

Date: February 12, 2026

**RBI invites public comments on the draft “Reserve Bank of India (Local Area Banks - Responsible Business Conduct) Second Amendment Directions, 2026”**

Public consultation no. C2R/2025-26/344

Certain instructions on matters related to recovery of microfinance loans and engagement of recovery agents therefor by Local Area Banks (LABs) have been issued to LABs under the [Reserve Bank of India \(Local Area Banks - Responsible Business Conduct\) Directions, 2025](#). The extant instructions have since been reviewed. It has also been decided to issue comprehensive instructions on conduct related matters in recovery of loans and engagement of recovery agents to all LABs under the aforesaid Directions. Accordingly, the draft “[Reserve Bank of India \(Local Area Banks - Responsible Business Conduct\) Second Amendment Directions, 2026](#)” has been issued for public comments.

Additional comments or any attachments may also be submitted by email at [mcsdorfeedback@rbi.org.in](mailto:mcsdorfeedback@rbi.org.in).

Last date for submission of comments is March 6, 2026.

Draft Directions: [PDF \(234.63 KB\)](#)