



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
www.rbi.org.in

RBI/2016-17/44

DBR.No.BP.BC.6/21.06.001/2016-17

August 25, 2016

All Scheduled Commercial Banks  
(Excluding Local Area Banks and  
Regional Rural Banks)

Dear Sir/Madam,

**Review of Prudential Norms –Risk Weights for Exposures to Corporates, AFCs and NBFC-IFCs**

Please refer to para 5.8 of [Master Circular](#) on Basel III capital regulations dated July 1, 2015 on exposures to the captioned entities. At present unrated exposures to these entities attract a risk weight of 100 per cent. On a review, it has now been decided to make the following modifications to the risk weights applicable to unrated exposures:

- With effect from June 30, 2017, all unrated claims on corporates, AFCs, and NBFC-IFCs having aggregate exposure from banking system of more than INR 200 crore will attract a risk weight of 150%.
- However, claims on corporates, AFCs, and NBFC-IFCs having aggregate exposure from banking system of more than INR 100 crore which were rated earlier and subsequently have become unrated will attract a risk weight of 150% with immediate effect.

Yours faithfully,

(Ajay Kumar Choudhary)  
Chief General Manager