Scale Based Regulations (SBR) for NBFC

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Introduction

The Reserve Bank of India (RBI) has undertaken a major regulatory reform by consolidating and reorganising its extensive body of circulars, guidelines, and directions issued over several decades. With the financial sector expanding and regulatory instructions accumulating across multiple entities and functions, compliance had become increasingly complex for Regulated Entities (REs).

To streamline this framework, RBI has consolidated more than **9,000** existing instructions into **238 function-wise Master Directions** covering **11 categories of regulated entities**, including Banks, NBFCs, AIFIs, ARCs, CICs, and Co-operative Banks. This initiative aims to enhance clarity, improve accessibility, and significantly reduce compliance burden, thereby supporting ease of doing business.

The RBI vide **Press Release dated November 28, 2025**, has issued **244 Master Directions, including 34 relating to NBFCs,** serving as the single, comprehensive repository of regulations administered by the Department of Regulation and withdrawn **9,445 circulars** as part of this consolidation.

List of Master Directions as applicable to NBFCs

The Master Directions, that are applicable to the Non-Banking Financial Companies (NBFC) are as under:

1. Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025.

2. Reserve Bank of India (Non-Banking Financial Companies - Account Aggregator) Directions, 2025.

3. Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions, 2025.

4. Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025.

5. Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Directions, 2025.

6. Reserve Bank of India (Non-Banking Financial Companies – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025.

7. Reserve Bank of India (Non-Banking Financial Companies – Concentration Risk Management) Directions, 2025.

List of Master Directions applicable to NBFCs

8. Reserve Bank of India (Non-Banking Financial Companies – Credit Cards: Issuance and Conduct) Directions, 2025.
9. Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025.
10. Reserve Bank of India (Non-Banking Financial Companies – Credit Information Reporting) Directions, 2025.
11. Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025.
12. Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025.
13. Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025.
14. Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025.
15. Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025.

List of Master Directions as applicable to NBFCs

16. Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025.

17. Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025.

18. Reserve Bank of India (Non-Banking Financial Companies – Peer to Peer Lending Platform) Directions, 2025.

19. Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025.

20. Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025.

21. Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.

22. Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025.

List of Master Directions as applicable to NBFCs

23. Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025.

24. Reserve Bank of India (Non-Banking Financial Companies – Securitisation Transactions) Directions, 2025.

25. Reserve Bank of India (Non-Banking Financial Companies – Transfer and Distribution of Credit Risk) Directions, 2025.

26. Reserve Bank of India (Non-Banking Financial Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025.

27. Reserve Bank of India (Non-Banking Financial Companies – Undertaking of Financial Services) Directions, 2025.

28. Reserve Bank of India (Non-Banking Financial Companies – Voluntary Amalgamation) Directions, 2025.

29. Reserve Bank of India (Core Investment Companies) Directions, 2025.

30. Reserve Bank of India (Housing Finance Companies) Directions, 2025.

List of Master Directions as applicable to NBFCs

31. Reserve Bank of India (Mortgage Guarantee Companies) Directions, 2025.

32. Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025.

33. Reserve Bank of India (Non-Operative Financial Holding Companies) Directions, 2025.

34. Reserve Bank of India (Standalone Primary Dealers) Directions, 2025.

DIRECTIONS APPLICABLE TO NBFC - BASE LAYER

(NOT AVAILING PUBLIC FUNDS AND NOT HAVING ANY CUSTOMER INTERFACE)

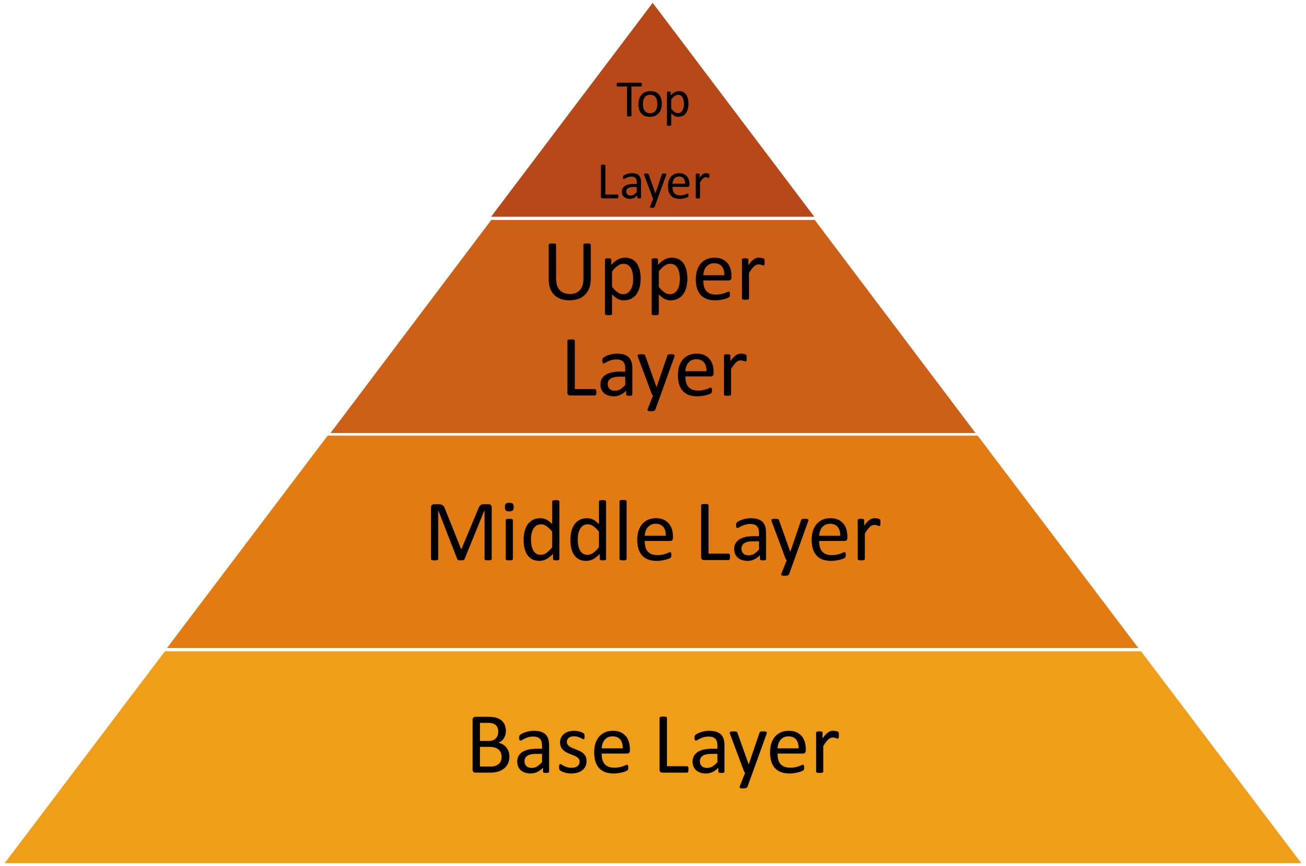
Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Definitions

