



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/2020-21/93

DOR.CAP.BC.No.34/21.06.201/2020-21

February 5, 2021

All Commercial Banks
(Excluding Small Finance Banks, Payments Banks, RRBs and LABs)

Dear Sir/Madam,

Basel III Capital Regulations- Review of transitional arrangements

Please refer to [circular DOR.BP.BC.No.15/21.06.201/2020-21 dated September 29, 2020](#) on 'Basel III Capital Regulations- Review of transitional arrangements'.

2. In view of the continuing stress on account of COVID-19 and in order to aid in the recovery process, it has been decided to defer the implementation of the last tranche of 0.625 per cent of the Capital Conservation Buffer (CCB) from April 1, 2021 to October 1, 2021. Accordingly, the minimum capital conservation ratios in para 15.2.2 of Part D 'Capital Conservation Buffer Framework' of [Master Circular, DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015](#) on 'Basel III Capital Regulations', shall continue to apply till the CCB attains the level of 2.5 per cent on October 1, 2021.

3. The pre-specified trigger for loss absorption through conversion / write-down of Additional Tier 1 instruments (Perpetual Non-Convertible Preference Shares and Perpetual Debt Instruments), shall remain at 5.5 per cent of risk weighted assets (RWAs) and will rise to 6.125 per cent of RWAs from October 1, 2021.

Yours faithfully

(Usha Janakiraman)
Chief General Manager