



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2026-2027/11

DOR.RAUG.REC.No.3/23-27-013/2026-27

April 15, 2026

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

The Reserve Bank had issued the [Reserve Bank of India \(Non-Banking Financial Companies – Branch Authorisation\) Directions, 2025](#) (hereafter referred as the 'Directions'), on November 28, 2025. It has been decided to amend these Directions 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, and being satisfied that, for the purpose of enabling the Reserve Bank to regulate the financial system to the advantage of the country so to do, and to prevent the affairs of any NBFC from being conducted in a manner detrimental to the interest of investors and depositors or in any manner prejudicial to the interest of such NBFC, hereby, issues to every NBFC 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 Directions are amended as provided below:

i) **Paragraph 3 (1)**, shall be substituted by the following:

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, 10 to 11 and 13 to 15 shall be applicable to the following categories of NBFCs:*
- (a) *NBFC-D registered with the RBI under the provisions of the RBI Act, 1934;*
 - (b) *NBFC-ICC registered with the RBI under the provisions of the RBI Act, 1934;*
 - (c) *NBFC-Factor registered with the RBI under the provisions of the Factoring Regulation Act, 2011;*
 - (d) *NBFC-MFI registered with the RBI under the provisions of the RBI Act, 1934;*
 - (e) *NBFC-IFC registered with the RBI under the provisions of the RBI Act, 1934;*
 - (f) *IDF-NBFC registered with the RBI under the provisions of the RBI Act, 1934;*
 - (g) *HFCs registered with RBI under the provisions of the NHB Act, 1987;*
- (ii) *The provisions contained in paragraphs 6 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;*
- (iii) *The provisions contained in paragraphs 10, 13 to 15 shall be applicable to CIC registered with the RBI under the provisions of the RBI Act, 1934;*
- ii) Heading of **subsection A1**, shall be renamed as “Opening of branch in India”.
- iii) **Paragraph 5**, shall be substituted by the following:
“An NBFC is generally permitted to open branches without having the need to obtain prior approval from RBI, unless otherwise specifically restricted.”
- iv) **Paragraph 6**, shall be substituted by the following:
“A deposit-taking NBFC registered with RBI and otherwise entitled to accept public deposits as per the [Reserve Bank of India \(Non-Banking Financial Companies – Acceptance of Public Deposits\) Directions, 2025](#), shall be permitted as under:
- (i) *If its NOF is up to ₹ 50 crore or has a credit rating below AA then it may open a branch or appoint agents within the State where its registered office is situated; and*
 - (ii) *If its NOF is more than ₹ 50 crore and its credit rating is AA or above, then it may open a branch or appoint agents anywhere in India.*

Explanation: An NBFC with NOF greater than ₹ 50 crore and credit rating below AA, shall be eligible to open branches only within the state where its registered office is situated.”

- v) **Subsections A2 and A3 including paragraphs 7, 8 and 9** shall stand deleted.
- vi) **In paragraph 10**, the words “(except CIC & HFC)” shall be inserted after the words “However, the NBFC”.
- vii) **In paragraph 13**, the words “(including CICs and HFCs)” shall stand deleted.
- viii) **In paragraph 15**, the words “RBI may advise the CIC to wind up the establishment” shall be substituted with the words “the approvals given for the purpose shall be reviewed / recalled”.

Yours faithfully,

(Manoranjan Padhy)
Chief General Manager