



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

RBI/2025-26/150

DOR.RET.REC.356/12.01.001/2025-26

December 11, 2025

Reserve Bank of India (Payments Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025

Please refer to [Reserve Bank of India \(Payments Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025 dated November 28, 2025](#).

2. The Banking Laws (Amendment) Act, 2025 has amended various provisions, including the section 42 of Reserve Bank of India Act, 1934 and the sections 18 and 24 of Banking Regulation Act 1949, relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).

3. Pursuant to the enactment of the Banking Laws (Amendment) Act, 2025, the definition of 'Fortnight' has been amended from *"the period from Saturday to the second following Friday, both days inclusive"* to *"the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive"*. As notified in the Gazette of India dated December 08, 2025, the enactment date of the stated definition of fortnight is December 15, 2025. Consequently, the CRR and SLR maintenance and reporting in their returns i.e., Form A and Form VIII respectively, also stand revised to align with the amended definition of the fortnight.

4. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and pursuant to Section 42 of the Reserve Bank of India Act, 1934 and Sections 18 and 24 of Banking Regulation Act, 1949, as amended from time to time, 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

विनियमन विभाग, केंद्रीय कार्यालय, 12वीं और 13वीं मंज़िल, नरीमन भवन, नरीमन पॉइंट, मुंबई 400021
Department of Regulation, Central Office, 12th & 13th Floor, Nariman Bhavan, Nariman Point, Mumbai 400021

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public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

5. These Directions shall be called the Reserve Bank of India (Payments Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025.

6. The provisions shall come into effect from December 15, 2025, except paragraph 7 (viii) (2), which shall be effective from December 12, 2025.

7. These Amendment Directions modify the [Reserve Bank of India \(Payments Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025](#) as under:

- (i) In paragraph 6 (14), the definition of '*Fortnight*' shall be redefined as '*Fortnight*' means the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive.
- (ii) In paragraphs 6 (18), 9, 21, 23, 24 the words '*Friday*' shall be substituted with '*day*'.
- (iii) In paragraph 29, the words '*each alternate Friday and*' shall be substituted with '*last day of each fortnight*', the word '*seven*' shall be substituted with '*five*' and the word '*provisional*' shall be deleted.
- (iv) In paragraph 30, the words '*reporting Friday*' shall be substituted with '*last day of each fortnight*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (v) In paragraph 31, the words '*final*' and '*within 20 days from expiry of the relevant fortnight*' shall be deleted.
- (vi) The paragraph 33 shall be deleted.
- (vii) A paragraph 36 shall be substituted with following paragraph:

“Under the new reporting structure, as amended vide Banking Laws (Amendment) Act 2025, there shall be no Provisional or Final or Special Form A return. The banks are required to submit single Form A return. The new versions of Form A and Form VIII returns are available on the Centralised Information Management System (CIMS) portal with new return codes. The banks are required to submit fortnightly Form A return from December 15,

2025 and monthly Form VIII return from December 2025 on the CIMS portal. Form A and Form VIII are not to be submitted in hard copy / paper returns by the banks. The banks have to submit these returns in electronic form on CIMS portal using digital signatures of two authorised officials. While submitting these returns, banks have to ensure that the same is compliant with the prevalent IT laws of the country.”

- (viii) Two new paragraphs shall be inserted after paragraph 36, namely:
1. *“36 A. The maintenance of CRR and SLR during the fortnight December 16-31, 2025 and the first fortnight of January 2026 (i.e., January 1-15, 2026) is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025 and December 15, 2025, respectively. From the subsequent fortnights starting from January 16, 2026, the maintenance shall be done, as presently applicable, i.e., based on the NDTL as on the last day of the second preceding fortnight”.*
 2. *“36 B. During the transition period of three days i.e., December 13-15, 2025, the maintenance of CRR and SLR is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025. Further, the banks shall maintain minimum CRR of not less than hundred per cent of the required CRR during the transition period. The banks shall also submit Form A return for December 12, 2025, as per the extant reporting structure. Further, the banks are advised to submit Form VIII return of December 2025 on CIMS portal, both with old and new return codes.”*
- (ix) In paragraph 37, the words '*alternate Fridays*' shall be substituted with '*last day of each fortnight*' and '*such Fridays*' / '*such Friday*' shall be substituted with '*such day*'.
- (x) In Annex I (Form A), the word '*Friday*' / '*that Friday*' shall be substituted with '*last day of the fortnight*' / '*last day of that fortnight*'.
- (xi) In Annex II (Form VIII),

- the '*First alternate Friday*', '*Second alternate Friday*', '*Third alternate Friday*' shall be substituted with '*15th day of the Month*' and '*Last day of the Month*'.
 - the word '*Friday*' shall be substituted with '*day*' / '*last day of the fortnight*'
- (xii) In paragraph 26(3)(iii), the word '*State Development Loans (SDLs) of the*' shall be substituted with '*State Government Securities of the respective*'.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

RBI/2025-26/151

DOR.RET.REC.357/12.01.001/2025-26

December 11, 2025

Reserve Bank of India (Regional Rural Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025

Please refer to [Reserve Bank of India \(Regional Rural Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025 dated November 28, 2025](#).

2. The Banking Laws (Amendment) Act, 2025 has amended various provisions, including the section 42 of Reserve Bank of India Act, 1934 and the sections 18 and 24 of Banking Regulation Act 1949, relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).

3. Pursuant to the enactment of the Banking Laws (Amendment) Act, 2025, the definition of 'Fortnight' has been amended from *"the period from Saturday to the second following Friday, both days inclusive"* to *"the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive"*. As notified in the Gazette of India dated December 08, 2025, the enactment date of the stated definition of fortnight is December 15, 2025. Consequently, the CRR and SLR maintenance and reporting in their returns i.e., Form A and Form VIII respectively, also stand revised to align with the amended definition of the fortnight.

4. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and pursuant to Section 42 of the Reserve Bank of India Act, 1934 and Sections 18 and 24 of Banking Regulation Act, 1949, as amended from time to time, 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

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Department of Regulation, Central Office, 12th & 13th Floor, Nariman Bhavan, Nariman Point, Mumbai 400021

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public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

5. These Directions shall be called the Reserve Bank of India (Regional Rural Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025.

6. The provisions shall come into effect from December 15, 2025, except paragraph 7 (viii) (2), which shall be effective from December 12, 2025.

7. These Amendment Directions modify the [Reserve Bank of India \(Regional Rural Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025](#) as under:

- (i) In paragraph 6 (14), the definition of '*Fortnight*' shall be redefined as '*Fortnight*' means the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive.
- (ii) In paragraphs 6 (18), 9, 21, 23, 24, 25 the words '*Friday*' shall be substituted with '*day*'.
- (iii) In paragraph 30, the words '*each alternate Friday and*' shall be substituted with '*last day of each fortnight*', the word '*seven*' shall be substituted with '*five*' and the word '*provisional*' shall be deleted.
- (iv) In paragraph 31, the words '*reporting Friday*' shall be substituted with '*last day of each fortnight*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (v) In paragraph 32, the words '*final*' and '*within 20 days from expiry of the relevant fortnight*' shall be deleted.
- (vi) The paragraph 34 shall be deleted.
- (vii) A paragraph 37 shall be substituted with following paragraph:

“Under the new reporting structure, as amended vide Banking Laws (Amendment) Act 2025, there shall be no Provisional or Final or Special Form A return. The banks are required to submit single Form A return. The new versions of Form A and Form VIII returns are available on the Centralised Information Management System (CIMS) portal with new return codes. The banks are required to submit fortnightly Form A return from December 15,

2025 and monthly Form VIII return from December 2025 on the CIMS portal. Form A and Form VIII are not to be submitted in hard copy / paper returns by RRBs. The RRBs have to submit these returns in electronic form on CIMS portal using digital signatures of two authorised officials. While submitting these returns, banks have to ensure that the same is compliant with the prevalent IT laws of the country.”

- (viii) Two new paragraphs shall be inserted after paragraph 37, namely:
1. *“37 A. The maintenance of CRR and SLR during the fortnight December 16-31, 2025 and the first fortnight of January 2026 (i.e., January 1-15, 2026) is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025 and December 15, 2025, respectively. From the subsequent fortnights starting from January 16, 2026, the maintenance shall be done, as presently applicable, i.e., based on the NDTL as on the last day of the second preceding fortnight”.*
 2. *“37 B. During the transition period of three days i.e., December 13-15, 2025, the maintenance of CRR and SLR is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025. Further, the banks shall maintain minimum CRR of not less than hundred per cent of the required CRR during the transition period. The banks shall also submit Form A return for December 12, 2025, as per the extant reporting structure. Further, the banks are advised to submit Form VIII return of December 2025 on CIMS portal, both with old and new return codes.”*
- (ix) In paragraph 38, the words '*alternate Fridays*' shall be substituted with '*last day of each fortnight*' and '*such Fridays*' / '*such Friday*' shall be substituted with '*such day*'.
- (x) In Annex I (Form A), the word '*Friday*' / '*that Friday*' shall be substituted with '*last day of the fortnight*' / '*last day of that fortnight*'.
- (xi) In Annex II (Form VIII),

- the '*First alternate Friday*', '*Second alternate Friday*', '*Third alternate Friday*' shall be substituted with '*15th day of the Month*' and '*Last day of the Month*'.
 - the word '*Friday*' shall be substituted with '*day*' / '*last day of the fortnight*'
- (xii) In paragraph 27(3)(iii), the word '*State Development Loans (SDLs) of the*' shall be substituted with '*State Government Securities of the respective*'.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/154

DOR.RET.REC.360/12.01.001/2025-26

December 11, 2025

Reserve Bank of India (Rural Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025

Please refer to [Reserve Bank of India \(Rural Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025 dated November 28, 2025](#).

2. The Banking Laws (Amendment) Act, 2025 has amended various provisions, including the section 42 of Reserve Bank of India Act, 1934 and the sections 18 and 24 of Banking Regulation Act 1949 [(read with section 56 (AACS)], relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).

