Finance Banks, Prudential Norms, Dividend Declaration

### **Summary:**

The Reserve Bank of India repeals the 2025 Directions on Small Finance Banks' declaration of dividends and introduces a new set of guidelines effective from the financial year 2026-27. While the repealed directions are replaced, existing actions, liabilities, and penalties under the previous framework remain unaffected. This change directly impacts small finance banks, ensuring continuity of prior approvals and legal proceedings despite the repeal.

### **Insights:**

- Small Finance Banks must align their dividend declaration practices with the new 2026 Prudential Norms from FY 2026-27 onwards.
- Entities must review any ongoing actions or approvals under the repealed 2025 Directions as they will now be governed by the 2026 Directions.
- Despite the repeal of the 2025 Directions, any previously acquired rights or incurred liabilities remain unaffected and must be accounted for.
- Legal proceedings or penalties initiated under the 2025 Directions continue under the repealed provisions until resolved or enforced.
- Stakeholders should examine the document DOR.ACC.REC.118/21-02-067/2025-26 for cross-referencing any ongoing compliance parameters carried forward.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13322&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividend and Remittance of Profit) Repeal Directions, 2026**

### **Tags:**

Prudential Norms, Dividend Declaration, Profit Remittance, Commercial Banks

### **Summary:**

The Reserve Bank of India's regulation repeals the 2025 prudential norms on the declaration of dividends and remittance of profit for commercial banks, replacing them with updated 2026 directions effective from the financial year 2026-27. The regulation ensures that any previous actions or ongoing processes under the old directions remain valid and are not adversely affected by the repeal. This update impacts commercial banks, maintaining continuity in existing approvals and emphasizing adherence to the revised norms.

### **Insights:**

- With effect from FY 2026-27, regulated banks must comply with the new Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profit) Directions, 2026, replacing the 2025 guidelines.
- Banks need to review FY 2026-27 operational plans to ensure all dividend declarations are aligned with the updated 2026 guidelines issued on March 10, 2026.
- Entities need to conduct compliance audits to verify that any action under the repealed 2025 Directions is accounted for under the retaining provisions of the new regulation.
- Stakeholders who act on prior approvals under the 2025 Directions should validate their governance under the new 2026 guidelines to ensure seamless transition and legal validity.
- Process examination for any ongoing investigations or legal proceedings must continue as instructed in the 2025 guidelines to avoid compliance pitfalls after the repeal.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13320&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Setting Up of Wholly Owned Subsidiaries by Foreign Banks) Amendment Guidelines, 2026**

### **Tags:**

Wholly Owned Subsidiaries, Foreign Banks, Dividend Declaration, Prudential Norms

### **Summary:**

The Reserve Bank of India issues an amendment to the 'Setting Up of Wholly Owned Subsidiaries by Foreign Banks' Guidelines, allowing Wholly Owned Subsidiaries (WOS) of foreign banks incorporated in India to declare dividends like domestic banks, in alignment with the Reserve Bank's 2026 guidelines on dividends and profit remittance under the FEMA 1999 framework. These changes, effective from FY 2026-27, impact foreign banks operating in India through WOS structures, aligning them with domestic bank dividend practices.

### **Insights:**

- From FY 2026-27, foreign banks with Wholly Owned Subsidiaries (WOS) in India must adhere to the amended dividend declaration norms which align with domestic banks, as specified in the RBI's 2026 Prudential Norms.
- WOS of foreign banks must ensure compliance with the guidelines allowing the repatriation of dividends as per the provisions of FEMA 1999 by the start of FY 2026-27.
- Regulated foreign banks should update their dividend declaration policies in accordance with the 2026 Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profit) Directions for consistency with domestic bank standards.
- Compliance teams must review and align the operational procedures with the revised guidelines effective FY 2026-27, ensuring readiness for adherence to the FEMA 1999 repatriation provisions.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13318&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Asset Reconstruction Companies) Amendment Directions, 2026**

### **Tags:**

Asset Reconstruction Companies, Owned Fund Computation, Financial Audits, Dividend Adjustments

### **Summary:**

The Reserve Bank of India (RBI) has issued an amendment to the Reserve Bank of India (Asset Reconstruction Companies) Directions, 2025, aimed at clarifying the components to be considered in the computation of Owned Fund for Asset Reconstruction Companies (ARCs). Key changes include the inclusion of quarterly profits in free reserves, subject to quarterly limited review or audit by statutory auditors, and a specific formula for adjusting profits by the average dividend paid over the last three years. These amendments are effective immediately and directly impact ARCs by altering how they calculate their Owned Fund, thus influencing their financial reporting and compliance obligations.

### **Insights:**

- ARCs must conduct a limited review/audit of their quarterly financial statements by statutory auditors for inclusion of quarterly profits in Owned Fund computation.
- The inclusion of quarterly profits in the Owned Fund is contingent upon reducing it by the average dividend paid over the last three years, ensuring prudent financial management.
- Losses incurred during the current financial year must be fully deducted from the Owned Fund, emphasizing the need for ARCs to manage their operating losses effectively.
- This amendment modifies paragraph 4(11)(i)(c) of the Master Direction issued on November 28, 2025, reinforcing the importance of adherence to revised guidelines for continued compliance.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13316&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Mortgage Guarantee Companies) Amendment Directions, 2026**

### **Tags:**

Mortgage Guarantee Companies, Owned Fund Computation, Tier 1 Capital

### **Summary:**

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Mortgage Guarantee Companies) Amendment Directions, 2026, focusing on clarifying the calculation of Owned Fund components and revising the definition of Tier 1 capital for Mortgage Guarantee Companies (MGCs). The amendment specifies that 'owned fund' includes different financial reserves and profits, with particular conditions for the inclusion of quarterly profits, and introduces paragraphs detailing the determination of applicable Tier 1 Capital compliance based on recent financial statements. The regulation directly impacts MGCs by altering their capital computation and reporting requirements.

### **Insights:**

- Mortgage Guarantee Companies (MGCs) must revise their owned fund calculations to include quarterly profits, subject to statutory audit and reduction by average dividends from the past three years.
- By March 10, 2026, MGCs are required to not deduct Right-of-Use assets from Owned Fund calculations if the assets are tangible.
- For compliance with credit and investment concentration norms, MGCs need to utilize Tier 1 capital as defined in paragraph 8(31) of the Master Directions based on the latest reviewed financial statements.
- The Reserve Bank of India (Mortgage Guarantee Companies) Amendment Directions, 2026, supersedes pertinent sections of the Master Direction issued on November 28, 2025.
- MGCs should ensure immediate compliance with the amended master directions, as these changes are effective immediately upon issuance of the amendment.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13315&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Core Investment Companies) Amendment Directions, 2026**

### **Tags:**

Core Investment Companies, Owned Fund Computation, Tangible Asset Leases

### **Summary:**

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Core Investment Companies) Amendment Directions, 2026 to further clarify the components considered in the computation of 'Owned Fund' for Core Investment Companies (CICs). The major change includes the inclusion of quarterly profits in the owned funds, subject to statutory auditor review and deduction of average dividends paid over the past three years. The amendment, effective immediately, impacts all CICs by refining how they calculate their owned funds, with specific exclusions like intangible assets and deferred revenue expenditure.

### **Insights:**

- Core Investment Companies must now include compulsorily convertible preference shares in their Owned Fund calculations, effective immediately, as per the amended Master Directions.
- CICs are mandated to subject their financial statements to a quarterly audit by statutory auditors for quarterly profits to be considered in Owned Fund computations.
- The average dividend paid in the last three years must be used to adjust quarterly profits, impacting the Owned Fund eligibility upon the guidelines' implementation.
- Losses incurred during the current financial year must be fully deducted from the Owned Fund, necessitating financial adjustments by CICs to comply.
- CICs are exempt from deducting Right-of-Use (ROU) assets under Ind AS 116 from Owned Fund, provided the ROU pertains to tangible leased assets, simplifying compliance requirements.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13314&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Housing Finance Companies) Amendment Directions, 2026**

### **Tags:**

Owned Fund Computation, Housing Finance Companies, Financial Statement Review

### **Summary:**

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Housing Finance Companies) Amendment Directions, 2026, to clarify the computation of 'Owned Fund' for Housing Finance Companies (HFCs). Key updates include the inclusion of compulsorily convertible preference shares, free reserves, and quarterly profits in the owned fund, with specific conditions for recognizing quarterly profits after deducting average dividends from the past three years. These changes directly impact HFCs, altering the way they calculate owned funds for compliance and reporting purposes.

