

NBFC - Acceptance of Public Deposits

Reserve Bank of India
Department of Non-Banking Supervision
Central Office
Centre-I, World Trade Centre
Cuffe Parade, Colaba
Mumbai - 400 001

Notification No. 164 / CGM(CSM) - 2003 dated January 8 , 2003

The Reserve Bank of India on being satisfied that it is necessary so to do, in exercise of its powers conferred under Section 45 NC of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, in supersession of the Notification No. DFC (COC) No.99 ED(JRP) / 97 dated March 6, 1997 hereby directs that:

(1) The provisions of Section 45-IA, 45-IB, 45-IC, 45MB and 45MC of the Reserve Bank of India Act, 1934 (2 of 1934) and provisions of Non-Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions contained in Notification No. DFC.118 / DG(SPT)-98, the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 contained in Notification No. DFC. 119/DG(SPT)-98 dated January 31, 1998 shall not apply to any non-banking financial company not holding or accepting public deposit as defined in paragraph 2(1)(xii) of the Notification No. DFC.118/DG(SPT)-98 dated January 31, 1998, and -

(a) doing the business of insurance, holding a valid certificate of registration issued under Section 3 of the Insurance Act, 1938 (IV of 1938);

(b) being a stock exchange, recognised under Section 4 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956) ; and

(c) doing the business of a stock-broker or sub-broker holding a valid certificate of registration obtained under Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992)

(2) The provisions of Sections 45-IA, 45-IB and 45-IC of the Reserve Bank of India Act, 1934 (2 of 1934) shall not apply to any non-banking financial company

(a)Notified under Section 620A of the Companies Act, 1956 (1 of 1956), known as Nidhi Companies; and

(b) doing the business of chits, as defined in clause (b) of Section 2 of the Chit Funds Act, 1982 (No. 40 of 1982).

Sd/-

(C. S. Murthy)

Chief General Manager-in-Charge