

**Draft Reserve Bank of India (All India Financial Institutions – Miscellaneous)  
Directions**

**DRAFT FOR COMMENTS**

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**Reserve Bank of India (All India Financial Institutions – Miscellaneous)  
Directions, 2025**

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In exercise of the powers conferred by Section 45 L of the Reserve Bank of India Act, 1934, and all other provisions / laws enabling the Reserve Bank of India ('RBI') in this regard, RBI being satisfied that it is necessary and expedient in the public interest to do so, hereby issues these Directions hereinafter specified.

## **Chapter I – Preliminary**

### **A. Short Title and Commencement**

1. These Directions shall be called the Reserve Bank of India (All India Financial Institutions – Miscellaneous) Directions, 2025.
2. These Directions shall come into force with immediate effect.

### **B. Applicability**

3. These Directions shall be applicable to All-India Financial Institutions namely EXIM Bank, National Bank for Agriculture and Rural Development ('NABARD'), National Bank for Financing Infrastructure and Development ('NaBFID'), National Housing Bank ('NHB') and Small Industries Development Bank of India ('SIDBI'), hereinafter collectively referred to as 'AIFIs' and individually as an 'AIFI'.

### **C. Definitions**

4. All expressions shall have the same meaning as have been assigned to them under the Reserve Bank of India Act, 1934, or the Banking Regulation Act, 1949, or any statutory modification or re-enactment thereto, or [Glossary](#) of Terms published by the RBI, or as used in commercial parlance, as the case may be.

## **Chapter II – Role of the Board**

5. An AIFI shall have a Board-approved policy relating to courses / certifications required for specialised areas of operations as laid out in paragraph 11 and paragraph 12 of these Directions.
6. The Board of an AIFI shall extend facility of deferment of option premium only after conducting due diligence of users in accordance with its Board approved policy in this regard, as set out in paragraph 7 of these Directions.

## Chapter III – Services and Market Operations

### A. Deferment of Option Premium

7. An AIFI may defer the premium on plain vanilla options sold by them to users and the premium on cost reduction forex option structures in which the liability of the users never exceeds the net premium payable to the AIFI under any scenario subject to the following conditions:
  - (i) the AIFI shall carry out necessary due diligence with regard to the ability of users to adhere to the premium payment schedule, in accordance with its Board approved policy in this regard, before extending this facility to the users;
  - (ii) premium for option contracts / structures with tenure of more than one year may be deferred, provided the premium payment period does not extend beyond the maturity date of the contract;
  - (iii) premium shall be received uniformly over the maturity of the contract and periodicity of such payment shall be at least once in a quarter; and
  - (iv) the facility shall not be allowed for the contracts which are on past performance basis.

*Provided that*, the above facility shall not be available to an intermediary AIFI which does not have its own option book but offers the product to corporate clients on a completely covered basis since intermediary AIFI itself is not a "user".

*Provided further that*, option structures shall continue to be governed by instructions on suitability and appropriateness as regards structured derivative products laid down in [Master Direction – Reserve Bank of India \(Market-makers in OTC Derivatives\) Directions, 2021 \(as amended from time to time\)](#) and Cost Reduction Structures as laid down in [Master Direction – Risk Management and Inter-Bank Dealings \(as amended from time to time\)](#).

### B. Reporting of Corporate Bond Transactions

8. An AIFI shall report its secondary market transactions in corporate bonds done in OTC market on FIMMDA's reporting platform.

*Explanation:* The bank may refer detailed operational guidelines in this regard issued by FIMMDA.

## Chapter IV – Regulatory Compliance

### A. Inter-Governmental Agreement (IGA) with United States of America (US) under Foreign Accounts Tax Compliance Act (FATCA) - Registration Requirements

9. An AIFI, if not already registered with US authorities as per the Government of India's Inter-Governmental Agreement (IGA) with US to implement Foreign Accounts Tax Compliance Act (FATCA), shall register itself and obtain a Global Intermediary Identification Number (GIIN).
10. Further, an AIFI having overseas branches in jurisdictions covered under different FATCA frameworks is required to take appropriate registration actions as under:
  - (i) An AIFI having overseas branches in Model 1 jurisdictions, including those jurisdictions where an agreement under Model 1 has been reached in substance, and is yet to register with US authorities, shall register itself and obtain a GIIN.
  - (ii) An AIFI having overseas branches in a jurisdiction having IGA 2 agreement or in a jurisdiction that does not have an IGA but permits financial institutions to register and agree to an FFI agreement, may register with US authorities and obtain a GIIN, if not already registered, to avoid potential withholding under FATCA.
  - (iii) An AIFI having overseas branches in a jurisdiction that does not have an IGA and does not permit financial institutions to register and agree to an FFI agreement may not register and their overseas branches would eventually be subject to withholding under FATCA.

*Provided that, if registration of a parent AIFI / head office is a pre-requisite for a branch to register, such an AIFI may register itself.*

## Chapter V – Human Resource and Capacity Building

### A. Certifications

11. An AIFI shall identify specialised areas for certification of the staff manning key responsibilities. While an AIFI shall retain the flexibility to require certification for any area of work, it shall make acquiring of a certificate course mandatory for staff before their posting in the following areas, as applicable:
  - (i) treasury operations – dealers, mid-office operations;
  - (ii) risk management – credit risk, market risk, operational risk, enterprise-wide risk, information security, liquidity risk;
  - (iii) accounting – preparation of financial results, audit function; and
  - (iv) credit management – credit appraisal, rating, monitoring, credit administration.

*Provided that* if an employee has already acquired relevant graduate, diploma and certificate courses offered by reputed universities, the same may also be considered as an accreditation/ certification.

12. An AIFI shall identify the courses / certifications, from those recognised by IBA as meeting certification requirements for different work areas mentioned above, those that are suitable for its operations and put in place a Board-approved policy, mandating obtainment of such certifications by its employees working in the respective areas.

## **Chapter VI – Repeal and Other Provisions**

### **A. Repeal and saving**

13. With the issue of these Directions, the existing Directions, instructions, and guidelines relating to areas covered in these Directions as applicable to All India Financial Institutions stand repealed, as communicated vide notification dated XX, 2025. The Directions, instructions, and guidelines repealed prior to the issuance of these Directions shall continue to remain repealed.
14. Notwithstanding such repeal, any action taken or purported to have been taken, or initiated under the repealed Directions, instructions, or guidelines shall continue to be governed by the provisions thereof. All approvals or acknowledgments granted under these repealed lists shall be deemed as governed by these Directions.

### **B. Application of other laws not barred**

15. The provisions of these Directions shall be in addition to, and not in derogation of the provisions of any other laws, rules, regulations, or directions, for the time being in force.

### **C. Interpretations**

16. For the purpose of giving effect to the provisions of these Directions or in order to remove any difficulties in the application or interpretation of the provisions of these Directions, the RBI may, if it considers necessary, issue necessary clarifications in respect of any matter covered herein and the interpretation of any provision of these Directions given by the RBI shall be final and binding.