### **Insights:**

- HFCs must revise their computation of 'Owned Fund' by excluding reserves created by revaluation of assets and deducting book value of intangible assets and deferred revenue expenditure.
- HFCs need to ensure that their quarterly financial statements undergo limited review or audit by statutory auditors as a compliance requirement for including quarterly profits into the 'Owned Fund'.
- To include quarterly profits in 'Owned Fund', HFCs must use the formula  $E_{Pt} = N_{Pt} - 0.25 * D_t$ , where  $E_{Pt}$  is the eligible profit up to a given quarter, ensuring compliance with profit deduction norms.
- The amendment allows HFCs to retain the Right-of-Use (ROU) asset under 'Owned Fund' if the lease is for a tangible asset, marking a deviation from earlier guidelines.
- The modifications in the Reserve Bank of India (Housing Finance Companies) Amendment Directions, 2026 supersede the outdated definitions for 'Owned Fund' in the previous Master Directions of 2025.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13313&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Non-Banking Financial Companies - Concentration Risk Management) Second Amendment Directions, 2026**

### **Tags:**

NBFC Concentration Risk, Tier 1 Capital, Prudential Norms, Capital Adequacy

### **Summary:**

The Reserve Bank of India (RBI) has issued an amendment to its Master Direction on concentration risk management for Non-Banking Financial Companies (NBFCs). The core focus of the amendment is to redefine the 'Tier 1 capital' for compliance with current credit and investment concentration norms, requiring NBFCs to obtain an external auditor's certificate after capital augmentation. These changes, coming into force immediately, impact all NBFCs by mandating compliance based on the most recent financial statements.

### **Insights:**

- NBFCs must obtain an external auditor's certificate after capital augmentation and submit it to RBI for concentration norms compliance.
- Effective immediately, the amended definition of 'Tier 1 Capital' must be adopted as per Chapter II of the 2025 Prudential Norms.
- The 'Owned Fund' and 'Tier 1 Capital' definitions are updated, requiring NBFCs to align their internal calculations with the new terms as outlined.
- All NBFCs need to use their latest financial statements, audited or subjected to limited review, for determining Tier 1 Capital compliance.
- Changes to the concentration norms require NBFCs to recognize adjustments in their operational processes to meet the amended guidelines promptly.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13312&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026**

### **Tags:**

Non-Banking Financial Companies, Capital Adequacy, Owned Fund Computation, Prudential Norms

### **Summary:**

The Reserve Bank of India has released an amendment to the 2025 Prudential Norms on Capital Adequacy for Non-Banking Financial Companies, introducing clarity on the computation of Owned Fund, particularly around the inclusion of quarterly profits. This amendment mandates statutory auditor review of financial statements quarterly and adjusts profit inclusion by reducing the average dividend paid over the last three years. The regulation impacts Non-Banking Financial Companies (NBFCs), requiring them to adhere to these updated capital adequacy calculations immediately.

### **Insights:**

- From March 10, 2026, NBFCs must integrate quarterly financial statements subject to limited review or audit by statutory auditors into their capital adequacy reporting.
- NBFCs should adjust quarterly profits by deducting average dividends from the last three years to determine eligible profits for inclusion in owned funds.
- Regulated entities must ensure immediate compliance with the new computation method for owned funds as per the 2026 Amendment, considering losses in the current year fully.
- This amendment modifies paragraph 9(iii) of the 2025 Master Direction, necessitating a review of how NBFCs calculate free reserves and owned funds.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13311&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (All India Financial Institutions (AIFIs) - Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026**

### **Tags:**

Capital Adequacy, Counterparty Credit Risk, AIFIs, Market-Related Off-Balance Sheet Items

### **Summary:**

The Reserve Bank of India (RBI) issues an amendment to the 2025 Prudential Norms on Capital Adequacy for All India Financial Institutions (AIFIs), focusing on counterparty credit risk (CCR) management. Key changes include updated computation instructions for capital requirements on a consolidated basis, revised add-on factors for market-related off-balance sheet items, and specific risk weight requirements for clearing members of Qualified Central Counterparties (QCCPs). This regulation affects AIFIs involved in derivatives trading, particularly those acting as clearing members for stock exchanges in equity and commodity segments, ensuring alignment with international standards.

### **Insights:**

- Regulated entities must include CCR exposures of all entities that need to be consolidated as per Section B under Chapter II for capital adequacy computation.
- Market-related off-balance sheet items must apply new add-on factors detailed in Table 13, effective immediately.
- The residual maturity for interest rate contracts with specified payment dates and reset conditions must be set to the next reset date, with a minimum add-on factor of 0.50% for longer maturities.
- Clearing members offering client services must maintain a 2% risk weight for trade exposure to QCCPs when they are obligated to reimburse client losses, with immediate effect.
- For transactions with QCCP, clearing members need not maintain capital if not liable for client losses, provided they secure an independent legal opinion confirming this protection.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13331&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Payments Banks - Prudential Norms on Capital Adequacy) Amendment Directions, 2026**

### **Tags:**

Counterparty Credit Risk, Prudential Norms, Capital Adequacy, Payments Banks, Risk Weighting

### **Summary:**

The Reserve Bank of India (RBI) amended its prudential norms on capital adequacy for payments banks, focusing on counterparty credit risk. Key changes include updated add-on factors for market-related off-balance sheet items and a clarified risk weight application for banks acting as clearing members of a Qualified Central Counterparty (QCCP). Payments banks and banks serving as clearing members are primarily impacted, needing to adjust their risk assessment and capital maintenance practices accordingly.

### **Insights:**

- Payments banks must adjust their capital adequacy calculations to incorporate the revised add-on factors for market-related off-balance sheet items as outlined in the updated Table 10.
- Clearing member banks providing client clearing services must apply a 2% risk weight to trades involving QCCPs and ensure compliance with new risk weight guidelines.
- Banks acting as clearing members are exempt from maintaining capital for trade exposure to QCCPs if a legal opinion demonstrates no liability from QCCP defaults.
- Updated guidelines effective immediately require payments banks to align counterparty credit risk treatments with international standards, superseding previous directions in the 2025 framework.
- Paragraph 52(5)(i)(a) has been amended to clarify risk weight applications on clearing members' obligations, necessitating reevaluation of current trade exposure procedures.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13330&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Small Finance Banks - Prudential Norms on Capital Adequacy) Third Amendment Directions, 2026**

### **Tags:**

Small Finance Banks, Capital Adequacy, Counterparty Credit Risk, Add-on Factors

### **Summary:**

The Reserve Bank of India's amendment to the 'Small Finance Banks - Prudential Norms on Capital Adequacy' introduces updated guidelines to align with international standards for handling counterparty credit risk (CCR). Key changes include a revised table for add-on factors for market-related off-balance sheet items, specific provisions for banks acting as clearing members in derivatives segments, and clarified risk weight applications for trade exposures to Qualified Central Counterparties (QCCPs). These changes primarily impact small finance banks as they modify risk calculation and capital maintenance requirements related to CCR exposure.

### **Insights:**

- Small Finance Banks must update their risk management frameworks to align with updated CCR guidelines and apply revised add-on factors from the effective date of March 10, 2026.
- Ensure adherence to the new minimum add-on factor floor of 0.50% for interest rate contracts that meet specific criteria, aligning with international standards as amended in the regulation.
- Banks acting as clearing members of SEBI-recognized exchanges must implement capital charge computations for CCR, specifically for equity and commodity derivatives in line with Table 14's prescribed factors.
- Review and revise legal agreements with QCCPs to ensure compliance with the 2% risk weight provision and obtain necessary legal opinions to be exempted from capital maintenance for non-reimbursed trade exposures.
- Regulated entities should reassess their asset classifications considering the inclusion of energy contracts, agricultural projects, and base metals under the 'Other Commodities' category in line with the updated guidelines.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13329&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Small Finance Banks – Prudential Norms on Declaration of Dividend) Directions, 2026**

### **Tags:**

Small Finance Banks, Dividend Declaration, Prudential Norms, Board Oversight

### **Summary:**

The RBI's 'Reserve Bank of India (Small Finance Banks – Prudential Norms on Declaration of Dividend) Directions, 2026' outlines the specific conditions under which Small Finance Banks (SFBs) can declare and distribute dividends. This regulation, effective from FY 2026-27, introduces key updates including eligibility criteria based on the bank's capital adequacy, profit metrics, and restrictions on using extraordinary profits for dividend payment. The stakeholders impacted are Small Finance Banks, which must comply with the reporting requirements and adhere to the set dividend payout limits to avoid penal consequences.

