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Regulatory Updates

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Contents

Apr 01, 2026 : Master Direction on Counterfeit Notes – Detection, Reporting and Monitoring	14
Tags:	14
Summary:	14
Insights:	14
Apr 01, 2026 : Risk Management and Inter-Bank Dealings (Revised)	15
Tags:	15
Summary:	15
Insights:	15
Apr 01, 2026 : Master Direction – Facility for Exchange of Notes and Coins	16
Tags:	16
Summary:	16
Insights:	16
Apr 01, 2026 : Master Direction on Incentives for Currency Distribution and Exchange and Penalties / Penal Provisions for Bank Branches and Currency Chests for Deficiency in Rendering Customer Service and Reporting of Transactions / Balances	17
Tags:	17
Summary:	17
Insights:	17
Apr 01, 2026 : Overseas Investment – Submission of References to the Reserve Bank	18
Tags:	18
Summary:	18
Insights:	18
Apr 01, 2026 : Reporting under Foreign Exchange Management Act, 1999 – Returns pertaining to Foreign Exchange Management (Guarantees) Regulations, 2026	19
Tags:	19
Summary:	19
Insights:	19
Apr 01, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC’s 1267/1989 ISIL (Da’esh) & Al-Qaida Sanctions List: Listing of 01 Entry	20
Tags:	20

Summary:.....	20
Insights:.....	20
Apr 02, 2026 : Memorandum of Instructions governing money changing activities – Location of Forex Counters in International Airports in India	21
Tags:	21
Summary:.....	21
Insights:.....	21
Apr 02, 2026 : Floating Rate Savings Bonds, 2020 (Taxable) - FRSB 2020 (T) - Operational Guidelines	22
Tags:	22
Summary:.....	22
Insights:.....	22
Apr 06, 2026 : Limits for investment in debt and sale of Credit Default Swaps by Foreign Portfolio Investors (FPIs).....	23
Tags:	23
Summary:.....	23
Insights:.....	23
Apr 09, 2026 : Guidelines to facilitate faster cross-border inward payments.....	24
Tags:	24
Summary:.....	24
Insights:.....	24
Apr 10, 2026 : Master Direction - Reserve Bank of India (Non-resident Investment in Debt Instruments) Directions, 2025 – amendment	25
Tags:	25
Summary:.....	25
Insights:.....	25
Apr 10, 2026 : Formation of new districts in the State of Andhra Pradesh – Assignment of Lead Bank Responsibility.....	26
Tags:	26
Summary:.....	26
Insights:.....	26
Apr 15, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Amendment Directions, 2026	27
Tags:	27

Summary:.....	27
Insights:.....	27
Apr 15, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC’s 1988 (2011) Taliban Sanctions List: Amendment of 04 Entries	28
Tags:	28
Summary:.....	28
Insights:.....	28
Apr 17, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC’s 1988 (2011) Taliban Sanctions List: Amendment of 3 Entries	29
Tags:	29
Summary:.....	29
Insights:.....	29
Apr 20, 2026 : Risk Management and Inter-Bank Dealings	30
Tags:	30
Summary:.....	30
Insights:.....	30
Apr 21, 2026 : Digital Payments – E-mandate Framework, 2026.....	31
Tags:	31
Summary:.....	31
Insights:.....	31
Apr 27, 2026 : Reporting instructions for Authorised Dealer Category-I Banks	32
Tags:	32
Summary:.....	32
Insights:.....	32
Apr 27, 2026 : Master Direction - Reserve Bank of India (Access Criteria for NDS-OM) Directions, 2025.....	33
Tags:	33
Summary:.....	33
Insights:.....	33
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Credit Risk Management) - Second Amendment Directions, 2026.....	34
Tags:	34
Summary:.....	34
Insights:.....	34

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Repeal Directions, 2026.....	35
Tags:	35
Summary:	35
Insights:.....	35
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Credit Facilities) Second Amendment Directions, 2026.....	36
Tags:	36
Summary:	36
Insights:.....	36
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Asset Liability Management) - Amendment Directions, 2026.....	37
Tags:	37
Summary:	37
Insights:.....	37
Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Transfer and Distribution of Credit Risk) Amendment Directions, 2026.....	38
Tags:	38
Summary:	38
Insights:.....	38
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Credit Cards and Debit Cards: Issuance and Conduct) - Amendment Directions, 2026	39
Tags:	39
Summary:	39
Insights:.....	39
Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Third Amendment Directions, 2026.....	40
Tags:	40
Summary:	40
Insights:.....	40
Apr 27, 2026 : Reserve Bank of India (Urban Cooperative Banks – Resolution of Stressed Assets)- Amendment Directions, 2026.....	41
Tags:	41
Summary:	41

Insights:.....	41
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Treatment of Wilful Defaulters and Large Defaulters) - Amendment Directions, 2026.....	42
Tags:	42
Summary:.....	42
Insights:.....	42
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Amendment Directions, 2026.....	43
Tags:	43
Summary:.....	43
Insights:.....	43
Apr 27, 2026 : Reserve Bank of India (Non-Operative Financial Holding Companies)- Amendment Directions, 2026.....	44
Tags:	44
Summary:.....	44
Insights:.....	44
Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Concentration Risk Management) - Second Amendment Directions, 2026.....	45
Tags:	45
Summary:.....	45
Insights:.....	45
Apr 27, 2026 : Reserve Bank of India (Local Area Banks – Miscellaneous) – Amendment Directions, 2026.....	46
Tags:	46
Summary:.....	46
Insights:.....	46
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) – Second Amendment Directions, 2026.....	47
Tags:	47
Summary:.....	47
Insights:.....	47
Apr 27, 2026 : Reserve Bank of India (Urban Co-operative Banks – Undertaking of Financial Services) – Amendment Directions, 2026.....	48
Tags:	48

Summary:.....	48
Insights:.....	48
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures)- Seventh Amendment Directions, 2026	49
Tags:	49
Summary:.....	49
Insights:.....	49
Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Classification, Valuation, and Operation of Investment Portfolio)- Amendment Directions, 2026	50
Tags:	50
Summary:.....	50
Insights:.....	50
Apr 27, 2026 : Reserve Bank of India (Small Finance Banks – Undertaking of Financial Services) – Amendment Directions, 2026	51
Tags:	51
Summary:.....	51
Insights:.....	51
Apr 27, 2026 : Reserve Bank of India (Regional Rural Banks – Undertaking of Financial Services) – Amendment Directions, 2026	52
Tags:	52
Summary:.....	52
Insights:.....	52
Apr 27, 2026 : Reserve Bank of India (Rural Co-operative Banks– Undertaking of Financial Services) – Amendment Directions, 2026	53
Tags:	53
Summary:.....	53
Insights:.....	53
Tags:	54
Summary:.....	54
Insights:.....	54
Apr 27, 2026 : Reserve Bank of India (All India Financial Institutions – Undertaking of Financial Services) –Amendment Directions, 2026	55
Tags:	55
Summary:.....	55

Insights:.....	55
Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026	56
Tags:	56
Summary:	56
Insights:.....	56
Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Capital Charge for Credit Risk – Standardised Approach) Directions, 2026 (Effective from April 1, 2027)	57
Tags:	57
Summary:	57
Insights:.....	57
Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Credit Risk Management) Second Amendment Directions, 2026.....	58
Tags:	58
Summary:	58
Insights:.....	58
Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Responsible Business Conduct) Amendment Directions, 2026.....	59
Tags:	59
Summary:	59
Insights:.....	59
Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026	60
Tags:	60
Summary:	60
Insights:.....	60
Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Amendment Directions, 2026.....	61
Tags:	61
Summary:	61
Insights:.....	61
Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Amendment Directions, 2026.....	62
Tags:	62

Summary:.....	62
Insights:.....	62
Apr 29, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC’s 1988 (2011) Taliban Sanctions List: Amendment of 17 Entries	63
Tags:	63
Summary:.....	63
Insights:.....	63
Apr 29, 2026 : Reserve Bank of India (Urban Co-operative Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026	64
Tags:	64
Summary:.....	64
Insights:.....	64
Apr 29, 2026 : Reserve Bank of India (Urban Co-operative Banks – Credit Facilities) – Amendment Directions, 2026.....	65
Tags:	65
Summary:.....	65
Insights:.....	65
Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions – Credit Risk Management) Second Amendment Directions, 2026.....	66
Tags:	66
Summary:.....	66
Insights:.....	66
Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions – Responsible Business Conduct) Amendment Directions, 2026.....	67
Tags:	67
Summary:.....	67
Insights:.....	67
Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026.....	68
Tags:	68
Summary:.....	68
Insights:.....	68
Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Credit Risk Management) Second Amendment Directions, 2026.....	69

Tags:	69
Summary:	69
Insights:.....	69
Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions- Resolution of Stressed Assets) Amendment Directions, 2026.....	70
Tags:	70
Summary:	70
Insights:.....	70
Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Credit Risk Management) Second Amendment Directions, 2026.....	71
Tags:	71
Summary:	71
Insights:.....	71
Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Second Amendment Directions, 2026.....	72
Tags:	72
Summary:	72
Insights:.....	72
Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Responsible Business Conduct) Amendment Directions, 2026.....	73
Tags:	73
Summary:	73
Insights:.....	73
Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Responsible Business Conduct) Amendment Directions, 2026.....	74
Tags:	74
Summary:	74
Insights:.....	74
Apr 29, 2026 : Reserve Bank of India (Relief Measures by Banks in Areas affected by Natural Calamities) Directions 2018 – RRBs Repeal Directions, 2026.....	75
Tags:	75
Summary:	75
Insights:.....	75

Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Amendment Directions, 2026	76
Tags:	76
Summary:	76
Insights:.....	76
Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026	77
Tags:	77
Summary:	77
Insights:.....	77
Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026	78
Tags:	78
Summary:	78
Insights:.....	78
Apr 29, 2026 : Reserve Bank of India (Relief Measures by Banks in Areas affected by Natural Calamities) Directions 2018 – SCBs Repeal Directions, 2026.....	79
Tags:	79
Summary:	79
Insights:.....	79
Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Resolution of Stressed Assets) Amendment Directions, 2026.....	80
Tags:	80
Summary:	80
Insights:.....	80
Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Resolution of Stressed Assets) Amendment Directions, 2026	81
Tags:	81
Summary:	81
Insights:.....	81
Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Amendment Directions, 2026.....	82
Tags:	82
Summary:	82

Insights:.....	82
Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Credit Risk Management) Second Amendment Directions, 2026.....	83
Tags:	83
Summary:	83
Insights:.....	83
Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Credit Risk Management) Second Amendment Directions, 2026.....	84
Tags:	84
Summary:	84
Insights:.....	84
Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Responsible Business Conduct) Amendment Directions, 2026.....	85
Tags:	85
Summary:	85
Insights:.....	85
Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Responsible Business Conduct) Amendment Directions, 2026.....	86
Tags:	86
Summary:	86
Insights:.....	86
Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026	87
Tags:	87
Summary:.....	87
Insights:.....	87
Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026.....	88
Tags:	88
Summary:	88
Insights:.....	88
Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026	89
Tags:	89

Summary:.....	89
Insights:.....	89
Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Credit Risk Management) Third Amendment Directions, 2026.....	90
Tags:	90
Summary:.....	90
Insights:.....	90
Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Resolution of Stressed Assets) Amendment Directions, 2026.....	91
Tags:	91
Summary:.....	91
Insights:.....	91
Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Responsible Business Conduct) Amendment Directions, 2026.....	92
Tags:	92
Summary:.....	92
Insights:.....	92
Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026	93
Tags:	93
Summary:.....	93
Insights:.....	93
Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026.....	94
Tags:	94
Summary:.....	94
Insights:.....	94
Apr 29, 2026 : Reserve Bank of India (Urban Co-operative Banks – Concentration Risk Management) – Amendment Directions, 2026	95
Tags:	95
Summary:.....	95
Insights:.....	95

Apr 01, 2026 : Master Direction on Counterfeit Notes – Detection, Reporting and Monitoring

Tags:

Counterfeit Notes, Detection and Reporting, Forged Note Vigilance

Summary:

The Reserve Bank of India (RBI) has issued a Master Direction on the detection, reporting, and monitoring of counterfeit notes, consolidating existing guidelines under the Banking Regulation Act, 1949. Key changes include the mandatory use of machines for note authenticity checks at banks and Nodal Bank Officers facilitating counterfeit note reporting, along with a structured process to coordinate with police authorities. This regulation impacts all banks and their currency chests, requiring compliance with updated reporting protocols and the establishment of a Forged Note Vigilance Cell at their head offices.

Insights:

- All banks must ensure installation of UV lamps and note authentication machines at branches to comply with counterfeit note detection as specified by RBI regulations.
- Banks are required to submit a monthly report of counterfeit notes to the RBI's Issue Office by the 7th of the following month and report transactions involving counterfeit notes to FIU-IND by the 15th of the succeeding month.
- Establish a Forged Note Vigilance Cell (FNV) at the Head Office of all banks, tasked with disseminating RBI instructions and overseeing counterfeit note detection and reporting activities.
- As per the Master Direction, banks must recall previous circulars listed in Annex IX, as they are withdrawn and replaced with the new consolidated guidelines.
- Banks must ensure CCTV surveillance in banking areas to facilitate identification of counterfeit note circulation and report any suspicious patterns to RBI and police authorities immediately.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13361&Mode=0>

Apr 01, 2026 : Risk Management and Inter-Bank Dealings (Revised)

Tags:

Non-deliverable derivative contracts, Foreign exchange hedging requirements, Related parties transaction prohibition

Summary:

The Reserve Bank of India (RBI) regulation on Risk Management and Inter-Bank Dealings prohibits Authorised Dealers from offering non-deliverable derivative contracts involving INR to both resident and non-resident users but allows for deliverable contracts for hedging purposes without offsetting positions. Additionally, the regulation forbids rebooking of any canceled foreign exchange derivative contract involving INR post-issuance of these instructions and prohibits dealings with related parties as defined by accounting standards. These directives are effective immediately and require Authorised Dealers to gather necessary documentation to ensure compliance, impacting financial entities involved in forex derivatives.

Insights:

- Authorised Dealers must cease offering non-deliverable derivative contracts involving INR to both resident and non-resident users, ensuring compliance with the new directive.
- Ensure that users are not undertaking offsetting non-deliverable positions while offering deliverable foreign exchange derivative contracts for hedging purposes.
- Immediately stop permitting users to rebook foreign exchange derivative contracts involving INR upon their cancellation following the issuance of this directive.
- Authorised Dealers are prohibited from engaging in any INR-related foreign exchange derivative contracts with related parties, as defined under Ind AS 24 or IAS 24.
- Cross-reference the March 27, 2026 A.P. (DIR Series) Circular No. 24 and the Master Direction dated July 05, 2016 to ensure compliance and identify any amended instructions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13363&Mode=0>

Apr 01, 2026 : Master Direction – Facility for Exchange of Notes and Coins

Tags:

Notes and Coins Exchange, Soiled Mutilated Notes, Compliance and Monitoring

Summary:

The Reserve Bank of India's Master Direction on the Facility for Exchange of Notes and Coins outlines the mandatory services banks must offer, including the issuance of fresh notes and coins, and the exchange of soiled or imperfect ones. Key updates include the lifting of prior circulars and directions, the inclusion of guidelines for handling bulk currency exchanges, and stipulations for banks to prevent cash-out situations in ATMs. These changes impact all banks, which must adhere to providing these facilities for both customers and non-customers, and ensure compliance with new procedural standards.

