

Master Direction - Reserve Bank of India (Non-Banking Financial Company (NBFC) – Scale Based Regulation) Directions, 2023

Extant paragraph	Amended paragraph
<p>5.1.25 “Owned Fund” means aggregate of</p> <ul style="list-style-type: none"> (i) paid up equity capital, (ii) preference shares which are compulsorily convertible into equity, (iii) free reserves, (iv) balance in share premium account and (v) capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset; <p>as reduced by</p> <ul style="list-style-type: none"> (vi) accumulated loss balance, (vii) book value of intangible assets and (viii) deferred revenue expenditure, if any. 	<p>5.1.25 “Owned Fund” means aggregate of</p> <ul style="list-style-type: none"> (i) paid up equity capital, (ii) preference shares which are compulsorily convertible into equity, (iii) free reserves, (iv) balance in share premium account and (v) capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset; <p>as reduced by</p> <ul style="list-style-type: none"> (vi) accumulated loss balance, (vii) book value of intangible assets and (viii) deferred revenue expenditure, if any. <p><u>NBFCs shall not be required to deduct a Right-of-Use (ROU) asset (created in terms of Ind AS 116-Leases) from Owned Fund, provided the underlying asset being taken on lease is a tangible asset.</u></p>
<p>107.2</p> <p>(ix) The following regulatory adjustments/deductions shall be applied in the calculation of CET 1 capital [i.e., to be deducted from the sum of items (i) to (viii)]:</p> <p>(a) Goodwill and other intangible assets:</p> <ul style="list-style-type: none"> (i) Goodwill and all other intangible assets should be deducted from CET 1 capital. (ii) The full amount of the intangible assets is to be deducted net of any associated deferred tax liabilities which would be extinguished if the intangible assets become 	<p>107.2</p> <p>(ix) The following regulatory adjustments/deductions shall be applied in the calculation of CET 1 capital [i.e., to be deducted from the sum of items (i) to (viii)]:</p> <p>(a) Goodwill and other intangible assets:</p> <ul style="list-style-type: none"> (i) Goodwill and all other intangible assets should be deducted from CET 1 capital. (ii) The full amount of the intangible assets is to be deducted net of any associated deferred tax liabilities which would be extinguished if the intangible assets become

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84. Treatment to On-Balance Sheet Assets for Capital Ratio	84. Treatment to On-Balance Sheet Assets for Capital Ratio																												
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**Master Direction - Non-Banking Financial Company - Housing Finance Company
(Reserve Bank) Directions, 2021**

Extant paragraph	Amended paragraph																								
<p>4.1.28 “Owned Fund” means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves including balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.</p>	<p>4.1.28 “Owned Fund” means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves including balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.</p> <p>HFCs shall not be required to deduct a Right-of-Use (ROU) asset (created in terms of Ind AS 116-Leases) from Owned Fund, provided the underlying asset being taken on lease is a tangible asset.</p>																								
<p><u>On balance sheet assets:</u></p> <p>6.2</p> <table><tr><th>Sr. no</th><th></th><th>Weighted risk assets - On-balance Sheet items</th><th>% Weight</th></tr><tr><td>(6)</td><td></td><td>Other Assets</td><td></td></tr><tr><td></td><td>(d)</td><td>Others (to be specified)</td><td>100</td></tr></table>	Sr. no		Weighted risk assets - On-balance Sheet items	% Weight	(6)		Other Assets			(d)	Others (to be specified)	100	<p><u>On balance sheet assets:</u></p> <p>6.2</p> <table><tr><th>Sr. no</th><th></th><th>Weighted risk assets - On-balance Sheet items</th><th>% Weight</th></tr><tr><td>(6)</td><td></td><td>Other Assets</td><td></td></tr><tr><td></td><td>(d)</td><td>Others (including ROU assets)</td><td>100</td></tr></table>	Sr. no		Weighted risk assets - On-balance Sheet items	% Weight	(6)		Other Assets			(d)	Others (including ROU assets)	100
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Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016

Extant paragraph	Amended paragraph												
<p>3.(1)(xxii) “owned funds” means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;</p>	<p>3.(1)(xxii) “owned funds” means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;</p> <p><u>NBFCs shall not be required to deduct a Right-of-Use (ROU) asset (created in terms of Ind AS 116-Leases) from Owned Fund, provided the underlying asset being taken on lease is a tangible asset.</u></p>												
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Master Directions - Mortgage Guarantee Companies (Reserve Bank) Directions, 2016