### **Insights:**

- Small Finance Banks must ensure compliance with the applicable regulatory capital requirements by the end of the financial year to be eligible for dividend declaration as per paragraph 7.
- Banks are required to report dividend declaration details to the RBI's Department of Supervision within a fortnight of declaration, in accordance with Annex II.
- Tier 1 Capital ratio affects dividend payout limits; banks must verify their CET1 ratios against Table 1 thresholds before deciding on the dividend amount.
- Exceptional profits and audit-report stated overstatements must be excluded from eligible dividend profits, ensuring adherence to paragraph 10 requirements.
- Previous guidelines on dividend declarations for SFBs, such as those in Circular DOR.ACC.REC.118/21-02-067/2025-26 dated November 28, 2025, are repealed, and banks should adjust policies according to the new Directions of 2026.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13328&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Regional Rural Banks – Prudential Norms on Declaration of Dividend) Directions, 2026**

### **Tags:**

Regional Rural Banks, Dividend Declaration, Prudential Norms, Non-Compliance Penalties

### **Summary:**

The Reserve Bank of India (RBI) has issued the 'Prudential Norms on Declaration of Dividend' for Regional Rural Banks (RRBs), effective from the financial year 2026-27, to set clear guidelines for dividend distribution. The regulation introduces new eligibility criteria, including compliance with regulatory capital requirements and restrictions on profits considered for dividend payments, restricting dividends to not exceed 80% of profit after tax. The targeted stakeholders are the RRBs' Boards of Directors, who are to ensure adherence to these norms, while also reporting detailed dividend information to the NABARD, with non-compliance potentially attracting penal action.

### **Insights:**

- Regional Rural Banks must ensure adherence to new dividend declaration norms effective FY 2026-27 by maintaining eligible Tier 1 Capital Ratios.
- Banks must adjust PAT by subtracting 50% of Net NPA when calculating profit for dividend declarations, ensuring compliance with revised prudential norms.
- Banks are required to report dividend details to NABARD within a fortnight of declaration using the new format in Annex II, surpassing the previous reporting requirement.
- The RBI reserves the right to impose restrictions on banks declaring dividends if found non-compliant with existing or new directives issued by the Reserve Bank.
- All previously issued directions or guidelines related to dividend declarations that conflict with these new norms are repealed, reinforcing adherence to the latest directive.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13327&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Third Amendment Directions, 2026**

### **Tags:**

Capital Adequacy, Counterparty Credit Risk, Prudential Norms, Commercial Banks

### **Summary:**

The Reserve Bank of India (RBI) issued the Third Amendment Directions, 2026, to the Prudential Norms on Capital Adequacy for Commercial Banks, clarifying the treatment of total Counterparty Credit Risk (CCR) in alignment with international standards. Key updates include requirements for banks to include CCR exposures of all consolidated entities and new add-on factors for market-related off-balance sheet items. The amendment affects commercial banks acting as clearing members in derivatives and commodity segments, enforcing specific capital charge computations and legal requirements for CCR exposures.

### **Insights:**

- Banks must include CCR exposures of all entities required for consolidation as per Section B 'Scope of application of capital adequacy framework' from the effective date.
- Table 16 substitution mandates banks to apply new add-on factors for market-related off-balance sheet items; this requires recalibration of capital requirement computations.
- Contracts with specific reset conditions must consider a residual maturity up to the next reset date and ensure rate contracts over a year maintain a minimum 0.50% add-on factor.
- Banks acting as clearing members on SEBI-recognised exchanges are required to compute and maintain CCR capital charge using new add-on factors from Table 16.
- Clearing members handling QCCP transactions must evaluate their obligation towards client loss reimbursements, adhering to the 2% risk weight rule, ensuring necessary legal safeguards if exempted.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13326&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Local Area Banks – Prudential Norms on Declaration of Dividends) Repeal Directions, 2026**

### **Tags:**

Local Area Banks, Prudential Norms, Dividend Declaration, Regulatory Repeal, Financial Year 2026-27

### **Summary:**

The Reserve Bank of India has repealed the 2025 guidelines on local area banks' prudential norms for dividend declaration, replacing them with the updated 2026 version, effective from the financial year 2026-27. The new guidelines maintain continuity for actions or approvals under the previous rules while ensuring that any rights, obligations, penalties, or ongoing investigations or proceedings remain unaffected by this change. This regulation primarily impacts local area banks, which must adhere to the updated prudential norms for declaring dividends.

### **Insights:**

- Regulated entities need to transition to the Reserve Bank of India (Local Area Banks – Prudential Norms on Declaration of Dividends) Directions, 2026, which takes effect from FY 2026-27.
- Entities must review compliance processes since the Reserve Bank of India (Local Area Banks – Prudential Norms on Declaration of Dividends) Directions, 2025 has been repealed effective FY 2026-27.
- Actions taken under the repealed 2025 Directions continue under new regulations; however, entities must reassess ongoing processes in the light of the 2026 Directions.
- Ensuring familiarity with the 2026 Directions is vital as penalties, forfeitures, or investigations initiated under the 2025 Directions remain enforceable.
- Stakeholders should prepare for potential adjustments as any liabilities, rights, or obligations from previous regulations persist under the new framework.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13325&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Local Area Banks – Prudential Norms on Declaration of Dividend) Directions, 2026**

### **Tags:**

Local Area Banks, Declaration of Dividend, Capital Requirement Compliance, Dividend Restrictions

### **Summary:**

The Reserve Bank of India's regulation, 'Prudential Norms on Declaration of Dividend' for Local Area Banks (LABs), introduces new guidelines effective from FY 2026-27, aiming to establish a framework for dividend distribution by LABs. The regulation mandates that LABs meet specific prudential requirements, including capital adequacy ratios and positive Adjusted Profit After Tax (PAT), while restricting dividend distribution in cases of non-compliance and exceptional profits. This regulation impacts LABs by setting limits on dividend payouts and instituting a reporting framework to maintain fiscal discipline and transparency.

### **Insights:**

- Local Area Banks must ensure compliance with the Reserve Bank of India (Local Area Banks – Prudential Norms on Declaration of Dividend) Directions, 2026 from the financial year 2026-27 to declare dividends.
- Before proposing a dividend, banks must consider asset classification divergences and ensure regulatory capital does not fall below requirements post-dividend payment as per the new guidelines.
- LABs need to calculate eligible dividends based on Adjusted Profit After Tax minus 50% of Net NPAs, adhering strictly to Table 1 CRAR requirements outlined in the document.
- Exceptional profits, overstated net profits as identified by auditors, and unrealized gains must be excluded when determining eligibility for dividends, ensuring adherence to audit report stipulations.
- Entities should update their reporting processes to furnish dividend declaration details to the RBI's Department of Supervision within two weeks, adapting to the supplementary reporting system introduced.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13324&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Payment Banks – Prudential Norms on Declaration of Dividends) Repeal Directions, 2026**

### **Tags:**

Reserve Bank of India, Payment Banks, Prudential Norms, Dividend Declaration, Financial Year 2026-27

### **Summary:**

The Reserve Bank of India (RBI) has repealed the 2025 directives concerning Payment Banks' Prudential Norms on Declaration of Dividends and replaced them with new Directions effective from FY 2026-27. Key changes include the continuity of previously initiated actions under the old norms and the preservation of all rights, obligations, and liabilities accrued under them, along with ongoing legal proceedings and penalties. This regulation primarily affects Payment Banks that are subject to these prudential norms and related compliance requirements.