Insights:

- Bank branches are mandated to provide facilities for the exchange of notes and coins to both customers and non-customers and must issue publicity for these services.
- Coins of 25 paise and below have ceased to be legal tender as of June 30, 2011, requiring branches to refuse acceptance and inform customers accordingly.
- Banks must utilize the Reserve Bank of India (Note Refund) Amendment Rules, 2018, to adjudicate and exchange mutilated and imperfect notes effectively free of cost.
- All Circulars and Master Directions, including DCM(NE)No.G-5/08.07.18/2025-26 dated 01.04.2025, on the subject are withdrawn in favor of this updated directive.
- Grievances unresolved within 30 days by banks can be escalated to the RBI Integrated Ombudsman Scheme, 2021, through online submission or to the Chandigarh Center.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13362&Mode=0>

Apr 01, 2026 : Master Direction on Incentives for Currency Distribution and Exchange and Penalties / Penal Provisions for Bank Branches and Currency Chests for Deficiency in Rendering Customer Service and Reporting of Transactions / Balances

Tags:

Currency Distribution, Customer Service Deficiency, Cash Management Compliance

Summary:

This Reserve Bank of India (RBI) Master Direction outlines guidelines on incentives, penalties, and reporting for bank branches and Currency Chests (CCs) in the context of currency distribution and exchange operations, as well as customer service delivery. Notably, the regulation updates incentive schemes for setting up CC infrastructure, itemises penalties for deficiencies in customer service or reporting, and mandates timely and accurate transaction reporting on the CyM-CC portal. All banks, especially those with CCs, along with White Label ATM Operators (WLAOs), are directly impacted by these directives.

Insights:

- Banks must ensure timely replenishment of ATMs to avoid cash-outs of over 10 hours per month, which will attract a penalty of ₹10,000 per instance starting immediately.
- All banks with Currency Chests are required to report every transaction on the CyM-CC portal by 7 pm on the same day to avoid penalties for delayed reporting.
- Prior circulars on penalty schemes for bank branches and Currency Chests, such as DCM (CC) No. G-1/03.44.001/2025-26, are withdrawn and replaced by the current Master Direction.
- Regulated entities must adjust operations to comply with new incentive structures for Currency Chests, particularly for branches in North-Eastern regions, with effect from applications post-April 25, 2025.
- Denominations detected as counterfeit in remittances need to follow new penalties, with a graded structure for notes of ₹100 and above linked to the Counterfeit Per Million (CPM) metric from the date of this regulation.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13360&Mode=0>

Apr 01, 2026 : Overseas Investment – Submission of References to the Reserve Bank

Tags:

Overseas Investment, Authorised Dealer Banks, Regional Offices Processing, PRAVA AH Portal

Summary:

The Reserve Bank of India (RBI) has announced a regulatory update concerning the submission of Overseas Investment references by Authorised Dealer Category I Banks. Effective April 1, 2026, such references will be processed at designated Regional Offices of the RBI instead of the Central Office. This change involves using the PRAVA AH portal for submission, with detailed UIN mapping guiding which regional office the references should be sent to, impacting Authorized Dealer banks and their clients involved in overseas investments.

Insights:

- AD banks must now submit overseas investment references to designated Regional Offices via the PRAVA AH portal, effective April 01, 2026, in compliance with the updated submission process.
- The mapping of UIN prefixes to respective RBI Regional Offices is crucial for ensuring correct submission routes—cross-reference with the updated mapping provided in the circular.
- Amendments to the Master Direction on Overseas Investment dated July 24, 2024, are being implemented; ensure familiarity with these changes to maintain compliance.
- AD banks should inform their customers about the new submission protocol to facilitate smooth transitions and adherence to the new RBI guidelines.
- The guidelines under sections 10(4), 11(1), and 11(2) of the FEMA Act, 1999, necessitate compliance without impacting any additional legal approvals that may be required.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13359&Mode=0>

Apr 01, 2026 : Reporting under Foreign Exchange Management Act, 1999 **– Returns pertaining to Foreign Exchange Management (Guarantees)** **Regulations, 2026**

Tags:

FEMA 8 (R), Guarantee Reporting, Centralised Information Management System (CIMS)

Summary:

The Reserve Bank of India's circular addresses the reporting requirements under the Foreign Exchange Management (Guarantees) Regulations, 2026. Major updates include the introduction of forms for reporting guarantee issuances, modifications, and invocations and the requirement for authorised dealer banks to submit these returns within a specified timeframe. The circular impacts authorised persons and dealer banks, obliging them to comply with the updated reporting procedures and highlighting the need for timely submissions to prevent late fees.

Insights:

- Authorised Persons must submit returns related to guarantees within 30 calendar days post the respective quarter via the Centralised Information Management System (CIMS).
- Unique Guarantee Transaction Numbers must be assigned by authorised dealer banks for each guarantee issuance before submission using 'Form GRN Issue'.
- Delayed reporting of 'Form GRN Invocation' will attract Late Submission Fees based on the liability amount involved; ensure timely submissions.
- Regulation 7 of the Foreign Exchange Management (Guarantees) Regulations, 2026 requires the use of specific forms for guarantee reporting; ensure accuracy and completeness when submitting 'Form GRN Issue', 'Form GRN Modification', and 'Form GRN Invocation'.
- Operational guidelines provided on the CIMS portal should be reviewed for detailed submission procedures; adhere strictly to these guidelines.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13358&Mode=0>

Apr 01, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Listing of 01 Entry

Tags:

UNSC Sanctions, UAPA Compliance, ISIL Al-Qaida Listing, Financial Institutions

Summary:

The Reserve Bank of India (RBI) has issued updates regarding the implementation of Section 51A of the UAPA, 1967, highlighting the addition of a new entry to the UNSC's ISIL (Da'esh) and Al-Qaida Sanctions List. All regulated entities, including banks and financial institutions, must ensure compliance by verifying that no accounts exist in the names of individuals or entities linked to terrorism, as per the updated list circulated by the UNSC. The notification underscores strict adherence to the procedure outlined in the UAPA Order and mandates forwarding de-listing requests to the Ministry of Home Affairs for entities seeking removal from the sanctions list.

Insights:

- Regulated entities must immediately suspend any accounts matching individuals/entities on the updated UNSC's 1267/1989 ISIL & Al-Qaida Sanctions List as of March 30, 2026.
- Compliance with Section 51A of the UAPA Act, 1967 is mandatory, requiring regular checks against the UNSC circulated lists to avoid holding assets of sanctioned individuals or entities.
- Ensure all relevant staff are familiarized with Chapter IX of the RBI's Know Your Customer Directions, 2025, for precise adherence to international agreement requirements.
- Any requests for de-listing received should be promptly forwarded to the Ministry of Home Affairs electronically as per the directive from MHA.
- Updates to operational protocols must reflect the UAPA Order dated February 02, 2021, amended on April 22, 2024, for processing individuals/entities linked to sanction lists.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13357&Mode=0>

Apr 02, 2026 : Memorandum of Instructions governing money changing activities – Location of Forex Counters in International Airports in India

Tags:

Forex Counters, Money Changing Activities, Indian Rupee Exchange, Foreign Exchange Management Act

Summary:

The Reserve Bank of India (RBI) has revised regulations governing money changing activities at international airports in India. The updated circular permits residents, in addition to non-residents, to exchange Indian Rupee notes at foreign exchange counters located in the Duty-Free or Security Hold Areas beyond Immigration or Customs areas in international departure halls. This amendment impacts authorized foreign exchange entities, who must inform their clients of these changes, and aligns with sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999.

Insights:

- Residents are now allowed to exchange Indian Rupee notes at forex counters in international airport departure halls located in Duty-Free or Security Hold areas beyond Immigration/Customs.
- Authorised Persons must update their operational procedures to accommodate the amended guidelines allowing residents to exchange currency in specified airport zones.
- Communicate the updated exchange guidelines from A.P. (DIR Series) Circular No. 04 dated April 2, 2026, to clients as stipulated in Paragraph 3.
- Previous restrictions outlined in A.P. (DIR Series) Circular No. 45 dated September 16, 2013, have been revised concerning currency exchange areas in airports.
- Ensure compliance with sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999, as they relate to the operation of forex counters in designated airport areas.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13364&Mode=0>

Apr 02, 2026 : Floating Rate Savings Bonds, 2020 (Taxable) - FRSB 2020 (T) **- Operational Guidelines**

Tags:

Floating Rate Savings Bonds 2020, Premature Encashment, Interest Payment Procedures

Summary:

The Reserve Bank of India has issued revised operational guidelines for the issuance and servicing of Floating Rate Savings Bonds, 2020 (Taxable), impacting Receiving Offices, such as commercial banks and select entities, authorized to handle these bonds. Major updates include the introduction of online application facilities, enhanced investor services, and specific compliance requirements for reporting, premature encashment, and tax duties. The new guidelines focus on improving operational efficiency and investor satisfaction, while ensuring adherence to sections of the Government Securities Act, 2006 and related regulations.

Insights:

- Receiving Offices (ROs) must implement an online application facility for Floating Rate Savings Bonds by September 30, 2026, as per the revised operational guidelines.
- Previous operational guidelines issued on June 30, 2020, are superseded by this new issuance, requiring ROs to adjust compliance strategies accordingly.
- ROs need to update their handling of nominations and payment procedures per Sections III and IV of the guidelines, with changes to be implemented by designated dates.
- Compliance with the Digital Personal Data Protection (DPDP) Act, 2023 is mandatory for handling investor data, compelling ROs to update their data management practices.
- Claims for remuneration, including brokerage and service charges, must be submitted as per the detailed timelines and formats provided in the new guidelines.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13365&Mode=0>

Apr 06, 2026 : Limits for investment in debt and sale of Credit Default Swaps by Foreign Portfolio Investors (FPIs)

Tags:

Foreign Portfolio Investors, Debt Investment Limits, Credit Default Swaps, Voluntary Retention Route

Summary:

The RBI regulation addresses investment limits for Foreign Portfolio Investors (FPIs) in debt instruments for the financial year 2026-27, maintaining unchanged limits for government securities (G-Secs) at 6%, state government securities (SGSs) at 2%, and corporate bonds at 15% of outstanding stocks. Major updates include revised absolute limits for FPIs across different categories for the half-years of 2026-27, introduction of a new limit for the sale of Credit Default Swaps by FPIs, and the applicability of new conditions to investments under the Voluntary Retention Route. This affects Authorised Dealer Category-I banks and FPIs, who must adapt to the new investment limits and alert their constituents and customers accordingly.

Insights:

- Foreign Portfolio Investors must adhere to unchanged investment limits for G-Secs, SGSs, and corporate bonds at 6%, 2%, and 15% respectively, as outlined for FY 2026-27.
- All FPI investments under the Voluntary Retention Route are to comply with the General Route limits from April 1, 2026, necessitating a review of current holdings for alignment.
- Authorised Dealer Category-I banks are required to inform constituents about the revised debt instrument limits following the withdrawal of the 2025-26 guidelines, effective immediately.
- Eligible investors must continue to account for all 'specified securities' investments under the Fully Accessible Route (FAR), ensuring compliance with prescribed regulatory routes.
- The aggregate limit for Credit Default Swaps sold by FPIs is set at 5% of corporate bond stock, introducing an additional ceiling of ₹3,30,464 crore for 2026-27, requiring precise monitoring.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13366&Mode=0>

Apr 09, 2026 : Guidelines to facilitate faster cross-border inward payments

Tags:

Cross-Border Payments, Inward Payment Reconciliation, Nostro Account, Payment Speed Enhancement

Summary:

The Reserve Bank of India (RBI) has issued new guidelines to enhance the speed and efficiency of cross-border inward payments, aligning with the G20 roadmap for such transactions. Key updates include requirements for banks to promptly inform customers of received payments, reconcile nostro accounts on an hourly basis, credit payments within the same or following business day based on market hours, and potentially implement straight-through processing for individual residents. These changes primarily impact scheduled commercial banks, which must comply within six months from the circular's issuance date.

Insights:

- Banks must notify customers of cross-border inward transaction receipts immediately upon receiving inward messages, and transactions received after business hours must be communicated at the start of the next business day.
- To minimize delays, banks should conduct reconciliation of nostro accounts frequently, ideally on a near real-time basis, with a reconciliation interval not exceeding one hour.
- Inward payments received during foreign exchange market hours should be credited to the beneficiary's account on the same business day, while those received after market hours must be credited by the next business day, adhering to FEMA and other regulatory requirements.
- Banks can implement a straight-through process for crediting inward payments into the accounts of individual residents, subject to a risk assessment and compliance with existing FEMA guidelines.
- A digital interface should be developed within a reasonable timeframe to help customers with foreign exchange transactions, document submission, and transaction monitoring, to streamline the service experience.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13367&Mode=0>

Apr 10, 2026 : Master Direction - Reserve Bank of India (Non-resident Investment in Debt Instruments) Directions, 2025 – amendment

Tags:

Non-Resident Investment, Debt Instruments, FEMA 396, Exchange Traded Derivatives

Summary:

The Reserve Bank of India (RBI) has updated the Master Direction on Non-resident Investment in Debt Instruments, incorporating consolidated guidelines regarding investments by Non-Resident Indians (NRIs) and using debt instruments as collateral for exchange-traded derivative contracts. This amendment, based on the Foreign Exchange Management (Debt Instruments) Regulations, 2019, is directed at Authorised Dealer Category-I banks, who must inform relevant stakeholders. The circular's directives are issued under the Foreign Exchange Management Act, 1999 and are supplementary to other legal requirements.

Insights:

- AD Category-I banks must update their systems to comply with the consolidated Master Direction on NRIs' investment in debt instruments as per the updated guidelines released on April 10, 2026.
- Entities should ensure that all previous practices under FEMA 396 find alignment with the updated Master Direction and cease any obsolete procedures.
- Notify clients regarding the changes to permitted collateral offerings for derivative contracts, referencing the updated Master Direction for compliance.
- Review and communicate the procedural consolidation as outlined, ensuring stakeholders are informed about the implications on debt instrument investments by NRIs.
- Document changes as per this circular, considering any needed adjustments to comply with the Foreign Exchange Management Act, 1999 as stated in sections 10(4) and 11(1).

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13369&Mode=0>

Apr 10, 2026 : Formation of new districts in the State of Andhra Pradesh – Assignment of Lead Bank Responsibility

Tags:

New District Formation, Lead Bank Assignment, Andhra Pradesh, Union Bank of India

Summary:

The Reserve Bank of India (RBI) has designated Union Bank of India as the Lead Bank for two newly created districts, Polavaram and Markapuram, in the state of Andhra Pradesh, following the state's government notification on December 30, 2025. The assignment comes with specific district working codes 02X and 02Y for Polavaram and Markapuram, respectively. This change impacts the lead banking responsibilities in these newly formed districts while maintaining the existing lead banks for other districts in Andhra Pradesh.

Insights:

- Union Bank of India must establish operational infrastructure in Polavaram and Markapuram to comply with new Lead Bank responsibilities.
- By April 30, 2026, Union Bank of India should adjust internal systems to incorporate district codes '02X' for Polavaram and '02Y' for Markapuram.
- Entities involved in district-level financial operations need to update records to reflect the new districts and associated Lead Bank assignments.
- Cross-reference with past Gazette Notifications to ensure no duplication of district codes or responsibilities within Andhra Pradesh.
- Ensure communication with local stakeholders in Polavaram and Markapuram to facilitate a smooth transition to new Lead Bank arrangements.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13368&Mode=0>

Apr 15, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Amendment Directions, 2026

Tags:

Non-Banking Financial Companies (NBFCs), Branch Authorisation, Deposit Taking NBFCs

Summary:

The Reserve Bank of India (RBI) has amended the Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Directions, 2025, to provide NBFCs with greater operational flexibility for branch expansion while ensuring compliance. Key changes include allowing NBFCs to open branches in India without prior RBI approval, unless restricted, and setting new conditions for deposit-taking NBFCs based on their Net Owned Fund (NOF) and credit rating. The regulation impacts various categories of NBFCs, including NBFC-D, NBFC-ICC, HFCs, and others, by delineating where and under what conditions they can establish branches and appoint agents.