3. Pursuant to the enactment of the Banking Laws (Amendment) Act, 2025, the definition of 'Fortnight' has been amended from *"the period from Saturday to the second following Friday, both days inclusive"* to *"the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive"*. As notified in the Gazette of India dated December 08, 2025, the enactment date of the stated definition of fortnight is December 15, 2025. Consequently, the CRR and SLR maintenance and reporting in their returns i.e., Form B and Form I respectively, also stand revised to align with the amended definition of the fortnight.

4. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and pursuant to Section 42 of the Reserve Bank of India Act, 1934 and Sections 18 and 24 of Banking Regulation Act, 1949, as amended from time to time, 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

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public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

5. These Directions shall be called the Reserve Bank of India (Rural Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025.

6. The provisions shall come into effect from December 15, 2025, except paragraph 7 (viii) (3), which shall be effective from December 12, 2025.

7. These Amendment Directions modify the [Reserve Bank of India \(Rural Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025](#) as under:

- (i) In paragraph 6 (14), the definition of '*Fortnight*' shall be redefined as '*Fortnight*' means the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive.
- (ii) In paragraphs 6 (18), 9, 10, 22, 24, 25, 26 the words '*Friday*' shall be substituted with '*day*'.
- (iii) In paragraph 31, the words '*each alternate Friday and*' shall be substituted with '*last day of each fortnight*', the word '*seven*' shall be substituted with '*five*' and the word '*provisional*' shall be deleted.
- (iv) In paragraph 32, the words '*reporting Friday*' shall be substituted with '*last day of each fortnight*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (v) In paragraph 33, the words '*final*' and '*within 20 days from expiry of the relevant fortnight*' shall be deleted.
- (vi) The paragraph 34 shall be deleted.
- (vii) In paragraph 35, the words '*each alternate Fridays*' / '*alternate Friday*' / '*that Friday*' shall be substituted with '*last day of each fortnight*' / '*day*' / '*last day of that fortnight*'
- (viii) Three new paragraphs shall be inserted after paragraph 37, namely:
 1. "37 A. Under the new reporting structure, as amended vide Banking Laws (Amendment) Act 2025, there shall be no Provisional or Final or

Special Form B return. The banks are required to submit single Form B return. The new versions of Form B and Form I returns are available on the Centralised Information Management System (CIMS) portal with new return codes. The banks are required to submit fortnightly Form B return from December 15, 2025 and monthly Form I return from December 2025 on the CIMS portal.”

2. *“37 B. The maintenance of CRR and SLR during the fortnight December 16-31, 2025 and the first fortnight of January 2026 (i.e., January 1-15, 2026) is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025 and December 15, 2025, respectively. From the subsequent fortnights starting from January 16, 2026, the maintenance shall be done, as presently applicable, i.e., based on the NDTL as on the last day of the second preceding fortnight”.*
3. *“37 C. During the transition period of three days i.e., December 13-15, 2025, the maintenance of CRR and SLR is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025. Further, the banks shall maintain minimum CRR of not less than hundred per cent of the required CRR during the transition period. The banks shall also submit Form B return for December 12, 2025, as per the extant reporting structure. Further, the banks are advised to submit Form I return of December 2025 on CIMS portal, both with old and new return codes.”*

- (ix) In paragraph 38, the words '*each alternate Friday*' shall be substituted with '*last day of each fortnight*'.
- (x) In Annex I (Form B), the word '*Friday*' / '*that Friday*' shall be substituted with '*last day of the fortnight*' / '*last day of that fortnight*'.
- (xi) In Annex II (Form I),
 - the '*First alternate Friday*', '*Second alternate Friday*', '*Third alternate Friday*' shall be substituted with '*15th day of the Month*' and '*Last day of the Month*'.

- the word '*Friday*' / '*an alternate Friday*' shall be substituted with '*day*' / '*last day of the fortnight*'
- in appendix III to Form I, the word '*Friday*' in the title shall be deleted.

(xii) In Annex III, the word '*Friday*' shall be substituted with '*day*'.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager



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RESERVE BANK OF INDIA

RBI/2025-26/142

DOR.CRE.REC.348/07-02-002/2025-26

December 11, 2025

**Reserve Bank of India (Small Finance Banks – Credit Risk Management)
– Amendment Directions, 2025**

Please refer to [Reserve Bank of India \(Small Finance Banks – Credit Risk Management\) Directions, 2025 dated November 28, 2025](#) (hereinafter referred to as 'the Directions').

2. On a review, in exercise of the powers conferred by the sections 21 and 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) 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. The Amendment Directions modifies the Directions as under:

- (1) **Chapter XI – 'Opening of Current Accounts and CC / OD Accounts by Banks'** of the Directions shall be deleted and substituted with a new chapter as under:

Chapter XIA - Maintenance of Cash Credit Accounts, Current Accounts and Overdraft Accounts by Banks

91A. Current Accounts, Cash Credit Accounts (CC), and Overdraft Accounts (OD) may all be used as transaction accounts by the customers, which raises concerns relating to credit monitoring by the lenders. With a view to strengthening credit discipline and facilitating better monitoring of transactions and utilisation of funds, this Chapter provides a framework for maintaining such accounts banks.

A. Cash Credit Accounts

91B. CC account is operationally different from a current account or OD account, given its primary nature as a working capital facility linked to the value of the borrower's current assets. A bank may provide such



cash credit facilities as per the needs of the customer, without any restriction under this Chapter.

B. Current Accounts and OD Accounts

91C. A bank may maintain current account or OD account without any restriction in case of customers where the aggregate exposure of the banking system to the customer is less than ₹10 crore.

Explanation (1): 'Banking System' for the purpose of this Chapter shall include Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks, but excluding Payments Banks), Urban Co-operative Banks and Rural Co-operative Banks (State Co-operative Banks and Central Co-operative Banks).

Explanation (2): 'Exposure' for the purpose of this Chapter means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

91D. In case of customers to whom the exposure of the banking system is ₹10 crore or more:

(1) A bank may maintain current accounts or OD accounts as per the needs of the customer provided that the bank has either:

- (i) A minimum 10 per cent share in banking system's aggregate exposure to the borrower; or
- (ii) A minimum 10 per cent share in banking system's aggregate fund-based exposure to the borrower.

Provided that, in case no bank within the banking system meets the above criteria, or only one bank meets the above criteria, two banks from the banking system having the largest exposures to the borrower may maintain current accounts or OD accounts.

Provided further that, in case where only one bank within the banking system has any exposure to the borrower, one more bank of the customer's choice within the banking system may maintain current



accounts, subject to furnishing of a no-objection certificate (NOC) from the bank that has the exposure to the borrower.

Provided further that, in case where no Scheduled Commercial Bank (SCB) meets the above criteria, but the borrower nevertheless desires to have a current account with an SCB, such borrowers may maintain current accounts with any one SCB of their choice, subject to furnishing of NOCs from all lending banks within the banking system.

(2) A bank, not meeting the eligibility criteria at paragraph (1) above , may maintain only collection accounts.

Explanation: ‘Collection Account’ for the purpose of this Chapter means a current account or OD account used primarily for receipts of cash inflows of the accountholder. Restricted payments / cash outflows from such account shall be subject to the conditions outlined in paragraph 91F of these Directions.

91E. With a view to ensuring credit discipline, lenders may include additional covenants as per their policies in their loan agreements in mutual agreement with borrowers.

C. Collection Accounts

91F. Funds credited into a collection account shall be remitted within two working days of receipt of such funds to a CC account, current account, or OD account maintained with any bank in the banking system and designated by the borrower for this purpose (hereinafter referred to as ‘designated account’ in this Chapter). Any disbursement of overdraft limit from an OD account, which is in the nature of a collection account, shall be through the designated account only.

Provided that statutory dues such as taxes, and dues, if any, to the bank maintaining the collection account may be debited before remitting the funds.

D. Exemptions

91G. The restrictions placed in terms of paragraph 91D(1) of these Directions shall not be applicable to the accounts mentioned below:



- (1) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder, including accounts mandated for ensuring compliance under the FEMA framework.
- (2) Specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: 'Financial sector regulator' for the purpose of this Chapter refers to the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

- (3) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.

Provided that banks operating the above-mentioned exempted accounts shall ensure that transactions in such accounts are used only for the permitted / specified purposes. Surplus funds, if any, in such accounts shall be remitted to the designated account.

E. Compliance Monitoring

91H. For the purpose of ensuring ongoing compliance with this Chapter, all banks shall monitor accounts maintained with them on a regular basis, and in any case at least once every half-year.

91I. In case it is observed that a bank is no longer eligible to maintain a current account or OD account opened in terms of:

- (1) paragraph 91C due to increase in exposure of banking system to the borrower up to or beyond the specified threshold of ₹10 crore; or
- (2) paragraph 91D(1), due to changes in the bank's share in banking system's aggregate exposure or in aggregate fund-based exposure to the borrower; or due to non-availability of NOC from banks that have exposure to the borrower;



then the bank shall notify the customer(s) concerned promptly, and in any case within one month from the date of observing such ineligibility, that the account must either be converted to a collection account or closed. The conversion or closure process, as the case may be, shall be completed within three months of observing such ineligibility.

91J. Accounts opened in terms of these Directions shall be appropriately flagged in the bank's core banking solution (CBS) to ensure clear identification and to facilitate effective monitoring. Banks maintaining multiple accounts for a borrower shall ensure that such accounts and transactions and cashflows therein are monitored at the borrower level as also at the account level.

F. Other Provisions

91K. A bank shall ensure that an accountholder utilise their account solely for transactions related to their authorised business or activities. These accounts shall not, under any circumstances, be used as pass-through channels for facilitating third-party transactions.

Provided that entities expressly licensed or authorised by a financial sector regulator to facilitate third-party transactions may continue to do so. However, such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond that scope. Any account that has been permitted to carry out such third-party transactions shall be appropriately flagged in the bank's CBS to ensure clear identification and to facilitate effective monitoring.

91L. A bank shall ensure that an accountholder, who is not licensed or authorised by the Reserve Bank to accept deposits or to provide payment services, do not engage in such activities through accounts maintained with them.

