



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

ई-मेल/email : helpdoc@rbi.org.in



संचार विभाग, केंद्रीय कार्यालय, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400 001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai - 400 001 फोन/Phone: 022 - 2266 0502

August 20, 2025

RBI invites public comments on the draft circular on 'Counterparty Credit Risk: Add-on factors for computation of Potential Future Exposure – Revised Instructions'

Please refer to instructions on Counterparty Credit Risk (CCR) as contained in paragraph 5.15.3 of the [Master Circular DOR.CAP.REC.2/21.06.201/2025-26 dated April 1, 2025](#) on 'Basel III Capital Regulations'. Reserve Bank has released today the [draft circular on Counterparty Credit Risk: Add-on factors for computation of Potential Future Exposure – Revised Instructions](#) which modifies the aforementioned instructions.

The comments on the draft circular are invited from the banks, market participants, and other interested parties till **September 10, 2025**. The comments/feedback may be submitted through the link under the '[Connect 2 Regulate](#)' Section available on the Reserve Bank's website or may alternatively be forwarded to

The Chief General Manager-in-Charge
Market Risk Group
Department of Regulation, Central Office
Reserve Bank of India, 12th Floor
Shahid Bhagat Singh Marg
Fort Mumbai – 400 001
Or
by [email](#)

With the subject line 'Feedback on Counterparty Credit Risk: Add-on factors for computation of Potential Future Exposure – Revised Instructions'

Background and Objective

Extant instructions on capital adequacy for banks prescribe the Current Exposure Method (CEM) for computation of Counterparty Credit Risk (CCR). The Reserve Bank has reviewed these instructions to (i) clarify that banks acting as clearing members of SEBI recognised stock exchanges in the equity derivatives and commodity derivatives segments are required to maintain capital charge for CCR; and (ii) largely align the add-on factors for calculation of Potential Future Exposure (PFE) in the CEM for 'Interest Rate Contracts' and 'Exchange Rate Contracts and Gold' with the Basel Committee on Banking Supervision (BCBS) guidelines, reflecting the development and depth of the respective market segments since the guidelines were last revised in August 2008.