Insights:

- NBFCs can open branches without RBI's prior approval unless specifically restricted, enhancing operational flexibility.
- Deposit-taking NBFCs with NOF over ₹50 crore and AA or above rating can expand branches nationwide, requiring NRFCs to maintain robust credit ratings.
- For NBFCs with NOF below ₹50 crore or a credit rating below AA, branch expansion is limited to the state with the registered office, emphasizing regional focus.
- Subsections A2 and A3 have been deleted, requiring NBFCs to update their internal compliance manuals accordingly.
- CICs are no longer advised for winding up but subject to review/recall of approvals, necessitating strategic reviews of their operations.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13370&Mode=0>

Apr 15, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1988 (2011) Taliban Sanctions List: Amendment of 04 Entries

Tags:

UNSC Sanctions, UAPA Compliance, Taliban List, Delisting Procedures

Summary:

The Reserve Bank of India (RBI) has issued an amendment to the implementation of Section 51A of the UAPA, 1967, to reflect updates to the UN Security Council's 1988 Taliban Sanctions List, including changes to four entries. Regulated entities such as commercial banks, co-operative banks, non-banking financial companies, and other financial institutions must ensure they do not hold accounts for individuals or entities linked to terrorism as per the updated list and follow the procedure outlined in the UAPA Order dated February 02, 2021. The updates necessitate meticulous compliance with these instructions, and impacted entities are advised to implement appropriate actions and forward any delisting requests to the Ministry of Home Affairs as instructed.

Insights:

- Regulated entities must update their internal watchlists with the amended Taliban Sanctions List as per the UNSC press release SC/16336 dated April 13, 2026.
- Entities are required to ensure strict compliance with Chapter IX of RBI-KYC Directions, 2025 and follow UAPA procedures as per the order dated February 02, 2021, amended on April 22, 2024.
- Banks and regulated institutions should forward any delisting requests to the Joint Secretary (CTCR), MHA, electronically, in line with MHA instructions.
- Financial entities must regularly consult updated lists of individuals/entities linked to ISIL, Al-Qaida, and Taliban on UNSC official websites to ensure compliance.
- Previous compliance actions regarding UNSC's 1988 list must be updated with newly enacted amendments affecting entities or individuals sanctioned.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13371&Mode=0>

Apr 17, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1988 (2011) Taliban Sanctions List: Amendment of 3 Entries

Tags:

UAPA Compliance, UNSC Sanctions, Taliban Sanctions List, Anti-Money Laundering

Summary:

The Reserve Bank of India (RBI) issues a regulation for the implementation of Section 51A of the UAPA 1967, focusing on updates to UNSC's 1988 (2011) Taliban Sanctions List, specifically amending three entries regarding individuals and entities associated with the Taliban. Regulated entities like banks, financial institutions, and intermediaries must ensure they do not maintain accounts with individuals or entities on these lists, and any delisting requests should be forwarded to the Ministry of Home Affairs. Compliance is mandatory to ensure alignment with international anti-terrorism obligations and to prevent asset transactions with entities linked to terrorism.

Insights:

- Regulated entities must ensure no accounts are held with individuals/entities on the updated UNSC Taliban Sanctions List, per Chapter IX of RBI's KYC Directions 2025.
- Actions must align with the updated UNSC press release SC/16341 dated April 15, 2026, which includes amendments to the Taliban Sanctions List.
- Entities are required to comply with the UAPA Order dated February 02, 2021, as amended on April 22, 2024, ensuring procedures are strictly followed.
- Any delisting requests received must be electronically forwarded to the Joint Secretary (CTCR), MHA per the Ministry of Home Affairs instructions.
- Organizations must periodically verify updated lists on UNSC's sanctions websites to maintain compliance with obligations under international agreements.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13372&Mode=0>

Apr 20, 2026 : Risk Management and Inter-Bank Dealings

Tags:

Foreign Exchange Derivative Contracts, Related Parties, FEMA Compliance

Summary:

The Reserve Bank of India has issued a regulation concerning risk management and inter-bank dealings, withdrawing previous instructions from April 1, 2026. Authorised Dealers are now restricted from engaging in foreign exchange derivative contracts involving INR with related parties, except for the cancellation and rollover of existing contracts, and transactions with non-related non-resident users on a back-to-back basis. These changes, effective immediately, primarily impact Authorised Dealers, emphasizing compliance with defined accounting standards for related party transactions.

Insights:

- Authorised Dealers must halt new foreign exchange derivative contracts involving INR with related parties, except for cancellations and rollovers, effective immediately.
- ADs can continue derivative contracts with non-related non-resident users on a back-to-back basis as per the Master Direction dated July 05, 2016.
- Review existing practices and update systems to ensure compliance with the withdrawal of A.P. (DIR Series) Circular No. 03 dated April 01, 2026.
- Ensure a clear understanding of 'related parties' as per Indian Ind AS 24 or IAS 24 to align compliance efforts with the updated guidelines.
- Immediate action is needed to align practices with the new directions under Sections 10(4), 11(1), and 11(2) of FEMA, 1999.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13373&Mode=0>

Apr 21, 2026 : Digital Payments – E-mandate Framework, 2026

Tags:

E-mandate Framework, Recurring Transactions, Authentication Requirements, Payment System Providers

Summary:

The Reserve Bank of India (RBI) issues the 'Digital Payments - E-mandate Framework, 2026', consolidating previous guidelines on e-mandates for recurring transactions via cards, PPI, and UPI, effective immediately. Key updates include mandatory authentication for the first transaction, notification requirements before and after transactions, and specific limits for recurring transaction amounts, benefiting both domestic and cross-border transactions. The regulation impacts all Payment System Providers and Participants, requiring them to adhere to new dispute resolution mechanisms and ensuring customer protection while eliminating charges for using e-mandate facilities.

Insights:

- Payment System Providers must ensure that all recurring transactions are authorized with an Additional Factor of Authentication (AFA) if above ₹15,000/- per transaction from April 21, 2026.
- Issuers must implement a system to send pre-transaction notifications to customers at least 24 hours prior to the charge, except for auto-replenish functionalities on FASTag and NCMC.
- All existing e-mandates on reissued cards must be transitioned seamlessly, as specified in the directive's new clause.
- Post April 21, 2026, issuers must provide facilities to customers to modify or withdraw e-mandates with AFA validation, ensuring clear communication during registration.
- Circulars from August 21, 2019, to August 22, 2024, relating to e-mandates for recurring transactions are repealed, necessitating compliance with the current consolidated framework effective immediately.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13374&Mode=0>

Apr 27, 2026 : Reporting instructions for Authorised Dealer Category-I Banks

Tags:

OTC Foreign Exchange Derivatives, Reporting Requirements, AD Category-I Banks, Trade Repository

Summary:

The Reserve Bank of India (RBI) mandates that all Authorised Dealer Category-I (AD Cat-I) banks report over-the-counter (OTC) foreign exchange derivative contracts involving the Indian Rupee (INR) executed globally by their related parties to the Trade Repository of the Clearing Corporation of India Ltd. This regulation introduces requirements for reporting specific details such as notional value, counterparty, and maturity date, while allowing some reporting flexibility such as excluding transactions under USD 1 million. Affected entities include AD Cat-I banks and their related parties, with compliance phased in from July 1, 2027, to July 1, 2028, to ensure comprehensive reporting of INR derivative contracts.

Insights:

- AD Category-I banks need to start reporting all foreign exchange derivative contracts involving INR undertaken globally by related parties from July 1, 2027.
- From July 1, 2027, banks must ensure transactions reported account for at least 70% of the notional value of INR derivatives undertaken by related parties, excluding the parent.
- By January 1, 2028, banks must ensure reported transactions cover at least 80% of the notional value of INR derivatives by related parties, excluding the parent.
- By July 1, 2028, AD Category-I banks must report all foreign exchange derivative contracts by related parties other than the parent in full.
- Transactions must be reported within two working days of their occurrence, adhering to formats specified by CCIL and approved by the Reserve Bank.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13402&Mode=0>

Apr 27, 2026 : Master Direction - Reserve Bank of India (Access Criteria for NDS-OM) Directions, 2025

Tags:

NDS-OM access criteria, PRAVAAH portal, regulatory compliance, government securities

Summary:

The Reserve Bank of India (RBI) has issued updated Directions regarding access criteria for the Negotiated Dealing System – Order Matching (NDS-OM) platform, removing the previously required application form in favor of a more streamlined process through the PRAVAAH portal. This update aims to enhance ease of business by simplifying access requirements, specifically impacting participants in the Government Securities market seeking direct, indirect, or Stock Broker Connect access to the NDS-OM platform. The revised Directions take effect immediately, reflecting the RBI's exercise of regulatory authority under relevant sections of the Reserve Bank of India Act, 1934.

Insights:

- Entities seeking access to the NDS-OM platform must submit their applications exclusively through the PRAVAAH portal to ensure compliance with updated RBI guidelines.
- With immediate effect, the existing application forms for NDS-OM access have been removed and replaced by a revised format available on the PRAVAAH portal, necessitating operational updates for applicants.
- Firms previously relying on alternative submission methods must transition to the PRAVAAH portal to maintain regulatory compliance, as per the updated Directions.
- All direct or indirect access applicants to the NDS-OM platform must align their submissions with the new streamlined format as prescribed by the RBI in its latest direction.
- Regulated entities must take note that older circulars related to NDS-OM application processes are now obsolete and begin utilizing the updated PRAVAAH-centric process immediately.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13401&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Credit Risk Management) - Second Amendment Directions, 2026

Tags:

Unhedged Foreign Currency Exposure, Incremental Capital Requirements, Asset Classification

Summary:

The Reserve Bank of India's regulation, 'Commercial Banks – Credit Risk Management,' introduces amendments to credit risk management practices for commercial banks in light of new asset classification and provisioning directives. Key updates include modifications to paragraphs related to internal rating systems, unhedged foreign currency exposure, and project-specific capital requirements, emphasizing more conservative risk weightage measures. These changes impact commercial banks, urging them to adopt quarterly reviews, adjust capital requirements accordingly, and alter repayment structuring, effective from April 1, 2027.

Insights:

- Banks must transition to an internal rating system, but until then, they should rely on ECGC's seven-category classification for credit risk management, ensuring quarterly updates are requested.
- By April 01, 2027, banks must implement a system for calculating and monitoring Incremental Capital Requirements for Unhedged Foreign Currency Exposure (UFCE), referencing Annex I for guidance.
- Banks are required to adjust the risk weight by 25 percentage points for exposures with Potential Loss/EBID exceeding 75%, impacting entities' capital charges as per the updated guidelines.
- WCL repayment structures must align with the RBI's 2026 Asset Classification regulations, allowing discretion for bullet or installment repayments, pending borrower compliance.
- Banks need to recalibrate their procedures for computing UFCE by adopting projected EBID calculations for new projects, as specified in the revised guidelines.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13397&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Repeal Directions, 2026

Tags:

Income Recognition, Asset Classification, Provisioning, Commercial Banks, Regulatory Repeal 2026

Summary:

The Reserve Bank of India (RBI) has repealed its 2025 Directions concerning income recognition, asset classification, and provisioning for commercial banks, effective April 1, 2027, and replaced them with new Directions effective on the same date, issued on April 27, 2026. This regulatory change helps transition the obligations, liabilities, and ongoing actions from the 2025 framework to the new 2026 framework without affecting existing rights or proceedings. Commercial banks are primarily impacted as they will need to align with the updated classification, provisioning, and income recognition directives once the new regulation becomes enforceable.

Insights:

- The existing Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025 will be repealed, necessitating banks to update their compliance framework by April 01, 2027 to align with the new Directions, 2026.
- Banks should ensure all current actions and decisions made under the repealed 2025 Directions remain valid through 2026 due to the regulation's continuation clause, requiring thorough documentation and review of ongoing procedures.
- The transition to the new Directions requires banks to adapt their asset classification, provisioning, and income recognition processes by April 2027, mandating preemptive operational modifications to meet the updated guidelines.
- Compliance teams within banks need to hold training sessions to familiarize staff with changes introduced in the 2026 Directions, ensuring seamless transition and adherence to the new regulatory mandates.
- It is prudent for legal and risk departments within banks to review ongoing investigations or proceedings under the 2025 Directions, validating their continued relevance and application under the stated provisions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13396&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Credit Facilities) Second Amendment Directions, 2026

Tags:

Asset Classification, Provisioning Requirements, Credit Facilities, Non-Performing Assets

Summary:

The Reserve Bank of India has issued the Second Amendment Directions, 2026 for the Reserve Bank of India (Commercial Banks – Credit Facilities) Directions, 2025, aimed at updating asset classification and provisioning norms. Key changes include modifications to asset classification and provisioning requirements aligning with the new 2026 directives, adjustments to project finance account classifications, and the imposition of risk weightings reflecting recent regulatory guidelines. These changes impact commercial banks, influencing their credit facility operations, provisioning, and asset management practices. The amendments are set to take effect on April 01, 2027.

Insights:

- Commercial banks must comply with the updated asset classification and provisioning norms outlined in the 2026 Directions by April 1, 2027.
- Project finance accounts must be assessed for NPA status prior to actual DCCO as per the 2026 guidelines, replacing previous standards specified in the 2025 Directions.
- Risk weight and provisioning for exposures must align with the 2026 Directions, necessitating a review of current models to meet standardized approach requirements.
- The deletion of paragraph 172(3)(ii) requires banks to review and update relevant sections in internal compliance manuals.
- Refer to the Reserve Bank of India (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026, as existing frameworks in the 2025 Directions are amended.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13395&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Asset Liability Management) - Amendment Directions, 2026

Tags:

Asset Liability Management, Loan Classification, Banking Regulation

Summary:

The Reserve Bank of India has issued the Reserve Bank of India (Commercial Banks – Asset Liability Management) Amendment Directions, 2026, updating the Explanation to paragraph 237(5) to align with the 2026 Directions on Asset Classification, Provisioning, and Income Recognition. These amendments, effective from April 01, 2027, pertain to the classification of loans and impact commercial banks, ensuring their practices comply with the new asset management regulations as mandated by the RBI.

Insights:

- The new Amendment Directions require regulated entities to update their loan classification systems by aligning them with the RBI (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026.
- Compliance with the modified Explanation to paragraph 237(5) must be ensured by April 01, 2027, necessitating internal policy and procedural updates for timely implementation.
- Entities need to review and adopt changes as prescribed in the Reserve Bank of India (Commercial Banks – Asset Liability Management) Amendment Directions, 2026, replacing the previous 2025 guidelines.
- Stakeholders must identify and amend operational processes to incorporate the revised loan classification methodologies stipulated by the 2026 directions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13392&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Transfer and Distribution of Credit Risk) Amendment Directions, 2026

Tags:

Credit Risk Transfer, Banking Regulation Act, Asset Classification, Stressed Loan Management

Summary:

The Reserve Bank of India has issued the Reserve Bank of India (Commercial Banks - Transfer and Distribution of Credit Risk) Amendment Directions, 2026, which introduce amendments to the existing 2025 Directions. Key updates include insertion of paragraphs 52A and 70A, impacting the recognition and measurement of acquired loans and classification of stressed loans as purchased or originated credit-impaired financial assets by banks. Additionally, the requirement for banks to account for shortfalls when transferring stressed loans to Asset Reconstruction Companies is highlighted. These changes, effective April 1, 2027, primarily affect commercial banks and their handling of credit risk transfers.

