



## **Reserve Bank of India (All India Financial Institutions – Responsible Business Conduct) Amendment Directions, 2026**

The Reserve Bank of India has issued the *Reserve Bank of India (All India Financial Institutions – Responsible Business Conduct) Amendment Directions, 2026* on April 29, 2026, pursuant to the *Reserve Bank of India (All India Financial Institutions – Resolution of Stressed Assets) Amendment Directions, 2026* issued on the same date. Exercising powers under Section 45L of the Reserve Bank of India Act, 1934, RBI has introduced a new provision under Chapter IV (Miscellaneous Instructions) establishing a framework for relief measures by All India Financial Institutions (“AIFIs”) in areas affected by declared calamities.

### **Analysis**

- A new Part B titled “Measures in case of declaration of calamity” has been inserted under Chapter IV of the Directions.
- New Paragraph 33A permits AIFIs to extend discretionary relief measures, including waiver or reduction of fees and charges, to customers located in officially declared calamity-affected areas for a maximum period of one year.
- The framework provides flexibility to AIFIs in determining the nature and scope of relief measures based on institutional assessment and operational considerations.
- The amendment reflects RBI’s policy objective of strengthening responsible business conduct and customer protection during external distress events such as natural calamities.
- AIFIs will need to establish internal policies and operational systems for identifying eligible customers, implementing relief measures, and ensuring consistent application across affected geographies.
- The framework complements existing stressed asset resolution mechanisms by focusing on immediate financial relief rather than long-term restructuring.
- **Key Takeaways**
  - Insertion of a new provision (Paragraph 33A) under Chapter IV for calamity-related relief measures
  - AIFIs permitted to waive or reduce fees and charges for affected customers
  - Applicability limited to areas where a calamity has been officially declared



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- Relief measures are discretionary and valid for a maximum period of one year
  - Issued under Section 45L of the Reserve Bank of India Act, 1934
  - The amendment shall come into force with effect from July 1, 2026.
  - Requires AIFIs to establish internal frameworks for implementation and monitoring
- The notification is attached herein.

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