### **Insights:**

- Starting FY 2026-27, Payment Banks must comply with the new RBI guidelines on dividend declaration, replacing the 2025 guidelines.
- Regulated entities should review any actions or approvals under the 2025 directions, as they will now be governed by the 2026 guidelines.
- Entities need to ensure that ongoing investigations and legal proceedings are continued in line with the repealed 2025 directions.
- Payment Banks must update their compliance frameworks to reflect the 2026 guidelines, replacing all references to the 2025 norms.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13323&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Payment Banks – Prudential Norms on Declaration of Dividend) Directions, 2026**

### **Tags:**

Payment Banks, Dividend Declaration, Prudential Norms, Tier 1 Capital Ratio

### **Summary:**

The Reserve Bank of India has issued the 'Reserve Bank of India (Payment Banks – Prudential Norms on Declaration of Dividend) Directions, 2026,' which outlines guidelines for Payment Banks (PBs) concerning the declaration of dividends. Effective from the fiscal year 2026-27, these Directions introduce eligibility criteria, quantum limits, and reporting requirements for the payment of dividends based on adjusted Profit After Tax (PAT) and Tier 1 Capital Ratio. The regulation impacts Payment Banks by setting forth restrictions and penal consequences for non-compliance, emphasizing the Board's oversight in maintaining prudential norms when proposing dividend declarations.

### **Insights:**

- Payment Banks must maintain a Tier 1 Capital Ratio above specific thresholds as laid out in Table 1 to declare dividends up to allowed percentages of adjusted PAT.
- From FY 2026-27 onwards, Payment Banks must report dividend details to RBI within a fortnight of declaration, using the format specified in Annex II.
- Exceptional and extraordinary profits are ineligible for dividend payments, per clause D.10, necessitating banks to segregate such profits from PAT calculations.
- Under the repealed framework (Annex III), banks should transition to the new dividend declaration guidelines and ensure compliance with minimum capital requirements.
- Dividend payout restrictions apply if previous year's financials include audit modifications leading to PAT overstatements, necessitating careful auditor assessments.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13321&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividend and Remittances of Profits) Directions, 2026**

### **Tags:**

Dividend Declaration, Prudential Norms, Foreign Banks, Remittance of Profits

### **Summary:**

The Reserve Bank of India (RBI) has released the 'Prudential Norms on Declaration of Dividend and Remittances of Profits' for commercial banks, effective from FY 2026-27, outlining the criteria for banks to declare dividends or remit profits. Key changes include eligibility requirements which mandate banks to comply with regulatory capital needs, possess positive Adjusted Profit After Tax, and not be under restrictions from the RBI, with specific dividend payout limits based on CET1 ratios. This regulation impacts all banking companies, State Bank of India, and foreign banks operating as branches, excluding Small Finance Banks, Local Area Banks, Payments Banks, and Regional Rural Banks.

### **Insights:**

- Banks must comply with the regulatory capital requirement as at the end of the previous financial year to be eligible for dividend declaration, according to paragraph 7.
- Dividends declared by banks incorporated in India should not exceed 75% of PAT for the period, or the CET 1 ratio limits as per Table 1 in paragraph 8.
- Foreign banks operating in branch mode in India can remit profits only if they have audited accounts and must return any excess remittance immediately, as stated in paragraph 10.
- Profits from exceptional or extraordinary income are ineligible for dividend payment or profit remittance by foreign banks, as outlined in paragraph 11(1).
- The repealed circular DOR.ACC.REC.87/21-02-067/2025-26 is replaced with the new guidelines, impacting previous dividend declaration practices.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13319&Mode=0>

## **Mar 10, 2026 : Reserve Bank of India (Standalone Primary Dealers) Amendment Directions, 2026**

### **Tags:**

Tier 1 Capital, Standalone Primary Dealers, Financial Compliance, Exposure Norms

### **Summary:**

The Reserve Bank of India has issued the Reserve Bank of India (Standalone Primary Dealers) Amendment Directions, 2026, to clarify the components considered in the computation of Tier 1 capital for Standalone Primary Dealers (SPDs). Key updates include the inclusion of quarterly profits, subject to audit conditions and deduction of current year losses, investments in subsidiaries, intangible assets, and deferred tax assets from Tier 1 capital. These amendments impact SPDs by mandating the use of audited or reviewed financial statements to ensure compliance with exposure norms.

### **Insights:**

- SPDs must ensure their financial statements are reviewed or audited quarterly by statutory auditors as per the new Tier 1 capital computation requirements.
- Quarterly profits included in Tier 1 capital should account for average dividends over the last three years, mandating a clear dividend payout calculation for compliance.
- Losses from the current and previous periods, investment in subsidiaries, and deferred tax assets must be deducted from Tier 1 capital, indicating need for thorough financial assessment.
- SPDs are now required to determine their Tier 1 capital based on the latest available financial statements, emphasizing timely financial statement preparation and review.
- Entities must align with the revised Tier 1 capital definition under paragraph 9(6) for compliance with exposure norms stated in paragraphs 159(1) to 159(6).

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13317&Mode=0>

## **Mar 11, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1988 (2011) Taliban Sanctions List: Amendment of 22 Entries: UAPA Update 02 of 2026**

### **Tags:**

UAPA 1967, UNSC Taliban Sanctions List, Banking Entities, Asset Freeze Procedures

### **Summary:**

The RBI regulation addresses the implementation of Section 51A of the UAPA, 1967, updating entities on changes to the UNSC's 1988 Taliban Sanctions List, including the addition of 22 entries. This amendment requires banks and financial institutions to review and ensure they do not hold accounts for individuals or entities linked to terrorism as per the updated list, following procedures specified in the UAPA Order. Impacted stakeholders include commercial banks, small finance banks, and other financial entities, which must comply with these changes to prevent association with sanctioned individuals or entities.

### **Insights:**

- Regulated entities must ensure that no accounts are maintained for individuals/entities listed in the UNSC's Taliban Sanctions List as per the UAPA Act, 1967 and its amendments.
- Entities are required to implement amendments to the 'Taliban Sanctions List' as detailed in the UNSC announcement from March 10, 2026, and adhere to the asset freeze, travel ban, and arms embargo outlined in Security Council resolution 2816 (2026).
- Entities must follow the updated UAPA Order, dated February 02, 2021, amended on April 22, 2024, for proper procedural compliance when dealing with listed entities/individuals.
- The new listings by UNSC, effective from March 10, 2026, necessitate immediate compliance; visit <https://press.un.org/en/2026/sc16313.doc.htm> for more details.
- Requests for delisting from the Taliban Sanctions List should be forwarded electronically to Joint Secretary (CTCR), MHA, as per Ministry of Home Affairs (MHA) instructions.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13332&Mode=0>

## **Mar 16, 2026 : Currency Chest operations on March 31, 2026**

### **Tags:**

Currency Chest Operations, Government Transactions, Public Holiday Banking, Fiscal Year-End 2025-26

### **Summary:**

The RBI regulation mandates all Currency Chest holding banks to keep their Currency Chests (CCs) open on March 31, 2026, a public holiday, for transactions related to Government receipts and payments, ensuring these are accounted for within the fiscal year 2025-26. This requirement stems from the need to process Government transactions on the specified date, and affects banks involved in handling such transactions by requiring them to operationalize their CCs akin to normal working days, with linked branches duly informed.

### **Insights:**

- Banks involved in Government receipts and payments must keep branches open on March 31, 2026, which is a public holiday, to comply with FY 2025-26 closing requirements as per circular DoR.CO.SOG(Leg)No.401/09.08.024/2025-26.
- Currency Chest holding banks are required to operate on March 31, 2026, treating it as a regular working day to facilitate Government transaction settlements.
- Ensure communication channels are effective by informing all linked branches about the operational directives for March 31, 2026 as highlighted in the circular.
- Banks must verify that the necessary logistic arrangements and staffing are in place to handle Government transactions and Currency Chest operations effectively on the stated public holiday.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13341&Mode=0>

## **Mar 16, 2026 : Reserve Bank of India (Rural Co-operative Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026**

### **Tags:**

Rural Co-operative Banks, DICGC Insurance Premium, Financial Disclosure Requirements

### **Summary:**

The Reserve Bank of India has issued the Reserve Bank of India (Rural Co-operative Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026, which update the financial statement disclosures for rural co-operative banks, specifically concerning the payment of Deposit Insurance and Credit Guarantee Corporation (DICGC) insurance premiums. A key change is the requirement for banks to disclose in their annual report whether the deposit insurance premium was paid to DICGC within the prescribed timelines, and if not, disclose any arrears. This regulation impacts rural co-operative banks and aims to enhance transparency and accountability in financial reporting, effective from April 1, 2026.