Insights:

- Commercial banks must follow the RBI (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026 for initial recognition and measurement of acquired loans as per newly inserted Paragraph 52A.
- Banks acquiring stressed loans must classify them as purchased or originated credit-impaired financial assets (POCI) and adhere to POCI guidelines from April 1, 2027, as stipulated in Paragraph 70A.
- Banks are required to adjust the profit and loss account by debiting any shortfall when transferring stressed loans to ARC below the Net Book Value (NBV), as per modified Paragraph 81.
- Entities must review and update compliance mechanisms due to deletion of Paragraphs 53 and 73, effective from April 1, 2027, indicating the withdrawal of specific previous guidelines.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13390&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Credit Cards and Debit Cards: Issuance and Conduct) - Amendment Directions, 2026

Tags:

Credit Cards, Asset Classification, Penal Charges, Payment Due Date

Summary:

The Reserve Bank of India's regulation, titled 'Reserve Bank of India (Commercial Banks – Credit Cards and Debit Cards: Issuance and Conduct) - Amendment Directions, 2026,' amends the previous 2025 directions concerning credit card account reporting. The major update requires card-issuers to report credit card accounts as 'past due' to credit information companies (CICs) or impose penal charges only if the account is past due for more than three days, and charges should apply only to the outstanding amount post-due date. This amendment, taking effect from April 1, 2027, affects commercial banks issuing credit cards, aiming to protect consumer interests by preventing premature penalization.

Insights:

- Credit card issuers must ensure reporting to CICs or levy penal charges only if the account remains 'past due' for more than three days starting April 1, 2027.
- Card issuers should compute 'days past due' and late payment charges from the due date in the credit card statement under updated RBI guidelines from 2026.
- Penal charges must be levied only on outstanding amounts past the due date, not on the entire due amount, effective April 1, 2027.
- Financial institutions need to review and adjust their billing systems to comply with the new computation method for late payment charges as per amended 2026 RBI regulations.
- Ensure alignment with RBI's 2026 'Asset Classification, Provisioning and Income Recognition' directions for consistent and compliant reporting of credit card dues.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13388&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Third Amendment Directions, 2026

Tags:

Prudential Norms, Capital Adequacy, Tier 2 Capital, Asset Classification

Summary:

The Reserve Bank of India (RBI) has issued the Third Amendment Directions, 2026, to the Prudential Norms on Capital Adequacy for Commercial Banks. Key updates include the classification of Stage 1/2/3 assets as per new asset classification directions, modification of provisions eligible for Tier 2 capital, and exclusion of specific provisions on NPAs/Stage 3 exposures. These amendments will impact commercial banks by altering how capital adequacy is calculated, effective from April 01, 2027.

Insights:

- From April 01, 2027, commercial banks must include provisions for standard assets (Stage 1 or Stage 2) and excess provisions from NPA sales in Tier 2 capital but must not exceed 1.25% of total credit RWAs.
- Banks need to adjust operational processes to ensure accurate categorization of asset stages as Stage 1, 2, or 3 for consistent application of asset classification, provisioning, and income recognition as per the 2026 directions.
- Paragraph 130 (2) and the note to Paragraph 223 from the previous guidelines are now deleted, necessitating a review and update of internal compliance documents.
- Specific provisions on NPAs/Stage 3 exposures, depreciation in investment value, and fair value diminutions are excluded from Tier 2 capital calculations; banks should revise capital adequacy computations accordingly.
- Banks must harmonize existing practices to align with the modified guidelines of Paragraphs 21(i)(a) and 21(i)(c), emphasizing the separation of provisions into appropriate categories for regulatory reporting.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13387&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Urban Cooperative Banks – Resolution of Stressed Assets)- Amendment Directions, 2026

Tags:

Urban Cooperative Banks, Stressed Assets Resolution, Financial Difficulty Definition

Summary:

The Reserve Bank of India (RBI) has issued amendments to the Reserve Bank of India (Urban Cooperative Banks – Resolution of Stressed Assets) Directions, 2025. This regulation modifies the explanation related to financial difficulty by aligning its definition with that specified for Small Finance Banks in the 2025 Directions. The changes will affect Urban Cooperative Banks and will be effective from April 1, 2027.

Insights:

- Urban Cooperative Banks must align their stress asset resolution procedures with those defined in the RBI (Small Finance Banks – Resolution of Stressed Assets) Directions, 2025 by April 1, 2027.
- The new regulation requires understanding and implementation of 'financial difficulty' as per updated guidelines, emphasizing the need for Urban Cooperative Banks to conduct staff training.
- Banks are expected to immediately review their existing provisions and income recognition norms to ensure compliance with the newly issued RBI (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026.
- The modification in the Resolution of Stressed Assets necessitates Urban Cooperative Banks to update their resolution frameworks in line with the RBI's enhanced directives before the deadline to avoid penal actions.
- The regulation underscores adherence to Sections 21 and 35A read with Section 56 of the Banking Regulation Act, 1949, urging banks to revisit their current practices under these sections for compliance by the onset of fiscal year 2027.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13385&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Treatment of Wilful Defaulters and Large Defaulters) - Amendment Directions, 2026

Tags:

Wilful Defaulters, NPA Classification, Asset Classification

Summary:

The Reserve Bank of India (RBI) issued an amendment to the 'Commercial Banks – Treatment of Wilful Defaulters and Large Defaulters' Directions, 2026, which modifies the process for classifying borrowers as wilful defaulters. The key change mandates banks to complete the classification process within six months of an account being declared as a Non-Performing Asset (NPA), in line with the 2026 guidelines on asset classification. This regulation directly impacts commercial banks, ensuring they adhere to streamlined procedures for identifying and managing wilful defaulters effectively, with the amendments taking effect from April 01, 2027.

Insights:

- Banks must complete the wilful defaulter classification process within six months of an account's NPA status as per the updated Asset Classification Directions, 2026.
- Effective from April 01, 2027, banks should align their internal screening processes to comply with the amended Paragraph 6(2) guidelines.
- Amendment correlates with the Reserve Bank of India (Commercial Banks - Asset Classification, Provisioning, and Income Recognition) Directions, 2026, necessitating revised internal protocols.
- Stakeholders must review and reinforce compliance strategies based on the latest amendment to ensure timely classification of wilful defaulters.
- Banks should document all preliminary screenings in line with the update to resolve any discrepancies during the enforcement period starting April 2027.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13384&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Amendment Directions, 2026

Tags:

Asset Classification, Provisioning and Income Recognition, Stressed Assets Resolution, Insolvency Resolution Process

Summary:

The Reserve Bank of India (RBI) issued the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Amendment Directions, 2026, to update guidelines regarding asset classification, provisioning, and income recognition for stressed assets of commercial banks. Key changes include modifications to criteria for financial instrument downgrades, payment delays, and restructuring processes affected by natural calamities, all of which align with the 2026 Directions. This regulation impacts commercial banks, requiring them to adjust their policies and procedures to comply with the new amendment by April 1, 2027.

Insights:

- By April 1, 2027, commercial banks must align their provisioning practices with the 2026 RBI Directions on Asset Classification, Provisioning, and Income Recognition, reflecting the tightened and updated regulatory framework.
- Banks need to integrate new parameters for credit risk assessments, notably the internal credit rating downgrades and changes in collateral value, as specified in the amended Directions.
- Paragraph 162 has been deleted, requiring banks to re-evaluate any processes or dependencies related to this section prior to the regulation's enactment in 2027.
- Institutions should prepare to comply with the amended paragraph 103 by adjusting loan restructuring procedures for natural calamities based on RBI's 2018 Relief Measures Directions, as updated by 2026 provisions.
- Any restructuring or DCCO deferment activities should now include adherence to additional provisioning requirements detailed in the revised paragraphs, as per the RBI 2026 Directions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13383&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Non-Operative Financial Holding Companies)- Amendment Directions, 2026

Tags:

Non-Operative Financial Holding Companies, Asset Classification, Income Recognition, Provisioning Norms

Summary:

The Reserve Bank of India has issued Amendment Directions for Non-Operative Financial Holding Companies as per the 2026 regulation, modifying the prudential norms on Income Recognition, Asset Classification, and Provisioning for advances. These changes align with the RBI's newly established Directions for Commercial Banks related to Asset Classification and Income Recognition, emphasizing improved financial oversight. The amendments, impacting non-operative financial holding companies, will take effect from April 1, 2027, ensuring entities comply with updated regulatory standards.

Insights:

- Regulated entities must adjust their income recognition and asset classification practices to align with the RBI Directions, 2026 by April 01, 2027.
- Compliance with the amended RBI (Non-Operative Financial Holding Companies) Directions is mandatory, requiring review of current provisioning norms against the new guidelines.
- Stakeholders need to prepare for the integration of provisions from RBI (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026 into existing systems.
- Entities should reassess financial operations to ensure alignment with paragraph 20 modifications in the amended Directions, specifically focusing on advances-related prudential norms.
- All changes must be documented and systems updated to reflect the amendment's new requirements for income recognition and asset classification before the April 2027 deadline.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13382&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Concentration Risk Management) - Second Amendment Directions, 2026

Tags:

Concentration Risk Management, Asset Classification, Country Risk Classifications, RBI Amendment

Summary:

The Reserve Bank of India (RBI) has issued the Second Amendment Directions, 2026 for commercial banks concerning concentration risk management. These amendments revise the Explanation to paragraph 131 of the existing Directions, mandating banks to reference the country risk classifications published by the Export Credit Guarantee Corporation of India Limited (ECGC). This change, effective from April 1, 2027, impacts commercial banks by aligning their risk assessment processes with updated country risk guidelines.

Insights:

- Commercial banks must adapt their concentration risk management procedures to align with the amended RBI Directions of 2025, effective April 1, 2027.
- Banks must update risk classification frameworks using the Export Credit Guarantee Corporation of India Limited (ECGC) guidelines as part of the updated Directions.
- Review and amend internal lending procedures to ensure compliance with new country risk classifications set forth by the RBI.
- The revised Amendment Directions, effective in 2027, require banks to reassess their concentration risk policies in line with the 2026 directions on asset classification.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13380&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Local Area Banks – Miscellaneous) – Amendment Directions, 2026

Tags:

Local Area Banks, Amendment Directions 2026, Agri Fund, Rural Enterprises

Summary:

The Reserve Bank of India has amended the Reserve Bank of India (Local Area Banks – Miscellaneous) Directions, 2025 through new Amendment Directions issued in April 2026. A significant update includes the addition of 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' to Annex XII, reflecting RBI's initiative to support agricultural startups and rural enterprises. This amendment directly impacts Local Area Banks, enhancing their capacity to support specific sectors within rural economies.

Insights:

- Regulated entities must incorporate the 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' initiative into their operations immediately.
- Amendment Directions 2026 modifies previous guidelines, necessitating an update in compliance frameworks for regulated entities.
- Entities should review their operational strategies to align with the new provisions added in Annex XII.
- Stakeholders are advised to monitor further updates from the Reserve Bank regarding these Directions to ensure timely operational adjustments.
- The implementation of these guidelines should be prioritized without delay due to its immediate effective date.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13377&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) – Second Amendment Directions, 2026

Tags:

Financial Services Amendment, Banking Regulation Act 1949, Agri Fund, Start Ups & Rural Enterprises

Summary:

The Reserve Bank of India's Second Amendment Directions, 2026, updates the 2025 guidelines for commercial banks undertaking financial services, emphasizing the introduction of 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' into Annex I of the existing directions. This amendment, effective immediately, impacts commercial banks by directing them to accommodate this new fund initiative to support agricultural startups and rural businesses, enhancing their financial service offerings in these sectors.

Insights:

- Commercial banks must incorporate 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' as part of their financial services strategy immediately.
- Review existing compliance protocols to ensure alignment with the updated guidelines, particularly incorporating Agri-focused initiatives indicated in Annex I.
- Banks must assess the impact of the Amendment Directions 2026 on existing product offerings and adjust accordingly to support Agri Startups and Rural Enterprises.
- Refer to Reserve Bank of India Directions, 2025 for comprehensive understanding and identify sections superseded by the 2026 amendments.
- Ensure immediate dissemination of the amendment details to all relevant departments to facilitate swift compliance with the new regulatory requirements.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13398&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Urban Co-operative Banks – Undertaking of Financial Services) – Amendment Directions, 2026

Tags:

Urban Co-operative Banks, Financial Services Amendment, Agri Fund, AgriSURE

Summary:

The Reserve Bank of India (RBI) has issued Amendment Directions to the Reserve Bank of India (Urban Co-operative Banks - Undertaking of Financial Services) Directions, 2025, with the core aim to enhance financial services provided by such banks. A significant update includes the addition of 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' to Annex I, which is designed to support agricultural and rural start-ups. This amendment is targeted at urban co-operative banks, requiring them to integrate this addition into their service offerings immediately.

Insights:

- Urban cooperative banks must immediately integrate the AgriSURE - Agri Fund for Start Ups & Rural Enterprises into their financial services offerings per the amended Directions of 2025.
- Compliance teams in Urban Co-operative Banks should update their operational guidelines to reflect the inclusion of AgriSURE as specified in the amendments.
- Review existing procedures to ensure alignment with section 35A and section 56 of the Banking Regulation Act, 1949, as the Amendment Directions modify these regulations effective immediately.
- Financial officers should conduct a gap analysis to ensure new amendments are integrated with existing frameworks, avoiding conflicts with prior guidelines issued in 2025.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13394&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures)- Seventh Amendment Directions, 2026

Tags:

Asset Classification, Provisioning and Income Recognition, Financial Statements Presentation, Regulatory Capital Disclosure

Summary:

The Reserve Bank of India (RBI) has issued the Seventh Amendment Directions, 2026, which modifies the presentation and disclosure requirements for financial statements of commercial banks. Key updates include the segregation of provisions for assets under Stage 1 and Stage 2, detailed instructions on interest computation, and new requirements for the disclosure of credit quality and reconciliations for various financial instruments. These amendments, impacting commercial banks, are set to take effect from April 1, 2027, aiming to enhance transparency and accountability in financial reporting.

Insights:

- Commercial banks must distinctly report 'Provisions against assets under Stage 1 and Stage 2' separately in Schedule 5 of the Balance Sheet as per the latest amendment directives.
- Banks need to ensure that the computation of interest for specified assets aligns with RBI (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026.
- Entities should discontinue capitalizing broken period interest for acquired securities, instead logging it as an expense per the deletion of notes in the Interest Expended section.
- The transitional arrangements for regulatory capital disclosures in financial statements must be highlighted and compared with fully loaded ratios starting April 2027.
- Banks are required to provide detailed reconciliations of opening and closing balances for loss allowances concerning loans, investments, and financial guarantees as prescribed in the updated directions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13393&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks – Classification, Valuation, and Operation of Investment Portfolio)- Amendment Directions, 2026

Tags:

Investment Portfolio, Expected Credit Loss, Fair Value Measurement, Non-Performing Investments

Summary:

The Reserve Bank of India (RBI) has issued an amendment to the 2025 Directions for Commercial Banks concerning the classification, valuation, and operation of investment portfolios, effective from April 1, 2027. Key updates include the incorporation of definitions related to financial instruments' amortised cost, effective interest rate, expected credit loss, and transaction costs, as well as revisions in how securities under Held-to-Maturity (HTM) and Available-for-Sale (AFS) categories are valued and recognized. This regulation impacts commercial banks by setting forth new accounting treatments for investments to align with updated asset classification, provisioning, and income recognition practices.

