



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2026-27/139

DOR.SOG(SPE).REC.119/13.03.00/2026-27

June 17, 2026

**Reserve Bank of India (Small Finance Banks – Interest Rate on Deposits)
Amendment Directions, 2026**

Please refer to the [Reserve Bank of India \(Small Finance Banks – Interest Rate on Deposits\) Directions, 2025](#) (hereinafter referred to as 'Directions'), dated November 28, 2025. On a review, it has been decided to temporarily withdraw interest rate ceiling on fresh FCNR(B) deposits of 3-5 year tenors and restriction on interest rates on NRE deposits of 3 year and above tenors, including the deposits that are renewed upon maturity, from the date of this Amendment Directions till September 30, 2026.

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

3. These Amendment Directions shall be called the Reserve Bank of India (Small Finance Banks – Interest Rate on Deposits) Amendment Directions, 2026.

4. These Amendment Directions shall come into effect from the date of issue.

5. These Amendment Directions shall modify the Directions, as under:

(1) In **Chapter IV** on Rupee Deposits of Non-Residents, the **paragraph 26(4)** shall be amended as under:

Interest rates on NRE / NRO deposits shall not be higher than those offered by the bank on comparable domestic rupee term deposits¹.

¹ *The said restriction with respect to interest rates offered on fresh NRE deposits mobilised by banks, including the deposits that are renewed upon maturity, for three years and above tenors, is temporarily withdrawn with effect from June 17, 2026, for the period until September 30, 2026. Any transfer from NRO accounts to NRE accounts shall not qualify for such exemption.*

(2) In **Chapter V** on Foreign Currency Deposits, the **paragraph 31(7)** shall be amended as under:

Period of Deposit	Ceiling Rate
One year to less than three years	Overnight Alternative Reference Rate for the respective currency/ Swap plus 250 basis points
Three years and above upto and including five years	Overnight Alternative Reference Rate for the respective currency/ Swap plus 350 ² basis points

² *The interest rate ceiling applicable to fresh FCNR(B) deposits mobilised by banks, including the deposits that are renewed upon maturity, for three years and above-upto and including five years tenors, is temporarily withdrawn with effect from June 17, 2026, for the period until September 30, 2026.*

(Dr. Sudarsana Sahoo)
Chief General Manager