



भारतीय रिजर्व बैंक
RESERVE BANK OF INDIA

RBI/2026-27/<>

DOR.HGG.GOV. /29.67.001/2026-27

DD-MM-YYYY

**Draft Reserve Bank of India (Small Finance Banks – Governance) Amendment
Directions, 2026**

Please refer to the [Reserve Bank of India \(Small Finance Banks - Governance\) Directions, 2025](#) (hereinafter referred to as 'Directions').

2. In an endeavour to enable bank Boards to utilize their time effectively and to facilitate a more focused and qualitative engagement on strategy and risk governance, it has been decided to undertake a review to rationalize the extant RBI directions/circulars on the matters required to be placed before the Boards. Accordingly, in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 and all other provisions / laws enabling the Reserve Bank of India in this regard, the Reserve Bank of India, being satisfied that it is necessary and expedient in public interest so to do, hereby, issues the Amendment Directions hereinafter specified.

3. The Amendment Directions modify the Directions as under:

3(1) Paragraph 29 of Chapter V shall be deleted and reinserted after paragraph 20 of Chapter IV as under:

“20A. The Board shall exercise oversight on the following:

- (i) risk management system, policy and strategy followed by the bank;*
- (ii) exposures to related entities of the bank, viz. details of lending to / investment in subsidiaries, the asset classification of such lending / investment, etc.; and*
- (iii) conformity with corporate governance standards viz. in composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions etc.”*

3(2) Paragraph 21 of Chapter IV and paragraphs 28, 30, 31, 32 and 33 of Chapter V shall be deleted.

3(3) After paragraph 33 of Chapter V, the following new paragraphs shall be inserted as under:

“33A. *The Reserve Bank has mandated through various directions/circulars issued from time to time that certain policies and other matters for approval/review/information be placed before the Board. The policies and other matters along with the relevant paragraph reference of directions/circulars have been compiled in [Appendix I](#) and [Appendix II](#) respectively, for ease of reference of banks. The Board may at its discretion, delegate certain aspects of these matters to a Board Committee/ Management Committee, as indicated in the Appendices. The review of policies required to be placed before the Board for approval may be delegated to Board Committees, with the Board approving only material amendments to such policies. The contours of ‘material amendments’, to the extent feasible, shall be defined by the Board.*

33B. *In addition to the matters specified in [Appendix I](#) and [Appendix II](#), the matters to be placed before the Board may be determined based on the following key principles:*

- (i) The ultimate responsibility for the bank’s performance, conduct and control rests with the Board. It may, however, delegate certain matters to the Board Committees / Sub-Committees / Senior Management, along with reporting requirements as may be necessary.*
- (ii) The Board shall clearly articulate the matters reserved for its approval or to be brought to its notice for information or reporting. The role and responsibilities of the Board under various statutes or regulations, may also be taken into account in determining such matters. However, the Board shall ensure that sufficient time is dedicated to strategy and risk governance.*
- (iii) The Chairperson of the Board shall have the primary responsibility for setting the agenda of the meeting.*
- (iv) The Board shall ensure that it receives sufficient information from the management to discharge its role effectively. It shall clearly define the nature, level of detail and frequency of information required from the*

management. The Board may rely on this information but may seek external reports, if needed.

- (v) *The Board shall periodically review the matters to be placed before it as well as the matters delegated to the Board Committees / Sub-Committees / Senior Management. The review shall also include the timelines for circulation of agenda items, adequacy of information captured in the agenda, time allotted for important matters, etc.”*