Insights:

- Commercial banks are required to adopt the amended EIR method for asset valuation from April 1, 2027, for compliance with RBI (Commercial Banks - Classification, Provisioning, and Income Recognition) Directions, 2026.
- Banks must calculate loss allowances based on credit risk stages (Stage 1/2/3) as stipulated in the RBI's newly amended 2026 Directions, effective from April 1, 2027.
- Investments classified as Held to Maturity (HTM) must be maintained at amortised cost without MTM adjustments, in line with the updated 2026 Directions.
- In the event of reclassifications, banks need to ensure compliance with the amended accounting treatments specified in the 2026 guidelines, especially concerning gains/losses and EIR calculations.
- The amendment requires the fair value of investments as of March 31, 2027, to be considered as the new carrying amount, mandating transition adjustments to Revenue/General Reserve not routed through the P&L account.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13391&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Small Finance Banks – Undertaking of Financial Services) – Amendment Directions, 2026

Tags:

Financial Services Amendment, Agri Fund, Banking Regulation Act 1949, Public Interest Compliance

Summary:

The Reserve Bank of India (RBI) has issued an amendment to the Directions for Small Finance Banks on Financial Services, initially set out in 2025, through a circular dated April 27, 2026. This amendment introduces an addition to Annex I, specifically the incorporation of 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises', to enhance focus on agricultural startups and rural enterprises. The implementation of this amendment is effective immediately, impacting Small Finance Banks engaged in providing financial services to these sectors.

Insights:

- Small Finance Banks must integrate the 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' into their existing product offerings immediately, as per the amended Directions, 2026.
- All Small Finance Banks must review and update their internal compliance frameworks to align with the new Amendment Directions, effective April 27, 2026.
- Regulated entities should cross-reference these amendments with the Reserve Bank of India (Small Finance Banks – Undertaking of Financial Services) Directions, 2025, to ensure no compliance gaps exist.
- Financial institutions involved in agricultural finance should allocate resources towards the implementation of the AgriSURE fund initiative swiftly to remain compliant.
- Stakeholders must communicate these changes and integrate them into strategic planning to effectively leverage the new opportunities provided by the AgriSURE fund initiative.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13389&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Regional Rural Banks – Undertaking of Financial Services) – Amendment Directions, 2026

Tags:

Regional Rural Banks, Financial Services Amendment, AgriSURE Fund, Start Ups & Rural Enterprises

Summary:

The Reserve Bank of India has issued amendments to the Reserve Bank of India (Regional Rural Banks – Undertaking of Financial Services) Directions, 2025, by introducing 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises'. This change is effective immediately and aims to enhance financial support for agricultural startups and rural enterprises. Regional Rural Banks are the primary entities affected by this update.

Insights:

- RRBs must incorporate 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' into their financial services offerings immediately, following the amended regulations.
- Review operations and update compliance policies to integrate the new amendment direction into ongoing monitoring frameworks by the stipulated directive.
- A comparative analysis of the 2025 Directions with the latest amendments is necessary to identify all procedural alterations and ensure comprehensive policy alignment.
- Entities are required to scrutinize the changes under section 35A of the Banking Regulation Act, 1949, to understand the broader implications of these amendments on financial service offerings.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13386&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Rural Co-operative Banks– Undertaking of Financial Services) – Amendment Directions, 2026

Tags:

Rural Co-operative Banks, Financial Services Amendment, Agri Fund for Start Ups

Summary:

The Reserve Bank of India (RBI) has issued an amendment to the 'Rural Co-operative Banks – Undertaking of Financial Services' directions of 2025, now including a new financial service called 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' as part of Annex I. This update immediately impacts rural co-operative banks, allowing them to leverage this new fund to support agriculture-based startups and rural enterprises, thereby enhancing the financial service offerings available to rural stakeholders.

Insights:

- Rural Co-operative Banks must immediately integrate 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' into their financial service offerings to comply with the amended guidelines.
- The amendment to the 2025 Directions mandates that entities should review their service strategies to incorporate rural enterprise support schemes promptly.
- Banks should ensure due diligence and compliance checks are updated in light of the new amendment, which is effective immediately.
- All financial plans developed for rural enterprises must now consider the new AgriSURE initiative in alignment with the updated RBI directions.
- Compliance departments in Rural Co-operative Banks need to align the amended directions to ensure adherence to Section 35A and Section 56 of the Banking Regulation Act, 1949.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13381&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Non-Banking Financial Companies– Undertaking of Financial Services) –Amendment Directions, 2026

Tags:

RBI Non-Banking Financial Companies, Financial Services Amendment, Agri Fund

Summary:

The Reserve Bank of India has issued an amendment to its 2025 directions for Non-Banking Financial Companies involved in financial services, effective immediately. A significant update includes the addition of 'AgriSURE - Agri Fund for Start Ups & Rural Enterprises' to Annex I. This amendment primarily affects non-banking financial institutions, as it introduces a new fund aimed to support agricultural startups and rural enterprises.

Insights:

- **AgriSURE Compliance:** Non-Banking Financial Companies must integrate AgriSURE Fund for Start Ups & Rural Enterprises into their financial services operations immediately as per the amended Annex I.
- **Review of Directions:** All NBFCs should review the Reserve Bank of India (Non-Banking Financial Companies – Undertaking of Financial Services) Directions, 2025 to incorporate the 2026 Amendment swiftly.
- **Operational Changes:** Entities must assess and update agri-funding processes to align with the newly introduced AgriSURE regulations effective immediately.
- **Immediate Implementation:** The amendments become effective immediately, requiring urgent review and adjustment of existing compliance frameworks to adhere to these updates.
- **Regulatory Alignment:** NBFCs should align their factoring and financial service operations as per the cross-referenced Factoring Regulation Act, 2011 amendments incorporated in this directive.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13379&Mode=0>

Apr 27, 2026 : Reserve Bank of India (All India Financial Institutions – Undertaking of Financial Services) –Amendment Directions, 2026

Tags:

Agri Fund, Start Ups, Rural Enterprises, Financial Services Amendment

Summary:

The Reserve Bank of India has issued amendments to the Reserve Bank of India (All India Financial Institutions – Undertaking of Financial Services) Directions, 2025, introducing an Agri Fund named 'AgriSURE' for Start Ups & Rural Enterprises into Annex I. This update impacts All India Financial Institutions that undertake financial services, requiring them to incorporate this new fund focus into their operations immediately.

Insights:

- Regulated entities must integrate AgriSURE into their services portfolio immediately, as mandated by the Amendment Directions coming into force with immediate effect.
- Entities involved in financial services should support start-ups and rural enterprises through the newly introduced 'AgriSURE' fund as added in the Annex I of the Directions.
- Review compliance processes to incorporate changes due to the addition of 'AgriSURE' in the Directions of 2025, as amended in 2026.
- Identify operational changes needed to align with 'AgriSURE' requirements, ensuring immediate implementation as per the Reserve Bank's Directive.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13378&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Asset Classification, Provisioning and Income Recognition) Directions, 2026

Tags:

Expected Credit Loss (ECL) Framework, Non-Performing Asset (NPA) Classification, Prudential Norms

Summary:

The Reserve Bank of India (RBI) in its 2026 regulatory document, updates the asset classification, provisioning, and income recognition framework for commercial banks, marking a transition to the Expected Credit Loss (ECL) model. Key changes include the introduction of a 'three-stage' asset categorization under ECL, mandatory fair valuation on transition for loan portfolios, and specified prudential floors for provisioning. This regulation impacts commercial banks excluding Small Finance Banks, Payment Banks, and Local Area Banks, enhancing the credit risk management practices to align with international financial reporting standards.

Insights:

- Effective April 1, 2027, commercial banks must implement robust systems for ECL computation, transitioning the entire loan portfolio to the EIR methodology by March 31, 2030.
- Accounts classified as NPAs as of March 31, 2027, will maintain their status until rectification, and any reversal of provisions is restricted to ECL allowances subject to prudential floors.
- Cross-referenced Directions such as Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025, stand repealed with the enactment of this regulation.
- Banks are required to categorize models through risk-based tiering for validation, ensuring high scrutiny for significant impact models in ECL computations.
- From June 30, 2027, banks must report under the ECL framework alongside existing norms till December 31, 2027, including reconciling opening reserves by June 30, 2027.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13400&Mode=0>

Apr 27, 2026 : Reserve Bank of India (Commercial Banks - Capital Charge for Credit Risk – Standardised Approach) Directions, 2026 (Effective from April 1, 2027)

Tags:

Credit Risk, Standardized Approach, Capital Adequacy, Risk Weights

Summary:

The Reserve Bank of India has issued the 'Reserve Bank of India (Commercial Banks - Capital Charge for Credit Risk – Standardised Approach) Directions, 2026,' which introduce a standardized approach for calculating risk-based capital requirements for credit risk in alignment with Basel III reforms, effective from April 1, 2027. Key updates include detailed risk-weighting frameworks for various exposure classes, external credit assessments, and credit risk mitigation techniques. These regulations impact commercial banks, excluding Small Finance Banks, Payments Banks, and Local Area Banks, requiring compliance with new risk-weighted assets calculation and capital adequacy norms.

Insights:

- From April 1, 2027, banks must implement the Standardised Approach for credit risk as per Basel III framework, replacing any previous methods utilized under the Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Directions, 2025.
- Regulated entities should adjust risk weights for rated corporate exposures based on the latest Observed Default Rate (ODR) from designated ECRA, ensuring compliance with stricter credit risk calculations.
- Exposures to MSMEs not meeting regulatory retail portfolio criteria but having significant banking system exposure must be risk-weighted at 150%, necessitating immediate system updates.
- Indian banks dealing with offsetting non-bank transactions with bank guarantees must follow the revised guidelines in paragraph 22(3) when calculating capital requirements under this regulation.
- Securitization exposures must follow capital adequacy guidelines specified in paragraphs 88-126 of the Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Directions, 2025, indicating continued adherence to these provisions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13399&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Credit Risk Management) Second Amendment Directions, 2026

Tags:

Small Finance Banks, Credit Risk Management, Stressed Assets, Calamity Impact

Summary:

The Reserve Bank of India (RBI) has issued an amendment to its Credit Risk Management Directions for Small Finance Banks, emphasizing the necessity of factoring in potential calamity impacts in credit assessments of borrowers. This update, effective from July 1, 2026, mandates these banks to incorporate the effects of possible natural disasters into their credit evaluation processes. The regulation specifically affects Small Finance Banks, requiring them to adjust their risk management strategies in light of such environmental risks.

Insights:

- Small Finance Banks must integrate assessments of potential calamities affecting borrowers into their credit risk evaluations by July 1, 2026.
- Align credit assessment models as per the new paragraph 12A addition, ensuring compliance with the updated Credit Risk Management guidelines.
- Review and update current risk monitoring systems to incorporate insights from the 'Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Amendment Directions, 2026'.
- Training programs for credit risk officers should be refreshed to include procedures for assessing calamity impacts on borrower profiles.
- Ensure cross-referencing with existing risk management frameworks to confirm alignment with the new Amendment Directions effective from July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13419&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Responsible Business Conduct) Amendment Directions, 2026

Tags:

Small Finance Banks, Calamity Declaration, Banking Services, Financial Inclusion

Summary:

The Reserve Bank of India (RBI) released the Reserve Bank of India (Small Finance Banks – Responsible Business Conduct) Amendment Directions, 2026, to enhance the response of banks during declared calamities. Key updates include allowing banks to operate from temporary premises, setting up alternative banking facilities like satellite offices, restoring ATM services quickly, and offering relief measures such as fee waivers in affected areas. These regulations impact Small Finance Banks, requiring them to ensure continued access to banking services and support for customers in regions declared as calamity-affected, effective from July 1, 2026.

Insights:

- Small Finance Banks must secure RBI approval for extending temporary calamity-affected premises beyond 30 days per Section 121A starting July 1, 2026.
- Under Section 121B, immediate restoration of ATM services is mandated during calamities, with alternative cash arrangements required until full service returns.
- Banks are advised to open small accounts for individuals lacking identification due to calamities under RBI's 2025 KYC Directions as per Section 121C.
- For up to a year, banks can optionally offer fee and charge waivers/reductions in declared calamity zones per Section 121D, effective July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13417&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026

Tags:

Small Finance Banks, Income Recognition, Asset Classification, Provisioning Norms

Summary:

The Reserve Bank of India has issued an amendment to the Income Recognition, Asset Classification, and Provisioning directions for Small Finance Banks, focusing on the resolution of stressed assets. Major changes include the deletion and insertion of specific paragraphs related to asset classification and provisioning, such as upgrading borrower accounts during resolution plan implementation and setting additional provisioning requirements. These updates primarily impact Small Finance Banks, necessitating them to comply with new asset classification, provisioning norms, and interest income recognition, with changes effective from July 1, 2026.

Insights:

- Small Finance Banks must delete paragraph 53(4) as per the latest Amendment effective from July 1, 2026.
- New provisioning norms require Small Finance Banks to make an additional specific provision of 5% for each instance of restructuring under Chapter VI-A guidelines.
- Upon borrower repayment of at least 20% of outstanding debt without defaults, specific provisions under paragraph 80A and 80B can be reversed.
- For borrower accounts under paragraph 58B, interest income must be recognized on a cash basis, post restructuring as per the updated directions.
- Sections of the Reserve Bank's 2025 Directions relating to stressed assets are amended, with borrower accounts upgraded to 'Standard' status upon implementation of a resolution plan.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13414&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Amendment Directions, 2026

Tags:

Small Finance Banks, Resolution of Stressed Assets, Natural Calamity, SLBC/UTLBC/DCC

Summary:

The Reserve Bank of India has issued the Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Amendment Directions, 2026, modifying existing directions to improve the resolution of stressed assets impacted by natural calamities and other external events. Key changes include the introduction of new definitions for 'date of invocation' and 'natural calamity', the specification of a process for State Level Bankers' Committee (SLBC) to assess and extend relief measures, and the establishment of eligibility criteria and timelines for implementing resolution plans. This amendment impacts small finance banks, requiring them to align with revised processes, consider insurance proceeds in restructuring loans, and report activities through a specified framework.

Insights:

- Small Finance Banks must implement resolution plans for borrowers impacted by calamities within 135 days from the declaration of the calamity as per Chapter VI-A guidelines.
- SLBC/UTLBC/DCC must convene a special meeting within 15 days of a calamity declaration to assess and decide on relief measures, as outlined in Paragraph 124C and 124D.
- Eligible borrowers with loans classified as 'Standard' and not in default for more than 30 days pre-calamity can avail resolution as per Paragraph 124J.
- Banks must upload semi-annual relief data on CIMS, ending September 30 and March 31, with a 30-day deadline post each half-year, as detailed in Paragraph 124W.
- Consequential amendments have been made to 'Small Finance Banks – Credit Risk Management,' 'Income Recognition,' and 'Responsible Business Conduct' guidelines, effective July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13412&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Amendment Directions, 2026

Tags:

NBFC Registration, Public Funds Exemption, Customer Interface, Deregistration Process, Type I NBFC

Summary:

The RBI has issued amendments to the 2025 Directions on Non-Banking Financial Companies (NBFCs) to refine the registration and regulatory frameworks based on whether NBFCs avail public funds or have customer interfaces. Key updates include the introduction of 'Type I NBFCs', which are entities not utilizing public funds or having customer interactions, and exempting certain entities from sections of the RBI Act, conditional on asset size and operational models. This affects all NBFCs, including those that do not have customer-facing activities or do not plan to access public funds, as they might need to apply for deregistration or re-registration based on these new categories and compliance with outlined criteria.

