



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2026-27/81

DOR.CAP.REC.No.70/21.01.002/2026-27

May 08, 2026

Reserve Bank of India (Payments Banks - Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026

The Reserve Bank had issued the [Reserve Bank of India \(Payments Banks – Prudential Norms on Capital Adequacy\) Directions, 2025](#) (hereinafter referred as the ‘Master Direction’), on November 28, 2025, as amended from time to time. Based on a review, it is proposed to amend the provision relating to inclusion of quarterly profits in Common Equity Tier 1 (CET1) capital by a Payments Bank.

2. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

3. These instructions shall be called the Reserve Bank of India (Payments Banks - Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026.

4. These Directions shall come into force with immediate effect.

5. These Amendment Directions modify the Master Direction as under:

Paragraph 9(x) shall be replaced by:

“(x) A bank may reckon the profits in current financial year for CRAR calculation on a quarterly basis subject to the following conditions:

(a) The financial statements shall be audited or subjected to limited review on a quarterly basis; and

विनियमन विभाग, केंद्रीय कार्यालय, 12 वीं और 13 वीं मंजिल, केंद्रीय कार्यालय भवन, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई-400001
दूरभाष: 022-22601000 फैक्स: 022-22705691 ई-मेल: cgmicdor@rbi.org.in

Department of Regulation, Central Office, 12th and 13th Floor, Central Office Building, Shahid Bhagat Singh Marg, Fort, Mumbai- 400 001
Tel: 022- 2260 1000 Fax: 022-2270 5691 email: cgmicdor@rbi.org.in

हिंदी आसान है इसका प्रयोग बढाइए



(b) The amount which can be reckoned shall be arrived at by using the following formula:

$$\underline{EP_t = NP_t - 0.25 * D * t}$$

Where:

EP_t = Eligible profit up to quarter 't' of the current financial year, t varies from 1 to 4

NP_t = Net profit up to quarter 't'

D = average dividend paid during the last three financial years

The cumulative net loss up to the quarter end shall be fully deducted while calculating CET1 capital for the relevant quarter.”

Yours faithfully,

(Sunil T S Nair)

Chief General Manager



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2026-27/79

DOR.CAP.REC.No.68/21.01.002/2026-27

May 08, 2026

Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Fifth Amendment Directions, 2026

The Reserve Bank had issued the [Reserve Bank of India \(Commercial Banks – Prudential Norms on Capital Adequacy\) Directions, 2025](#) (hereinafter referred as the ‘Master Direction’), on November 28, 2025, as amended from time to time. Based on a review, it is proposed to amend the provision relating to inclusion of quarterly profits in Common Equity Tier 1 (CET1) capital by a Commercial Bank.

2. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

3. These instructions shall be called the Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Fifth Amendment Directions, 2026.

4. These Directions shall come into force with immediate effect.

5. These Amendment Directions modify the Master Direction as under:

Paragraph 12(x) shall be replaced by:

“(x) A bank may reckon the profits in current financial year for CRAR calculation on a quarterly basis subject to the following conditions:

(a) The financial statements shall be audited or subjected to limited review on a quarterly basis; and

विनियमन विभाग, केंद्रीय कार्यालय, 12 वीं और 13 वीं मंजिल, केंद्रीय कार्यालय भवन, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई-400001
दूरभाष: 022-22601000 फैक्स: 022-22705691 ई-मेल: cgmicdor@rbi.org.in

Department of Regulation, Central Office, 12th and 13th Floor, Central Office Building, Shahid Bhagat Singh Marg, Fort, Mumbai- 400 001
Tel: 022- 2260 1000 Fax: 022-2270 5691 email: cgmicdor@rbi.org.in

हिंदी आसान है इसका प्रयोग बढ़ाइए



(b) The amount which can be reckoned shall be arrived at by using the following formula:

$$\underline{EP_t = NP_t - 0.25 * D * t}$$

Where:

EP_t = Eligible profit up to quarter 't' of the current financial year, t varies from 1 to 4

NP_t = Net profit up to quarter 't'

D = average dividend paid during the last three financial years

The cumulative net loss up to the quarter end shall be fully deducted while calculating CET1 capital for the relevant quarter.”

Yours faithfully,

(Sunil T S Nair)

Chief General Manager



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2026-27/80

DOR.CAP.REC.No.69/21.01.002/2026-27

May 08, 2026

Reserve Bank of India (Small Finance Banks - Prudential Norms on Capital Adequacy) Fourth Amendment Directions, 2026

The Reserve Bank had issued the [Reserve Bank of India \(Small Finance Banks – Prudential Norms on Capital Adequacy\) Directions, 2025](#) (hereinafter referred as the ‘Master Direction’), on November 28, 2025, as amended from time to time. Based on a review, it is proposed to amend the provision relating to inclusion of quarterly profits in Common Equity Tier 1 (CET1) capital by a Small Finance Bank.

2. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

3. These instructions shall be called the Reserve Bank of India (Small Finance Banks - Prudential Norms on Capital Adequacy) Fourth Amendment Directions, 2026.

4. These Directions shall come into force with immediate effect.

5. These Amendment Directions modify the Master Direction as under:

Paragraph 11(x) shall be replaced by:

“(x) A bank may reckon the profits in current financial year for CRAR calculation on a quarterly basis subject to the following conditions:

(a) The financial statements shall be audited or subjected to limited review on a quarterly basis; and

विनियमन विभाग, केंद्रीय कार्यालय, 12 वीं और 13 वीं मंजिल, केंद्रीय कार्यालय भवन, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई-400001
दूरभाष: 022-22601000 फैक्स: 022-22705691 ई-मेल: cgmicdor@rbi.org.in

Department of Regulation, Central Office, 12th and 13th Floor, Central Office Building, Shahid Bhagat Singh Marg, Fort, Mumbai- 400 001
Tel: 022- 2260 1000 Fax: 022-2270 5691 email: cgmicdor@rbi.org.in

हिंदी आसान है इसका प्रयोग बढाइए



(b) The amount which can be reckoned shall be arrived at by using the following formula:

$$EP_t = NP_t - 0.25 * D * t$$

Where:

EP_t = Eligible profit up to quarter 't' of the current financial year, t varies from 1 to 4

NP_t = Net profit up to quarter 't'

D = average dividend paid during the last three financial years

The cumulative net loss up to the quarter end shall be fully deducted while calculating CET1 capital for the relevant quarter.”

Yours faithfully,

(Sunil T S Nair)

Chief General Manager