Extant paragraph	Amended paragraph												
<p>3(a)(xxv) "owned fund" means paid up equity capital, free reserves including contingency reserves maintained as per paragraph 18 of the Guidelines on Registration and Operations of Mortgage Guarantee Company, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;</p>	<p>3(a)(xxv) "owned fund" means paid up equity capital, free reserves including contingency reserves maintained as per paragraph 18 of the Guidelines on Registration and Operations of Mortgage Guarantee Company, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;</p> <p>NBFCs shall not be required to deduct a Right-of-Use (ROU) asset (created in terms of Ind AS 116-Leases) from Owned Fund, provided the underlying asset being taken on lease is a tangible asset.</p>												
<p>9. Capital Adequacy</p> <p><i>On balance sheet assets</i></p> <table border="1" data-bbox="236 1256 758 1447"> <thead> <tr> <th data-bbox="236 1256 635 1361">Items of Assets - On-Balance Sheet Items</th><th data-bbox="635 1256 758 1361">Risk Weight % Age</th></tr> </thead> <tbody> <tr> <td data-bbox="236 1361 635 1406">(vi) Other Assets</td><td data-bbox="635 1361 758 1406"></td></tr> <tr> <td data-bbox="236 1406 635 1447">(d) Others</td><td data-bbox="635 1406 758 1447">100</td></tr> </tbody> </table>	Items of Assets - On-Balance Sheet Items	Risk Weight % Age	(vi) Other Assets		(d) Others	100	<p>9. Capital Adequacy</p> <p><i>On balance sheet assets</i></p> <table border="1" data-bbox="842 1256 1417 1478"> <thead> <tr> <th data-bbox="842 1256 1297 1361">Items of Assets - On-Balance Sheet Items</th><th data-bbox="1297 1256 1417 1361">Risk Weight % Age</th></tr> </thead> <tbody> <tr> <td data-bbox="842 1361 1297 1406">(vi) Other Assets</td><td data-bbox="1297 1361 1417 1406"></td></tr> <tr> <td data-bbox="842 1406 1297 1478">(d) Others (including ROU assets)</td><td data-bbox="1297 1406 1417 1478">100</td></tr> </tbody> </table>	Items of Assets - On-Balance Sheet Items	Risk Weight % Age	(vi) Other Assets		(d) Others (including ROU assets)	100
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Master Direction – Reserve Bank of India (Asset Reconstruction Companies)
Directions, 2024

Extant paragraph	Amended paragraph								
<p>3.1 (xi) “Owned fund” means the aggregate of</p> <ol style="list-style-type: none"> paid up equity capital; paid up preference capital, to the extent it is compulsorily convertible into equity capital; free reserves (excluding revaluation reserve); credit balance in profit and loss account; <p>as reduced by-</p> <ol style="list-style-type: none"> the debit balance on the profit and loss account; miscellaneous expenditure (to the extent not written off or adjusted); book value of intangible assets; under/ short provision against NPA/ diminution in value of investments; over recognition of income, if any; and other deductions required on account of the items qualified by the auditors in their report on the financial statements. 	<p>3.1 (xi) “Owned fund” means the aggregate of</p> <ol style="list-style-type: none"> paid up equity capital; paid up preference capital, to the extent it is compulsorily convertible into equity capital; free reserves (excluding revaluation reserve); credit balance in profit and loss account; <p>as reduced by-</p> <ol style="list-style-type: none"> the debit balance on the profit and loss account; miscellaneous expenditure (to the extent not written off or adjusted); book value of intangible assets; under/ short provision against NPA/ diminution in value of investments; over recognition of income, if any; and other deductions required on account of the items qualified by the auditors in their report on the financial statements. <p><u>NBFCs shall not be required to deduct a Right-of-Use (ROU) asset (created in terms of Ind AS 116-Leases) from Owned Fund, provided the underlying asset being taken on lease is a tangible asset.</u></p>								
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Master Direction - Standalone Primary Dealers (Reserve Bank) Directions, 2016

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3(iv) Tier-I capital means paid-up capital, statutory reserves and other disclosed free reserves. Investment in subsidiaries (where applicable), intangible assets, losses in current accounting period, deferred tax asset and losses brought forward from previous accounting periods will be deducted from the Tier-I capital.	3(iv) Tier-I capital means paid-up capital, statutory reserves and other disclosed free reserves. Investment in subsidiaries (where applicable), intangible assets [*] , losses in current accounting period, deferred tax asset and losses brought forward from previous accounting periods will be deducted from the Tier-I capital. NBFCs shall not be required to deduct a Right-of-Use (ROU) asset (created in terms of Ind AS 116-Leases) from Owned Fund, provided the underlying asset being taken on lease is a tangible asset.																		
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