4. These Amendment Directions shall come into force from **September 1, 2026**.

(Scenta Joy)
Chief General Manager

Appendix I
Policy Matters prescribed by RBI for approval of Board¹

S. No.	Broader Policy Head	Coverage / Sub-heads	Paragraph reference in extant directions/circulars	Can be delegated (Yes ² /No)
1.	Credit Policy	Credit Facilities	Paragraph <u>5</u> of Reserve Bank of India (Small Finance Banks – Credit Facilities) Directions, 2025 Paragraph <u>3.1</u> of Master Direction (Relief Measures by banks in areas affected by Natural Calamities) dated October 17, 2018 on action to be taken during natural calamities	No No
		Transfer and acquisition of loan exposures	Paragraph <u>13</u> , <u>33</u> , <u>55</u> and <u>102</u> of Reserve Bank of India (Small Finance Banks – Transfer and Distribution of Credit Risk) Directions, 2025	No
		Resolution of stressed assets	Paragraph <u>9</u> , <u>12</u> , <u>13</u> , <u>125</u> and <u>149</u> of Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Directions, 2025	No
		Aspects related to wilful defaulters and large defaulters	Paragraph <u>4</u> of Reserve Bank of India (Small Finance Banks– Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025	No
		Income recognition, asset classification and provisioning norms ³	Paragraph <u>6</u> and <u>99</u> of the Reserve Bank of India (Small Finance Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025	No
2.	Investment Policy	Investments and related activities	Paragraph <u>6</u> , <u>8</u> , <u>10</u> and <u>17</u> of Reserve Bank of India (Small Finance Banks – Classification, Valuation, and Operation of Investment Portfolio) Directions, 2025 Paragraph <u>11(4)</u> and <u>3</u> of Annex II to Master Direction – Reserve Bank of India (Margining for Non-Centrally Cleared OTC Derivatives) Directions dated May 08, 2024	No No
3.	Risk Management Policy	Credit Risk Management	Paragraph <u>5</u> of Reserve Bank of India (Small Finance Banks – Credit Risk Management) Directions, 2025	No

¹a. The matters enlisted here may be read along with the respective RBI Directions. Multiple requirements to place matters before Board, relating to a similar aspect / matter have been listed only once.

b. Banks are free to regroup the policies as they deem fit, so long as the aspects above are captured in one or more policies.

² Yes may be read as “Yes, at the discretion of the Board.”

³ Related aspects may be covered in Investment policy as well

S. No.	Broader Policy Head	Coverage / Sub-heads	Paragraph reference in extant directions/circulars	Can be delegated (Yes ² /No)
	of the bank	Concentration Risk Management ⁴	Paragraph <u>6</u> of Reserve Bank of India (Small Finance Banks – Concentration Risk Management) Directions 2025	No
		Market Risk management	Paragraphs <u>18</u> and <u>20</u> of Guidance Note on Market Risk Management dated November 28, 2025	No
			Paragraph <u>186(5)(iv)(e)(ii)</u> of Reserve Bank of India (Small Finance Banks- Prudential Norms on Capital Adequacy) Directions, 2025 (Updated as on January 09, 2026)	No
			Paragraphs <u>38</u> of Reserve Bank of India (Small Finance Banks – Miscellaneous) Directions, 2025	No
			Paragraph <u>7(3)</u> and <u>7(4)</u> of Reserve Bank (Small Finance Banks - Undertaking of Financial Services) Directions, 2025 (amended on December 05, 2025)	Yes, to the Risk Management Committee of the Board
			Part C Paragraph <u>1</u> , <u>2</u> , and <u>4(i)</u> ; of Master Direction - Risk Management and Inter-Bank Dealings dated July 05, 2016	Yes, in respect of paragraph 2 only, to any Committee to which powers have been delegated by the Board
			Paragraph <u>3.3</u> of Internal Control Guidelines by RBI dated February 03, 2011	Yes, to any Committee of the Board to which powers have been delegated by the Board
		Operational Risk	Paragraph <u>25</u> , <u>26</u> , <u>27</u> , <u>31</u> , <u>64</u> , <u>74</u> , <u>77</u> , <u>97</u> & Principle <u>3</u> , <u>4</u> and <u>5</u> , of Guidance Note on Operational Risk Management and Operational Resilience dated November 28, 2025. Paragraph <u>7(2)</u> and <u>7(3)</u> of Reserve Bank of India (Small Finance Banks – Miscellaneous) Directions, 2025	No Yes, to any Committee of the Board
		Liquidity Risk / ALM Management	Paragraph <u>9</u> , <u>10</u> , <u>11</u> , <u>13</u> , <u>14</u> , <u>17</u> , <u>18</u> and <u>22</u> of Reserve Bank of India (Small Finance Banks – Asset Liability Management) Directions, 2025	Yes in respect of paragraph 10, to any committee to which powers have been