- **‘Companies in the group’** means an arrangement involving two or more entities related to each other through any of the following relationships: Subsidiary – parent (defined in terms of AS 21), Joint venture (defined in terms of AS 27), Associate (defined in terms of AS 23), Promoter – Promotee [as provided in the SEBI (Acquisition of Shares and Takeover) Regulations, 1997] for listed companies, a related party (defined in terms of AS 18), common brand name, and investment in equity shares of 20 percent and above.
- **‘Customer Interface’** means interaction between the NBFC and its customers while carrying on its business.
- **‘NBFC-Investment and Credit Companies (NBFC-ICC)’** means any company which is a financial institution carrying on as its principal business - asset finance, the providing of finance whether by making loans or advances or otherwise for any activity other than its own and the acquisition of securities; and is not any other category of NBFCs as defined by the Reserve Bank in any of its Master Directions.
- **‘Public Funds’** includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding five years from the date of issue.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Categorization of NBFCs



Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Categorization of NBFCs

❑ **Base Layer:**

The Base Layer shall comprise of :

- Non-deposit taking NBFCs below the asset size of ₹1,000 crores;
- NBFC-Peer to Peer Lending Platform (NBFC-P2P);
- NBFC-Account Aggregator (NBFC-AA);
- Non-Operative Financial Holding Company (NOFHC); and
- NBFCs not availing public funds and not having any customer interface.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Categorization of NBFCs

❑ **<u>Middle Layer:</u>**

The Middle Layer shall consist of:

- All deposit taking NBFCs (NBFC-Ds), irrespective of asset size;
- Non-deposit taking NBFCs with asset size of ₹1,000 crores and above;
- Standalone Primary Dealers (SPDs);
- Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs);
- Core Investment Companies (CICs);
- Housing Finance Companies (HFCs); and
- Non-Banking Financial Company – Infrastructure Finance Companies (NBFC-IFCs).

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Categorization of NBFCs

- **Upper Layer:**

  The Upper Layer shall comprise of those NBFCs which are specifically identified by the Reserve Bank as warranting enhanced regulatory requirement based on the set of parameters and scoring methodology as provided in paragraphs 24 to 26 of these Directions.

- **Top Layer**

  The Top Layer will ideally remain empty. This layer can get populated if the Reserve Bank is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer. Such NBFCs shall move to the Top Layer from the Upper Layer.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Categorization of NBFCs

It is hereby clarified that:

- NBFC-P2P, NBFC-AA, NOFHC and **NBFC not availing public funds and not having any customer interface** will always remain in the Base Layer of the regulatory structure.
- NBFC-D, CIC, NBFC-IFC and HFC will be included in the Middle or the Upper Layer and not in the Base Layer.
- SPD and IDF-NBFC will always remain in the Middle Layer of the regulatory structure.
- NBFC-ICCs, NBFC-MFIs and MGCs can be placed in any of the layers depending on the parameters of the Directions.
- Government owned NBFCs shall be placed in the Base or the Middle Layer.
- From October 01, 2022, all references to NBFC-ND (i.e., non-systemically important non-deposit taking NBFC) shall mean NBFC-BL, as the case may be.
- Existing NBFC – ND – SIs having asset size of Rs. 500 crore and above but below Rs. 1,000 crore (except that necessarily featuring in ML) will be in base layer.
- From October 01, 2022, all references to NBFC-D (i.e., deposit taking NBFC) and NBFC-ND-SI (systemically important non-deposit taking NBFC) shall mean NBFC-ML or NBFC-UL, as the case may be.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Multiple NBFCs in a Group