91M. Robust monitoring systems shall be implemented to detect the above prohibited usage, including mechanisms to flag accounts exhibiting unusually high transaction volumes, frequent pass-through



activities, or inconsistencies between the accountholder's stated line of business and transactions carried out through the account.

91N. Term loans sanctioned by the bank shall preferably be remitted directly to the intended beneficiary's account(s) or for the specified end-use, where such beneficiary is identifiable, rather than routing the funds through the borrower's account.

4. The above amendments shall come into force from April 1, 2026. Banks may however decide to implement the amendments in entirety from an earlier date.

Vaibhav Chaturvedi
(Chief General Manager)



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/145

DOR.CRE.REC.351/07-02-004/2025-26

December 11, 2025

**Reserve Bank of India (Regional Rural Banks – Credit Risk Management)
– Amendment Directions, 2025**

Please refer to [Reserve Bank of India \(Regional Rural Banks – Credit Risk Management\) Directions, 2025 dated November 28, 2025](#) (hereinafter referred to as 'the Directions').

2. On a review, in exercise of the powers conferred by the sections 21 and 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) 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. The Amendment Directions modifies the Directions as under:

(1) **Chapter VI – 'Opening of Current Accounts and CC / OD Accounts by Banks'** of the Directions shall be deleted and substituted with a new chapter as under:

Chapter VIA - Maintenance of Cash Credit Accounts, Current Accounts and Overdraft Accounts by Banks

39A. Current Accounts, Cash Credit Accounts (CC), and Overdraft Accounts (OD) may all be used as transaction accounts by the customers, which raises concerns relating to credit monitoring by the lenders. With a view to strengthening credit discipline and facilitating better monitoring of transactions and utilisation of funds, this Chapter provides a framework for maintaining such accounts banks.

A. Cash Credit Accounts

39B. CC account is operationally different from a current account or OD account, given its primary nature as a working capital facility linked to the value of the borrower's current assets. A bank may provide such



cash credit facilities as per the needs of the customer, without any restriction under this Chapter.

B. Current Accounts and OD Accounts

39C. A bank may maintain current account or OD account without any restriction in cases where the aggregate exposure of the banking system to the customer is less than ₹10 crore.

Explanation (1): 'Banking System' for the purpose of this Chapter shall include Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks, but excluding Payments Banks), Urban Co-operative Banks and Rural Co-operative Banks (State Co-operative Banks and Central Co-operative Banks).

Explanation (2): 'Exposure' for the purpose of this Chapter means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

39D. In case of customers to whom the exposure of the banking system is ₹10 crore or more:

- (1) A bank may maintain current accounts or OD accounts as per the needs of the customer provided that the bank has either:
 - (i) A minimum 10 per cent share in banking system's aggregate exposure to the borrower; or
 - (ii) A minimum 10 per cent share in banking system's aggregate fund-based exposure to the borrower;

Provided that, in case no bank within the banking system meets the above criteria, or only one bank meets the above criteria, two banks from the banking system having the largest exposures to the borrower may maintain current accounts or OD accounts.

Provided further that, in case where only one bank within the banking system has any exposure to the borrower, one more bank of the customer's choice within the banking system may maintain current



accounts, subject to furnishing of a no-objection certificate (NOC) from the bank that has the exposure to the borrower.

Provided further that, in case where no Scheduled Commercial Bank (SCB) meets the above criteria, but the borrower nevertheless desires to have a current account with an SCB, such borrowers may maintain current accounts with any one SCB of their choice, subject to furnishing of NOCs from all lending banks within the banking system.

(2) A bank, not meeting the eligibility criteria at paragraph (1) above , may maintain only collection accounts.

Explanation: ‘Collection Account’ for the purpose of this Chapter means a current account or OD account used primarily for receipts of cash inflows of the accountholder. Restricted payments / cash outflows from such account shall be subject to the conditions outlined in paragraph 39F of these Directions.

39E. With a view to ensuring credit discipline, lenders may include additional covenants as per their policies in their loan agreements in mutual agreement with borrowers.

C. Collection Accounts

39F. Funds credited into a collection account shall be remitted within two working days of receipt of such funds to a CC account, current account, or OD account maintained with any bank in the banking system and designated by the borrower for this purpose (hereinafter referred to as ‘designated account’ in this Chapter). Any disbursement of overdraft limit from an OD account, which is in the nature of a collection account, shall be through the designated account only.

Provided that statutory dues such as taxes, and dues, if any, to the bank maintaining the collection account may be debited before remitting the funds.

D. Exemptions

39G. The restrictions placed in terms of paragraph 39D(1) of these Directions shall not be applicable to the accounts mentioned below:



- (1) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder, including accounts mandated for ensuring compliance under the FEMA framework.
- (2) Specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: ‘Financial sector regulator’ for the purpose of this Chapter refers to the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

- (3) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.

Provided that banks operating the above-mentioned exempted accounts shall ensure that transactions in such accounts are used only for the permitted / specified purposes. Surplus funds, if any, in such accounts shall be remitted to the designated account.

E. Compliance Monitoring

39H. For the purpose of ensuring ongoing compliance with this Chapter, all banks shall monitor accounts maintained with them on a regular basis, and in any case at least once every half-year.

39I. In case it is observed that a bank is no longer eligible to maintain a current account or OD account opened in terms of:

- (1) paragraph 39C due to increase in exposure of banking system to the borrower up to or beyond the specified threshold of ₹10 crore; or
- (2) paragraph 39D(1), due to changes in the bank’s share in banking system’s aggregate exposure or in aggregate fund-based exposure to the borrower; or due to non-availability of NOC from banks that have exposure to the borrower.



then the bank shall notify the customer(s) concerned promptly, and in any case within one month from the date of observing such ineligibility, that the account must either be converted to a collection account or closed. The conversion or closure process, as the case may be, shall be completed within three months of observing such ineligibility.

39J. Accounts opened in terms of these Directions shall be appropriately flagged in the bank's core banking solution (CBS) to ensure clear identification and to facilitate effective monitoring. Banks maintaining multiple accounts for a borrower shall ensure that such accounts and transactions and cashflows therein are monitored at the borrower level as also at the account level.

F. Other Provisions

39K. A bank shall ensure that an accountholder utilise their account solely for transactions related to their authorised business or activities. These accounts shall not, under any circumstances, be used as pass-through channels for facilitating third-party transactions.

Provided that entities expressly licensed or authorised by a financial sector regulator to facilitate third-party transactions may continue to do so. However, such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond that scope. Any account that has been permitted to carry out such third-party transactions shall be appropriately flagged in the bank's CBS to ensure clear identification and to facilitate effective monitoring.

39L. A bank shall ensure that an accountholder, who is not licensed or authorised by the Reserve Bank to accept deposits or to provide payment services, do not engage in such activities through accounts maintained with them.

39M. Robust monitoring systems shall be implemented to detect the above prohibited usage, including mechanisms to flag accounts exhibiting unusually high transaction volumes, frequent pass-through



activities, or inconsistencies between the accountholder’s stated line of business and transactions carried out through the account.

39N. Term loans sanctioned by the bank shall preferably be remitted directly to the intended beneficiary’s account(s) or for the specified end-use, where such beneficiary is identifiable, rather than routing the funds through the borrower’s account.

4. The above amendments shall come into force from April 1, 2026. Banks may however decide to implement the amendments in entirety from an earlier date.

Vaibhav Chaturvedi
(Chief General Manager)



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/147

DOR.CRE.REC.353/07-02-006/2025-26

December 11, 2025

**Reserve Bank of India (Rural Co-operative Banks – Credit Risk
Management) – Amendment Directions, 2025**

Please refer to [Reserve Bank of India \(Rural Co-operative Banks – Credit Risk Management\) Directions, 2025 dated November 28, 2025](#) (hereinafter referred to as 'the Directions').

2. On a review, in exercise of the powers conferred by the Sections 21 and 35A read with Section 56 of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) 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. The Amendment Directions modifies the Directions as under:

(1) In Paragraph 4 of the Directions:

(i) The following sub-para (1) shall be inserted, namely:

(1) In these Directions, unless the context otherwise requires:

(i) 'Cash credit (CC)' shall mean a facility, under which a customer is allowed an advance up to the credit limit against the security by way of hypothecation / pledge of goods, book debts, standing crops, etc. The facility is a running account and 'Drawing Power – DP' is periodically determined with reference to the value of the eligible current assets. The outstanding amount is repayable on demand.

(ii) 'Current Account' shall mean a form of demand deposit account wherefrom withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and shall also be deemed to include other deposit accounts which are neither Savings nor Term deposit account.



(iii) 'Overdraft (OD)' shall mean a facility, under which a customer is allowed to draw an agreed sum (credit limit) in excess of credit balance in their account. The overdraft facility may be secured (against fixed / term deposits and other securities, like small saving instruments, surrender value of insurance policies, etc.) or clean (i.e. without any security). The overdraft facility might be granted on their current account, savings deposits account or temporary overdraft on credit accounts.

(ii) The existing paragraph 4 shall be renumbered as sub-para (2) of paragraph 4.

(2) After Chapter VI of the Directions, a new Chapter shall be added as under:

Chapter VIA - Maintenance of Cash Credit Accounts, Current Accounts and Overdraft Accounts by Banks

25A. Current Accounts, Cash Credit Accounts (CC), and Overdraft Accounts (OD) may all be used as transaction accounts by the customers, which raises concerns relating to credit monitoring by the lenders. With a view to strengthening credit discipline and facilitating better monitoring of transactions and utilisation of funds, this Chapter provides a framework for maintaining such accounts banks.

A. Cash Credit Accounts

25B. CC account is operationally different from a current account or OD account, given its primary nature as a working capital facility linked to the value of the borrower's current assets. A bank may provide such cash credit facilities as per the needs of the customer, without any restriction under this Chapter.

B. Current Accounts and OD Accounts

25C. A bank may maintain current account or OD account without any restriction in cases where the aggregate exposure of the banking system to the customer is less than ₹10 crore.

Explanation (1): 'Banking System' for the purpose of this Chapter shall include Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks, but excluding Payments Banks),



Urban Co-operative Banks and Rural Co-operative Banks (State Co-operative Banks and Central Co-operative Banks).

