

RBI / 2006-07 / 162

DNBS (PD) CC No. 82 / 03.02.02 / 2006-07

October 27, 2006

To,

All Non-Banking Financial Companies (NBFCs)

Including Residuary Non- Banking Companies (RNBCs)

Dear Sirs,

Prior Public Notice about change in control / management

In terms of paragraph 2(2)(b) of the Company Circular DNBS (PD) CC.No.11/02.01/99-2000 dated November 15, 1999 read with paragraph A(5)(iii) (a) of the Company Circular DNBS (PD) CC No.12/02.01./99-2000 dated January 13, 2000 and paragraph 2 (ii) of Company circular DNBS (PD) CC No. 63 / 02.02 / 2005-06 dated January 24, 2006, whenever there is change of management and control of NBFCs, prior public notice should be given 30 days before effecting the sale, or transfer of the ownership by sale of shares, or transfer of control, whether with or without sale of shares or by way of amalgamation / merger of an NBFC with another NBFC or a non-financial company by the NBFC and also by the transferor, or the transferee.

2. The matter has been reviewed and it has been decided that such prior public notice shall be given by the NBFC and also by the transferor or the transferee or jointly by the parties concerned.

3. All other terms and conditions as stipulated in the circulars mentioned above shall remain unchanged.

4. Please acknowledge receipt to the Regional Office of the Department of Non-Banking Supervision, Reserve Bank of India under whose jurisdiction the Registered Office of your company is situated.

Yours faithfully,

(P. Krishnamurthy)
Chief General Manager-in-Charge