Insights:

- By December 31, 2026, existing 'NBFCs not availing public funds and not having customer interface' must apply for deregistration if eligible under the new exemption criteria.
- Type I NBFCs should ensure annual disclosure in financial statements that they did not avail public funds or have customer interface, as mandated in the new guidelines.
- NBFCs with asset sizes over ₹1,000 crore must register as Type I NBFCs and comply with applicable RBI instructions, as stipulated in the amended framework.
- NBFCs are required to use PRAVAAH for deregistration applications, ensuring submissions include audited financials and a board resolution on public funds and customer interface status.
- Cross-referencing previous regulations, the updated guidelines amend terms from the 2025 Directions, requiring entities to update compliance based on these changes.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13407&Mode=0>

Apr 29, 2026 : Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1988 (2011) Taliban Sanctions List: Amendment of 17 Entries

Tags:

UNSC Compliance, UAPA Section 51A, Taliban Sanctions List, Banking Regulation, Asset Freeze

Summary:

The Reserve Bank of India has issued a regulation concerning the implementation of Section 51A of the UAPA, 1967, highlighting amendments to the UN's 1988 Taliban Sanctions List, effective from April 28, 2026. The circular mandates that commercial banks, small finance banks, payment banks, and various financial institutions ensure compliance with this revised sanctions list, which includes individuals and entities associated with the Taliban, in accordance with UNSC directives. Institutions are required to follow updated procedures outlined by the Ministry of Home Affairs for delisting requests, emphasizing meticulous adherence to global sanctions against terrorist-linked entities.

Insights:

- Regulated entities must update their systems to ensure that no accounts are held by individuals/entities on the amended Taliban Sanctions List, as per UNSC's April 28, 2026 update.
- Entities must refer to Chapter IX of the RBI's Directions dated November 28, 2025, for compliance protocols about international agreements and strictly adhere to the UAPA Order dated February 02, 2021.
- Any delisting requests received by banks must be electronically forwarded to Joint Secretary (CTCR), MHA, ensuring prompt action and compliance as per the latest RBI guidelines.
- Entities need to regularly check updated lists of individuals/entities linked to ISIL (Da'esh), Al-Qaida, and Taliban on the specified UN URLs to maintain compliance with asset freeze, travel bans, and arms embargoes.
- The Security Council's amendments to the 'Taliban Sanctions List' necessitate immediate internal audits by regulated entities to identify and block sanctioned entities as of April 29, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13406&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Urban Co-operative Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026

Tags:

Unsecured Advances, Financial Disclosures, Concentration Risk Management, Urban Co-operative Banks

Summary:

The Reserve Bank of India has issued an amendment to its 2025 directive on financial statement disclosures for Urban Co-operative Banks, introducing new disclosure requirements related to unsecured advances and lending to nominal members. Key updates include the mandatory disclosure of aggregate values of unsecured advances, their categorization, and provisions, along with specific details on loans to nominal members and member statistics. These changes impact Urban Co-operative Banks, requiring compliance from October 1, 2026, to enhance transparency and risk management in financial reporting.

Insights:

- Urban Co-operative Banks must disclose unsecured advances and loans to nominal members using the prescribed table format in their financial statements starting October 1, 2026.
- Review the Reserve Bank of India (Urban Co-operative Banks – Concentration Risk Management) Directions, 2025 to ensure compliance with definitions related to unsecured advances and nominal members.
- Prepare for required amendments by updating internal systems to classify and report unsecured advances and lending to nominal members as per the provided categories.
- Ensure calculation and disclosure of provisions held in respect of unsecured advances by March 31 every year, aligned with the new Amendment Directions.
- Monitor the compliance with priority sector loans eligibility when assessing unsecured advances of ticket sizes up to ₹50,000 under the new guidelines.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13405&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Urban Co-operative Banks – Credit Facilities) – Amendment Directions, 2026

Tags:

Housing Loan Tenor, Moratorium Regulations, Unsecured Advances Limit, UCB Credit Facilities

Summary:

The Reserve Bank of India has issued amendments to the Urban Co-operative Banks (UCBs) Credit Facilities Directions, 2025, effective from October 1, 2026. The key changes include setting a maximum tenor of 20 years for housing loans for Tier 1 and Tier 2 UCBs, allowing Tier 3 and Tier 4 UCBs to set loan tenors per their policies, and restricting moratoriums to under-construction houses only. Additionally, UCBs must now have Board-approved policies for credit against deposits, and there are revised limits on unsecured advances for single borrowers based on UCB tiers. These amendments impact all Urban Co-operative Banks across different tiers, requiring compliance with the new guidelines.

Insights:

- Urban Co-operative Banks (UCBs) must adjust housing loan tenures to not exceed 20 years, including moratorium, by October 1, 2026 or earlier if adopted.
- Tier 3 and Tier 4 UCBs have the autonomy to define housing loan tenures based on Board-approved policies, aligning with risk management strategies.
- UCBs are prohibited from granting credit facilities against fixed or term deposit receipts of other banks, requiring implementation of Board-approved policies for margin management.
- By October 1, 2026, UCBs should adhere to revised limits on unsecured advances: ₹5 lakh for Tier 1, ₹7.5 lakh for Tier 2, and ₹10 lakh for Tier 3 & 4, as per Concentration Risk Management Directions.
- In the removal of Paragraphs 117 and 119, UCBs must eliminate associated provisions and adjust operational policies accordingly to ensure compliance with the latest Directions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13404&Mode=0>

Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions – Credit Risk Management) Second Amendment Directions, 2026

Tags:

Credit Risk Evaluation, Stressed Assets Resolution, All India Financial Institutions

Summary:

The Reserve Bank of India has issued the Second Amendment Directions, 2026, concerning Credit Risk Management for All India Financial Institutions (AIFI). The regulation introduces a key update by requiring AIFIs to incorporate potential impacts of calamities on borrowers into their credit risk evaluations. These changes are set to take effect from July 1, 2026, and primarily impact financial institutions responsible for assessing credit risk.

Insights:

- Starting July 1, 2026, All India Financial Institutions must incorporate potential calamity impacts into their credit risk evaluations to ensure comprehensive assessments.
- AIFIs need to align their evaluation processes with the Amendment Directions issued on April 29, 2026, focusing on borrower risk profiles affected by calamities.
- The Amendment explicitly modifies credit risk evaluation procedures; any existing practices that do not consider calamity impacts must be revised accordingly.
- Entities should review their existing compliance frameworks against the Amendment Directions, addressing gaps in credit risk assessments related to borrower exposure to natural disasters.
- This amendment supersedes certain aspects of prior Resolution of Stressed Assets guidelines, requiring updates to risk management protocols aligning with section 45L of the RBI Act.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13441&Mode=0>

Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions – Responsible Business Conduct) Amendment Directions, 2026

Tags:

Stressed Assets Resolution, Calamity Relief Measures, Financial Institutions

Summary:

The Reserve Bank of India's (RBI) latest amendment on April 29, 2026, under the Reserve Bank of India (All India Financial Institutions – Responsible Business Conduct) introduces measures allowing All India Financial Institutions (AIFIs) to offer relief, such as waivers or reduction of fees, for customers in areas declared as calamities, effective July 1, 2026. These measures, applicable at the AIFI's discretion, must last no more than one year and aim to support affected customers by alleviating financial burdens during such declarations. This amendment specifically impacts AIFIs and their customers in calamity-affected areas.

Insights:

- Effective July 1, 2026, all All India Financial Institutions must implement relief measures such as waiver or reduction of fees for customers in declared calamity areas, with a maximum period of one year.
- Institutions must review and amend their operational policies to include provisions for relief measures under Chapter IV, Part B, Section 33A, for calamity-affected regions by the specified deadline.
- Conduct an assessment to identify potential areas recognized as calamity declared zones to operationalize the relief measures swiftly in alignment with the new regulatory guideline.
- Update compliance monitoring systems to reflect changes from the Reserve Bank of India (All India Financial Institutions – Resolution of Stressed Assets) Amendment Directions, 2026, reinforcing the emphasis on relieved financial charges.
- Engage in cross-referencing with the details laid out in RBI's (All India Financial Institutions – Resolution of Stressed Assets) Amendment Directions, 2026, to ensure consistent adherence across all operational directives and compliance checks.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13440&Mode=0>

Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026

Tags:

Resolution of Stressed Assets, Provisioning Norms, Asset Classification, Financial Institutions Compliance

Summary:

The Reserve Bank of India (RBI) has introduced the Reserve Bank of India (All India Financial Institutions – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026, to provide guidance on resolution plans for stressed assets. Key updates include the classification of borrower accounts as 'Standard' post-resolution and additional provisioning requirements for accounts undergoing restructuring under Chapter VI-A, affecting All India Financial Institutions. The amendments aim to ensure appropriate provisioning and asset classification following stress resolution plans, effective from July 1, 2026.

Insights:

- Regulated entities must upgrade borrower accounts classified as 'NPA' to 'Standard' upon implementing a resolution plan per Chapter VI-A of RBI Directions, 2025.
- Institutions must make an additional specific provision of 5% on outstanding debt for each restructuring under Chapter VI-A, beyond normal provisions, capped at 100%.
- Interest on accounts with repeated restructuring under Chapter VI-A should be recognized on a cash basis, as opposed to accrual basis.
- Entities can reverse additional provisioning after a borrower repays 20% of the outstanding debt post-restructuring without defaulting.
- Amended directions to be implemented by July 1, 2026, for compliance with new classification and provisioning norms.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13439&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Credit Risk Management) Second Amendment Directions, 2026

Tags:

Credit Risk Management, Regional Rural Banks, Stressed Assets, Calamity Impact Assessment

Summary:

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Regional Rural Banks – Credit Risk Management) Second Amendment Directions, 2026, focusing on credit risk management for Regional Rural Banks. The major update requires banks to incorporate evaluations for potential impacts of calamities on borrowers within their credit assessments. This amendment, effective from July 1, 2026, is aimed at ensuring that Regional Rural Banks account for the vulnerabilities of their borrowers in crisis situations.

Insights:

- RRBs must integrate calamity impact assessments into their credit risk evaluations starting July 1, 2026, to ensure compliance with the new RBI directives.
- Credit assessments for borrowers affected by calamities should now consider potential adverse impacts, as mandated by Chapter IIA of the amended Directions.
- RRBs are required to review and potentially adjust existing credit risk models to incorporate disaster impact factors as per the RBI's April 2026 amendment.
- The RBI's Amendment Directions effective from July 1, 2026, necessitate immediate strategic planning by RRBs to accommodate calamity-related risk evaluations in their credit assessment processes.
- Any overlapping guidelines from the earlier Direction DOR.STR.REC.52/21-04-048/2026-27 must be revisited to ensure full compliance with the latest amendments effective July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13438&Mode=0>

Apr 29, 2026 : Reserve Bank of India (All India Financial Institutions– Resolution of Stressed Assets) Amendment Directions, 2026

Tags:

Stressed Assets, Resolution Plan, Natural Calamity, Financial Institutions

Summary:

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (All India Financial Institutions – Resolution of Stressed Assets) Amendment Directions, 2026, which amend the existing 2025 Directions to incorporate guidelines for rationalizing prudential norms for implementing resolution plans for borrowers impacted by natural calamities or similar external events. Key updates include the introduction of a defined process for the invocation and implementation of resolution plans within specified timelines, and the establishment of eligibility criteria for borrowers, focusing on accounts not in default for more than 30 days at the time of a calamity. The affected entities include All India Financial Institutions and the changes are set to be effective starting July 1, 2026.

Insights:

- Regulated Entities (REs) must incorporate provisions for resolution of stressed assets impacted by natural calamities in their board-approved policies by July 1, 2026, per Amendment Directions 2026.
- AIFI must invoke resolutions for borrowers affected by calamities within 45 days from declaration and implement them within 135 days, as per paragraphs 119M and 119N.
- The directions necessitate that SLBC/UTLBC meetings be conducted within 15 days of calamity declaration to determine relief measures, as specified in paragraphs 119C and 119D.
- AIFI must report data on relief measures on the CIMS portal semi-annually, within 30 days from half-year end (March 31st and September 30th), according to paragraph 119W.
- Existing borrower accounts with relief measures prior to the effective date are exempt but new resolutions post-effective date must follow the new chapter guidelines in paragraph 119B.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13437&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Credit Risk Management) Second Amendment Directions, 2026

Tags:

Rural Cooperative Banks, Credit Risk Management, Stress Assets Resolution, Calamity Impact Assessment

Summary:

The Reserve Bank of India issues the Second Amendment Directions, 2026 for Rural Cooperative Banks, focusing on Credit Risk Management. A significant update includes the introduction of Chapter IIA on Credit Risk Evaluation, which mandates banks to incorporate potential impacts of calamities on borrowers in their credit assessments. This regulation affects all Rural Cooperative Banks, emphasizing the adoption of an enhanced credit evaluation process from July 1, 2026.

Insights:

- Rural Cooperative Banks must incorporate calamity impact assessments in credit evaluations starting July 1, 2026.
- All credit assessments carried out by Rural Cooperative Banks must now factor potential borrower impacts from environmental calamities as per RBI's amendment.
- Compliance with the updated Credit Risk Management guidelines should be ensured by modifying risk assessment frameworks to include calamity-related reviews.
- Effective risk assessment requires alignment with the 'Rural Cooperative Banks – Resolution of Stressed Assets' Amendment Directions, 2026, referenced herein.
- Amendment Directions issued on April 29, 2026, necessitate immediate review of existing borrower risk profiling procedures to incorporate new credit risk parameters.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13436&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Second Amendment Directions, 2026

Tags:

NBFC, Credit Risk Management, Amendment Directions, Stressed Assets Resolution, Public Interest

Summary:

The Reserve Bank of India (RBI) has issued the Second Amendment Directions, 2026, for Non-Banking Financial Companies (NBFCs) focused on Credit Risk Management, effective from July 1, 2026. The key update introduced in the regulation requires NBFCs to incorporate the potential impact of calamities on borrowers during credit assessments. This amendment is significant for NBFCs as they must adjust their credit evaluation processes to account for natural disaster-related risks, ensuring robust credit assessments.

Insights:

- NBFCs must integrate calamity impact assessments into credit evaluations by July 1, 2026, to comply with new RBI directives.
- The amendment impacts previous RBI directions dated April 29, 2026, emphasizing NBFCs to adapt their risk management frameworks accordingly.
- Non-compliance with the new credit assessment requirement post-July 2026 could lead to regulatory action against NBFCs.
- Entities must review and possibly overhaul existing credit risk policies to incorporate calamity impact considerations as per the RBI's latest directions.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13435&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Responsible Business Conduct) Amendment Directions, 2026

Tags:

Calamity Banking Services, ATM Restoration, Identification and Records Access, Fee Waiver Measures

Summary:

The Reserve Bank of India has issued amendments to the Reserve Bank of India (Regional Rural Banks – Responsible Business Conduct) Directions, 2026, to address banking operations during calamities, effective from July 1, 2026. The new section mandates banks operate from temporary premises post-calamity, restore ATM services promptly, and open small accounts for affected individuals lacking identification. Relief measures like fee waivers for customers in declared calamity areas are also at the banks' discretion, impacting regional rural banks and their affected customers.

