भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/2024-25/120
DOR.STR.REC.61/21.06.001/2024-25   February 25, 2025

All Scheduled Commercial Banks (including Small Finance Banks but excluding Regional Rural Banks and Payments Banks)

Madam / Dear Sir,

Exposures of Scheduled Commercial Banks (SCBs) to Non-Banking Financial Companies (NBFCs) – Review of Risk Weights

In terms of Paragraph 2.B of the circular 'Regulatory measures towards consumer credit and bank credit to NBFCs' dated November 16, 2023, the risk weight on the exposures of SCBs to NBFCs[1] was increased by 25 percentage points (over and above the risk weight associated with the given external rating) in all cases where the extant risk weight as per external rating of NBFCs was below 100 per cent.

2. On a review, it has been decided to restore the risk weights applicable to such exposures and the same shall be as per the external rating, as specified in Paragraph 5.8.1 of the 'Master Circular – Basel III Capital Regulations' dated April 1, 2024[2], as amended from time to time.

3. The above instructions shall come into effect from April 01, 2025. All other instructions of the circulars *ibid* remain unchanged.

Yours faithfully,

(Vaibhav Chaturvedi)
Chief General Manager

---

[1] Excluding loans to housing finance companies, and loans to NBFCs which are eligible for classification as priority sector in terms of the extant instructions

[2] As also applicable to Small Finance Banks, in terms of Paragraph 1.4 of the Annex to Operating Guidelines for Small Finance Banks dated October 06, 2016

विनियमन विभाग, केंद्रीय कार्यालय, केंद्रीय कार्यालय भवन, 12वीं/ 13वीं मंज़िल, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400001

टेलीफोन/ Tel No: 22661602, 22601000 फैक्स/ Fax No: 022-2270 5691

Department of Regulation, Central Office, Central Office Building, 12th/ 13th Floor, Shahid Bhagat Singh Marg, Fort, Mumbai – 400001

हिंदी आसान है, इसका प्रयोग बढ़ाइए