Housing Finance Companies – Third Amendment Directions, 2026

Effective date: 1 January 2027 (notification RBI/2026-2027/231 dated 6 August 2026)

RBI has withdrawn the HFC-specific recovery-agent code under sub-section A.15 (Chapter X, Fair Practices Code) of the RBI (Housing Finance Companies) Directions, 2025, and instead requires HFCs to follow the comprehensive recovery-conduct framework described above for NBFCs. A new sub-section A.15A and paragraph 170A now require HFCs to comply with paragraphs 100A–100AB of the RBI (NBFC – Responsible Business Conduct) Directions, 2025. No other provisions of the HFC Directions, 2025 are affected.

Practical implication

HFCs should treat this as a substantive compliance-migration exercise rather than a one-line policy edit: existing recovery-agent policies built around the superseded sub-section A.15/paragraph 170 will need to be withdrawn or substantially rewritten to track paragraphs 100A–100AB, and recovery-agent empanelment agreements, training/certification requirements, and grievance-redressal and audit testing should be aligned to the NBFC-wide standard before 1 January 2027.

Source: [Reserve Bank of India (Housing Finance Companies) Third Amendment Directions, 2026]