Insights:

- Calamity-affected branches must inform the respective RBI Regional Office if operating from temporary premises, with a necessity to obtain approval for exceeding 30 days.
- Banks must provide alternative banking services in disaster-hit areas using satellite offices or mobile units, informing the RBI of these setups as mandated under Chapter V, Part D.
- Prompt restoration of ATM services is required in calamity struck regions, while ensuring interim cash access solutions are in place until restoration.
- In line with the RBI (Regional Rural Banks – Know Your Customer) Directions, 2025, banks should open small accounts for displaced individuals in calamity-affected areas.
- Calamity-stricken areas allow banks discretion to waive or reduce customer fees for up to one year, operational from July 1, 2026, as per new amendments.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13434&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Responsible Business Conduct) Amendment Directions, 2026

Tags:

Rural Cooperative Banks, Stressed Assets Resolution, Calamity Relief Measures

Summary:

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Rural Cooperative Banks – Responsible Business Conduct) Amendment Directions, 2026, focusing on the operational conduct of rural cooperative banks during calamities. Key updates include allowing banks to operate calamity-affected branches from temporary premises, restoring ATM services promptly, enabling the opening of small accounts without full identification, and offering fee waivers in disaster-declared areas for up to one year. These changes impact rural cooperative banks, ensuring continued service delivery and relief measures in disaster-stricken regions, effective from July 1, 2026.

Insights:

- Banks must notify their Regional Office of RBI if calamity-affected branches operate from temporary premises beyond 30 days, starting from July 1, 2026.
- To comply with the new regulations, banks are required to establish satellite offices, extension counters, or mobile banking services in calamity-affected regions and inform the Reserve Bank.
- Immediate restoration of ATM services is mandated in calamity-affected areas, with alternative cash arrangements provided to meet urgent needs.
- Banks can open small accounts without standard identification for individuals displaced by disasters, as per the RBI (Rural Cooperative Banks – KYC) Directions, 2025.
- Waiver or reduction of fees for customers in disaster-declared areas is permissible for up to one year at the bank's discretion, effective from July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13433&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Relief Measures by Banks in Areas affected by Natural Calamities) Directions 2018 – RRBs Repeal Directions, 2026

Tags:

Regional Rural Banks, Natural Calamities Relief, Regulation Repeal, Stressed Assets Resolution

Summary:

The Reserve Bank of India (RBI) has announced the repeal of the Master Direction for Relief Measures by Banks in Areas affected by Natural Calamities specific to Regional Rural Banks (RRBs), effective from July 01, 2026. It introduces new guidelines focusing on the resolution of stressed assets, income recognition, asset classification, provisioning, responsible business conduct, and credit risk management for RRBs. While these directions replace the previous ones, they ensure that any rights or liabilities acquired under the earlier provisions remain intact, affecting RRBs and their compliance requirements.

Insights:

- Regional Rural Banks (RRBs) must comply with the revised 'Resolution of Stressed Assets' framework from July 01, 2026, focusing on distressed asset restructuring.
- RRBs are required to update their systems to align with new 'Income Recognition, Asset Classification and Provisioning' norms effective July 01, 2026.
- The previous 2018 Directions on relief measures in natural calamities affected areas stand repealed, and RRBs must adhere to the current amendments.
- RRBs must enhance their business conduct policies in line with the 'Responsible Business Conduct' guidelines by the effective date of July 01, 2026.
- RRBs need to reinforce their credit risk management strategies as per the 'Second Amendment Directions, 2026', taking immediate steps to update risk assessment protocols.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13432&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Amendment Directions, 2026

Tags:

NBFC Regulatory Amendments, Stressed Assets Resolution, Calamity Relief Measures, Waiver of Fees

Summary:

The Reserve Bank of India (RBI) has issued amendments to the Non-Banking Financial Companies (NBFCs) guidelines, specifically focused on the responsible business conduct during stressed asset resolution, effective July 1, 2026. A significant change allows NBFCs to provide relief, such as waiving or reducing fees and charges, for customers in areas declared to be affected by a calamity for up to one year. This regulation impacts NBFCs and their clients in calamity-hit regions, emphasizing flexible financial support in times of crisis.

Insights:

- NBFCs can provide calamity relief measures, such as fee waivers, for customers in affected areas for up to one year, starting from July 1, 2026.
- Entities must update operational protocols to incorporate calamity-related relief measures, ensuring timely implementation by July 2026.
- This amendment supplements the RBI's existing regulations on stressed assets, requiring immediate review of current policies to integrate new provisions.
- Cross-reference with previous RBI Directions for any potentially overlapping guidelines that might need updating in light of this Amendment.
- Prepare to report the implementation of these relief measures as part of regulatory compliance updates post-July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13431&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026

Tags:

Regional Rural Banks, Stressed Assets Resolution, Asset Classification, Provisioning Norms, Resolution Plan Implementation

Summary:

This Reserve Bank of India regulation pertains to amendments in the income recognition, asset classification, and provisioning norms for Regional Rural Banks (RRBs), specifically addressing the resolution of stressed assets. Key updates include the introduction of provisions allowing accounts classified as 'Standard' to remain as such upon implementing a resolution plan, additional requirements for specific provisioning in case of repeated restructuring, and changes in interest income recognition. The amendments, effective from July 1, 2026, impact RRBs with borrower accounts undergoing stress resolution processes, mandating specific financial reporting and provisioning standards.

Insights:

- Regional Rural Banks must ensure that borrower accounts classified as 'Standard' undergo re-evaluation for compliance post-resolution plan implementation from July 1, 2026.
- Banks must implement an additional specific provisioning framework, adding 5% of outstanding debt for borrowers under the new restructuring guidelines laid out in Chapter IV-A, effective July 1, 2026.
- All borrower accounts restructured under paragraphs 32J to 32R must remain classified as 'Standard' even after further restructuring necessitated by natural calamities, adhering to the amendment on April 29, 2026.
- Interest income for accounts under a resolution plan in Chapter IV-A must be recognized on an accrual basis, while accounts under paragraph 36B are to use cash basis recognition starting July 1, 2026.
- Previous guidelines under paragraph 29 are officially revoked, demanding immediate adjustment in bank protocols to align with the new standards set from July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13430&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026

Tags:

Rural Cooperative Banks, Asset Classification, Income Recognition, Provisioning Norms

Summary:

The Reserve Bank of India has issued Amendment Directions for Rural Cooperative Banks concerning Income Recognition, Asset Classification, and Provisioning, effective July 1, 2026. Key updates include the introduction of provisions for maintaining borrower accounts as 'Standard' post-resolution plan implementation and additional specific provisioning requirements for repeated restructuring under the new norms. These amendments impact rural cooperative banks and highlight the implementation and restructuring processes for stressed assets, specifying conditions for interest income recognition and reversals of provisions.

Insights:

- Starting July 1, 2026, Rural Cooperative Banks must classify resolution plan-eligible borrower accounts as 'Standard' upon implementation, following Chapter IV-A guidelines from November 28, 2025.
- Additional specific provisioning of 5% is required for each restructuring instance of borrower accounts, as per Chapter IV-A, over and above prudential provisions with a 100% ceiling.
- Interest on accounts with implemented resolution plans per Chapter IV-A must be recognized on an accrual basis, while those specified under paragraph 32B should follow a cash basis from July 2026.
- Rural Cooperative Banks should prepare for changes in provisioning norms and interest recognition aligned with Chapter IV-A amendments by July 1, 2026, ensuring compliance and system updates.
- The restructuring guidelines in Chapter IV-A necessitate that additional specific provisions can be reversed if the borrower repays 20% of outstanding debt without an NPA slip and restructuring.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13429&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Relief Measures by Banks in Areas affected by Natural Calamities) Directions 2018 – SCBs Repeal Directions, 2026

Tags:

Natural Calamities Relief, SCBs Repeal, Stressed Assets Resolution, Credit Risk Management

Summary:

The Reserve Bank of India has repealed the 2018 Master Directions on Relief Measures for Banks in Areas Affected by Natural Calamities, replacing them with new amendments effective July 1, 2026. The updates include amendments in stressed asset resolution, income recognition, responsible business conduct, and credit risk management for Scheduled Commercial Banks. These changes ensure that ongoing actions under the repealed directions remain unaffected and continue to adhere to the established procedures, impacting banks' approach to managing loans and responsibilities in disaster-hit areas.

Insights:

- Commercial banks must align their credit risk management frameworks with the Reserve Bank of India (Commercial Banks – Credit Risk Management) Third Amendment Directions, 2026, effective July 01, 2026.
- Entities currently relying on the repealed Master Direction – Relief Measures by Banks in Areas affected by Natural Calamities, 2018, must transition to the new set of directions issued on April 29, 2026.
- Processes involving resolution of stressed assets need updating to comply with the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026.
- Ensure that income recognition practices are revised in accordance with the Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026.
- Regulated entities should maintain records of past actions under the repealed directions, as these may still be relevant for compliance with retained liabilities and rights.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13427&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Regional Rural Banks – Resolution of Stressed Assets) Amendment Directions, 2026

Tags:

Regional Rural Banks, Stressed Assets Resolution, Natural Calamity, Resolution Plan Guidelines

Summary:

The Reserve Bank of India has issued the 'Reserve Bank of India (Regional Rural Banks – Resolution of Stressed Assets) Amendment Directions, 2026,' which amends previous regulations to streamline resolution processes for borrowers impacted by natural calamities. Key updates include defining the procedures for prestigious invocation, implementation timelines, and detailing the roles of various committees such as SLBC and DCC in calamity response. This regulation affects Regional Rural Banks, impacting their resolution plan implementation for affected borrowers by ensuring timely support and intervention guided by these new directives.

Insights:

- Regulated entities must implement resolution plans within 135 days from the declaration of a calamity, as specified in Chapter IV-A, paragraph 32N.
- The SLBC/UTLBC/DCC convenor must convene special meetings within 15 days of a calamity declaration, as outlined in paragraphs 32D and 32E, to discuss necessary resolution measures.
- Borrowers eligible for resolution must have 'Standard' accounts not in default for more than 30 days, as per paragraph 32K, ensuring banks verify borrower status by the calamity date.
- Amendments to the Reserve Bank of India (Regional Rural Banks – Credit Risk Management) Second Amendment Directions, 2026 require compliance by July 1, 2026, as per section 6.
- Banks must upload relief measures data semi-annually to the CIMS portal within 30 days of half-year end, as mandated in paragraph 32X.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13426&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Rural Cooperative Banks – Resolution of Stressed Assets) Amendment Directions, 2026

Tags:

Resolution of Stressed Assets, Natural Calamity Impact, Rural Cooperative Banks, Prudential Norms

Summary:

The Reserve Bank of India (RBI) has issued Amendment Directions for the Resolution of Stressed Assets pertaining to Rural Cooperative Banks, effective July 1, 2026. This regulation introduces new guidelines harmonizing prudential norms for exposures affected by natural calamities, outlining eligibility criteria, and stipulating timelines for invoking and implementing resolution plans. The directive impacts SLBC/UTLBC/DCC, Rural Cooperative Banks, NBFCs, UCBs, and borrowers, requiring them to align with the updated procedures and reporting requirements for handling stressed assets due to calamities.

Insights:

- Rural Cooperative Banks must implement resolution plans for borrowers affected by natural calamities within 135 days of a calamity declaration, as per Chapter IV-A guidelines.
- Banks should amend their board-approved policies to incorporate objective principles for relief provisions under new Paragraph 8A, ensuring timely measures for affected loan categories.
- The previous Part B of Chapter IV is removed, necessitating banks to align with the new instructions for handling cases of restructuring due to calamities.
- For unresolved resolution invocation, SLBC/UTLBC/DCC convenors can request a one-time extension of 30 days from the Reserve Bank regional office, as outlined in Paragraph 33P.
- Rural Cooperative Banks must report data on relief measures implemented, or submit 'NIL' statements semi-annually on the CIMS portal as required by Paragraphs 33X and 33Y.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13425&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Amendment Directions, 2026

Tags:

Resolution of Stressed Assets, Natural Calamity, NBFC Compliance, Prudential Norms

Summary:

The Reserve Bank of India's latest amendment to the 'Resolution of Stressed Assets' Directions aims to streamline the process of implementing resolution plans for exposures affected by natural calamities. Key changes include new definitions for 'date of invocation' and 'natural calamity,' the introduction of a board-approved policy for non-banking financial companies (NBFCs) to outline relief measures, and new resolution procedures for borrower accounts impacted by calamities. These amendments, effective from July 1, 2026, affect NBFCs and borrowers by requiring formalized resolution plans, timelines for invocation and implementation, and documentation of relief measures undertaken.

Insights:

- NBFCs must incorporate provisions for resolution under Chapter VI-A into their board-approved policy by July 1, 2026, focusing on relief measures and delegation matrices.
- Eligible borrowers for resolution must have 'Standard' accounts, not in default for more than 30 days as of the calamity occurrence date, with the resolution invoked within 45 days and implemented within 135 days of the declaration.
- Regulatory instructions under Chapter VI - Special Cases of Restructuring have been withdrawn, requiring compliance with revised Chapter VI-A concerning accounts impacted by calamities.
- NBFCs must report relief measures on a CIMS portal by providing data semi-annually with deadlines of September 30th and March 31st, or submit a 'NIL' statement if no measures are extended.
- Cross-reference compliance with amendments in RBI guidelines for Non-Banking Financial Companies including Credit Risk Management, Income Recognition, and Responsible Business Conduct as of April 29, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13424&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Credit Risk Management) Second Amendment Directions, 2026

Tags:

Urban Cooperative Banks, Credit Risk Management, Resolution of Stressed Assets, Credit Risk Evaluation

Summary:

The Reserve Bank of India (RBI) introduces amendments to the Credit Risk Management regulations for Urban Cooperative Banks (UCBs), effective from July 1, 2026. The key update involves the addition of Chapter IIA, requiring banks to include the potential impact of calamities on borrowers in their credit risk evaluations. This regulation directly impacts Urban Cooperative Banks, necessitating them to adjust their credit assessment processes to factor in risk elements related to unforeseen events affecting borrowers.

Insights:

- From July 1, 2026, Urban Cooperative Banks must incorporate calamity impact assessments in their credit evaluation processes to comply with amended RBI guidelines.
- The recent amendment under section 6A of Chapter IIA mandates banks to evaluate credit risk by factoring in potential calamity impacts on borrower assessments.
- Regulated entities should revise existing credit evaluation frameworks to integrate stipulations outlined in the Reserve Bank of India (Urban Cooperative Banks – Resolution of Stressed Assets) Amendment Directions, 2026.
- The amendment supersedes any previous evaluation methods that do not account for calamities, requiring updates before the July 1, 2026 deadline.
- Entities should align their policies with the new directives under the powers of the Banking Regulation Act, 1949, for enhanced compliance management.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13423&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Credit Risk Management) Second Amendment Directions, 2026

Tags:

Credit Risk Management, Local Area Banks, Banking Regulation

Summary:

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Local Area Banks – Credit Risk Management) Second Amendment Directions, 2026, to introduce new guidelines for credit risk evaluation among local area banks. Effective from July 1, 2026, these amendments require banks to include the potential impact of calamities on borrowers when assessing their credit risk. This regulation impacts local area banks, necessitating them to adjust their credit risk assessment frameworks to factor in the risks posed by unforeseen catastrophes to maintain robust credit evaluations.

