



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

ई-मेल/email : helpdoc@rbi.org.in



संचार विभाग, केंद्रीय कार्यालय, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400 001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai - 400 001 फोन/Phone: 022 - 2266 0502

April 08, 2026

RBI invites public comments on the draft Amendment Directions on 'Investment Fluctuation Reserve'

Reserve Bank of India today placed on its website the following draft Amendment Directions which modify the extant instructions on Investment Fluctuation Reserve (IFR) for various categories of banks:

1. [Reserve Bank of India \(Commercial Banks - Classification, Valuation, and Operation of Investment Portfolio\) Amendment Directions, 2026;](#)
2. [Reserve Bank of India \(Small Finance Banks - Classification, Valuation, and Operation of Investment Portfolio\) Amendment Directions, 2026;](#)
3. [Reserve Bank of India \(Payments Banks - Classification, Valuation, and Operation of Investment Portfolio\) Amendment Directions, 2026;](#)
4. [Reserve Bank of India \(Local Area Banks - Classification, Valuation, and Operation of Investment Portfolio\) Amendment Directions, 2026;](#)
5. [Reserve Bank of India \(Urban Co-operative Banks - Classification, Valuation, and Operation of Investment Portfolio\) Amendment Directions, 2026;](#)
6. [Reserve Bank of India \(Rural Co-operative Banks - Classification, Valuation, and Operation of Investment Portfolio\) Amendment Directions, 2026;](#)
7. [Reserve Bank of India \(Regional Rural Banks - Classification, Valuation, and Operation of Investment Portfolio\) Amendment Directions, 2026;](#)
8. [Reserve Bank of India \(Commercial Banks – Prudential Norms on Capital Adequacy\) Fifth Amendment Directions, 2026;](#)
9. [Reserve Bank of India \(Commercial Banks – Financial Statements: Presentation and Disclosures\) Sixth Amendment Directions, 2026;](#) and
10. [Reserve Bank of India \(Local Area Banks – Financial Statements: Presentation and Disclosures\) Third Amendment Directions, 2026.](#)

The comments on the draft Amendment Directions are invited from the banks and other stakeholders till **Apr 29, 2026**. The comments / feedback may be submitted through the link under the '[Connect 2 Regulate](#)' Section available on the Reserve Bank's website or may alternatively be forwarded to:

The Chief General Manager
Market Risk Group
Department of Regulation, Central Office
Reserve Bank of India, 12th Floor
Shahid Bhagat Singh Marg

Fort Mumbai – 400 001

Or

by [email](#)

With the subject line "Feedback on Draft Amendment Directions on Investment Fluctuation Reserve"

Background and Objective

The extant instructions require various categories of banks to maintain, on a continuous basis, a minimum level of IFR, computed in terms of the portion of their investment portfolio subject to mark-to-market requirements. Taking note of the operational challenges faced by banks in maintaining IFR above the regulatory threshold on a continuous basis as well as of the differences in the prudential frameworks applicable across various bank categories, the Reserve Bank has comprehensively reviewed the extant instructions. Accordingly, it is proposed (i) to dispense with the IFR requirement for bank categories maintaining capital charge for market risk and following the revised norms on classification, valuation, and operation of investment portfolio; (ii) that the banks shall comply with the IFR requirement as on balance sheet dates instead of on a continuous basis; and (iii) to harmonise certain IFR-related instructions across various categories of banks, thereby eliminating existing inconsistencies and enhancing regulatory clarity.

Press Release: 2026-2027/44

(Brij Raj)
Chief General Manager