⁴ Related aspects may be captured in market risk policy

S. No.	Broader Policy Head	Coverage / Sub-heads	Paragraph reference in extant directions/circulars	Can be delegated (Yes ² /No)
				delegated by the Board; in respect of paragraph 13, to the Risk Management Committee of the Board; in respect of paragraph 14, to the Asset Liability Committee of the Board
		Stress Testing	Paragraph <u>15 and 16</u> of Annex IV to Reserve Bank of India (Small Finance Banks - Prudential Norms on Capital Adequacy) Directions, 2025	Yes, in respect of paragraph 16 only, to any committee to which powers have been delegated by the Board
		Cyber Security	Paragraph <u>3</u> of Cyber Security Framework in Banks dated June 2, 2016	No
		Fraud Risk Management - Roles and responsibilities of Board / Board Committees & Senior Management	Paragraph <u>2.1.1</u> of annex to Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions dated July 15, 2024	No
		Overseas borrowings	Part C, <u>5(f)(i)</u> of Master Direction - Risk Management and Inter-Bank Dealings dated July 05, 2016	No
		Chief Risk Officer (CRO) - Roles and responsibilities	Paragraph <u>47 and 49</u> of Reserve Bank of India (Small Finance Banks - Governance) Directions, 2025	Yes, to the Risk Management Committee of the Board
4.	Outsourcing Policy	-	Paragraph <u>10, 11, and 12(1)</u> of Reserve Bank of India (Small Finance Banks- Managing Risks in Outsourcing), 2025	Yes in respect of paragraph 11, 12(1) only, to any Committee to which powers have been delegated by the Board
5.	Policy on Digital Banking	Digital payment products and services	Paragraph <u>4</u> of Master Direction on Digital Payment Security Controls dated February 18, 2021	No

S. No.	Broader Policy Head	Coverage / Sub-heads	Paragraph reference in extant directions/circulars	Can be delegated (Yes ² /No)
		Prepaid Payment Instruments (PPIs) and its related activities	Paragraph <u>7.2</u> , <u>7.9 (a)</u> & <u>7.11(a)</u> , <u>15.2</u> of Master Directions on Prepaid Payment Instruments (PPIs) dated August 27, 2021	No
		PPI interoperability	Paragraph <u>11.3</u> of Master Directions on Prepaid Payment Instruments (PPIs) dated August 27, 2021	May be discontinued at the discretion of the Board
6.	IT Policy	IT, Information Assets, Business Continuity, Information Security, Cyber Security	Paragraph <u>5(a)</u> of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023	No
7.	Responsible Business / Lending conduct including customer service	Business conduct	Paragraph <u>5</u> of Reserve Bank of India (Small Finance Banks - Responsible Business Conduct) Directions, 2025.	Yes, to any Committee to which powers have been delegated by the Board
Conduct and issuance of credit cards		Paragraph <u>8</u> , <u>9</u> and <u>45</u> Reserve Bank of India (Small Finance Banks – Credit Cards and Debit Cards: Issuance and Conduct) Directions, 2025	Yes, to any Committee to which powers have been delegated by the Board	
Credit Information Reporting		Paragraph <u>38</u> of the Reserve Bank of India (Small Finance Banks - Credit Information Reporting) Directions, 2025	No	
Model of Insurance Distribution, Issues of customer appropriateness, suitability and grievance redressal		Paragraph <u>6 to 9</u> and <u>12 (2)</u> of Reserve Bank of India (Small Finance Banks – Undertaking of Financial Services) Directions, 2025	Yes, to Customer Service Committee of the Board	
Facilitating outward remittance under Liberalized Remittance Scheme (LRS)		Paragraph <u>3</u> of circular on Online submission of Form A2: Removal of limits on amount of remittance - A.P. (DIR Series) Circular No. 12 dated July 03, 2024 and MD on Liberalised Remittance Scheme dated January 01, 2016	Yes, to any Committee to which powers have been delegated by the Board	
8.	Authorization for Banking outlets / other	Opening, merging, shifting, conversion and closure of banking outlets	Paragraph <u>6</u> (1), (2), (3), (4), and (6) of Reserve Bank of India (Small Finance Banks-Branch Authorisation) Directions, 2025	Yes, to any Committee to which powers have been delegated by the Board