### **Insights:**

- Rural Co-operative Banks must disclose DICGC premium payment status in their annual reports starting April 1, 2026, to comply with the latest amendment directions.
- Ensure payment of DICGC insurance premium within prescribed timelines as non-compliance must be disclosed in the annual report, affecting the bank's transparency and credibility.
- Review and update financial statement presentation and disclosure practices in line with the new amendments to avoid regulatory penalties from April 1, 2026.
- Align with the 'Implementation of Risk Based Premium (RBP) Framework' issued on February 6, 2026, ensuring compliance with changes in premium calculations.
- Reassess previous financial disclosures and amend any discrepancies according to the modified paragraph 10(11)(v) provided in the amendment directions.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13340&Mode=0>

**Mar 16, 2026 : Reserve Bank of India (Urban Co-operative Banks –  
Financial Statements: Presentation and Disclosures) – Third Amendment  
Directions, 2026**

**Tags:**

Financial Statements, DICGC Insurance Premium, Risk Based Premium Framework

**Summary:**

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Urban Co-operative Banks – Financial Statements: Presentation and Disclosures) – Third Amendment Directions, 2026, which mandates urban co-operative banks to disclose the timely payment of Deposit Insurance and Credit Guarantee Corporation (DICGC) insurance premiums in their annual reports. This amendment, effective from April 1, 2026, ensures banks declare their compliance with payment timelines or disclose any delays, directly impacting urban co-operative bank reporting practices.

**Insights:**

- Urban Co-operative Banks must ensure that DICGC insurance premiums are paid within prescribed timelines and disclose timely payments in their annual reports from April 1, 2026.
- Any delay in payment of DICGC premiums must be disclosed in the annual report, highlighting compliance discrepancies starting from April 1, 2026.
- This amendment modifies paragraph 10(11)(vi) of the Reserve Bank of India Directions, 2025, necessitating a review of financial statement presentations to incorporate new disclosure requirements.
- Following the DICGC's Implementation of the Risk Based Premium Framework issued on February 6, 2026, banks must reassess premium calculations to align with the new risk-based approach.
- Ensure alignment of financial statement disclosures with the updated paragraph 10(11)(vi) by revisiting operational and compliance procedures under the amended Directions from April 2026.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13339&Mode=0>

**Mar 16, 2026 : Reserve Bank of India (Local Area Banks – Financial Statements: Presentation and Disclosures) Second Amendment Directions, 2026**

**Tags:**

Local Area Banks, Risk Based Premium, DICGC Insurance, Banking Regulation Act 1949

**Summary:**

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Local Area Banks – Financial Statements: Presentation and Disclosures) Second Amendment Directions, 2026, which primarily addresses the implementation of the Risk Based Premium (RBP) Framework by the Deposit Insurance and Credit Guarantee Corporation (DICGC). The regulation modifies paragraph 10(12)(vi) to mandate that banks disclose in their annual reports whether they have made timely payment of the DICGC insurance premium. This amendment is designed to enhance transparency and accountability among local area banks concerning their financial disclosures and comes into effect on April 1, 2026.

**Insights:**

- Local Area Banks must disclose in their annual report the timely payment status of the DICGC insurance premium for transparency and compliance from April 1, 2026.
- In cases of delayed DICGC premium payments, Local Area Banks are required to explicitly state the delays in their annual reports, ensuring accountability.
- The Reserve Bank of India's directions effective April 1, 2026, align with the DICGC's Risk Based Premium Framework, necessitating banks to adapt their reporting and compliance processes accordingly.
- The amended guidelines replace the previous paragraph 10(12)(vi) with new disclosure requirements concerning DICGC premium payments in the financial statements of Local Area Banks.
- Local Area Banks should review the Implementation of Risk Based Premium Framework dated February 6, 2026, to align their processes with the updated regulatory expectations.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13338&Mode=0>

## **Mar 16, 2026 : Foreign Exchange Management (Export and Import of Currency) (Amendment) Regulations, 2026**

### **Tags:**

Currency Declaration Form, Foreign Exchange Management, Import of Currency, Customs Certification

### **Summary:**

The Reserve Bank of India (RBI) has updated the Foreign Exchange Management (Export and Import of Currency) Regulations, 2015, with the introduction of the requirement for passengers to complete a Currency Declaration Form (CDF) under specified conditions. Key changes include passengers needing to declare foreign exchange if the amount exceeds U.S. \$10,000 in currency notes, bank notes, or travelers' cheques, or U.S. \$5,000 in currency notes alone. This regulation impacts travelers bringing foreign currency into India, who must now fill out the CDF for amounts above the threshold and potentially present it for currency conversion or as proof during departure.

### **Insights:**

- Regulated entities must update their procedures to ensure that passengers bringing in foreign currency above U.S.\$ 10,000 must complete the newly inserted Currency Declaration Form (CDF) as per the amended guidelines.
- Authorized banks and money changers should prepare for auditing and acceptance of the CDF upon conversion of foreign exchange, aligning their operations with the new regulation immediately upon Gazette publication.
- Stakeholders should note changes from the Principal Regulations: Ensure all internal compliance materials are updated to align with the amendments disclosed in Notification No. FEMA 6 (R)/(5)/2026-RB.
- Visitors must retain the CDF if they plan to take unutilized foreign exchange out of India, emphasizing the need for thorough briefing about the new compliance requirements at arrival points.
- Entities involved must cross-reference previous guidelines, especially those amended via No. FEMA 6 (R)/(4)/2025-RB, and reflect new requirements immediately to maintain compliance.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13337&Mode=0>

## **Mar 16, 2026 : Reserve Bank of India (Payments Banks – Financial Statements: Presentation and Disclosures) Amendment Directions, 2026**

### **Tags:**

DICGC Insurance Premium, Risk Based Premium Framework, Payment Banks Disclosure

### **Summary:**

The Reserve Bank of India (RBI) issued an amendment on March 16, 2026, to the Financial Statements: Presentation and Disclosures for Payments Banks, following the implementation of the Risk Based Premium (RBP) Framework by DICGC. The update requires banks to disclose the payment status of DICGC insurance premiums in their annual reports, specifically whether payments were made within the prescribed timelines or not. These changes, effective from April 1, 2026, impact payments banks, reinforcing transparency and compliance in reporting deposit insurance premiums.

### **Insights:**

- From April 1, 2026, payments banks must ensure timely payment of DICGC insurance premiums and disclose compliance status in the annual report.
- Payments banks need to adjust their financial statement presentations per the amendments in paragraph 10(12)(vi) concerning DICGC premium payments.
- Banks are required to amend their annual report templates to include disclosures on adherence to DICGC premium payment timelines.
- Non-compliance with premium payment timelines must be disclosed by banks, necessitating reviews of payment processes before April 1, 2026.
- The directive refers to and modifies the 'Reserve Bank of India (Payments Banks – Financial Statements: Presentation and Disclosures) Directions, 2025', ensuring alignment with the RBP Framework by DICGC.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13336&Mode=0>

**Mar 16, 2026 : Reserve Bank of India (Regional Rural Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026**

**Tags:**

Regional Rural Banks, DICGC Insurance Premium, Risk Based Premium Framework

**Summary:**

The Reserve Bank of India has amended the Reserve Bank of India (Regional Rural Banks – Financial Statements: Presentation and Disclosures) Directions, 2025, effective from April 1, 2026. This amendment aligns with the new Risk Based Premium Framework issued by the Deposit Insurance and Credit Guarantee Corporation, requiring banks to disclose in their annual reports whether the deposit insurance premium was paid within the prescribed timelines, or specify delays if any. The regulation is specifically targeted at Regional Rural Banks, impacting how they report their adherence to deposit insurance premium payment schedules.