Explanation (2): 'Exposure' for the purpose of this Chapter means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

25D. In case of customers to whom the exposure of the banking system is ₹10 crore or more:

- (1) A bank may maintain current accounts or OD accounts as per the needs of the customer provided that the bank has either:
 - (i) A minimum 10 per cent share in banking system's aggregate exposure to the borrower; or
 - (ii) A minimum 10 per cent share in banking system's aggregate fund-based exposure to the borrower;

Provided that, in case no bank within the banking system meets the above criteria, or only one bank meets the above criteria, two banks from the banking system having the largest exposures to the borrower may maintain current accounts or OD accounts.

Provided further that, in case where only one bank within the banking system has any exposure to the borrower, one more bank of the customer's choice within the banking system may maintain current accounts, subject to furnishing of a no-objection certificate (NOC) from the bank that has the exposure to the borrower.

- (2) A bank, not meeting the eligibility criteria at paragraph (1) above , may maintain only collection accounts.

Explanation: 'Collection Account' for the purpose of this Chapter means a current account or OD account used primarily for receipts of cash inflows of the accountholder. Restricted payments / cash outflows from such account shall be subject to the conditions outlined in paragraph 25F of these Directions.



25E. With a view to ensuring credit discipline, lenders may include additional covenants as per their policies in their loan agreements in mutual agreement with borrowers.

C. Collection Accounts

25F. Funds credited into a collection account shall be remitted within two working days of receipt of such funds to a CC account, current account, or OD account maintained with any bank in the banking system and designated by the borrower for this purpose (hereinafter referred to as 'designated account' in this Chapter). Any disbursement of overdraft limit from an OD account, which is in the nature of a collection account, shall be through the designated account only.

Provided that statutory dues such as taxes, and dues, if any, to the bank maintaining the collection account may be debited before remitting the funds.

D. Exemptions

25G. The restrictions placed in terms of paragraph 25D(1) of these Directions shall not be applicable to the accounts mentioned below:

- (1) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder, including accounts mandated for ensuring compliance under the FEMA framework.
- (2) Specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: 'Financial sector regulator' for the purpose of this Chapter refers to the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

- (3) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.



Provided that banks operating the above-mentioned exempted accounts shall ensure that transactions in such accounts are used only for the permitted / specified purposes. Surplus funds, if any, in such accounts shall be remitted to the designated account.

E. Compliance Monitoring

25H. For the purpose of ensuring ongoing compliance with this Chapter, all banks shall monitor accounts maintained with them on a regular basis, and in any case at least once every half-year.

25I. In case it is observed that a bank is no longer eligible to maintain a current account or OD account opened in terms of:

- (1) paragraph 25C due to increase in exposure of banking system to the borrower up to or beyond the specified threshold of ₹10 crore; or
- (2) paragraph 25D(1), due to changes in the bank's share in banking system's aggregate exposure or in aggregate fund-based exposure to the borrower; or due to non-availability of NOC from the bank that has exposure to the borrower.

then the bank shall notify the customer(s) concerned promptly, and in any case within one month from the date of observing such ineligibility, that the account must either be converted to a collection account or closed. The conversion or closure process, as the case may be, shall be completed within three months of observing such ineligibility.

25J. Accounts opened in terms of these Directions shall be appropriately flagged in the bank's core banking solution (CBS) to ensure clear identification and to facilitate effective monitoring. Banks maintaining multiple accounts for a borrower shall ensure that such accounts and transactions and cashflows therein are monitored at the borrower level as also at the account level.

F. Other Provisions

25K. A bank shall ensure that an accountholder utilise their account solely for transactions related to their authorised business or activities.



These accounts shall not, under any circumstances, be used as pass-through channels for facilitating third-party transactions.

Provided that entities expressly licensed or authorised by a financial sector regulator to facilitate third-party transactions may continue to do so. However, such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond that scope. Any account that has been permitted to carry out such third-party transactions shall be appropriately flagged in the bank's CBS to ensure clear identification and to facilitate effective monitoring.

25L. A bank shall ensure that an accountholder, who is not licensed or authorised by the Reserve Bank to accept deposits or to provide payment services, do not engage in such activities through accounts maintained with them.

25M. Robust monitoring systems shall be implemented to detect the above prohibited usage, including mechanisms to flag accounts exhibiting unusually high transaction volumes, frequent pass-through activities, or inconsistencies between the accountholder's stated line of business and transactions carried out through the account.

25N. Term loans sanctioned by the bank shall preferably be remitted directly to the intended beneficiary's account(s) or for the specified end-use, where such beneficiary is identifiable, rather than routing the funds through the borrower's account.

4. The above amendments shall come into force from April 1, 2026. Banks may however decide to implement the amendments in entirety from an earlier date.

Vaibhav Chaturvedi
(Chief General Manager)



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

RBI/2025-26/149

DOR.RET.REC.355/12.01.001/2025-26

December 11, 2025

Reserve Bank of India (Small Finance Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025

Please refer to [Reserve Bank of India \(Small Finance Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025 dated November 28, 2025](#).

2. The Banking Laws (Amendment) Act, 2025 has amended various provisions, including the section 42 of Reserve Bank of India Act, 1934 and the sections 18 and 24 of Banking Regulation Act 1949, relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).
3. Pursuant to the enactment of the Banking Laws (Amendment) Act, 2025, the definition of 'Fortnight' has been amended from *"the period from Saturday to the second following Friday, both days inclusive"* to *"the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive"*. As notified in the Gazette of India dated December 08, 2025, the enactment date of the stated definition of fortnight is December 15, 2025. Consequently, the CRR and SLR maintenance and reporting in their returns i.e., Form A and Form VIII respectively, also stand revised to align with the amended definition of the fortnight.
4. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and pursuant to Section 42 of the Reserve Bank of India Act, 1934 and Sections 18 and 24 of Banking Regulation Act, 1949, as amended from time to time, 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

विनियमन विभाग, केंद्रीय कार्यालय, 12वीं और 13वीं मंज़िल, नरीमन भवन, नरीमन पॉइंट, मुंबई 400021
Department of Regulation, Central Office, 12th & 13th Floor, Nariman Bhavan, Nariman Point, Mumbai 400021

बैंक हिंदी में पत्राचार का स्वागत करता है

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.

public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

5. These Directions shall be called the Reserve Bank of India (Small Finance Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025.

6. The provisions shall come into effect from December 15, 2025, except paragraph 7 (viii) (2), which shall be effective from December 12, 2025.

7. These Amendment Directions modify the [Reserve Bank of India \(Small Finance Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025](#) as under:

- (i) In paragraph 6 (14), the definition of '*Fortnight*' shall be redefined as '*Fortnight*' means the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive.
- (ii) In paragraphs 6 (18), 9, 21, 23, 24, 25 the words '*Friday*' shall be substituted with '*day*'.
- (iii) In paragraph 31, the words '*each alternate Friday and*' shall be substituted with '*last day of each fortnight*', the word '*seven*' shall be substituted with '*five*' and the word '*provisional*' shall be deleted.
- (iv) In paragraph 32, the words '*reporting Friday*' shall be substituted with '*last day of each fortnight*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (v) In paragraph 33, the words '*final*' and '*within 20 days from expiry of the relevant fortnight*' shall be deleted.
- (vi) The paragraph 35 shall be deleted.
- (vii) A paragraph 38 shall be substituted with following paragraph:

“Under the new reporting structure, as amended vide Banking Laws (Amendment) Act 2025, there shall be no Provisional or Final or Special Form A return. The banks are required to submit single Form A return. The new versions of Form A and Form VIII returns are available on the Centralised Information Management System (CIMS) portal with new return codes. The banks are required to submit fortnightly Form A return from December 15,

2025 and monthly Form VIII return from December 2025 on the CIMS portal. Form A and Form VIII are not to be submitted in hard copy / paper returns by the banks. The banks have to submit these returns in electronic form on CIMS portal using digital signatures of two authorised officials. While submitting these returns, banks have to ensure that the same is compliant with the prevalent IT laws of the country.”

- (viii) Two new paragraphs shall be inserted after paragraph 38, namely:
1. *“38 A. The maintenance of CRR and SLR during the fortnight December 16-31, 2025 and the first fortnight of January 2026 (i.e., January 1-15, 2026) is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025 and December 15, 2025, respectively. From the subsequent fortnights starting from January 16, 2026, the maintenance shall be done, as presently applicable, i.e., based on the NDTL as on the last day of the second preceding fortnight”.*
 2. *“38 B. During the transition period of three days i.e., December 13-15, 2025, the maintenance of CRR and SLR is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025. Further, the banks shall maintain minimum CRR of not less than hundred per cent of the required CRR during the transition period. The banks shall also submit Form A return for December 12, 2025, as per the extant reporting structure. Further, the banks are advised to submit Form VIII return of December 2025 on CIMS portal, both with old and new return codes.”*
- (ix) In paragraph 39, the words '*alternate Fridays*' shall be substituted with '*last day of each fortnight*' and '*such Fridays*' / '*such Friday*' shall be substituted with '*such day*'.
- (x) In Annex I (Form A), the word '*Friday*' / '*that Friday*' shall be substituted with '*last day of the fortnight*' / '*last day of that fortnight*'.
- (xi) In Annex II (Form VIII),

- the '*First alternate Friday*', '*Second alternate Friday*', '*Third alternate Friday*' shall be substituted with '*15th day of the Month*' and '*Last day of the Month*'.
 - the word '*Friday*' shall be substituted with '*day*' / '*last day of the fortnight*'
- (xii) In paragraph 28(3)(iii), the word '*State Development Loans (SDLs) of the*' shall be substituted with '*State Government Securities of the respective*'.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/144

DOR.CRE.REC.350/07-02-003/2025-26

December 11, 2025

**Reserve Bank of India (Local Area Banks – Credit Risk Management) –
Amendment Directions, 2025**

Please refer to [Reserve Bank of India \(Local Area Banks – Credit Risk Management\) Directions, 2025 dated November 28, 2025](#) (hereinafter referred to as ‘the Directions’).