S. No.	Broader Policy Head	Coverage / Sub-heads	Paragraph reference in extant directions/circulars	Can be delegated (Yes ² /No)
	banking channels	/ offices / mobile banking facilities		
		Engaging with Business Correspondents	Paragraph <u>6(5)</u> of Reserve Bank of India (Small Finance Banks - Branch Authorisation) Directions, 2025	No
9.	Policy on Deposits / other Liability products	Green Deposits and Financing Framework	Paragraph <u>6</u> , <u>8</u> and <u>11</u> of Reserve Bank of India (Small Finance Banks - Climate Finance and Management of Climate Change Risks) Directions, 2025	No
		Gold Monetization scheme	Paragraph <u>1.2(iii)</u> and <u>2.1.1(v)</u> of Gold Monetization Scheme, October 22, 2015	Yes, to any Committee to which powers have been delegated by the Board.
10.	Policy on appointment & remuneration of auditors	Appointment / engagement of Auditors	Paragraph <u>10.1</u> of Guidelines for Appointment of SCAs / SAs of Commercial Banks dated April 27, 2021	Yes, to Audit Committee of the Board
			Paragraph <u>4.1</u> and <u>4.1.1</u> of Annex to Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions dated July 15, 2024	No
11.	Policy / criteria on Fit & Proper (F&P) assessment of Major Shareholders	F&P assessment of major shareholder	Paragraph <u>6</u> of Reserve Bank of India (Small Finance Banks – Acquisition and Holding of Shares or Voting Rights) Directions, 2025	No
12.	Policy on Compensation	Compensation of Directors/ Chief Executive Officers/ Material Risk Takers	Paragraph <u>55(1)</u> and <u>55(2)</u> of Reserve Bank of India (Small Finance Banks - Governance) Directions, 2025	No
		Criteria for granting fixed remuneration to its NEDs	Paragraph <u>53(ii)</u> of Reserve Bank of India (Small Finance Banks - Governance) Directions, 2025	No
13.	CSR Policy (donations etc)	-	Paragraph <u>7(1)</u> and <u>48</u> of Reserve Bank of India (Small Finance Banks – Miscellaneous) Directions, 2025	No

S. No.	Broader Policy Head	Coverage / Sub-heads	Paragraph reference in extant directions/circulars	Can be delegated (Yes ² /No)
14.	Compliance Policy	-	Paragraph <u>2.1</u> of Compliance functions in banks and Role of Chief Compliance Officer (CCO) dated September 11, 2020	No
15.	Policy on Protected Disclosure Scheme	-	Paragraph <u>4</u> of <u>Annex</u> to Protected Disclosures Scheme for Private Sector and Foreign Banks dated April 18, 2007	No
16.	Disclosure Policy	-	Paragraph <u>6(iii)</u> of Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Directions, 2025.	No
17.	Code of conduct/ Ethics policy	-	Paragraph <u>16</u> of Guidance Note on Operational Risk Management and Operational Resilience dated November 28, 2025	No
18.	Policy on Know Your Customer (KYC)	-	Paragraph <u>7(1), 7(2), 7(3) (i),(ii),(iii),(iv),(v)(a),v(b), 11, and 12</u> of Reserve Bank of India (Small Finance Banks – Know Your Customer) Directions, 2025 (Updated as on December 29, 2025)	Yes, in respect of paragraph <u>7(1), 7(2), 7(3) (i),(ii),(iii),(iv),v(b), 11, and 12</u> only, to any Committee to which powers have been delegated by the Board
19.	Policy on Interest rate on Deposits/ Advances	-	Paragraph <u>6(1)(i), (ii), (iii), (iv)</u> of Reserve Bank of India (Small Finance Banks – Interest Rate on Deposits) Directions, 2025 Paragraph <u>5(1) and 27</u> of Reserve Bank of India (Small Finance Banks - Interest Rates on Advances) Directions, 2025	Yes, to any Committee of the Board Yes in respect of paragraph <u>5(1)</u> only, to any Committee of the Board