**Insights:**

- Regional Rural Banks must disclose in their annual report whether the deposit insurance premium was paid to DICGC within the prescribed timelines, effective April 1, 2026.
- Any delays in the payment of DICGC insurance premiums must be disclosed in the annual report, ensuring transparency for stakeholders.
- Compliance with the amended paragraph 10(11)(vi) requires timely payment of DICGC premiums, as part of risk management practices.
- The implementation of the Risk Based Premium (RBP) Framework must be integrated with operational processes following the February 6, 2026 guideline by DICGC.
- Ensure alignment with the amended RBI Directions, superseding previous regulatory disclosures related to DICGC premium payments.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13335&Mode=0>

## **Mar 16, 2026 : Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) – Third Amendment Directions, 2026**

### **Tags:**

Small Finance Banks, Risk Based Premium, DICGC Insurance, Financial Statements Disclosure

### **Summary:**

The RBI regulation outlines amendments to the 'Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) Directions, 2025' following the issuance of the Risk Based Premium Framework by the Deposit Insurance and Credit Guarantee Corporation. It mandates small finance banks to disclose in their annual reports the timely payment of deposit insurance premiums to DICGC, or disclose any delays. These changes, effective from April 1, 2026, impact small finance banks by necessitating transparency in their insurance premium payments.

### **Insights:**

- Small Finance Banks must update their internal processes to ensure the payment of DICGC Insurance Premium is completed within prescribed timelines starting April 1, 2026.
- Annual reports must clearly disclose whether deposit insurance premiums were paid on time, pointing to the updated paragraph 10(14)(vii) of the 2025 Directions.
- In case of any discrepancies in premium payments, banks are mandated to report arrears proactively in their disclosures.
- This amendment is in response to the Implementation of Risk Based Premium Framework by the DICGC, emphasizing timely compliance.
- Review alignment with the previous year's premium payment disclosures in preparation for the changes effective from the 2025-26 fiscal period.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13334&Mode=0>

## **Mar 16, 2026 : Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) – Fifth Amendment Directions, 2026**

### **Tags:**

Financial Statements Disclosure, DICGC Insurance Premium, Risk Based Premium Framework

### **Summary:**

The RBI's recent regulation, Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) Fifth Amendment Directions, 2026, updates the disclosure requirements for commercial banks regarding the payment of deposit insurance premiums to the Deposit Insurance and Credit Guarantee Corporation (DICGC). The major update mandates banks to disclose whether the DICGC insurance premium was paid within prescribed timelines in their annual report, highlighting any delays if applicable. These amendments, effective from April 1, 2026, primarily affect commercial banks by enforcing transparency in their financial reporting related to deposit insurance premium payments.

### **Insights:**

- Banks must disclose in their annual report that the deposit insurance premium was paid to DICGC within the prescribed timelines, starting April 1, 2026, to ensure transparency and compliance.
- If a bank fails to meet the DICGC premium payment timelines, it must specify this non-compliance in their annual reports, urging banks to improve their payment tracking systems.
- The amended Direction modifies paragraph 10(14)(vii) of the 2025 Directions, mandating banks to update their financial statement disclosure procedures accordingly.
- The implementation of Risk Based Premium (RBP) Framework by DICGC effective February 6, 2026, necessitates banks to review their risk assessment strategies in premium payment calculations.
- This regulation is effective from April 1, 2026, prompting banks to immediately adjust compliance protocols and amend any internal documents referencing the old guidelines.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13333&Mode=0>

## **Mar 27, 2026 : Master Direction - Reserve Bank of India (Unique Identifiers in Financial Markets) Directions, 2026**

### **Tags:**

Legal Entity Identifier (LEI), Financial Market Regulation, OTC Derivative Transactions

### **Summary:**

The Reserve Bank of India's regulation details the implementation of Unique Identifiers in financial markets, comprising Legal Entity Identifier (LEI) and Unique Transaction Identifier (UTI). Key updates include the immediate implementation of LEI for non-individual entities in specified OTC transactions and the introduction of UTI from January 1, 2027, as a global standard for derivative transaction reporting. This regulation affects all market participants engaged in financial transactions under RBI oversight, mandating them to obtain the requisite identifiers to ensure transparency and regulatory compliance.

### **Insights:**

- From March 27, 2026, regulated entities must obtain and incorporate Legal Entity Identifiers (LEI) for all OTC transactions involving government securities, money market instruments, foreign exchange instruments, and derivatives.
- Non-resident entities without a legal registration in their incorporation country must use the LEI of their parent or management company for transactions in markets regulated by the RBI.
- Effective January 01, 2027, UTI generation is mandatory for OTC derivatives transactions with specific reporting deadlines when negotiated under directions such as Foreign Exchange Management or Rupee Interest Rate Derivatives.
- Entities should comply with the updated UTI framework that follows the CPMI-IOSCO UTI Technical Guidance issued in February 2017 as stipulated by the RBI.
- Market participants must ensure arrangements are in place for compliance with UTI and LEI requirements, superseding previous circulars including FMRD.FMID No.14/11.01.007/2016-17 dated June 01, 2017.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13343&Mode=0>

## **Mar 27, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Listing of 02 Entries**

### **Tags:**

ISIL Sanctions List, UAPA Compliance, UNSC Listings, Financial Institutions, Delisting Procedure

### **Summary:**

The RBI regulatory document addresses the implementation of Section 51A of the UAPA Act, 1967, specifically updating stakeholders on the inclusion of two new entries in the UNSC's ISIL (Da'esh) & Al-Qaida Sanctions List. It mandates that regulated entities such as banks and financial institutions ensure no accounts are held by individuals/entities on this list, emphasizing compliance with international agreements and obligating immediate actions in response to the Ministry of External Affairs' notifications. Entities impacted include commercial banks, small finance banks, cooperative banks, and non-banking financial companies, among others.

### **Insights:**

- Regulated entities must ensure no accounts are maintained for individuals/entities listed in the UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List, as per Section 51A of the UAPA, 1967.
- Entities must update due diligence procedures per Chapter IX of the RBI's KYC Directions, 2025, concerning international agreements.
- Follow the compliance procedures in the UAPA Order dated February 02, 2021, amended on April 22, 2024, which is annexed to the Directions.
- Entities must electronically forward any delisting requests to Joint Secretary (CTCR), MHA, as per instructions from the Ministry of Home Affairs.
- Ensure compliance with the updated sanctions lists available at the UNSC URLs for ISIL (Da'esh), Al-Qaida, and Taliban entities.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13342&Mode=0>

## **Mar 27, 2026 : NOP-INR position of Authorised Dealers**

### **Tags:**

NOP-INR Position, Authorised Dealers, Exchange Rate Management, Regulatory Compliance, FEMA 1999

### **Summary:**

The Reserve Bank of India's regulation addresses the management of NOP-INR positions by Authorised Dealers in exchange rate management. It mandates that these dealers maintain their onshore deliverable market positions within a US\$ 100 million limit at the end of each business day, effective by April 10, 2026. The circular impacts Authorised Dealers by imposing strict compliance requirements under specified sections of the FEMA, 1999.

### **Insights:**

- Authorised Dealers must ensure compliance with the NOP-INR position limit of US\$100 million by April 10, 2026.
- Operational systems should be updated to monitor and maintain NOP-INR positions within the prescribed limit daily.
- Existing monitoring guidelines in the Master Direction - Risk Management and Inter-Bank Dealings, dated July 05, 2016, should be reviewed for amendments considering the new NOP-INR limit.
- Immediate audit protocols must be implemented to ensure end-of-day compliance with the newly introduced NOP-INR position limits.
- Authorised Dealers should ensure their forex systems are compliant with the latest guidelines as stipulated under FEMA, 1999 amendments related to NOP-INR regulations.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13344&Mode=0>

## **Mar 30, 2026 : Reporting under Foreign Exchange Management Act, 1999** **– Returns pertaining to External Commercial Borrowing (ECB)**

### **Tags:**

External Commercial Borrowing (ECB), Reporting Requirements, Late Submission Fee (LSF), Authorised Dealer (AD) Banks, Compliance and Certification

### **Summary:**

The Reserve Bank of India's circular outlines new reporting requirements for External Commercial Borrowings (ECB) under the Foreign Exchange Management Act, 1999, effective April 1, 2026. Key updates include treating Form ECB 1 and Revised Form ECB 1 as non-flow capturing returns and computing Late Submission Fees (LSF) for each delayed return per Loan Registration Number. The regulation impacts Authorised Dealer Category I banks, requiring them to submit returns within seven days of receipt and monitor LSF payments from borrowers.