2. On a review, in exercise of the powers conferred by the sections 21 and 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) 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. The Amendment Directions modifies the Directions as under:

(1) In paragraph 4(1), after sub-para (ii), the following sub-paras shall be inserted, namely:

(ia) 'Cash credit (CC)' shall mean a facility, under which a customer is allowed an advance up to the credit limit against the security by way of hypothecation / pledge of goods, book debts, standing crops, etc. The facility is a running account and 'Drawing Power – DP' is periodically determined with reference to the value of the eligible current assets. The outstanding amount is repayable on demand.

(ib) 'Current Account' shall mean a form of demand deposit account wherefrom withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and shall also be deemed to include other deposit accounts which are neither Savings nor Term deposit account.



(2) After Chapter VII of the Directions, a new Chapter shall be added as under:

Chapter VIIA - Maintenance of Cash Credit Accounts, Current Accounts and Overdraft Accounts by Banks

38A. Current Accounts, Cash Credit Accounts (CC), and Overdraft Accounts (OD) may all be used as transaction accounts by the customers, which raises concerns relating to credit monitoring by the lenders. With a view to strengthening credit discipline and facilitating better monitoring of transactions and utilisation of funds, this Chapter provides a framework for maintaining such accounts banks.

A. Cash Credit Accounts

38B. CC account is operationally different from a current account or OD account, given its primary nature as a working capital facility linked to the value of the borrower's current assets. A bank may provide such cash credit facilities as per the needs of the customer, without any restriction under this Chapter.

B. Current Accounts and OD Accounts

38C. A bank may maintain current account or OD account without any restriction in case of borrowers where the aggregate exposure of the banking system to the customer is less than ₹10 crore.

Explanation (1): 'Banking System' for the purpose of this Chapter shall include Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks, but excluding Payments Banks), Urban Co-operative Banks and Rural Co-operative Banks (State Co-operative Banks and Central Co-operative Banks).

Explanation (2): 'Exposure' for the purpose of this Chapter means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

38D. In case of customers to whom the exposure of the banking system is ₹10 crore or more:

(1) A bank may maintain current accounts or OD accounts as per the needs of the customer provided that the bank has either:



- (i) A minimum 10 per cent share in banking system's aggregate exposure to the borrower; or
- (ii) A minimum 10 per cent share in banking system's aggregate fund-based exposure to the borrower.

Provided that, in case no bank within the banking system meets the above criteria, or only one bank meets the above criteria, two banks from the banking system having the largest exposures to the borrower may maintain current accounts or OD accounts.

Provided further that, in case where only one bank within the banking system has any exposure to the borrower, one more bank of the customer's choice within the banking system may maintain current accounts, subject to furnishing of a no-objection certificate (NOC) from the bank that has the exposure to the borrower.

- (2) A bank, not meeting the eligibility criteria at paragraph (1) above, may maintain only collection accounts.

Explanation: 'Collection Account' for the purpose of this Chapter means a current account or OD account used primarily for receipts of cash inflows of the accountholder. Restricted payments / cash outflows from such account shall be subject to the conditions outlined in paragraph 38F of these Directions.

38E. With a view to ensuring credit discipline, lenders may include additional covenants as per their policies in their loan agreements in mutual agreement with borrowers.

C. Collection Accounts

38F. Funds credited into a collection account shall be remitted within two working days of receipt of such funds to a CC account, current account, or OD account maintained with any bank in the banking system and designated by the borrower for this purpose (hereinafter referred to as 'designated account' in this Chapter). Any disbursement of overdraft limit from an OD account, which is in the nature of a collection account, shall be through the designated account only.



Provided that statutory dues such as taxes, and dues, if any, to the bank maintaining the collection account may be debited before remitting the funds.

D. Exemptions

38G. The restrictions placed in terms of paragraph 38D(1) of these Directions shall not be applicable to the accounts mentioned below:

- (1) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder, including accounts mandated for ensuring compliance under the FEMA framework.
- (2) Specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: 'Financial sector regulator' for the purpose of this Chapter refers to the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

- (3) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.

Provided that banks operating the above-mentioned exempted accounts shall ensure that transactions in such accounts are used only for the permitted / specified purposes. Surplus funds, if any, in such accounts shall be remitted to the designated account.

E. Compliance Monitoring

38H. For the purpose of ensuring ongoing compliance with this Chapter, all banks shall monitor accounts maintained with them on a regular basis, and in any case at least once every half-year.

38I. In case it is observed that a bank is no longer eligible to maintain a current account or OD account opened in terms of:



- (1) paragraph 38C due to increase in exposure of banking system to the borrower up to or beyond the specified threshold of ₹10 crore;
or
- (2) paragraph 38D(1), due to changes in the bank's share in banking system's aggregate exposure or in aggregate fund-based exposure to the borrower; or due to non-availability of NOC from the bank that has exposure to the borrower;

then the bank shall notify the customer(s) concerned promptly, and in any case within one month from the date of observing such ineligibility, that the account must either be converted to a collection account or closed. The conversion or closure process, as the case may be, shall be completed within three months of observing such ineligibility.

38J. Accounts opened in terms of these Directions shall be appropriately flagged in the bank's core banking solution (CBS) to ensure clear identification and to facilitate effective monitoring. Banks maintaining multiple accounts for a borrower shall ensure that such accounts and transactions and cashflows therein are monitored at the borrower level as also at the account level.

F. Other Provisions

38K. A bank shall ensure that an accountholder utilise their account solely for transactions related to their authorised business or activities. These accounts shall not, under any circumstances, be used as pass-through channels for facilitating third-party transactions.

Provided that entities expressly licensed or authorised by a financial sector regulator to facilitate third-party transactions may continue to do so. However, such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond that scope. Any account that has been permitted to carry out such third-party transactions shall be appropriately flagged in the bank's CBS to ensure clear identification and to facilitate effective monitoring.



38L. A bank shall ensure that an accountholder, who is not licensed or authorised by the Reserve Bank to accept deposits or to provide payment services, do not engage in such activities through accounts maintained with them.

38M. Robust monitoring systems shall be implemented to detect the above prohibited usage, including mechanisms to flag accounts exhibiting unusually high transaction volumes, frequent pass-through activities, or inconsistencies between the accountholder’s stated line of business and transactions carried out through the account.

38N. Term loans sanctioned by the bank shall preferably be remitted directly to the intended beneficiary’s account(s) or for the specified end-use, where such beneficiary is identifiable, rather than routing the funds through the borrower’s account.

4. The above amendments shall come into force from April 1, 2026. Banks may however decide to implement the amendments in entirety from an earlier date.

Vaibhav Chaturvedi
(Chief General Manager)



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

RBI/2025-26/148

DOR.RET.REC.354/12.01.001/2025-26

December 11, 2025

Reserve Bank of India (Commercial Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025

Please refer to [Reserve Bank of India \(Commercial Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025 dated November 28, 2025](#).

2. The Banking Laws (Amendment) Act, 2025 has amended various provisions, including the section 42 of Reserve Bank of India Act, 1934 and the sections 18 and 24 of Banking Regulation Act 1949, relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).
3. Pursuant to the enactment of the Banking Laws (Amendment) Act, 2025, the definition of 'Fortnight' has been amended from *"the period from Saturday to the second following Friday, both days inclusive"* to *"the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive"*. As notified in the Gazette of India dated December 08, 2025, the enactment date of the stated definition of fortnight is December 15, 2025. Consequently, the CRR and SLR maintenance and reporting in their returns i.e., Form A and Form VIII respectively, also stand revised to align with the amended definition of the fortnight.
4. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and pursuant to Section 42 of the Reserve Bank of India Act, 1934 and Sections 18 and 24 of Banking Regulation Act, 1949, as amended from time to time, 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

विनियमन विभाग, केंद्रीय कार्यालय, 12वीं और 13वीं मंज़िल, नरीमन भवन, नरीमन पॉइंट, मुंबई 400021
Department of Regulation, Central Office, 12th & 13th Floor, Nariman Bhavan, Nariman Point, Mumbai 400021

बैंक हिंदी में पत्राचार का स्वागत करता है

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public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

5. These Directions shall be called the Reserve Bank of India (Commercial Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025.

6. The provisions shall come into effect from December 15, 2025, except paragraph 7 (viii) (2), which shall be effective from December 12, 2025.

7. These Amendment Directions modify the [Reserve Bank of India \(Commercial Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025](#) as under:

- (i) In paragraph 6 (14), the definition of '*Fortnight*' shall be redefined as '*Fortnight*' means the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive.
- (ii) In paragraphs 6 (18), 9, 21, 23, 24, 25 the words '*Friday*' shall be substituted with '*day*'.
- (iii) In paragraph 31, the words '*each alternate Friday and*' shall be substituted with '*last day of each fortnight*', the word '*seven*' shall be substituted with '*five*' and the word '*provisional*' shall be deleted.
- (iv) In paragraph 32, the words '*reporting Friday*' shall be substituted with '*last day of each fortnight*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (v) In paragraph 33, the words '*final*' and '*within 20 days from expiry of the relevant fortnight*' shall be deleted.
- (vi) The paragraph 35 shall be deleted.
- (vii) A paragraph 38 shall be substituted with following paragraph:

“Under the new reporting structure, as amended vide Banking Laws (Amendment) Act 2025, there shall be no Provisional or Final or Special Form A return. The banks are required to submit single Form A return. The new versions of Form A and Form VIII returns are available on the Centralised Information Management System (CIMS) portal with new return codes. The banks are required to submit fortnightly Form A return from December 15,

2025 and monthly Form VIII return from December 2025 on the CIMS portal. Form A and Form VIII are not to be submitted in hard copy / paper returns by Scheduled Commercial banks. The Scheduled Commercial banks have to submit these returns in electronic form on CIMS portal using digital signatures of two authorised officials. While submitting these returns, banks have to ensure that the same is compliant with the prevalent IT laws of the country.”