- NBFCs that are part of a common Group or are floated by a common set of promoters shall not be viewed on a standalone basis. The total assets of all the NBFCs in a Group shall be consolidated to determine the threshold for their classification in the Middle Layer
- If the consolidated asset size of the NBFCs in the Group is ₹ 1000 crore and above, then each NBFC-ICC, NBFC-MFI, NBFC Factor and MGC lying in the Group shall be classified as an NBFC in the Middle Layer.
- Statutory Auditors are required to certify the asset size (as on March 31) of all the NBFCs in the Group every year. The certificate shall be furnished to the Department of Supervision of the Reserve Bank under whose jurisdiction the NBFCs are registered.
- Once an NBFC reaches an asset size of ₹1000 crore or above, it shall be subject to the regulatory requirements as per Middle Layer despite not having such assets as on the date of last balance sheet.
- There may be situations where the asset size of an NBFCs can fall below ₹1000 crore in a given month, due to temporary fluctuations and not due to actual downsizing. In such a case the NBFC shall continue to meet the reporting requirements and shall comply with the extant directions as applicable to NBFC-ML, till the submission of its next audited balance sheet to the Reserve Bank and a specific dispensation from the Reserve Bank in this regard.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Registration Requirement

- **<u>Principal Business Criteria</u>**

Any company which carries on the business of a non-banking financial institution as its principal business as defined in section 45I(c) read with section 45I(f) of the RBI Act, 1934 shall be treated as an NBFC and would be requiring registration under Section 45IA of the Act.

In terms of Press Release 1998-99/1269 dated April 08, 1999 and in order to identify a company as an NBFC, the following Principal Business Criteria is to be met:

*"A company will be treated as an NBFC, if its **financial assets are more than 50 per cent of its total assets** (netted off by intangible assets) and **income from financial assets is more than 50 per cent of its gross income**. Both these tests are required to be satisfied as the determinant factor for determining principal business of a company."*

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Registration Requirement

- **Net Owned Fund Requirement**

The minimum NOF requirement to carry on the business of non-banking financial institution for NBFC-ICC, NBFC-MFI and NBFC-Factor shall be Rs. 10 crore which shall be gradually achieved in the manner specified as under:

NBFCs	Current NOF	By 31st March, 2025	By 31st March, 2027
NBFC – ICC	Rs. 2 crore	Rs. 5 crore	Rs. 10 crore
NBFC – MFI	Rs. 5 crore (Rs. 2 crore in NE region)	Rs. 7 crore (Rs. 5 crore in NE Region)	Rs. 10 crore
NBFC – Factor	Rs. 5 crore	Rs. 7 crore	Rs. 10 crore

For NBFC-P2P, NBFC-AA, and **NBFC not availing public funds and not having any customer interface, the NOF shall be Rs. 2 crore.**

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Registration Requirement

- **Computation of Net Owned Fund**

Net-Owned Fund means Owned Funds as reduced by the following:

I. **Investments in:**
   - Subsidiaries;
   - Companies in the same group either directly or indirectly, through an Alternative Investment Fund (AIF); Provided the funds in the AIF (in company form) have come from NBFC to the extent of 50 per cent or more; or where the beneficial owner in the case of AIF (in trust form) is the NBFC and 50 per cent of the funds in the trust have come from the NBFC; and
   - Other NBFCs

II. **Loans to:**
   - Subsidiaries; and
   - Companies in the same group;

in excess of 10 per cent of aggregate of the paid-up equity capital and free reserves.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Registration Requirement

- **Computation of Net Owned Fund**

Notes:

“Beneficial ownership" shall mean holding the power to make or influence decisions in the trust and being the recipient of benefits arising out of the activities of the trust. In arriving at the NOF, the substance would take precedence over form.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Registration Requirement

- **Investment from FATF non-compliant jurisdictions**

- Investments in NBFCs from FATF non-compliant jurisdictions shall not be treated at par with those from the compliant jurisdictions.

- New investors from or through non-compliant FATF jurisdictions, whether in existing NBFCs or in companies seeking CoR, should not be allowed to directly or indirectly acquire ‘significant influence’ in the investee.

- fresh investors (directly or indirectly) from such jurisdictions in aggregate should be less than the threshold of 20 per cent of the voting power (including potential voting power) of the NBFC.

- Investors in existing NBFCs holding their investments prior to the classification of the source or intermediate jurisdiction/s as FATF non-compliant, may continue with the investments or bring in additional investments as per extant regulations so as to support continuity of business in India.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025

Registration Requirement

- **Investment from FATF non-compliant jurisdictions**

Notes:

Potential voting power could arise from instruments that are convertible into equity, other instruments with contingent voting rights, contractual arrangements, etc. that grant investors voting rights (including contingent voting rights) in the future. In such cases, it should be ensured that new investments from FATF non-compliant jurisdictions are less than both (i) 20 percent of the existing voting powers and (ii) 20 percent of existing and potential voting powers assuming those potential voting rights have materialised.

Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions, 2025

Acquisition of Shareholding or Control of NBFCs

- An NBFC shall require prior written permission of RBI for the following:
  - Any takeover or acquisition of control of the NBFC, may or may not result in change of management;
  - Any change in the shareholding of the NBFC, including progressive increases over time, which would result in acquisition/ transfer of shareholding of 26 percent.

  Provided that, prior approval would not be required in case of any shareholding going beyond 26 percent due to buyback of shares/reduction in capital where it has approval of a competent Court. However, the same is to be reported to the Reserve Bank not later than one month from its occurrence.

- An NBFC shall submit an application, through **PRAVAAH**, in the company's letter head, for obtaining prior approval of the Reserve Bank, along with the requisite documents, as prescribed.

Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions

Experience of the Board

Considering the need for professional experience in managing the affairs of NBFCs, at least one of the directors shall have relevant experience of having worked in a bank/ NBFC.

Risk Management Committee

In order that the Board is able to focus on risk management, NBFCs shall constitute a Risk Management Committee (RMC) either at the Board or executive level. The RMC shall be responsible for evaluating the overall risks faced by the NBFC including liquidity risk and will report to the Board.

Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions

Change in Directors and / or Management

- An NBFC shall obtain prior written permission of RBI for any change in the management of the NBFC, which would result in change in more than 30 percent of the directors, excluding independent directors.

- Provided that, prior approval would not be required in case of directors who get re-elected on retirement by rotation.

- An NBFC shall submit an application for change in management, as stated above, on the company's letter head, for obtaining prior approval of RBI. Applications in this regard shall be submitted to RBI through **PRAVAAH** portal along with the documents indicated under the relevant process on the portal.

Note:

'Independent Director' shall be as defined in Section 149(6) of the Companies Act, 2013

Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025

Declaration of Dividend

- The Board of Directors, while considering the proposals for dividend, shall take into account the following aspects:

- Qualifications in the auditors’ report to the financial statements; and
- Long term growth plans.

- An NBFC shall comply with the following before declaration of dividend:

- It shall comply with the provisions of Section 45IC of the Reserve Bank of India Act, 1934.
- An NBFC shall be compliant with the prevailing regulations / guidelines issued by the Reserve Bank. The Reserve Bank should not have placed any explicit restrictions on declaration of dividend.

- Proposed dividend shall include dividend on both equity shares and compulsorily convertible preference shares eligible for inclusion in Owned Fund.

Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025

Declaration of Dividend

- In case the net profit for the relevant period includes any exceptional and / or extra-ordinary profits / income or the financial statements are qualified (including ’emphasis of matter’) by the statutory auditor that indicates an over-statement of net profit, the same shall be reduced from net profit while determining the dividend payout ratio.
- There is no restriction on dividend pay out ratio.

Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025

Declaration of Dividend

- An NBFC declaring dividend shall report details of dividend declared during the Quarter/Half-Year/Financial-Year as per the following format within a fortnight after declaration of dividend to the Regional Office of the Department of Supervision of the Reserve Bank, under whose jurisdiction it is registered:

Details of dividend declared during the financial year beginning on April 1, 20________

Name of the NBFC: _______________

Accounting Period	Net profit for the accounting period (in ₹ crore)	Rate of Dividend (in %)	Amount of dividend (in ₹ crore)	Dividend payout Ratio (in %)

Reserve Bank of India (Non-Banking Financial Companies - Voluntary Amalgamation) Directions, 2025

No Objection Certificate (NOC) / Approval by RBI

NBFCs, before approaching any Court or Tribunal, shall seek No Objection Certificate (NOC) / prior approval of RBI, for the following:

- **Amalgamation of one NBFC with another NBFC**

- Both the entities shall seek NOC of RBI.
- The amalgamated NBFC shall surrender its Certificate of Registration for cancellation post-amalgamation.
- The amalgamating NBFC shall also seek prior approval of RBI if such an amalgamation satisfies any one or all of the conditions:
  - change in its control; or
  - change in shareholding of 26 percent or more of the paid up equity capital; or
  - change in its management which would result in change in more than 30 percent of the directors (excluding independent directors).

Reserve Bank of India (Non-Banking Financial Companies - Voluntary Amalgamation) Directions, 2025

No Objection Certificate (NOC) / Approval by RBI

- **Amalgamation of an NBFC with non-NBFC**

- The amalgamating NBFC shall seek prior approval of RBI and surrender its Certificate of Registration for cancellation post-amalgamation.
- The amalgamated entity shall approach RBI to seek registration as an NBFC, if it is likely to meet Principal Business Criteria post-amalgamation.

Reserve Bank of India (Non-Banking Financial Companies - Voluntary Amalgamation) Directions, 2025

No Objection Certificate (NOC) / Approval by RBI

❑ **Amalgamation of non-NBFC with an NBFC**

➢ The NBFC shall seek NOC of RBI.

➢ The NBFC shall also seek prior approval of RBI if such an amalgamation satisfies any one or all of the conditions:

- change in its control; or
- change in shareholding of 26 percent or more of the paid up equity capital; or
- change in its management which would result in change in more than 30 percent of the directors (excluding independent directors).

Provided that the amalgamated NBFC shall continue to fulfil the Principal Business Criteria after amalgamation to be eligible to hold the Certificate of Registration as an NBFC as per the relevant guidelines / directions, as amended from time to time.

Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025

Information with respect to change of address, directors, auditors, etc.

NBFCs shall communicate to the Regional Office of the Department of Supervision of the Reserve Bank, not later than one month from the occurrence of any change in:

→ the complete postal address, telephone number/s and fax number/s of the registered/ corporate office;

→ the names and residential addresses of the directors of the company;

→ the names and the official designations of its principal officers;

→ the names and office address of the auditors of the company; and

→ the specimen signatures of the officers authorised to sign on behalf of the company

Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025

NBFCs not be partners in partnership firms

- No NBFC shall contribute to the capital of a partnership firm or become a partner of such firm.
- Partnership firms shall also include Limited Liability Partnerships (LLPs).
- The aforesaid prohibition shall also be applicable in respect of Association of persons, these being similar in nature to partnership firms.
- NBFCs which had already contributed to the capital of a partnership firm/LLP/Association of persons or are a partner of a partnership firm/LLP or member of an Association of persons shall seek early retirement from the partnership firm/LLP/Association of persons.

Non-Reckoning of Fixed Deposits with banks as Financial Assets

- Investments in fixed deposits shall not be treated as financial assets and receipt of interest income on fixed deposits with banks shall not be treated as income from financial assets.
- Bank deposits can be used only for temporary parking of idle funds, and/or in cases where the funds are parked in fixed deposits initially to fulfil the requirement of registration as NBFC, i.e., NOF of ₹10 crore, till commencement of NBFI business.

Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025

Use of electronic payment system

NBFCs shall take proactive steps for increasing the use of electronic payment systems, elimination of post-dated cheques and gradual phase-out of cheques in their day-to-day business transactions which would result in more cost-effective transactions and faster and accurate settlements.

Reserve Bank of India (Non-Banking Financial Companies - Acceptance of Public Deposits) Directions, 2025

Applicability

The provisions of Reserve Bank of India (Non-Banking Financial Companies - Acceptance of Public Deposits) Directions, 2025 shall not apply to an NBFC not accepting / holding any public deposit.

Provided that such NBFC shall pass in the meeting of its board of directors, within thirty days of the commencement of the next financial year and each subsequent financial year, a resolution to the effect that the company has neither accepted public deposit nor would accept any public deposit during the year.

Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Directions, 2025

Applicability

NBFCs intending to open or close branches abroad shall comply with the provisions of Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Directions, 2025.

Reserve Bank of India (Non-Banking Financial Companies – Credit Cards: Issuance and Conduct) Directions, 2025

Applicability

NBFCs intending to enter into the business of issuing issue credit cards shall comply with the provisions of Reserve Bank of India (Non-Banking Financial Companies – Credit Cards: Issuance and Conduct) Directions, 2025.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

Definition of Outsourcing

'Outsourcing' means use of a third party (either an affiliated entity within a corporate group or an entity that is external to the corporate group) by an NBFC to perform activities on a continuing basis that would normally be undertaken by the NBFC itself, now or in the future. 'Continuing basis' shall include agreements for a limited period

Role of the Board

- An NBFC intending to outsource any of its financial activities shall put in place corresponding comprehensive Board approved outsourcing policy which shall incorporate, inter alia, the following:
  1. criteria for selection of such activities and service providers;
  2. delegation of authority depending on risks, and materiality; and
  3. systems to monitor and review these activities.

- The Board or a Committee of the Board to which powers have been delegated, as applicable for financial outsourcing, shall be responsible for putting in place a framework to evaluate the risks and materiality of all existing and prospective outsourcing arrangements, laying down appropriate approval authorities depending on risks and materiality, and undertaking regular review.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

- The Board, or a Committee of the Board to which powers with respect to outsourcing of financial services have been delegated, shall be responsible, inter alia, for:
  - i. Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing arrangements and the policies that apply to such arrangements;
  - ii. laying down appropriate approval authorities for outsourcing depending on risks and materiality;
  - iii. setting up suitable administrative framework of Senior Management;
  - iv. undertaking regular review of outsourcing strategies and arrangements for their continued relevance, and safety and soundness;
  - v. deciding on business activities of a material nature to be outsourced, and approving such arrangements;
  - vi. approving a policy for outsourcing financial services to a group entity; and
  - vii. reviewing records of all material outsourcing on half yearly basis, in which case the delegation should be to Risk Management Committee only.

- The Audit Committee of the Board (ACB) of an NBFC shall:
  - i. monitor the system of internal audit of all outsourced activities; and
  - ii. review the ageing analysis of entries pending reconciliation with outsourced vendors and make efforts to reduce the old outstanding items therein at the earliest.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

Material Outsourcing

'Material Outsourcing' means arrangements, which if disrupted, have the potential to significantly impact the business operations, reputation or profitability or customer service. 'Materiality' of outsourcing shall be based on the:

i. level of importance to the NBFC of the activity being outsourced as well as the significance of the risk posed by the same;

ii. potential impact of the outsourcing on the NBFC on various parameters such as earnings, solvency, liquidity, funding, capital, and risk profile;

iii. likely impact on the NBFC's reputation and brand value, and ability to achieve its business objectives, strategy, and plans, should the service provider fail to perform the service;

iv. cost of the outsourcing as a proportion of total operating costs of the NBFC;

v. aggregate exposure to that particular service provider, in cases where the NBFC outsources various functions to the same service provider; and

vi. significance of activities outsourced in the context of customer service and protection.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

Activities that shall not be outsourced

An NBFC which chooses to outsource financial services shall however not outsource core management functions including Internal Audit, strategic and compliance functions, and decision-making functions such as management of investment portfolio.

Provided that for an NBFC in a group / conglomerate, these functions may be outsourced within the group subject to compliance with the Directions.

Authorisation, Accountability, and Oversight

- The outsourcing of any activity by an NBFC shall not diminish its obligations including to RBI, and those of its Board and senior management, who have the ultimate responsibility for the outsourced activity. The NBFC shall retain ultimate control of the outsourced activity.

- An NBFC shall ensure that:
    i. all relevant laws, regulations, rules, guidelines and conditions of approval, licensing or registration have been considered when performing due diligence in relation to outsourcing;

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

ii. outsourcing, whether the service provider is located in India or outside, does not impede RBI in carrying out its supervisory functions and objectives, or diminish the ability of an NBFC to fulfil its obligations to the regulator / supervisor;

iii. outsourcing, whether the service provider is located in India or outside, does not impede or interfere with the ability of an NBFC to effectively oversee and manage its activities, and fulfil its obligations;

iv. outsourcing would not result in the compromise or weakening of an NBFC's internal control, business conduct, or reputation;

v. the service provider employs the same high standard of care in performing the services as would be employed by the NBFC, if the activities were conducted within the NBFC and not outsourced; and

vi. the service provider, if not a group company of the NBFC, shall not be owned or controlled by any director of the NBFC, or their relatives having the same meaning as assigned under Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

- An NBFC shall be responsible for making Currency Transactions Reports (CTRs) and Suspicious Transactions Reports (STRs) to FIU or any other competent authority in respect of its customer related activities carried out by the service providers.