### **Insights:**

- Designated AD Category I banks must submit the complete Form ECB return along with certification to the Reserve Bank within seven calendar days of receipt from borrowers, effective April 01, 2026.
- The Late Submission Fee for Form ECB returns will be calculated per delayed instance, emphasizing the need for timely submissions by banks under Loan Registration Numbers (LRNs).
- For delayed returns, banks must ensure applicable LSF payment by customers through NEFT or RTGS to the concerned Reserve Bank Regional Office upon receiving an acknowledgment email.
- Existing ECB reporting forms, ECB 1 and Revised ECB 1, will now be treated as non-flow capturing returns impacting how LSF is computed relative to delays.
- The guidelines amend prior instructions per A.P. (DIR Series) Circular No. 16 dated September 30, 2022, affecting how banks handle ECB reporting and penalties.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13345&Mode=0>

**Mar 30, 2026 : Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026 (Revised)**

**Tags:**

Small Finance Banks, Capital Market Exposure, Credit Facilities, Regulatory Compliance

**Summary:**

The RBI's Second Amendment Directions, 2026 pertains to the financial statements presentation and disclosures for Small Finance Banks, introducing significant changes in the reporting of exposures, particularly to capital markets. It deletes one sub-paragraph related to exposures and adds new requirements for detailed reporting of various types of capital market exposures to enhance transparency and risk management. This regulation impacts Small Finance Banks as they are required to comply with revised disclosure norms by July 1, 2026, affecting how they report their financial exposures.

**Insights:**

- Small Finance Banks must delete existing sub-paragraph 10(5)(ii) and insert the new sub-paragraph 10(5)(iia) in their financial statements as per the amended guidelines effective by July 1, 2026.
- The Capital Market exposure for Small Finance Banks must now be reported in line with the Reserve Bank of India (Small Finance Banks – Concentration Risk Management) Directions, 2025 and the Credit Facilities Directions, 2025.
- Banks need to ensure compliance with the revised format of disclosures which include detailed reporting on direct investments, advances, and underwriting commitments related to capital markets.
- Entities should align their reporting systems to integrate the changes for exposure to capital markets efficiently to meet the July 1, 2026 deadline or earlier if they opt for immediate implementation.
- The issuance of the revised amendment directions dated March 30, 2026, supersedes the previous amendment issued on February 13, 2026, necessitating updates in compliance procedures per the latest instructions.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13354&Mode=0>

**Mar 30, 2026 : Reserve Bank of India (Small Finance Banks - Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026**  
**(Revised)**

**Tags:**

Capital Adequacy, Irrevocable Payment Commitment, Concentration Risk Management

**Summary:**

The Reserve Bank of India has issued an amendment to the capital adequacy norms for Small Finance Banks, aimed at revising the prudential regulatory framework. Key updates include the modification of paragraph 74(6) which categorizes irrevocable payment commitments as financial guarantees with a 100% credit conversion factor. This regulation requires affected banks to maintain capital based on capital market exposures with a 125% risk weight, impacting those involved in capital risk concentration management. The amendment supersedes the previous guidance and takes effect from either the implementation by banks or July 1, 2026, whichever comes first.

**Insights:**

- Small Finance Banks must ensure compliance with the revised capital adequacy norms by July 1, 2026, or upon implementing the RBI's revised Credit Facilities regulations, whichever is earlier.
- Banks issuing irrevocable payment commitments to stock exchange clearing corporations must account for these as financial guarantees with a 100% CCF and maintain capital based on the CME exposure.
- The risk weight for CME-related exposures must now be maintained at 125%, necessitating reassessment of capital allocation for such exposures.
- Amendment supersedes the earlier issued Prudential Norms on Capital Adequacy Second Amendment from February 13, 2026, thereby nullifying its provisions.
- Entities must adapt their risk-weighted asset calculations as per the revised paragraph 74(6) of Chapter IV in the RBI Directions, 2025.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13353&Mode=0>

## **Mar 30, 2026 : Reserve Bank of India (Small Finance Banks - Concentration Risk Management) Amendment Directions, 2026 - (Revised)**

### **Tags:**

Concentration Risk Management, Small Finance Banks, Capital Market Exposures, Prudential Ceilings, Exposure Norms

### **Summary:**

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Small Finance Banks - Concentration Risk Management) Amendment Directions, 2026 (Revised), focusing on managing concentration risks in Small Finance Banks' capital market exposures. Key updates include new intra-day exposure limits, the introduction of a capital market exposure ceiling that should not exceed 40% of a bank's Tier 1 capital, and specific exclusions from CME computations. These changes impact Small Finance Banks, necessitating adherence to revised prudential ceilings and adjustments to their risk management practices by July 1, 2026, or earlier at the bank's discretion.

### **Insights:**

- Small Finance Banks must revise CME calculations to include direct and indirect exposures by July 1, 2026, as per updated guidelines.
- With the removal of paragraph 31, banks need to adhere to the new CME ceilings outlined in paragraph 31A, which limit aggregate CME to 40% of Tier 1 capital.
- Intra-day exposure limits need immediate policy adjustments in accordance with Chapter II, with specific focus on capital market exposure prudence.
- Exposure norms in 'Chapter IV' demand elimination of sections mentioned in paragraphs 35 through 40, necessitating immediate operational audits.
- Banks should prepare to compute CME using the cost price for direct investments and higher of sanctioned limits or outstanding for credit exposures.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13352&Mode=0>

## **Mar 30, 2026 : Reserve Bank of India (Small Finance Banks – Credit Facilities) Amendment Directions, 2026 (Revised)**

### **Tags:**

Credit Facilities, Collateral Security, Capital Market Intermediaries, Loan-to-Value Ratios

### **Summary:**

The Reserve Bank of India (RBI) has issued revised Amendment Directions for Small Finance Banks concerning credit facilities, effective from July 1, 2026. Key changes include the introduction of collateral requirements, Loan to Value (LTV) ratios, and specific conditions for lending against eligible securities and to Capital Market Intermediaries (CMIs). These amendments impact Small Finance Banks, CMIs, and non-individual financial entities by imposing stricter lending practices and monitoring protocols, emphasizing the need for risk assessment and prudent credit management.

### **Insights:**

- Regulated entities must establish a comprehensive policy for selecting eligible securities as collateral by July 1, 2026, as outlined in paragraph 201A.
- Banks should immediately rectify breaches in Loan-to-Value (LTV) ceilings, mandated under paragraph 201H, within seven working days.
- Effective July 1, 2026, or upon adoption, banks must comply with revised guidelines for loans against eligible securities, superseding directions from February 13, 2026.
- Loans against banks' own securities require a board-approved policy, prescribing margins and loan purposes as stated in paragraph 201B.
- Guarantees for proprietary trading by CMIs must be fully secured, with at least 50% collateral in cash or fixed deposits, under paragraph 201Z.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13351&Mode=0>

## **Mar 30, 2026 : Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) – Amendment Directions, 2026 (Revised)**

### **Tags:**

Credit Facilities, Banking Regulation Act, Acquisition Finance, Bridge Finance, Compliance

### **Summary:**

The Reserve Bank of India has issued the Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) – Amendment Directions, 2026 (Revised), introducing changes to 'Chapter-III General Guidelines' of the 2025 Directions. Key updates include the modification of provisions related to acquisition and bridge finance for promoters' stakes in new companies and lending to individuals against eligible securities. These amendments are directed at commercial banks and will be enforceable from the earlier of either when a bank opts to implement the new provisions or by July 1, 2026.

### **Insights:**

- From July 1, 2026, or earlier if a bank opts, banks must comply with the updated guidelines on acquisition and bridge finance for promoter stakes in new companies.
- The amended directions replace lending guidelines with new terms for lending to individuals against eligible securities, necessitating compliance checks for banks.
- The March 30, 2026 amendment supersedes the February 13, 2026 directions, and banks should ensure alignment with the latest requirements to avoid non-compliance.
- Banks need to review and update their operational procedures to integrate these amended directives effectively by July 1, 2026 or sooner if implemented early.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13350&Mode=0>

## **Mar 30, 2026 : Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) – Third Amendment Directions, 2026 (Revised)**

### **Tags:**

Capital Market Exposure, Financial Disclosure, Banking Regulation Act 1949, Credit Facilities Compliance

### **Summary:**

The Reserve Bank of India (RBI) issued revisions to the Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) to align with recent updates in credit facilities regulations. This amendment introduces detailed disclosure requirements on a bank's capital market exposures, including new categories such as bridge finance, acquisition finance, and underwriting commitments. The regulation primarily impacts commercial banks, which must implement these changes by July 1, 2026, or upon adopting the associated credit facilities provisions, ensuring enhanced transparency in their financial statements regarding market-related exposures.