- (viii) Two new paragraphs shall be inserted after paragraph 38, namely:
1. *“38 A. The maintenance of CRR and SLR during the fortnight December 16-31, 2025 and the first fortnight of January 2026 (i.e., January 1-15, 2026) is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025 and December 15, 2025, respectively. From the subsequent fortnights starting from January 16, 2026, the maintenance shall be done, as presently applicable, i.e., based on the NDTL as on the last day of the second preceding fortnight”.*
 2. *“38 B. During the transition period of three days i.e., December 13-15, 2025, the maintenance of CRR and SLR is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025. Further, the banks shall maintain minimum CRR of not less than hundred per cent of the required CRR during the transition period. The banks shall also submit Form A return for December 12, 2025, as per the extant reporting structure. Further, the banks are advised to submit Form VIII return of December 2025 on CIMS portal, both with old and new return codes.”*
- (ix) In paragraph 39, the words '*alternate Fridays*' shall be substituted with '*last day of each fortnight*' and '*such Fridays*' / '*such Friday*' shall be substituted with '*such day*'.
- (x) In Annex I (Form A), the word '*Friday*' / '*that Friday*' shall be substituted with '*last day of the fortnight*' / '*last day of that fortnight*'.
- (xi) In Annex II (Form VIII),

- the '*First alternate Friday*', '*Second alternate Friday*', '*Third alternate Friday*' shall be substituted with '*15th day of the Month*' and '*Last day of the Month*'.
 - the word '*Friday*' shall be substituted with '*day*' / '*last day of the fortnight*'
- (xii) In paragraph 28 (3)(iii), the word '*State Development Loans (SDLs) of the*' shall be substituted with '*State Government Securities of the respective*'.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/153

DOR.RET.REC.359/12.01.001/2025-26

December 11, 2025

Reserve Bank of India (Urban Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025

Please refer to [Reserve Bank of India \(Urban Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025 dated November 28, 2025](#).

2. The Banking Laws (Amendment) Act, 2025 has amended various provisions, including the section 42 of Reserve Bank of India Act, 1934 and the sections 18 and 24 of Banking Regulation Act 1949 [(read with section 56 (AACS)], relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).

3. Pursuant to the enactment of the Banking Laws (Amendment) Act, 2025, the definition of 'Fortnight' has been amended from *"the period from Saturday to the second following Friday, both days inclusive"* to *"the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive"*. As notified in the Gazette of India dated December 08, 2025, the enactment date of the stated definition of fortnight is December 15, 2025. Consequently, the CRR and SLR maintenance and reporting in their returns i.e., Form B and Form I respectively, also stand revised to align with the amended definition of the fortnight.

4. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and pursuant to Section 42 of the Reserve Bank of India Act, 1934 and Sections 18 and 24 of Banking Regulation Act, 1949, as amended from time to time, 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

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public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

5. These Directions shall be called the Reserve Bank of India (Urban Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025.

6. The provisions shall come into effect from December 15, 2025, except paragraph 7 (vii) (3), which shall be effective from December 12, 2025.

7. These Amendment Directions modify the [Reserve Bank of India \(Urban Co-operative Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025](#) as under:

- (i) In paragraph 6 (15), the definition of '*Fortnight*' shall be redefined as '*Fortnight*' means the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive.
- (ii) In paragraphs 6 (22), 9, 10, 22, 24, 25, 26 the words '*Friday*' shall be substituted with '*day*'.
- (iii) In paragraph 31, the words '*each alternate Friday and*' shall be substituted with '*last day of each fortnight*', the word '*seven*' shall be substituted with '*five*'.
- (iv) In paragraph 32, the words '*reporting Friday*' shall be substituted with '*last day of each fortnight*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (v) The paragraph 33 and 34 shall be deleted.
- (vi) In paragraph 35, the words '*each alternate Friday*' shall be substituted with '*last day of each fortnight*', '*alternate Friday*' shall be substituted with '*day*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (vii) Three new paragraphs shall be inserted after paragraph 38, namely:
 - 1. "38 A. Under the new reporting structure, as amended vide Banking Laws (Amendment) Act 2025, there shall be no Provisional or Final or Special Form B return. The banks are required to submit single Form B return. The new versions of Form B and Form I returns are available

on the Centralised Information Management System (CIMS) portal with new return codes. The banks are required to submit fortnightly Form B return from December 15, 2025 and monthly Form I return from December 2025 on the CIMS portal.”

2. *“38 B. The maintenance of CRR and SLR during the fortnight December 16-31, 2025 and the first fortnight of January 2026 (i.e., January 1-15, 2026) is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025 and December 15, 2025, respectively. From the subsequent fortnights starting from January 16, 2026, the maintenance shall be done, as presently applicable, i.e., based on the NDTL as on the last day of the second preceding fortnight”.*
3. *“38 C. During the transition period of three days i.e., December 13-15, 2025, the maintenance of CRR and SLR is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025. Further, the banks shall maintain minimum CRR of not less than hundred per cent of the required CRR during the transition period. The banks shall also submit Form B return for December 12, 2025, as per the extant reporting structure. Further, the banks are advised to submit Form I return of December 2025 on CIMS portal, both with old and new return codes.”*

- (viii) In paragraph 39, the words *'each alternate Friday'* shall be substituted with *'last day of each fortnight'*.
- (ix) In Annex I (Form B), the word *'Friday'* / *'that Friday'* shall be substituted with *'last day of the fortnight'* / *'last day of that fortnight'*.
- (x) In Annex II (Form I),
 - the *'First alternate Friday'*, *'Second alternate Friday'*, *'Third alternate Friday'* shall be substituted with *'15th day of the Month'* and *'Last day of the Month'*.
 - the word *'Friday'* / *'an alternate Friday'* shall be substituted with *'day'* / *'last day of the fortnight'*
 - in appendix III to Form I, the word *'Friday'* in the title shall be deleted.

(xi) In Annex III, the word '*Friday*' shall be substituted with '*day*'.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/141

DOR.CRE.REC.347/07-02-001/2025-26

December 11, 2025

**Reserve Bank of India (Commercial Banks – Credit Risk Management) –
Amendment Directions, 2025**

Please refer to [Reserve Bank of India \(Commercial Banks - Credit Risk Management\) Directions, 2025 dated November 28, 2025](#) (hereinafter referred to as 'the Directions').

2. On a review, in exercise of the powers conferred by the sections 21 and 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) 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. The Amendment Directions modifies the Directions as under:

- (1) **Chapter XI – 'Opening of Current Accounts and CC / OD Accounts by Banks'** of the Directions shall be deleted and substituted with a new chapter as under:

Chapter XIA - Maintenance of Cash Credit Accounts, Current Accounts and Overdraft Accounts by Banks

91A. Current Accounts, Cash Credit Accounts (CC), and Overdraft Accounts (OD) may all be used as transaction accounts by the customers, which raises concerns relating to credit monitoring by the lenders. With a view to strengthening credit discipline and facilitating better monitoring of transactions and utilisation of funds, this Chapter provides a framework for maintaining such accounts banks.

A. Cash Credit Accounts

91B. CC account is operationally different from a current account or OD account, given its primary nature as a working capital facility linked to the value of the borrower's current assets. A bank may provide such



cash credit facilities as per the needs of the customer, without any restriction under this Chapter.

B. Current Accounts and OD Accounts

91C. A bank may maintain current account or OD account without any restriction in case of customers where the aggregate exposure of the banking system to the customer is less than ₹10 crore.

Explanation (1): 'Banking System' for the purpose of this Chapter shall include Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks, but excluding Payments Banks), Urban Co-operative Banks and Rural Co-operative Banks (State Co-operative Banks and Central Co-operative Banks).

Explanation (2): 'Exposure' for the purpose of this Chapter means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

91D. In case of customers to whom the exposure of the banking system is ₹10 crore or more:

(1) A bank may maintain current accounts or OD accounts as per the needs of the customer provided that the bank has either:

- (i) A minimum 10 per cent share in banking system's aggregate exposure to the borrower; or
- (ii) A minimum 10 per cent share in banking system's aggregate fund-based exposure to the borrower.

Provided that, in case no bank within the banking system meets the above criteria, or only one bank meets the above criteria, two banks from the banking system having the largest exposures to the borrower may maintain current accounts or OD accounts.

Provided further that, in case where only one bank within the banking system has any exposure to the borrower, one more bank of the customer's choice within the banking system may maintain current



accounts, subject to furnishing of a no-objection certificate (NOC) from the bank that has the exposure to the borrower.

Provided further that, in case where no Scheduled Commercial Bank (SCB) meets the above criteria, but the borrower nevertheless desires to have a current account with an SCB, such borrowers may maintain current accounts with any one SCB of their choice, subject to furnishing of NOCs from all lending banks within the banking system.

(2) A bank, not meeting the eligibility criteria at paragraph (1) above , may maintain only collection accounts.

Explanation: ‘Collection Account’ for the purpose of this Chapter means a current account or OD account used primarily for receipts of cash inflows of the accountholder. Restricted payments / cash outflows from such account shall be subject to the conditions outlined in paragraph 91F of these Directions.

91E. With a view to ensuring credit discipline, lenders may include additional covenants as per their policies in their loan agreements in mutual agreement with borrowers.

C. Collection Accounts

91F. Funds credited into a collection account shall be remitted within two working days of receipt of such funds to a CC account, current account, or OD account maintained with any bank in the banking system and designated by the borrower for this purpose (hereinafter referred to as ‘designated account’ in this Chapter). Any disbursement of overdraft limit from an OD account, which is in the nature of a collection account, shall be through the designated account only.

Provided that statutory dues such as taxes, and dues, if any, to the bank maintaining the collection account may be debited before remitting the funds.

D. Exemptions

91G. The restrictions placed in terms of paragraph 91D(1) of these Directions shall not be applicable to the accounts mentioned below:



- (1) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder, including accounts mandated for ensuring compliance under the FEMA framework.
- (2) Specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: 'Financial sector regulator' for the purpose of this Chapter refers to the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

- (3) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.

Provided that banks operating the above-mentioned exempted accounts shall ensure that transactions in such accounts are used only for the permitted / specified purposes. Surplus funds, if any, in such accounts shall be remitted to the designated account.