Role of Senior Management

The Senior Management of an NBFC shall, inter alia, be responsible for:

i. evaluating the risks and materiality of all existing and prospective outsourcing, based on the framework approved by the Board or a Committee of the Board;

ii. developing and implementing sound and prudent outsourcing policies and procedures commensurate with the nature, scope, and complexity of the outsourcing;

iii. reviewing periodically the effectiveness of policies and procedures;

iv. communicating information pertaining to material outsourcing risks to the Board in a timely manner;

v. ensuring that contingency plans, based on realistic and probable disruptive scenarios, are in place and tested;

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

v. ensuring that there is independent review and audit for compliance with set policies; and

vi. undertaking periodic review of outsourcing arrangements to identify new material outsourcing risks as they arise.

Evaluation of Risk

An NBFC shall evaluate and guard against the following key risks when entering into outsourcing arrangement:

i. Strategic Risk;
ii. Reputation Risk;
iii. Compliance Risk;
iv. Operational Risk;
v. Legal Risk;
vi. Exit Strategy Risk; and
vii. Contractual Risk.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

Confidentiality and Security of Information

An NBFC shall review and monitor the security practices and control processes of its service providers on a regular basis and require the service provider to disclose security breaches.

Outsourcing Process

An NBFC shall perform the following process while entering into an Outsourcing Agreement:

- Service Provider Evaluation;
- Outsourcing Agreement;
- Monitoring and Control of Outsourced Activities;
- Business Continuity and Management of Disaster Recovery Plan; and
- Termination.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

Outsourcing within a Group / Conglomerate

In a group structure, an NBFC may have back-office and service arrangements or agreements with group entities such as sharing of premises, legal and other professional services, hardware and software applications and centralized back office functions; outsourcing certain financial services to other group entities. Before entering into such arrangements with group entities, an NBFC shall have a policy approved by the Board or a Committee of the Board and also Service Level Agreements (SLAs) with its group entities, which shall also cover demarcation of sharing resources, e.g., premises, and personnel.

Non-Applicability

The provisions of these Directions shall not apply to:

- activities unrelated to financial services like usage of courier, catering of staff, housekeeping and janitorial services, security of the premises, movement and archiving of records, etc.

- any maintenance service (including security patches, and bug fixes) for IT infrastructure or licensed products, provided by the Original Equipment Manufacturer (OEM) themselves, in order to ensure continued usage of the same by the NBFC.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

- applications provided by financial sector regulators or institutions such as Clearing Corporation of India Limited (CCIL), National Stock Exchange (NSE), and Bombay Stock Exchange (BSE);
- platforms provided by entities such as Reuters, Bloomberg, and Society for Worldwide Interbank Financial Telecommunication (SWIFT);
- any other off-the-shelf products (e.g., anti-virus software, and email solutions) subscribed to by an NBFC, wherein only a license is procured with no or minimal customisation;
- services obtained by an NBFC as a sub-member of a Centralised Payment System (CPS) from another RE;
- Business Correspondent (BC) services, payroll processing, and statement printing

Reserve Bank of India (Non-Banking Financial Companies – Undertaking of Financial Services) Directions, 2025

Opening Subsidiary / Joint Venture / or Undertaking Investment Abroad

An NBFC shall obtain prior approval of the RBI for opening of subsidiary / joint venture or undertaking investment abroad. The application from the NBFC seeking No Objection shall be considered subject to compliance with general and specific conditions prescribed in the said Directions.

Expansion of activities through automatic route

An NBFC receiving Foreign Direct Investment (FDI) under the automatic route shall be permitted to undertake only those activities that are permissible under the automatic route and shall comply with the conditions prescribed in the said Directions.

Entry into Insurance Business

An NBFC shall make an application for entry into the insurance business, along with necessary particulars duly certified by its statutory auditors, through **PRAVAAH** Portal to the Department of Regulation (DoR), Central Office, RBI and shall comply with the conditions prescribed in the said Directions.

Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)

Applicability

The provisions of these Directions shall, unless otherwise provided, apply to all Non-Banking Financial Companies in the Base Layer with asset size of Rs. 500 Crore and above.

Governance Structure for Fraud Risk Management

There shall be a Board approved Policy on Fraud Risk Management which shall at minimum include:

- Roles and responsibilities of Board / Board Committees and Senior Management of the NBFC.
- Measures for ensuring compliance with principles of natural justice specifically in relation to serving a notice, giving an opportunity to submit a representation before classifying Persons / Entities as fraud and passing a reasoned order.
- System for issuance of Show Cause Notice (SCN) and examination of the responses / submissions made by the Persons/Entities prior to declaring such Persons / Entities as fraudulent.
- Passing of reasoned Order containing relevant facts / circumstances relied upon, submission made against the SCN and the reasons for classification as fraud or otherwise.

The Policy shall be reviewed at least once in three years

Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)

Special Committee of the Board for Monitoring and Follow-up of cases of Frauds

- NBFCs shall constitute a Committee of the Board to be known as 'Special Committee of the Board for Monitoring and Follow-up of cases of Frauds (SCBMF)'.
- The SCBMF shall consist of minimum of three members of the Board, consisting of:
  - Chief Executive Officer; and
  - Two Independent Directors.

Note: In case the Chief Executive Officer is not a Whole-Time Director, a Managing Director to be appointed as member of the SCBMF.