### **Insights:**

- Commercial banks must revise their financial disclosures to reflect the new exposure guidelines to capital markets as outlined in paragraph 10(5), applicable from the earlier of banks' implementation or July 1, 2026.
- Banks must delete the previous sub-paragraph 10(5)(ii) and incorporate the new detailed framework for capital market exposure reporting ensuring alignment with the new RBI Directions.
- Compliance with Reserve Bank of India (Commercial Banks - Concentration Risk Management) Directions, 2025, is necessary for accurate capital market exposure reporting as per the revised guidelines.
- Banks should account for bridge finance and acquisition financing in their disclosures specifically as per the revised sub-paragraph (ia), ensuring clear classification and reporting.
- This amendment supersedes any provisions or requirements in the Third Amendment Directions dated February 13, 2026, necessitating an immediate review and update of disclosure practices by regulated entities.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13349&Mode=0>

## **Mar 30, 2026 : Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026** **(Revised)**

### **Tags:**

Capital Adequacy, Credit Facilities, Risk Weighted Assets, Financial Guarantee

### **Summary:**

The Reserve Bank of India (RBI) has issued an amendment to its Commercial Banks - Prudential Norms on Capital Adequacy to address changes in capital market exposure requirements. This update clarifies that a bank's irrevocable payment commitment to clearing corporations at stock exchanges, made on behalf of clients, is categorized as a financial guarantee with a 100% Credit Conversion Factor, but capital is required only on the Capital Market Exposure with a risk weight of 125%. This regulation impacts commercial banks and will take effect no later than July 1, 2026, superseding the earlier amendment released in February 2026.

### **Insights:**

- Banks need to align their systems with the revised Amendment Directions, ensuring capital is maintained on CME exposure with a 125% risk weight by July 1, 2026.
- The new guidelines replace the February 13, 2026, amendment, thus banks should discard the old procedures and adopt the updated directions issued on March 30, 2026.
- Understanding the link between 'Commercial Banks – Credit Facilities' and 'Concentration Risk Management' directions is critical to comply with CME exposure calculations.
- Banks must identify CCF as 100% for irrevocable payment commitments to clearing corporations, necessitating immediate recalibration of their capital adequacy assessments.
- Immediate communication and training are required for the risk management team to adapt to the new 125% risk weight calculation for CME exposures by July 1, 2026.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13348&Mode=0>

## **Mar 30, 2026 : Reserve Bank of India (Commercial Banks - Concentration Risk Management) Amendment Directions, 2026 (Revised)**

### **Tags:**

Concentration Risk Management, Capital Market Exposures, Credit Facilities, Prudential Ceilings

### **Summary:**

The Reserve Bank of India has issued the Commercial Banks - Concentration Risk Management Amendment Directions, 2026, to revise guidelines related to concentration risk in Indian banks. Key updates include the introduction of new definitions, modifications to exposure norms, and new prudential ceilings on capital market exposures (CME) with specific sub-limits for intra-day exposures and acquisition financing. These regulations impact commercial banks by setting limits on their market exposure to ensure stability and prevent excessive risk-taking in capital markets by adhering to these revised norms.

### **Insights:**

- Starting July 1, 2026, banks must ensure their aggregate Capital Market Exposure does not exceed 40% of the eligible capital base.
- Regulated entities must update policies to align intra-day exposure limits with the updated prudential limits prescribed under the CME guidelines.
- Delete and update internal frameworks referencing Paragraph 95 of the previous guidelines, which has now been superseded by the updated CME norms.
- Investment in shares due to conversion of debt under restructuring is exempt from regulatory ceilings on CMEs, aligning with Insolvency and Bankruptcy Code provisions.
- Effective immediately, banks should adjust acquisition finance exposure to not exceed 20% of their eligible capital base as specified in the new regulations.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13347&Mode=0>

## **Mar 30, 2026 : Reserve Bank of India (Commercial Banks – Credit Facilities) Amendment Directions, 2026 (Revised)**

### **Tags:**

Acquisition Finance, Collateral Security, Eligible Securities, Credit Facilities to CMI, Bridge Finance

### **Summary:**

The Reserve Bank of India (RBI) issued the 'Reserve Bank of India (Commercial Banks – Credit Facilities) Amendment Directions, 2026 (Revised)', introducing significant changes to regulations concerning credit facilities provided by commercial banks. Key updates include a detailed framework for acquisition finance, bridge finance, and loans against eligible securities, along with specific criteria and conditions for lending to individuals and non-individuals, including Capital Market Intermediaries (CMIs). These regulations impact Indian commercial banks, mandating compliance with revised prudential norms, collateral requirements, and control acquisition provisions effective from July 1, 2026.

### **Insights:**

- Banks must revise their credit assessment procedures for acquisition finance to ensure compliance with the new strategic investment criteria by July 1, 2026.
- Institutions are required to align their lending operations to Capital Market Intermediaries with the new collateral and margin requirements within the regulatory limit outlined in 'Chapter XIII A'.
- Banks must update their Board-approved policies by July 1, 2026, to include specific guidelines on underwriting benchmarks, exposure limits, and cash-flow certainty for acquisition finance.
- The provision for 'Bridge Finance' has been redefined; banks should ensure loans are repaid within a year through specified financial resources, as specified in the amended regulations.
- All existing loans against financial assets must be evaluated for compliance with new 'Loan Against Eligible Securities' regulations effective from July 1, 2026, replacing previous guidelines detailed under Chapter XIII.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13346&Mode=0>

## **Mar 31, 2026 : Reserve Bank of India (Trade Relief Measures) Directions, 2026**

### **Tags:**

Trade Relief Measures, Export Credit Extension, Export Financing Entities, West Asian Crisis Impact

### **Summary:**

The Reserve Bank of India (RBI) has issued the Trade Relief Measures Directions, 2026, to address the impact of geopolitical tensions in West Asia on Indian exporters. The regulation allows eligible regulated entities (REs), including commercial banks, co-operative banks, Non-Banking Financial Companies (NBFCs) doing factoring, and All-India Financial Institutions, to extend the credit period for pre-shipment and post-shipment export credit to up to 450 days for credits disbursed till June 30, 2026. Additionally, for packing credit facilities availed by exporters that could not be dispatched, REs are permitted to settle these with alternate sources, such as domestic sale proceeds or proceeds from a different export contract.

### **Insights:**

- Regulated entities must extend the credit period for pre and post-shipment export credit to up to 450 days for transactions until June 30, 2026, to comply with the new RBI directives.
- Entities need to allow the liquidation of packing credit facilities for unsold goods through alternative legitimate means, including domestic sales, as per the March 31, 2026 directive.
- Non-Banking Financial Companies engaged in export financing must align their credit policies with the new tenor extensions by updating their operational frameworks immediately.
- Commercial, cooperative, and financial institutions involved in export credits should reassess risk management practices to accommodate extended credit periods and alternative liquidation options.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13355&Mode=0>

## **Mar 31, 2026 : Formation of new district in the State of Goa – Assignment of Lead Bank Responsibility**

### **Tags:**

New District, Kushavati, State Bank of India

### **Summary:**

The Reserve Bank of India (RBI) issued a notification on March 31, 2026, officially assigning the Lead Bank responsibility for the newly formed Kushavati district in Goa to the State Bank of India (SBI). This administrative update follows the Government of Goa's formal creation of the district. To facilitate immediate regulatory reporting and banking operations, the RBI has allotted the specific district working code "02W" to Kushavati, while explicitly maintaining the existing Lead Bank assignments for all other districts within the state.

### **Insights:**

- The prompt designation of a Lead Bank ensures the newly carved district is immediately integrated into the state's formal financial inclusion and credit planning frameworks.
- Entrusting the State Bank of India with this responsibility highlights and reinforces its continued dominance as the primary engine for public sector banking and rural development initiatives in Goa.
- By assigning the working code "02W" just before the new financial year (April 1), the RBI ensures seamless data tracking, priority sector lending reporting, and administrative alignment without transition delays.
- The notification carefully clarifies that the lead bank responsibilities for the rest of Goa's districts remain entirely unaffected, preventing any administrative confusion across the broader state banking network.

**Further details can be found on:**

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13356&Mode=0>