91H. Banks, in certain cases, offer products or services that inherently require routing transactions through a current account maintained with themselves. In such cases, banks which are otherwise not eligible to maintain accounts in terms of paragraph 91D(1) of these Directions may also maintain current accounts, subject to the conditions specified below:

- (1) Such accounts shall only be opened in accordance with a Board-approved policy for the product / service, which shall detail and justify, inter alia, the necessity of operating these accounts.
- (2) Transactions in such accounts shall be limited for the specified purpose(s). Cash transactions, debits at the discretion of customers, and issuance of instruments like electronic cards and cheque books shall not be permitted in such accounts. Surplus



funds, if any, in such accounts shall be remitted to the designated account.

- (3) Banks shall implement adequate safeguards to ensure that such accounts are not used as substitutes for current accounts, or employed to circumvent restrictions placed on current accounts, or misused for activities such as fund diversion or fraud.

E. Compliance Monitoring

91I. For the purpose of ensuring ongoing compliance with this Chapter, all banks shall monitor accounts maintained with them on a regular basis, and in any case at least once every half-year.

91J. In case it is observed that a bank is no longer eligible to maintain a current account or OD account opened in terms of:

- (1) paragraph 91C due to increase in exposure of banking system to the borrower up to or beyond the specified threshold of ₹10 crore; or
- (2) paragraph 91D(1), due to changes in the bank's share in banking system's aggregate exposure or in aggregate fund-based exposure to the borrower; or due to non-availability of NOC from banks that have exposure to the borrower;

then the bank shall notify the customer(s) concerned promptly, and in any case within one month from the date of observing such ineligibility, that the account must either be converted to a collection account or closed. The conversion or closure process, as the case may be, shall be completed within three months of observing such ineligibility.

91K. Accounts opened in terms of these Directions shall be appropriately flagged in the bank's core banking solution (CBS) to ensure clear identification and to facilitate effective monitoring. Banks maintaining multiple accounts for a borrower shall ensure that such accounts and transactions and cashflows therein are monitored at the borrower level as also at the account level.



F. Other Provisions

91L. A bank shall ensure that an accountholder utilise their account solely for transactions related to their authorised business or activities. These accounts shall not, under any circumstances, be used as pass-through channels for facilitating third-party transactions.

Provided that entities expressly licensed or authorised by a financial sector regulator to facilitate third-party transactions may continue to do so. However, such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond that scope. Any account that has been permitted to carry out such third-party transactions shall be appropriately flagged in the bank's CBS to ensure clear identification and to facilitate effective monitoring.

91M. A bank shall ensure that an accountholder, who is not licensed or authorised by the Reserve Bank to accept deposits or to provide payment services, do not engage in such activities through accounts maintained with them.

91N. Robust monitoring systems shall be implemented to detect the above prohibited usage, including mechanisms to flag accounts exhibiting unusually high transaction volumes, frequent pass-through activities, or inconsistencies between the accountholder's stated line of business and transactions carried out through the account.

91O. Term loans sanctioned by the bank shall preferably be remitted directly to the intended beneficiary's account(s) or for the specified end-use, where such beneficiary is identifiable, rather than routing the funds through the borrower's account.

4. The above amendments shall come into force from April 1, 2026. Banks may however decide to implement the amendments in entirety from an earlier date.

Vaibhav Chaturvedi
(Chief General Manager)



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/143

DOR.SOG(SPE).REC.349/13-04-001/2025-26

December 11, 2025

**Reserve Bank of India (Payments Banks – Miscellaneous) – Amendment
Directions, 2025**

Please refer to [Reserve Bank of India \(Payments Banks – Miscellaneous\) Directions, 2025 dated November 28, 2025](#) (hereinafter referred to as ‘the Directions’).

2. On a review, in exercise of the powers conferred by the Section 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) 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. The Amendment Directions modifies the Directions as under:

(1) In paragraph 4, after sub-para (1), the following sub-para shall be inserted namely:

(1A) ‘Current Account’ shall mean a form of demand deposit account wherefrom withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and shall also be deemed to include other deposit accounts which are neither Savings nor Term deposit account.

(2) In Chapter VI, Section B shall be renamed as “Maintenance of Current Accounts”

(3) After paragraph 55, within Section B, the following paragraphs shall be inserted:

55A. With a view to strengthening credit discipline and facilitating better monitoring of transactions and utilisation of funds, this Section provides a framework for maintaining current accounts by banks.



C.1 Current Accounts

55B. A bank may maintain current account without any restriction in case of customers where the aggregate exposure of the banking system to the customer is less than ₹10 crore.

Explanation (1): 'Banking System' for the purpose of this Chapter shall include Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks, but excluding Payments Banks), Urban Co-operative Banks and Rural Co-operative Banks (State Co-operative Banks and Central Co-operative Banks).

Explanation (2): 'Exposure' for the purpose of this Chapter means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

55C. A bank may maintain only collection accounts in case of customers to whom the exposure of the banking system is ₹10 crore or more.

Explanation: 'Collection Account' for the purpose of this Section means a current account used primarily for receipts of cash inflows of the accountholder. Restricted payments / cash outflows from such account shall be subject to the conditions outlined in paragraph 55D of these Directions.

C.2. Collection Accounts

55D. Funds credited into a collection account shall be remitted within two working days of receipt of such funds to a Cash Credit Account (CC), current account, or Overdraft Account (OD) maintained with any bank in the banking system and designated by the borrower for this purpose (hereinafter referred to as 'designated account' in this Chapter).

Provided that statutory dues such as taxes, and dues, if any, to the bank maintaining the collection account may be debited before remitting the funds.



C.3. Exemptions

55E. The restrictions placed in terms of paragraph 55C of these Directions shall not be applicable to the accounts mentioned below:

- (1) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder, including accounts mandated for ensuring compliance under the FEMA framework.
- (2) Specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: 'Financial sector regulator' for the purpose of this Chapter refers to the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

- (3) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.

Provided that banks operating the above-mentioned exempted accounts shall ensure that transactions in such accounts are used only for the permitted / specified purposes. Surplus funds, if any, in such accounts shall be remitted to the designated account.

C.4. Compliance Monitoring

55F. For the purpose of ensuring ongoing compliance with this Chapter, all banks shall monitor accounts maintained with them on a regular basis, and in any case at least once every half-year.

55G. In case it is observed that a bank is no longer eligible to maintain a current account opened in terms of paragraph 55B due to increase in exposure of banking system to the borrower up to or beyond the specified threshold of ₹10 crore, then the bank shall notify the customer(s) concerned promptly, and in any case within one month from the date of observing such ineligibility, that the account must either



be converted to a collection account or closed. The conversion or closure process, as the case may be, shall be completed within three months of observing such ineligibility.

55H. Accounts opened in terms of these Directions shall be appropriately flagged in the bank's core banking solution (CBS) to ensure clear identification and to facilitate effective monitoring. Banks maintaining multiple accounts for a borrower shall ensure that such accounts and transactions and cashflows therein are monitored at the borrower level as also at the account level.

C.5. Other Provisions

55I. A bank shall ensure that an accountholder utilise their account solely for transactions related to their authorised business or activities. These accounts shall not, under any circumstances, be used as pass-through channels for facilitating third-party transactions.

Provided that entities expressly licensed or authorised by a financial sector regulator to facilitate third-party transactions may continue to do so. However, such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond that scope. Any account that has been permitted to carry out such third-party transactions shall be appropriately flagged in the bank's CBS to ensure clear identification and to facilitate effective monitoring.

55J. A bank shall ensure that an accountholder, who is not licensed or authorised by the Reserve Bank to accept deposits or to provide payment services, do not engage in such activities through accounts maintained with them.

55K. Robust monitoring systems shall be implemented to detect the above prohibited usage, including mechanisms to flag accounts exhibiting unusually high transaction volumes, frequent pass-through activities, or inconsistencies between the accountholder's stated line of business and transactions carried out through the account.



4. The above amendments shall come into force from April 1, 2026. Banks may however decide to implement the amendments in entirety from an earlier date.

Vaibhav Chaturvedi
(Chief General Manager)



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/146

DOR.CRE.REC.352/07-02-005/2025-26

December 11, 2025

**Reserve Bank of India (Urban Co-operative Banks – Credit Risk
Management) – Amendment Directions, 2025**

Please refer to [Reserve Bank of India \(Urban Co-operative Banks – Credit Risk Management\) Directions, 2025 dated November 28, 2025](#) (hereinafter referred to as 'the Directions').

2. On a review, in exercise of the powers conferred by the Sections 21 and 35A read with Section 56 of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) 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. The Amendment Directions modifies the Directions as under:

(1) In Chapter V, Section B, and paragraphs 19, 20, and 21 shall be deleted.

(2) After Chapter VIII of the Directions, a new Chapter shall be added as under:

Chapter VIIIA - Maintenance of Cash Credit Accounts, Current Accounts and Overdraft Accounts by Banks

51A. Current Accounts, Cash Credit Accounts (CC), and Overdraft Accounts (OD) may all be used as transaction accounts by the customers, which raises concerns relating to credit monitoring by the lenders. With a view to strengthening credit discipline and facilitating better monitoring of transactions and utilisation of funds, this Chapter provides a framework for maintaining such accounts banks.

A. Cash Credit Accounts

51B. CC account is operationally different from a current account or OD account, given its primary nature as a working capital facility linked to the value of the borrower's current assets. A bank may provide such



cash credit facilities as per the needs of the customer, without any restriction under this Chapter.

B. Current Accounts and OD Accounts

51C. A bank may maintain current account or OD account without any restriction in case of customers where the aggregate exposure of the banking system to the customer is less than ₹10 crore.

Explanation (1): 'Banking System' for the purpose of this Chapter shall include Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks, but excluding Payments Banks), Urban Co-operative Banks and Rural Co-operative Banks (State Co-operative Banks and Central Co-operative Banks).

Explanation (2): 'Exposure' for the purpose of this Chapter means the sum of all sanctioned fund-based credit facilities and non-fund-based facilities availed by the borrower from the banking system.

51D. In case of customers to whom the exposure of the banking system is ₹10 crore or more:

- (1) A bank may maintain current accounts or OD accounts as per the needs of the customer provided that the bank has either:
 - (i) A minimum 10 per cent share in banking system's aggregate exposure to the borrower; or
 - (ii) A minimum 10 per cent share in banking system's aggregate fund-based exposure to the borrower.

