

FIDC

Finance Industry Development Council

(A body incorporated as a Self Regulatory Organisation for Registered NBFCs - AFCs)
101/103, Sunflower, 1st Floor, Rajawadi Road No.2, Ghatkopar (East), Mumbai - 400 077 (India)
Tel: 022 21027324/9820035553 • E-mail: maheshthakkar45@yahoo.in website: www.fidcindia.org

October 06, 2014

To
Mr. R. Gandhi,
Deputy Governor,
Reserve Bank of India,
Central Office Building, 19th Floor,
Shahid Bhagat Singh Road,
Mumbai-400 001.

Dear Sir,

DRAFT NBFCs REGULATIONS

We welcome the statement made in Fourth Bi-Monthly Monetary Policy Statement, 2014-15 announced by Dr. Raghuram G Rajan, Hon'ble Governor, Reserve Bank of India on 30th September 2014, reproduced hereinbelow:

18. With regard to non-banking financial companies (NBFCs):

- changes in the regulatory framework for NBFCs will be introduced by end-October 2014 covering prudential regulations on core capital, asset classification and provisioning norms, regulation on deposit acceptance, corporate governance and consumer protection measures.

With these changes coming into force, the Reserve Bank will recommence registering new NBFCs.

Sir, as you are aware, the Asset Financing NBFCs (NBFC-AFCs) registered with Reserve Bank of India have joined hands and formed a Self Regulatory Organization (SRO) under the name of **Finance Industry Development Council (FIDC)**. The constitution of SRO emanated from deliberations with RBI in the past at various levels.

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NBFC-AFCs have been recognized for their role in credit delivery in remote corners of India and have carved a niche for themselves in the semi-rural and rural segments of the country. NBFC-AFCs are also playing a vital role in furthering the cause of Financial Inclusion and in credit dispensation to the poor states/credit starved areas for over 6 decades.

Sir, FIDC has been making representation in writing and personally from time to time, in respect of all above issues concerning NBFCs. **We hope you will take into consideration our concerns and views expressed in various representations, while finalising the changes in the regulatory framework.**

We also request, if key Managing Committee Members of FIDC can personally meet you and other concerned officers and executives from RBI and discuss these issues. We can further substantiate the above referred issues. It would help in wide acceptance and dissemination of the new norms whenever announced by RBI.

We look forward to an **immediate positive response** and are confident that we are in the process of a long and beneficial relationship.

Thanking you,

Yours faithfully,

For **FINANCE INDUSTRY DEVELOPMENT COUNCIL**

MAHESH THAKKAR
DIRECTOR GENERAL