



भारतीय रिजर्व बैंक
RESERVE BANK OF INDIA
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DOR.CAP.REC.No.XX/21.01.002/2025-26

January 13, 2026

All Standalone Primary Dealers (SPDs)

Dear Sir / Madam,

Reserve Bank of India (Standalone Primary Dealers) Amendment Directions, 2026 – Draft for Comments

The Reserve Bank had issued the [Reserve Bank of India \(Standalone Primary Dealers\) Directions, 2025](#) (hereafter referred as the 'Master Direction'), on November 28, 2025, as amended from time to time. There is a need to further amend the same to provide clarification on the components reckoned in the computation of Tier 1 capital, as well as to review the definition of Tier 1 capital being reckoned for complying with extant exposure norms.

2. Accordingly, In exercise of the powers conferred under Section 45JA, 45K, 45L and 45M of the Reserve Bank of India Act, 1934 (2 of 1934), and of all powers enabling it in this behalf, the Reserve Bank, having considered it necessary in the public interest, and being satisfied that, for the purpose of enabling it to regulate the financial system to the advantage of the country so to do, and to prevent the affairs of any Standalone Primary Dealer (SPD) from being conducted in a manner detrimental to the interest of investors or in any manner prejudicial to the interest of such SPD, hereby, issues the following Amendment Directions.

3. These Directions shall be called the Reserve Bank of India (Standalone Primary Dealers) Amendment Directions, 2026.

4. These Amendment Directions shall come into force with immediate effect.

5. These Amendment Directions modify the Master Direction as under:

(1) Paragraph 9(6) shall be replaced by:

“9(6) Tier 1 capital means paid-up capital, statutory reserves and other disclosed free reserves including quarterly profits.

Inclusion of quarterly profits shall be subject to the following conditions:

- (i) The financial statements shall be subjected to limited review on a quarterly basis by the statutory auditors.
- (ii) Such profits shall be reduced by average dividend paid in the last three years and the amount which can be reckoned for inclusion would be arrived at as under:

$$EP_t = NP_t - 0.25 * D * t$$

Where:

EP_t = Eligible profit up to quarter 't' of the current financial year, t varies from 1 to 4

NP_t = Net profit up to quarter 't'

D = average dividend paid during the last three years

Losses in the current year shall be fully deducted from Tier 1 capital.

Investment in subsidiaries (where applicable), intangible assets, losses in current accounting period, deferred tax asset and losses brought forward from previous accounting periods shall be deducted from the Tier 1 capital.”

(2) The following paragraphs shall be inserted after paragraph 159(6):

“159(7) The applicable Tier 1 Capital for compliance with the norms stated in sub-paragraphs 159(1) to 159(6) above, shall be determined based on the SPD's latest available financial statements (audited or subject to limited review).

159(8) In this context, the term “Tier 1 Capital” shall be as defined in paragraph 9(6) of the Master Directions.”

Yours faithfully,

Sunil T S Nair

Chief General Manager