Provided that, in case no bank within the banking system meets the above criteria, or only one bank meets the above criteria, two banks from the banking system having the largest exposures to the borrower may maintain current accounts or OD accounts.

Provided further that, in case where only one bank within the banking system has any exposure to the borrower, one more bank of the customer's choice within the banking system may maintain current



accounts, subject to furnishing of a no-objection certificate (NOC) from the bank that has the exposure to the borrower.

(2) A bank, not meeting the eligibility criteria at paragraph (1) above , may maintain only collection accounts.

Explanation: ‘Collection Account’ for the purpose of this Chapter means a current account or OD account used primarily for receipts of cash inflows of the accountholder. Restricted payments / cash outflows from such account shall be subject to the conditions outlined in paragraph 51F of these Directions.

51E. With a view to ensuring credit discipline, lenders may include additional covenants as per their policies in their loan agreements in mutual agreement with borrowers.

C. Collection Accounts

51F. Funds credited into a collection account shall be remitted within two working days of receipt of such funds to a CC account, current account, or OD account maintained with any bank in the banking system and designated by the borrower for this purpose (hereinafter referred to as ‘designated account’ in this Chapter). Any disbursement of overdraft limit from an OD account, which is in the nature of a collection account, shall be through the designated account only.

Provided that statutory dues such as taxes, and dues, if any, to the bank maintaining the collection account may be debited before remitting the funds.

D. Exemptions

51G. The restrictions placed in terms of paragraph 51D(1) of these Directions shall not be applicable to the accounts mentioned below:

(1) Accounts opened as per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and notifications issued thereunder, including accounts mandated for ensuring compliance under the FEMA framework.



- (2) Specific accounts or transactions which are stipulated under a statute or a specific instruction of a financial sector regulator, or the Central Government or a State Government.

Explanation: 'Financial sector regulator' for the purpose of this Chapter refers to the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority of India (IRDAI) and the Pension Fund Regulatory and Development Authority (PFRDA).

- (3) Accounts of entities regulated by a financial sector regulator, used for the purpose of carrying out their regulated activities.

Provided that banks operating the above-mentioned exempted accounts shall ensure that transactions in such accounts are used only for the permitted / specified purposes. Surplus funds, if any, in such accounts shall be remitted to the designated account.

E. Compliance Monitoring

51H. For the purpose of ensuring ongoing compliance with this Chapter, all banks shall monitor accounts maintained with them on a regular basis, and in any case at least once every half-year.

51I. In case it is observed that a bank is no longer eligible to maintain a current account or OD account opened in terms of:

- (1) paragraph 51C due to increase in exposure of banking system to the borrower up to or beyond the specified threshold of ₹10 crore; or
- (2) paragraph 51D(1), due to changes in the bank's share in banking system's aggregate exposure or in aggregate fund-based exposure to the borrower; or due to non-availability of NOC from the bank that has exposure to the borrower;

then the bank shall notify the customer(s) concerned promptly, and in any case within one month from the date of observing such ineligibility, that the account must either be converted to a collection account or



closed. The conversion or closure process, as the case may be, shall be completed within three months of observing such ineligibility.

51J. Accounts opened in terms of these Directions shall be appropriately flagged in the bank's core banking solution (CBS) to ensure clear identification and to facilitate effective monitoring. Banks maintaining multiple accounts for a borrower shall ensure that such accounts and transactions and cashflows therein are monitored at the borrower level as also at the account level.

F. Other Provisions

51K. A bank shall ensure that an accountholder utilise their account solely for transactions related to their authorised business or activities. These accounts shall not, under any circumstances, be used as pass-through channels for facilitating third-party transactions.

Provided that entities expressly licensed or authorised by a financial sector regulator to facilitate third-party transactions may continue to do so. However, such activities shall strictly be limited to the specific transactions they are authorised to do and shall not extend beyond that scope. Any account that has been permitted to carry out such third-party transactions shall be appropriately flagged in the bank's CBS to ensure clear identification and to facilitate effective monitoring.

51L. A bank shall ensure that an accountholder, who is not licensed or authorised by the Reserve Bank to accept deposits or to provide payment services, do not engage in such activities through accounts maintained with them.

51M. Robust monitoring systems shall be implemented to detect the above prohibited usage, including mechanisms to flag accounts exhibiting unusually high transaction volumes, frequent pass-through activities, or inconsistencies between the accountholder's stated line of business and transactions carried out through the account.

51N. Term loans sanctioned by the bank shall preferably be remitted directly to the intended beneficiary's account(s) or for the specified end-



use, where such beneficiary is identifiable, rather than routing the funds through the borrower's account.

4. The above amendments shall come into force from April 1, 2026. Banks may however decide to implement the amendments in entirety from an earlier date.

Vaibhav Chaturvedi
(Chief General Manager)



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/152

DOR.RET.REC.358/12.01.001/2025-26

December 11, 2025

Reserve Bank of India (Local Area Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025

Please refer to [Reserve Bank of India \(Local Area Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025 dated November 28, 2025](#).

2. The Banking Laws (Amendment) Act, 2025 has amended various provisions, including the section 42 of Reserve Bank of India Act, 1934 and the sections 18 and 24 of Banking Regulation Act 1949, relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).

3. Pursuant to the enactment of the Banking Laws (Amendment) Act, 2025, the definition of 'Fortnight' has been amended from *"the period from Saturday to the second following Friday, both days inclusive"* to *"the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive"*. As notified in the Gazette of India dated December 08, 2025, the enactment date of the stated definition of fortnight is December 15, 2025. Consequently, the CRR and SLR maintenance and reporting in their returns i.e., Form A and Form VIII respectively, also stand revised to align with the amended definition of the fortnight.

4. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and pursuant to Section 42 of the Reserve Bank of India Act, 1934 and Sections 18 and 24 of Banking Regulation Act, 1949, as amended from time to time, 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

विनियमन विभाग, केंद्रीय कार्यालय, 12वीं और 13वीं मंज़िल, नरीमन भवन, नरीमन पॉइंट, मुंबई 400021
Department of Regulation, Central Office, 12th & 13th Floor, Nariman Bhavan, Nariman Point, Mumbai 400021

बैंक हिंदी में पत्राचार का स्वागत करता है

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.

public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

5. These Directions shall be called the Reserve Bank of India (Local Area Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Amendment Directions, 2025.

6. The provisions shall come into effect from December 15, 2025, except paragraph 7 (viii) (2), which shall be effective from December 12, 2025.

7. These Amendment Directions modify the [Reserve Bank of India \(Local Area Banks – Cash Reserve Ratio and Statutory Liquidity Ratio\) Directions, 2025](#) as under:

- (i) In paragraph 6 (14), the definition of '*Fortnight*' shall be redefined as '*Fortnight*' means the period from the first day to the fifteenth day of each calendar month or sixteenth day to the last day of each calendar month, both days inclusive.
- (ii) In paragraphs 6 (19), 8, 17, 19, 20, 21 the words '*Friday*' shall be substituted with '*day*'.
- (iii) In paragraph 26, the words '*each alternate Friday and*' shall be substituted with '*last day of each fortnight*', the word '*seven*' shall be substituted with '*five*' and the word '*provisional*' shall be deleted.
- (iv) In paragraph 27, the words '*reporting Friday*' shall be substituted with '*last day of each fortnight*' and the words '*that Friday*' shall be substituted with '*last day of such fortnight*'.
- (v) In paragraph 28, the words '*final*' and '*within 20 days from expiry of the relevant fortnight*' shall be deleted.
- (vi) The paragraph 30 shall be deleted.
- (vii) A paragraph 33 shall be substituted with following paragraph:

“Under the new reporting structure, as amended vide Banking Laws (Amendment) Act 2025, there shall be no Provisional or Final or Special Form A return. The banks are required to submit single Form A return. The new versions of Form A and Form VIII returns are available on the Centralised Information Management System (CIMS) portal with new return codes. The banks are required to submit fortnightly Form A return from December 15,

2025 and monthly Form VIII return from December 2025 on the CIMS portal. Form A and Form VIII are not to be submitted in hard copy / paper returns by LABs. The banks have to submit these returns in electronic form on CIMS portal using digital signatures of two authorised officials. While submitting these returns, banks have to ensure that the same is compliant with the prevalent IT laws of the country.”

- (viii) Two new paragraphs shall be inserted after paragraph 33, namely:
1. *“33 A. The maintenance of CRR and SLR during the fortnight December 16-31, 2025 and the first fortnight of January 2026 (i.e., January 1-15, 2026) is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025 and December 15, 2025, respectively. From the subsequent fortnights starting from January 16, 2026, the maintenance shall be done, as presently applicable, i.e., based on the NDTL as on the last day of the second preceding fortnight”.*
 2. *“33 B. During the transition period of three days i.e., December 13-15, 2025, the maintenance of CRR and SLR is to be done by the banks, based on the Net Demand and Time Liabilities (NDTL) as on November 28, 2025. Further, the banks shall maintain minimum CRR of not less than hundred per cent of the required CRR during the transition period. The banks shall also submit Form A return for December 12, 2025, as per the extant reporting structure. Further, the banks are advised to submit Form VIII return of December 2025 on CIMS portal, both with old and new return codes.”*
- (ix) In paragraph 34, the words '*alternate Fridays*' shall be substituted with '*last day of each fortnight*' and '*such Fridays*' / '*such Friday*' shall be substituted with '*such day*'.
- (x) In Annex I (Form A), the word '*Friday*' / '*that Friday*' shall be substituted with '*last day of the fortnight*' / '*last day of that fortnight*'.
- (xi) In Annex II (Form VIII),

- the '*First alternate Friday*', '*Second alternate Friday*', '*Third alternate Friday*' shall be substituted with '*15th day of the Month*' and '*Last day of the Month*'.
 - the word '*Friday*' shall be substituted with '*day*' / '*last day of the fortnight*'
- (xii) In paragraph 23(3)(iii), the word '*State Development Loans (SDLs) of the*' shall be substituted with '*State Government Securities of the respective*'.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager