RBI/2018-19/106
DBR.BP.BC.No.20/21.06.201/2018-19
January 10, 2019

All Scheduled Commercial Banks
(Excluding RRBs and LABs)

Dear Sir/Madam,

Basel III Capital Regulations- Review of transitional arrangements


2. It has been decided to defer the implementation of the last tranche of 0.625% of Capital Conservation Buffer (CCB) from March 31, 2019 to March 31, 2020. Accordingly, minimum capital conservation ratios in para 15.2.2 of Part D ‘Capital Conservation Buffer Framework’ as applicable from March 31, 2018 will also apply from March 31, 2019 till the CCB attains the level of 2.5% on March 31, 2020.

3. Further, the pre-specified trigger for loss absorption through conversion / write-down of Additional Tier 1 instruments (PNCPS and PDI) shall remain at 5.5% of RWAs and will rise to 6.125% of RWAs on March 31, 2020.

Yours faithfully

(Saurav Sinha)
Chief General Manager-in-Charge