Appendix II – Matters other than Policy⁵

IIA – To be placed before the Board for approval / review / information

S.No	Subject matter	Paragraph reference in extant directions/circulars
For Approval		
1.	ICAAP – Structural Design and Contents	Paragraph <u>6 (i)</u> , <u>7</u> , <u>177(3 (i))</u> , <u>177(7)(i)</u> , <u>187(1)(ii)</u> of Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Directions, 2025
2.	Capital Plan	Paragraph <u>6 (ii)</u> Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Directions, 2025
3.	Acquisition of Shares or Voting Rights	Paragraph <u>23 & 24</u> of Reserve Bank of India (Small Finance Banks) – Acquisition and Holding of Shares or Voting Rights) Directions, 2025
4.	Issuance of Regulatory Capital (PDI / RNCPS / RCPS / Basel III Tier 2 Debt Capital / Upper Tier 2 instruments and Lower Tier 2 instruments)	Paragraph <u>14(2)</u> , <u>14(21)</u> , <u>15(2)</u> , <u>15(21)</u> , <u>17(2)</u> , <u>17(19)</u> , <u>18(1)</u> , <u>18(19)</u> and <u>19(1)</u> of Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Directions, 2025
5.	Reclassifications between categories viz. Held till Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit and Loss (FVTPL)	Paragraph <u>64</u> of Reserve Bank of India (Small Finance Banks – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025
6.	New Over the Counter (OTC) derivative products	Paragraph <u>4.3.3</u> of Master Direction – Reserve Bank of India (Market-makers in OTC Derivatives) Directions, 2021
7.	Rupee Drawing Arrangements beyond 20 in number	Paragraph <u>2</u> of the Master Direction – Opening and Maintenance of Rupee/Foreign Currency Vostro Accounts of Non-resident Exchange Houses dated January 1, 2016
8.	Declaration of Dividend	Paragraph <u>6</u> of Reserve Bank of India (Small Finance Banks – Prudential Norms on Declaration of Dividends) Directions, 2026
9.	Approval by Board of Directors in case of Voluntary Amalgamation	Paragraph <u>7</u> and <u>9</u> of Reserve Bank of India (Small Finance Banks – Voluntary Amalgamation) Directions, 2025
10.	Approval for increasing branches beyond 300 (in respect of vostro accounts of Non-resident Exchange Houses)	Paragraph <u>3(i)</u> of the Master Direction – Opening and Maintenance of Rupee/Foreign Currency Vostro Accounts of Non-resident Exchange Houses dated January 1, 2016

⁵The matters enlisted here may be read along with the respective RBI Directions. Multiple requirements to place matters before Board, relating to a similar aspect / matter have been listed only once.

S.No	Subject matter	Paragraph reference in extant directions/circulars
11.	RTGS membership	<u>Annex V</u> of the Master Direction on Access Criteria for Payment Systems dated January 17, 2017
12.	Appointment / Reappointment of Managing Director & CEO / PTC	Paragraph <u>57 (ii)</u> of Reserve Bank of India (Small Finance Banks - Governance) Directions, 2025
13.	Remuneration of WTD	Paragraph <u>58</u> of Reserve Bank of India (Small Finance Banks - Governance) Directions, 2025
14.	Compromise settlements in respect of debtors classified as fraud or wilful defaulter	Paragraph <u>12(5)(ii)</u> of the Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Directions, 2025
15.	Proposal for Financing promoter's equity contribution towards the company's equity capital	Para <u>137(10)</u> of Reserve Bank of India (Small Finance Banks – Credit Facilities) Directions, 2025
16.	Number of additional WTDs (other than MD&CEO)	Paragraph <u>12</u> of Reserve Bank of India (Small Finance Banks - Governance) Directions, 2025
For Review		
17.	Amount raised under Green Deposits and its allocation	Paragraph <u>7</u> of Reserve Bank of India (Small Finance Bank- Climate Finance and Management of Climate Change Risks) Directions, 2025
18.	Key Financial Inclusion Parameters	National Strategy of Financial Inclusion (NSFI) and RBI letter on Monitoring Progress of Financial Inclusion (MPFI) dated February 20, 2020, read with the letter dated December 12, 2024.
	Credit extended to SCs/STs	Paragraph <u>6.2</u> of Master Circular Credit facilities to SC/STs dated June 16, 2025
19.	Monitoring of country risk exposures	Para <u>54</u> of Reserve Bank of India (Small Finance Banks – Credit Risk Management) Directions, 2025
20.	Review of Material ITEs.	Para <u>6(2)(i)</u> of Reserve Bank of India (Small Finance Banks - Concentration Risk Management) Directions, 2025
21.	Review of Compensation system of the bank	Paragraph <u>185(14)(v)</u> of Reserve Bank of India (Small Finance Banks - Prudential Norms on Capital Adequacy) Directions, 2025
22.	Review of assessment of ICAAP	Paragraph <u>7</u> and <u>177(7)(i)</u> of Reserve Bank of India (Small Finance Banks- Prudential Norms on Capital Adequacy) Directions, 2025
23.	Annual review of the implementation of exposure management measures	Paragraph <u>6(2) (ii), (iii)</u> of Reserve Bank of India (Small Finance Banks - Concentration Risk Management) Directions, 2025

