



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2025-26/____

DOR.RAUG.REC.No.XXX /23-27-013/2025-26

February 06, 2026

Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Amendment Directions, 2026 – Draft for Comments

The Reserve Bank had issued the [Reserve Bank of India \(Non-Banking Financial Companies – Branch Authorisation\) Directions, 2025](#) (hereafter referred as the ‘Master Directions’), on November 28, 2025, as amended from time to time. There is a need to further amend the same to provide operational flexibility to the NBFCs for branch expansion while ensuring necessary compliance.

2. Accordingly, in exercise of the powers conferred by Chapter IIIB of the Reserve Bank of India Act, 1934, and Sections 30A of the National Housing Bank Act, 1987 and all other provisions / laws enabling the Reserve Bank of India (‘RBI’) in this regard, the Reserve Bank having considered it necessary in the public interest, hereby, issues the following Amendment Directions.

3. These Directions shall be called the Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Amendment Directions, 2026.

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

5. The [Reserve Bank of India \(Non-Banking Financial Companies – Branch Authorisation\) Directions, 2025](#) are amended as provided below:

- i) **In paragraph 3 (1) of the Master Direction**, the following shall be substituted:

3 (1) These Directions shall be applicable to the following Non-Banking Financial Companies (hereinafter collectively referred to as ‘NBFCs’ and individually as an ‘NBFC’), for all layers:

- (i) The provisions contained in paragraphs 5 and 12 shall be applicable to deposit taking NBFCs registered with the RBI under the provisions of the*

RBI Act, 1934 and deposit taking HFCs registered with RBI under the provisions of the NHB Act, 1987;

(ii) *The provisions contained in paragraphs 13 to 15 shall be applicable to CIC registered with the RBI under the provisions of the RBI Act, 1934;*

(iii) *The provisions contained in paragraphs 6, 10 to 11 and 13 to 15 shall be applicable to the following categories of NBFCs:*

(a) *HFCs registered with the RBI under the provisions of the NHB Act, 1987;*

(b) *NBFC-D registered with the RBI under the provisions of the RBI Act, 1934;*

(c) *NBFC-ICC registered with the RBI under the provisions of the RBI Act, 1934;*

(d) *NBFC-Factor registered with the RBI under the provisions of the Factoring Regulation Act, 2011;*

(e) *NBFC-MFI registered with the RBI under the provisions of the RBI Act, 1934;*

(f) *NBFC-IFC registered with the RBI under the provisions of the RBI Act, 1934;*

(g) *IDF-NBFC registered with the RBI under the provisions of the RBI Act, 1934;*

ii) **In subsection A1 of the Master Direction**, the following shall be substituted:
“Opening of Branches in India.”

iii) **In paragraph 6 of the Master Direction**, the following shall be substituted:
“An NBFC is generally permitted to open branches without having the need to obtain prior approval from RBI, unless otherwise specifically restricted.”

iv) **Subsections A2 and A3 including paragraphs 7, 8 and 9 of the Master Direction** shall stand deleted.

Yours faithfully,

Chief General Manager