



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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April 29, 2026

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

Please refer to [Reserve Bank of India \(All India Financial Institutions – Resolution of Stressed Assets\) Amendment Directions, 2026 dated April 29, 2026](#).

2. Consequent to the aforesaid Amendment Directions, in exercise of the powers conferred by the section 45L of the Reserve Bank of India Act, 1934 and all other 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. These Amendment Directions modify the Directions as under:

i. Paragraph 47A and 47B shall be inserted as under:

47A. If a resolution plan is implemented in adherence to the provisions of Chapter VI-A of the [Reserve Bank of India \(All India Financial Institutions – Resolution of Stressed Assets\) Directions, 2025 dated November 28, 2025](#), borrower accounts which are classified as ‘Standard’ may be retained as such upon implementation. Borrower accounts which may have slipped into NPA between the date of occurrence of the calamity and implementation of the resolution plan, shall be upgraded as ‘Standard’, upon implementation of the resolution plan.

Provided that after implementation of the resolution plan, the subsequent asset classification shall be governed by the criteria laid out in these Directions.

47B. Accounts which are restructured under paragraph 119I to 119Q of the [Reserve Bank of India \(All India Financial Institutions – Resolution of Stressed](#)

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हिंदी आसान हैं, इसका प्रयोग बड़ाइए

Assets) Directions, 2025 dated November 28, 2025, where a subsequent restructuring is necessitated under the provisions of Chapter VI-A of the aforementioned Directions, shall continue to be classified as 'Standard'.

ii. The following shall be inserted in Chapter IV - Provisioning Norms

B1. Additional specific provisioning in case of resolution plan implemented under Chapter VI-A of the Reserve Bank of India (All India Financial Institutions – Resolution of Stressed Assets) Directions, 2025

68A. An AIFI shall make an additional specific provision of five percent of the outstanding debt in respect of borrowers, for whom a resolution plan has been implemented in terms of Chapter VI-A of the Reserve Bank of India (All India Financial Institutions – Resolution of Stressed Assets) Directions, 2025. The additional specific provisions shall be over and above the applicable prudential provisions subject to a ceiling of hundred per cent.

68B. For accounts where repeated restructuring is necessitated in terms of Chapter VI-A of the Reserve Bank of India (All India Financial Institutions – Resolution of Stressed Assets) Directions, 2025, an AIFI shall make additional specific provisioning of five per cent of the outstanding debt for each instance of restructuring made under the aforesaid Directions. This additional specific provisioning shall be over and above the applicable prudential provisions subject to a ceiling of hundred per cent.

68C. The additional specific provisions maintained in terms of paragraph 68A and 68B above may be written back upon the borrower paying at least 20% of the outstanding debt with the bank, without slipping into NPA post implementation of the restructuring, and without being subjected to another restructuring.

68D. If the outstanding debt post-restructuring is only in the form of non-fund-based facilities or facilities in the nature of cash credit / overdraft, the additional specific provisions made in terms of paragraph 68A and 68B above can be reversed after one year, post implementation of the restructuring, provided the borrower was not in default at any point of time during the period concerned. In case the borrower defaults during the above period, the conditions for reversal

of additional specific provision, mentioned above, shall be tested from the date of rectification of default.

- iii. In Chapter V – Income Recognition, paragraph 116A and 116B shall be inserted as under:

116A. Interest income recognition in respect of borrower accounts where resolution plan has been implemented in terms of Chapter VI-A of the [Reserve Bank of India \(All India Financial Institutions – Resolution of Stressed Assets\) Directions, 2025 dated November 28, 2025](#), shall be on accrual basis.

116B. For accounts specified at paragraph 68B of these Directions, interest income shall be recognized on cash basis.

4. The above amendment shall come into force with effect from July 1, 2026.

(Vaibhav Chaturvedi)
Chief General Manager