S.No	Subject matter	Paragraph reference in extant directions/circulars
For Information / Reporting		
24.	Compromise Settlements and Technical Write-offs	Paragraph <u>94</u> of the Reserve Bank of India (Small Finance Banks – Resolution of Stressed Assets) Directions, 2025
25.	Customer Service aspects	Paragraph <u>15</u> of Reserve Bank of India (Small Finance Bank - Responsible Business Conduct) Directions, 2025. Paragraph <u>18</u> of Reserve Bank of India (Small Finance Banks - Credit Information Reporting) Directions, 2025
26.	Reporting of annual review of donations made by the bank	Paragraph <u>49</u> of Reserve Bank of India (Small Finance Banks – Miscellaneous) Directions, 2025
27.	Fit and proper status of major shareholders	Paragraph <u>18(4)</u> , <u>19</u> , <u>20</u> and <u>21</u> of Reserve Bank of India (Small Finance Banks – Acquisition and Holding of Shares or Voting Rights) Directions, 2025
28.	Information Security Governance of Payment Aggregators and Payment Gateways	Paragraph <u>1.1</u> of Annexure 1 to Master Direction on Regulation of Payment Aggregator (PA) dated September 15, 2025
29.	Operational resilience of business units	Paragraph <u>55</u> of Guidance Note on Operational Risk Management and Operational Resilience dated November 28, 2025.
30.	Loans to Related Parties	Paragraph <u>42N</u> of Reserve Bank of India (Small Finance Banks – Credit Risk Management) Directions, 2025
31.	Acquisition of Shares or Voting Rights - Monitoring mechanism to ascertain that a major shareholder has obtained prior RBI approval for acquiring shareholding rights	Paragraph <u>25</u> of Reserve Bank of India (Small Finance Bank – Acquisition and Holding of Shares or Voting Rights) Directions, 2025
32.	Report on encumbrance of shares – ongoing monitoring of section 12B (5) of BR Act, 1949	Paragraph <u>28</u> of Reserve Bank of India (Small Finance Banks – Acquisition and Holding of Shares or Voting Rights) Directions, 2025
33.	Reporting of outcome of stress test	Paragraph <u>68(2)</u> of Reserve Bank of India (Small Finance Banks -Asset Liability Management Directions, 2025)

IIB –May be delegated at the discretion of the Board

S.No	Subject matter	Paragraph reference in extant directions/circulars	May be delegated to
For Approval			
1.	Risk assessment methodology for RBIA	Paragraph 4.1 of guidance note on Risk-Based Internal Audit dated December 27, 2002	Audit Committee of the Board