- NBFCs in the Base Layer, shall have the option of constituting a Committee of the Executives (CoE).
- The CoE shall have a minimum of three members.
- At least one member of CoE shall be a Whole-time director or equivalent rank Official who shall perform the roles and responsibilities of SCBMF

Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)

Roles and Responsibilities of SCBMF

- To oversee the effectiveness of the fraud risk management in the NBFC
- To review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

Roles and Responsibilities of Senior Management

- To oversee implementation of the fraud risk management policy approved by the Board of the NBFC.
- To place before the Board/Audit Committee a periodic review of incidents of fraud.

Whistle Blower Policy

NBFCs shall put in place a Whistle Blower Policy to facilitate a transparent mechanism to ensure that Whistle Blower complaints on possible fraud cases / suspicious activities in account(s) are examined and concluded appropriately.

Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)

Disclosure

NBFCs shall disclose the amount related to fraud reported in the company for the year in the Notes to Accounts of the Financial Statements.

Reporting of Fraud

- NBFCs shall immediately report the incidents of fraud to appropriate Law Enforcement Agencies (LEAs) viz. State Police authorities, etc.
- NBFCs shall establish suitable nodal point(s) / designate officer(s) for reporting incidents of fraud to LEAs and for proper coordination .
- NBFCs shall also report the incidents of fraud to RBI through Fraud Monitoring Returns (FMRs).
- NBFCs shall also report frauds perpetrated in their group entities to RBI separately, if such entities are not regulated / supervised by any financial sector regulatory / supervisory authority. The group entities will have to comply with the principles of natural justice before declaration of fraud.
- NBFCs may withdraw FMR / remove name(s) of perpetrator(s) from FMR, with due justification and with the approval of an official at least in the rank of a director.

Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)

Reporting Cases of Theft, Burglary, Dacoity and Robbery

- NBFCs shall report instances of theft, burglary, dacoity and robbery, including attempted cases, to Fraud Monitoring Group (FMG), Department of Supervision, Central Office, Reserve Bank of India, immediately and not later than seven days from their occurrence.
- NBFCs shall also submit a quarterly Return (RBR) on theft, burglary, dacoity and robbery to RBI using online portal, covering all such cases during a quarter, within 15 days from the end of the quarter to which it relates.

Master Direction - Information Technology Framework for the NBFC Sector

Applicability

The Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023, is applicable only to NBFCs in the Top Layer, Upper Layer and Middle Layer. However, it has been expressly provided in the said Directions that the Master Direction - Information Technology Framework for the NBFC Sector dated June 08, 2017 have been repealed only for the said layers.

Therefore for NBFCs in the Base Layer are required to comply with the provisions of the Master Direction - Information Technology Framework for the NBFC Sector dated June 08, 2017.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

IT Governance Structure

- Board of Directors
- IT Strategy Committee
- CEOs
- Business Executives
- Chief Information Officers (CIOs)
- Chief Technology Officers (CTOs)
- IT Steering Committee
- Chief Risk Officer
- Risk Management Committee

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

IT Strategy Committee

- NBFCs are required to form an IT Strategy Committee at executive level, consisting of:
  - Independent Director acting as Chairman of the Committee;
  - CIO;
  - CTO; and
  - Such other members, as decided by the Board.
- Committee should meet at an appropriate frequency but not more than six months should elapse between two meetings.
- The Committee shall carry out review and amend the IT strategies in line with the corporate strategies.
- The Committee shall also review the Board Policy, cyber security arrangements and any other matter related to IT Governance.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

Roles and Responsibilities of IT Strategy Committee

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

IT Policy

- NBFCs may formulate a Board approved IT Policy, in line with the objectives of their organisation comprising the following:
- An IT organizational structure commensurate with the size, scale and nature of business activities carried out by the NBFC.
- NBFCs may designate a senior executive as the Chief Information Officer (CIO) or in-Charge of IT operations whose responsibility is to ensure implementation of IT Policy
- To ensure technical competence, IT training requirements should be formulated to ensure that sufficient, competent and capable human resources are available.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

Information and Cyber Security

- Information Security (IS)

  NBFCs must have a Board approved IS Policy with the following basic tenets:

  - Confidentiality.
  - Integrity.
  - Availability.
  - Authenticity.
  - IS Framework, consisting of:
    - Identification and Classification of Information Assets.
    - Segregation of Functions.
    - Role based Access Control.
    - Personnel Security.
    - Physical Security.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

Information and Cyber Security

- ❖ Maker-Checker.
- ❖ Incident Management.
- ❖ Trails.
- ❖ Public Key Infrastructure (PKI).

❑ <u>Cyber Security</u>

- The Cyber Security Framework of an NBFC shall consist of:
- A Board approved Cyber Security Policy.
- Vulnerability Management.
- Cyber security preparedness indicators.
- Cyber Crisis Management Plan.
- Sharing of information on cyber-security incidents with RBI.
- Cyber-security awareness among stakeholders / Top Management / Board.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

Information and Cyber Security

- Digital Signatures.
- IT Risk Assessment.
- Mobile Financial Services.
- Social Media Risks.
- Training.

IT Operations

IT Operations should support processing and storage of information, such that the required information is available in a timely, reliable, secure and resilient manner. The Board or Senior Management should take into consideration the risk associated with existing and planned IT operations and the risk tolerance and then establish and monitor policies for risk management. The IT Operations consists of the following activities:

- Acquisition and Development of Information Systems (New Application Software) and Change Management.
- Realignment of IT Systems on a regular basis.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

- IT Enabled Management Information System.
- To put in place MIS that assist the Top Management as well as the business heads in decision making.
- MIS for Supervisory requirements.

