



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

RBI/2025-26/44

DoR.FIN.REC.25/03.10.038/2025-26

June 06, 2025

All Non-Banking Financial Companies - Microfinance Institutions

Dear Sir/ Madam,

**Review of Qualifying Assets Criteria**

Please refer to paragraph 8.1 of the [Master Direction - Reserve Bank of India \(Regulatory Framework for Microfinance Loans\) Directions, 2022 dated March 14, 2022](#) which prescribes Qualifying Assets Criteria for Non-Banking Financial Companies - Microfinance Institutions. On a review, it has been decided to revise the qualifying asset criteria and the amended paragraph 8.1 of the Master Direction may be read as follows.

**Paragraph 8.1:** *The definition of 'qualifying assets' of NBFC-MFIs has been aligned with the definition of 'microfinance loans' given at paragraph 3 above. Qualifying assets of NBFC-MFIs shall constitute a minimum of 60 percent of the total assets (netted off by intangible assets), on an ongoing basis. If an NBFC-MFI fails to maintain the qualifying assets as aforesaid for four consecutive quarters, it shall approach the Reserve Bank with a remediation plan for taking a view in the matter.*

2. This circular is issued in exercise of the powers conferred by Chapter IIIB of the Reserve Bank of India Act, 1934. The revised provisions shall come into effect from the date of this circular.

3. [Master Direction - Reserve Bank of India \(Regulatory Framework for Microfinance Loans\) Directions, 2022](#) is being updated accordingly.

Yours faithfully,

(J.P. Sharma)  
Chief General Manager