Insights:

- By July 1, 2026, Local Area Banks must incorporate calamity impact assessments into credit evaluations, necessitating updates to credit risk models.
- Regulated entities will need to review and possibly amend existing credit risk processes to align with the new Chapter IIA on Credit Risk Evaluation.
- The insertion of Chapter IIA explicitly modifies the April 29, 2026, Amendment Directions, suggesting immediate review of previously issued guidelines.
- Banking entities subject to this regulation should conduct training sessions for risk assessment teams to ensure compliance with the new credit assessment requirements.
- All Local Area Banks must cross-reference previous RBI circulars on credit risk management to replace or update existing protocols under sections 21 and 35A of the Banking Regulation Act, 1949.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13422&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Responsible Business Conduct) Amendment Directions, 2026

Tags:

Calamity Response, Urban Cooperative Banks, Temporary Banking Measures, Financial Inclusion

Summary:

The Reserve Bank of India has issued an amendment to the Urban Cooperative Banks Responsible Business Conduct guidelines to incorporate measures for banking services during calamities. Key updates include allowing banks to operate from temporary premises in affected areas, setting up alternative banking facilities like satellite offices and mobile banking, and permitting the opening of small accounts for displaced individuals lacking documentation. Additionally, banks can provide fee waivers or reductions in declared calamity areas for up to one year. These changes affect urban cooperative banks and aim to ensure operational continuity and financial accessibility during emergencies, effective from July 1, 2026.

Insights:

- Urban Cooperative Banks must seek RBI approval for temporary premises exceeding 30 days post-calamity by July 1, 2026.
- Immediate ATM service restoration is mandated, with alternative cash arrangements necessary during non-operational periods.
- Banks must facilitate small account openings without standard ID requirements as per 2025 KYC directions for calamity-affected individuals.
- Relief measures like fee waivers for affected customers are permissible for up to one year after a calamity declaration, necessitating new policy adjustments.
- Cross-referencing RBI (Urban Cooperative Banks - Know Your Customer) Directions, 2025 for small account provisions is essential for compliance.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13421&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Responsible Business Conduct) Amendment Directions, 2026

Tags:

Calamity Response, Temporary Banking Premises, Financial Inclusion, ATM Restoration, Fee Waiver

Summary:

The Reserve Bank of India issues an amendment to the Local Area Banks (Responsible Business Conduct) Directions, 2026, focusing on banking operations during calamities. Key updates include allowing banks to operate from temporary premises and set up alternative service arrangements in affected areas, restoring ATM services quickly, opening small accounts for displaced individuals, and potentially waiving or reducing fees for up to one year in disaster-declared regions. This regulation impacts local area banks operating in areas declared as disaster zones.

Insights:

- Starting July 1, 2026, banks must obtain specific approval from the respective RBI Regional Office to continue operating in temporary premises beyond 30 days after a calamity.
- To ensure compliance with the amended guidelines, banks are required to set up satellite offices, extension counters, or mobile banking facilities to provide services in calamity-affected areas and notify the Reserve Bank.
- For immediate cash requirements in disaster-hit areas, banks must establish alternative arrangements while working to restore ATM services as soon as possible.
- Banks can open small accounts without full identification documents for individuals affected by calamities, as outlined in the Reserve Bank of India (Local Area Banks – Know Your Customer) Directions, 2025.
- Banks may provide fee waivers or reductions for up to one year to customers in areas declared under calamity, implementing discretionary relief measures.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13420&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026

Tags:

Resolution of Stressed Assets, Asset Classification, Provisioning Norms, Income Recognition

Summary:

The Reserve Bank of India issues amendment directions for Urban Cooperative Banks (UCBs) concerning income recognition, asset classification, and provisioning, effective from July 1, 2026. Key updates include the retention of standard classification for borrower accounts after a resolution plan's implementation, introduction of additional specific provisioning requirements, and changes in interest income recognition norms. These amendments primarily impact UCBs handling stressed assets and require adherence to new provisioning and classification guidelines, ensuring aligned resolution plans with RBI directives.

Insights:

- Urban Cooperative Banks must remove Paragraphs 48(4) and 48(5) from their current guidelines as per the amended directions.
- By July 1, 2026, banks must implement additional specific provisioning of 5% of outstanding debt for resolution plans under Chapter IV-A, following the guidelines dated November 28, 2025.
- Upon implementing a resolution plan, accounts previously downgraded to NPA between the calamity occurrence and resolution implementation may be upgraded to 'Standard'.
- For repeated restructuring cases under Chapter IV-A, 5% specific provisioning is required for each restructuring instance, per the directions of November 28, 2025.
- Interest income for accounts with implemented resolution plans under Chapter IV-A should be recorded on an accrual basis from July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13418&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Urban Cooperative Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026

Tags:

Stressed Assets, Calamity Resolution, Regulatory Compliance, Resolution Plans

Summary:

The Reserve Bank of India (RBI) has issued the Second Amendment Directions, 2026, for Urban Cooperative Banks regarding the resolution of stressed assets, focusing on accounts affected by natural calamities or external disruptions. Key updates include the introduction of Chapter IV-A, detailing protocols for resolving impacted accounts, eligibility criteria for borrowers, and timelines for invocation and implementation of resolution plans. These changes impact Urban Cooperative Banks, requiring them to adjust their policies and procedures to align with the new directives, while ensuring the timely implementation of relief measures for affected borrowers.

Insights:

- Urban Cooperative Banks must invoke resolution plans for impacted accounts within 45 days from the calamity declaration and implement these plans within 135 days.
- Banks are required to incorporate Chapter IV-A provisions into their board-approved policy, focusing on relief measures for borrowers impacted by declared calamities.
- The resolution of loan accounts affected by calamities should exclude refinance portfolios, per the new Chapter IV-A guidelines.
- Previous directions under Part C of Chapter IV for special restructuring cases are deleted, requiring compliance with the new guidelines for similar circumstances.
- Banks must upload data on relief measures biannually on the CIMS portal, with a 'NIL' statement required if no relief measures are extended.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13416&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026

Tags:

Income Recognition, Asset Classification, Provisioning Norms, Resolution Plan Implementation

Summary:

The Reserve Bank of India (RBI) has issued an amendment to the Income Recognition, Asset Classification, and Provisioning guidelines for Local Area Banks, effective July 1, 2026. The regulation introduces new provisions such as allowing 'Standard' classification retention of borrower accounts implementing resolution plans under specific conditions and mandating additional specific provisioning for restructured accounts. These changes primarily affect Local Area Banks dealing with stressed assets and aim to standardize the treatment of such assets.

Insights:

- By July 1, 2026, local area banks must ensure all resolution plans adhere to Chapter IV-A of RBI Directions, 2025, for standard classification eligibility.
- Implement an additional 5% provisioning for each restructuring instance under Chapter IV-A, effective from July 1, 2026.
- Ensure write-back of additional provisions only when borrowers pay 20% of outstanding debt without default post-restructuring.
- Maintain interest income on an accrual basis for borrower accounts with resolution plans under Chapter IV-A, 2025; however, use cash basis for accounts as per paragraph 48B.
- Align restructuring procedures with amendments detailed in the April 29, 2026, circular, replacing any conflicting older protocols effective July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13415&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Credit Risk Management) Third Amendment Directions, 2026

Tags:

Credit Risk Management, Stressed Assets Resolution, Banking Regulation Act, Calamities Impact on Borrowers

Summary:

The Reserve Bank of India (RBI) has issued the Third Amendment Directions, 2026, for Credit Risk Management concerning commercial banks, focusing on the resolution of stressed assets. A key update includes the insertion of a new provision, Paragraph 12A, which mandates banks to incorporate the potential impact of calamities in their credit assessments for affected borrowers. This amendment, effective from July 1, 2026, directly impacts commercial banks by requiring them to adapt their credit evaluation processes to account for unforeseen natural disasters.

Insights:

- Banks must update their credit assessment processes by July 1, 2026, to include evaluations of potential impacts of calamities on borrowers.
- Compliance teams must review and adjust their credit risk management frameworks in light of the newly inserted Paragraph 12A.
- Reference to previous Second Amendment Directions issued on April 29, 2026, should be taken into account for systematic regulatory alignment.
- Existing risk assessment policies should be reassessed and amended to ensure they incorporate scenarios related to calamities affecting creditworthiness.
- No previous circulars have been specifically withdrawn in this regulation; however, the amendment modifies prior directions issued under the same RBI framework.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13413&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Local Area Banks – Resolution of Stressed Assets) Amendment Directions, 2026

Tags:

Stressed Assets Resolution, Natural Calamities Relief, Disaster Management Protocol

Summary:

The Reserve Bank of India has issued the Reserve Bank of India (Local Area Banks – Resolution of Stressed Assets) Amendment Directions, 2026, aimed at improving the resolution process for stressed assets impacted by natural calamities. Key changes include the introduction of structured guidelines for implementing resolution plans within a defined timeframe, consideration of insurance proceeds, and involvement of State Level Bankers' Committees in the decision-making process. These amendments impact local area banks and are enforceable from July 1, 2026, streamlining the response to natural disasters and improving the management of borrower accounts affected by such events.

Insights:

- Regulated entities must update their resolution policies to incorporate measures for natural calamities, in alignment with Chapter IV-A, by July 1, 2026.
- Local Area Banks should initiate resolution plans for accounts impacted by designated calamities within 45 days of declaration, following paragraphs 31N and 31P.
- Banks are required to communicate resolution plan details to borrowers and offer opt-out options within 135 days of the calamity declaration under paragraph 31O.
- Amendments to previously issued guidelines like the RBI (Local Area Banks – Credit Risk Management) Second Amendment Directions, 2026, should be reviewed for compliance changes.
- Insurance proceeds must be aligned with restructured loan accounts to ensure consistent application of relief measures in calamity-affected areas, as detailed in paragraph 31S.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13411&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Responsible Business Conduct) Amendment Directions, 2026

Tags:

Calamity Declaration, Temporary Banking Premises, ATM Restoration, Small Account Opening

Summary:

The Reserve Bank of India (RBI) has issued the Reserve Bank of India (Commercial Banks – Responsible Business Conduct) Amendment Directions, 2026, addressing banking operations during calamitous events. Key updates include provisions for banks to operate from temporary premises and utilize mobile banking to ensure services in affected areas, along with immediate restoration efforts for ATM services. The regulation also facilitates opening small accounts without standard identification for affected individuals and permits discretionary fee waivers by banks, directly impacting banks in calamity-declared regions. These directives will be effective from July 1, 2026.

Insights:

- Commercial Banks must ensure the set-up of satellite offices or mobile banking facilities in calamity-affected areas, with notification to the RBI for service continuity.
- Banks are required to seek RBI Regional Office approval for continuing operations from temporary premises beyond 30 days in calamity-hit regions.
- Immediate restoration of ATM services is mandated, with temporary alternatives for cash access until full service resumes in affected areas.
- Special provisions for opening small accounts without standard identification, per RBI KYC Directions 2025, must be adhered to for calamity-affected individuals.
- Relief measures such as fee waivers for customers in declared calamity areas can be provided for up to one year, based on bank discretion.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?id=13410&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026

Tags:

Asset Classification, Resolution of Stressed Assets, Provisioning Norms

Summary:

The Reserve Bank of India (RBI) issued amendment directions for commercial banks concerning income recognition, asset classification, and provisioning, focusing on the resolution of stressed assets under Chapter VI-A. Key changes include the introduction of additional specific provisioning requirements for resolution plans, the recognition of interest income on an accrual basis for certain borrower accounts, and conditions for maintaining or reversing these provisions. These regulations primarily impact commercial banks, with the amendments set to be effective from July 1, 2026.

Insights:

- Regulated entities must delete Paragraph 57(4) and 80(6) from their operational documentation in alignment with the latest amendment guidelines.
- All 'Standard' borrower accounts implementing a resolution plan per Chapter VI-A by November 28, 2025, can remain classified as such unless future failures occur.
- Banks are instructed to introduce an additional 5% specific provisioning on outstanding debt for borrowers with resolution plans implemented under Chapter VI-A of the 2025 Directions.
- Regulated entities must recognize interest income on an accrual basis for borrower accounts under Chapter VI-A, and on a cash basis for accounts under Paragraph 62B.
- All amendments should be implemented by July 1, 2026, ensuring full compliance with the new financial reporting and provisioning norms.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13409&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026

Tags:

Resolution of Stressed Assets, Natural Calamities, Prudential Norms, SLBC/UTLBC/DCC Roles

Summary:

The Reserve Bank of India introduced the 'Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Second Amendment Directions, 2026', focusing on the implementation of resolution plans for exposures affected by natural calamities, as announced in a 2023 policy statement. Key updates include the introduction of provisions for resolution plans for borrowers impacted by calamities, detailing eligibility criteria, implementation timeframes, and the role of State-level banker committees in structuring relief measures. This regulation primarily impacts commercial banks and requires them to incorporate these changes into their board-approved policies, affecting their operational and response strategies for handling stressed assets in calamity-affected areas.

Insights:

- Regulated entities must update their board-approved policies to include provisions for resolution plans in cases of natural calamities by July 1, 2026.
- Regulated entities should convene special SLBC/UTLBC/DCC meetings within 15 days following the declaration of a calamity to assess the severity and decide on relief measures.
- Resolution plans must be invoked within 45 days and implemented within 135 days from the date of calamity declaration, with possible extensions subject to RBI approval.
- Eligible borrowers for resolution must not have their accounts in default for over 30 days as of the calamity occurrence, requiring robust monitoring of account statuses.
- The amendments also apply to other RBI directions, including changes to 'Credit Risk Management,' 'Income Recognition, Asset Classification and Provisioning,' and 'Responsible Business Conduct' guidelines, effective July 1, 2026.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13408&Mode=0>

Apr 29, 2026 : Reserve Bank of India (Urban Co-operative Banks – Concentration Risk Management) – Amendment Directions, 2026

Tags:

Unsecured Advances, Concentration Risk Management, Nominal Member Loans

Summary:

The Reserve Bank of India (RBI) has issued amendments to the Reserve Bank of India (Urban Co-operative Banks – Concentration Risk Management) Directions, 2025, focusing on defining 'unsecured advances' and clarifying loan limits for nominal members. Key changes include specifying circumstances under which loans are considered unsecured and setting a 20% cap on aggregate unsecured loans for banks, with a specific provision allowing certain unsecured loans to be excluded when calculating this limit. These amendments primarily impact Urban Co-operative Banks, requiring them to align their practices with the new definitions and exposure norms by October 1, 2026.

Insights:

- Urban Co-operative Banks (UCBs) must revise their loan classification systems by October 1, 2026, to distinguish between secured and unsecured advances as per the amended Directions.
- Entities must comply with the updated exposure norms ensuring unsecured loans do not exceed 20% of total loans, with specific exemptions for priority sector loans as of the preceding financial year's balance-sheet.
- UCBs are required to update their by-laws to include provisions for extending loans to nominal members, as specified in the Amendment Directions 2026.
- Existing loans not conforming to the new amendments must be allowed to run-off without renewal or modification beyond maturity unless compliant with the new Directions.
- Stakeholders must refer to the Reserve Bank of India (Urban Co-operative Banks – Credit Facilities) Directions, 2025, for monetary ceilings and cross-referenced guidelines impacted by these amendments.

Further details can be found on:

<https://rbi.org.in/Scripts/NotificationUser.aspx/NotificationUser.aspx?Id=13403&Mode=0>