IS Audit

IS Audit should form an integral part of Internal Audit system of the NBFC. The objective of the IS Audit is to provide an insight on the effectiveness of controls that are in place to ensure confidentiality, integrity and availability of the NBFC's IT infrastructure. IS Audit shall identify risks and methods to mitigate risk arising out of IT infrastructure such as server architecture, local and wide area networks, physical and information security, telecommunications etc.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

Business Continuity Planning (BCP) and Disaster Recovery

- NBFC should adopt a Board approved BCP Policy.
- The functioning of BCP shall be monitored by the Board by way of periodic reports.
- The CIO shall be responsible for formulation, review and monitoring of BCP to ensure continued effectiveness.
- The BCP may have the following salient features:
    - Business Impact Analysis.
    - Recovery strategy/ Contingency Plan.
    - Setting-up Back-up sites.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

IT Services Outsourcing

NBFCs shall have in place a Board approved Policy on Outsourcing of IT Services. The Board of Directors of NBFCs is responsible for effective due diligence, oversight and management of outsourcing and accountability for all outsourcing decisions. The Board and IT Strategy committee have the responsibility to institute an effective governance mechanism and risk management process for all IT outsourced operations.

The role of IT Strategy Committee in respect of outsourced operations shall include:

a) Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;

b) Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;

c) Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;

d) Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangements;

e) Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size above Rs. 500 Crore

IT Services Outsourcing

f) Periodically reviewing the effectiveness of policies and procedures;

g) Communicating significant risks in outsourcing to the NBFC’s Board on a periodic basis;

h) Ensuring an independent review and audit in accordance with approved policies and procedures;

i) Ensuring that contingency plans have been developed and tested adequately;

j) NBFC should ensure that their business continuity preparedness is not adversely compromised on account of outsourcing. NBFCs are expected to adopt sound business continuity management practices as issued by RBI and seek proactive assurance that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis.

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size below Rs. 500 Crore

Recommendations

- To develop basic IT systems mainly for maintaining the database.
- To have in place a Board approved Information Technology policy/Information system policy.
- To have in place adequate IT Systems, which should be progressively scaled up as the size and complexity of NBFC's operations increases.
- The IT system shall at least consist of:
  - Basic security aspects such as physical/ logical access controls and well defined password policy;
  - A well-defined user role;
  - A Maker-checker concept to reduce the risk of error and misuse and to ensure reliability of data/information;
  - Information Security and Cyber Security;
  - Requirements as regards Mobile Financial Services, Social Media and Digital Signature Certificates;
  - System generated reports for Top Management summarising financial position including operating and non-operating revenues and expenses, cost benefit analysis of segments/verticals, cost of funds, etc.;

Master Direction - Information Technology Framework for the NBFC Sector – For NBFCs with asset size below Rs. 500 Crore

- Adequacy to file regulatory returns to RBI;
- A BCP policy duly approved by the Board ensuring regular oversight of the Board by way of periodic reports;
- Arrangement for backup of data with periodic testing.

Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions - 2024

S. No.	Name of the Return	Periodicity	Due Date
1.	**DNBS02 – Important Financial Parameters** [Components of assets and liabilities, profit and loss account, etc. as well as for complying with various prudential norms.]	Quarterly [31st March / 30th June / 30th September / 31st December]	Within 21 days from the end of each quarter.
2.	**DNBS10 – Statutory Auditor Certificate (SAC)** [All NBFCs shall enable their Statutory Auditors to submit 'DNBS10 - Statutory Auditor's Certificate (SAC) Return' every year. The certificate shall be based on audited books of accounts of the applicable entity, for the preceding financial year.]	Yearly [31st March]	Within 5 working days from the date of signing of the Auditor's report, but not later than December 31st of same year, in any case.

Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions - 2024

S. No.	Name of the Return	Periodicity	Due Date
3.	**DNBS13 – Overseas Investment Details** [All the NBFCs shall submit information on their overseas investment and returns on a quarterly basis. In case, there are no overseas investments during the reporting quarter, a **'NIL'** return shall be submitted.]	Quarterly [31st March / 30th June / 30th September / 31st December]	Within 21 days from the end of each quarter.
4.	**Form A Certificate** [Certificate to be submitted by NBFCs regarding appointment of Statutory Central Auditor (SCA)/ Statutory Auditor (SA) in prescribed format.]	Yearly [31st March]	Within one month from the date of appointment of Statutory Central Auditor (SCA)/Statutory Auditor (SA).

Non-Applicability of Master Directions

The following Master Directions shall not be applicable to NBFC, not having any customer interface and not availing any public funds:

- ✓ Reserve Bank of India (Non-Banking Financial Companies - Account Aggregator) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Concentration Risk Management) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Credit Information Reporting) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025.

Non-Applicability of Master Directions

- ✓ Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Peer to Peer Lending Platform) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Securitisation Transactions) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Transfer and Distribution of Credit Risk) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025.

Non-Applicability of Master Directions

- ✓ Reserve Bank of India (Core Investment Companies) Directions, 2025.
- ✓ Reserve Bank of India (Housing Finance Companies) Directions, 2025.
- ✓ Reserve Bank of India (Mortgage Guarantee Companies) Directions, 2025.
- ✓ Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025.
- ✓ Reserve Bank of India (Non-Operative Financial Holding Companies) Directions, 2025.
- ✓ Reserve Bank of India (Standalone Primary Dealers) Directions, 2025.

Note: The Master Direction – Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016 has been repealed by the RBI vide Press Release dated November 28, 2025, however no new directions have been issued in its place.

THANK YOU