S.No	Subject matter	Paragraph reference in extant directions/circulars	May be delegated to
2.	Annual Audit Plan	Paragraph 5.1 of guidance note on Risk-Based Internal Audit dated December 27, 2002	Audit Committee of the Board
3.	Sanction of loans to Related Parties	Paragraph 42K of Reserve Bank of India (Small Finance Banks – Credit Risk Management) Directions, 2025	Committee on Lending to Related Parties
4.	Operational manual highlighting the roles/responsibilities of the dealers/mid-office/back-office	Paragraph IV (xiv) of Constituents' Subsidiary General Ledger Account (CSGL) guidelines dated September 22, 2021	Any Committee to which powers have been delegated by the Board
5.	Appointment of the Chief Risk Officer (CRO)	Paragraph 50 of Reserve Bank of India (Small Finance Banks - Governance) Directions, 2025	Risk Management Committee of the Board
6.	Appointment of the Chief Compliance Officer (CCO)	Paragraph 2.5 of Compliance functions in banks and Role of Chief Compliance Officer (CCO) dated September 11, 2020	Audit Committee of the Board
7.	Allotment of Special Assignments other than Statutory Audit	Paragraph 6.4 of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021	Audit Committee of the Board
8.	Annual Banking Outlet Expansion Plan (ABOEP)	Paragraph 18 of Reserve Bank of India (Small Finance Banks - Branch Authorisation) Directions, 2025	Any Committee to which powers have been delegated by the Board
9.	Establishing new correspondent banking relationships	Paragraph 74 of Reserve Bank of India (Small Finance Banks – Know Your Customer) Directions, 2025	Any Committee to which powers have been delegated by the Board
10.	Authorisation and oversight of service providers, owned or controlled by Directors or key managerial personnel	Paragraph 54 of Reserve Bank of India (Small Finance Banks - Managing Risks in Outsourcing), 2025	Any Committee of the Board
For Review			
11.	Long Form Audit Report (LFAR) to be submitted to the Reserve Bank	Paragraph 5(c) of Long Form Audit Report (LFAR) – Review dated September 5, 2020	Audit Committee of the Board.

S.No	Subject matter	Paragraph reference in extant directions/circulars	May be delegated to
12.	Progress in Implementation of Cassette - Swaps in ATMs	Paragraph <u>3</u> of Cassette - Swaps in ATMs, dated March 31, 2022	Any Committee to which powers have been delegated by the Board
13.	Investment Portfolio	Paragraphs <u>88(12)(i)</u> , <u>88(12)(ii)</u> , and <u>91(1)</u> of Reserve Bank of India (Small Finance Banks – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025	Risk Management Committee of the Board
14.	Business Correspondent (BC) Model	Paragraph <u>7(3)(iii),(iv)</u> and <u>73</u> of Reserve Bank of India (Small Finance Banks - Branch Authorisation) Directions, 2025	Any Committee to which powers have been delegated by the Board
15.	Review and Monitoring of Transactions in Banking Outlets	Paragraph <u>7(1)(ii),(iii)</u> and <u>(iv)</u> of Reserve Bank of India (Small Finance Banks - Branch Authorisation) Directions, 2025	Any Committee to which powers have been delegated by the Board
16.	Inspection reports of Vostro accounts of Exchange Houses	Paragraph <u>8(b)</u> of Master Direction – Opening and Maintenance of Rupee/Foreign Currency Vostro Accounts of Non-resident Exchange Houses dated January 1, 2016	Any Committee to which powers have been delegated by the Board
17.	Review of scheme on doorstep banking services and its progress	Paragraph <u>7(4)(i)</u> of Reserve Bank of India (Small Finance Banks - Branch Authorisation) Directions, 2025 Paragraph <u>120</u> of Reserve Bank of India (Small Finance Banks - Responsible Business Conduct) Directions, 2025.	Any Committee to which powers have been delegated by the Board Customer Service Committee of the Board
18.	Review, reporting and compliance certificate in relation to all material outsourcing	Paragraph <u>11</u> , <u>12(1)(v)</u> and <u>(vi)</u> , <u>21(iv)</u> , <u>36</u> of Reserve Bank of India (Small Finance Banks – Managing Risks in Outsourcing) Directions, 2025	11, 12(1)(v) and (vi): Any Committee to which powers have been delegated by the Board
19.	Effectiveness of Risk-Based Internal Audit	Paragraph 8.2 of Guidance notes on Risk-Based Internal Audit dated December 27, 2002	Audit Committee of the Board
20.	Review of Cyber Security Risks / Reporting of significant cyber security incidents	Paragraph <u>24.d.vii</u> of the Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, dated November 07, 2023	Risk Management Committee / IT sub-committee of the Board

S.No	Subject matter	Paragraph reference in extant directions/circulars	May be delegated to
		Paragraph 5 of the Sustained Assurance on Cyber Resilience Framework dated November 1, 2017	
21.	Base rate	Paragraph <u>13</u> of Reserve Bank of India (Small Finance Banks - Interest Rates on Advances) Directions, 2025	Asset Liability Committees
22.	Marginal cost of funds	Paragraph <u>23</u> of Reserve Bank of India (Small Finance Banks - Interest Rates on Advances) Directions, 2025	Any Committee to which powers have been delegated by the Board
23.	Review of NPAs above a threshold amount	Paragraph <u>56 (2)</u> of the Reserve Bank of India (Small Finance Banks- Transfer and Distribution of Credit Risk) Directions, 2025	Any Committee to which powers have been delegated by the Board
24.	Progress and key performance indicators of digital banking services (including DBU)	Paragraph <u>7(2)(ii)</u> of Reserve Bank of India (Small Finance Banks - Branch Authorisation) Directions, 2025	Any Committee to which powers have been delegated by the Board
25.	Customer Service aspects	Paragraph <u>6</u> of Reserve Bank of India (Small Finance Banks - Responsible Business Conduct) Directions, 2025	Any Committee to which powers have been delegated by the Board
For Information / Reporting			
26.	Report by CIV on Vigilance Activities	Paragraph <u>3</u> of Annex Internal Vigilance in Private Sector/foreign Banks dated May 26, 2011	Any Committee of the Board
27.	Analysis of incidents of operational risk failures & their impact	Paragraph <u>102</u> of Guidance Note on Operational Risk Management and Operational Resilience dated November 28, 2025	Audit Committee of the Board
28.	Results of review of Business Continuity Planning and its Testing	Paragraph <u>77 (1)</u> and <u>82</u> of Guidance Note on Operational Risk Management and Operational Resilience dated November 28, 2025	Any Committee to which powers have been delegated by the Board
29.	Assessments of the Operational Risk Management Framework by internal or external audit / risk management function	Paragraph <u>12 (3) (ii) (c), (d)</u> and <u>52</u> of Guidance Note on Operational Risk Management and Operational Resilience dated November 28, 2025	Audit Committee of the Board

S.No	Subject matter	Paragraph reference in extant directions/circulars	May be delegated to
30.	Report on Compliance risks	Paragraph <u>2.9(iv), 2.9(v) and 2.9(vi)</u> of the Compliance functions in banks and Role of Chief Compliance Officer (CCO) dated September 11, 2020	Audit Committee of the Board
31.	Review of Fraud risk incidents	Paragraph <u>2.1.4</u> of the Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions dated July 15, 2024	Audit Committee of the Board
32.	Collateral management for OTC derivatives	Paragraph <u>144 (v)</u> of Reserve Bank of India (Small Finance Banks – Prudential Norms on capital adequacy) Directions, 2025	Any Committee of the Board
33.	Reporting of bank's liquidity risk profile	Para <u>26(8)</u> of Reserve Bank of India (Small Finance Banks – Asset Liability Management) Directions, 2025	Risk Management Committee

IIC –May be discontinued at the discretion of the Board

S.No	Subject matter	Paragraph reference in extant directions/circulars
For Approval		
1.	Issue of multicurrency / payable at all branches cheques by CBS enabled banks	Paragraph <u>4</u> of the Issue of multicurrency / payable at all branches cheques by CBS enabled bank, dated August 10, 2012
For Review		
2.	Business through brokers in excess of 5% limit	Paragraph <u>90(8)</u> of Reserve Bank of India (Small Finance Banks – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025
3.	Review note on sanction of credit limits to exporters	Paragraph <u>428</u> of Reserve Bank of India (Small Finance Banks - Responsible Business Conduct) Directions, 2025.
4.	Review of implementation of instructions regarding operations in rural branches	Paragraph <u>39</u> of Reserve Bank of India (Small Finance Banks - Responsible Business Conduct) Directions, 2025.
For Information / Reporting		
5.	ATM transactions including failed transactions and penalties paid	Paragraph <u>v</u> of the Reconciliation of transactions at ATMs failure – Time limit, dated July 17, 2009 & Paragraph <u>2</u> of Declines in ATM transactions – reporting of dated January 17, 2013