

**RBI/2006-2007/265**  
**DNBS.PD/ CC. No. 89/03.05.002 /2006-07**

**February 22, 2007**

All Non-Banking Financial Companies  
(including RNBCs)

Dear Sir,

**Prudential Norms Directions – Deposit taking and Non-deposit taking  
Non-Banking Financial Companies (NBFCs)**

Please refer to our circular DNBS.PD/ CC. No. 86/ 03.02.089 /2006-07 dated December 12, 2006 in terms of which regulatory framework for systemically important non-deposit taking NBFCs was prescribed. The Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 contained in Notification DFC 119/DG(SPT)-98 dated January 31, 1998 were to be amended accordingly to incorporate changes.

2. It was felt that a separate set of Prudential Norms Directions in supersession of the extant Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 may be issued for deposit taking NBFCs (including RNBCs) and non-deposit taking NBFCs for operational convenience. Accordingly, two sets of Prudential Norms Directions namely, Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 contained in Notification No. DNBS. 192/ DG (VL)-2007 dated February 22, 2007 for deposit taking NBFCs and Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 contained in Notification No. DNBS.193/ DG (VL)-2007 dated February 22, 2007 for non-deposit taking NBFCs have been enclosed for meticulous compliance by all concerned.

3. It may be observed from paragraph 22 of the Notification applicable to deposit taking NBFCs that it has been decided that henceforth all NBFCs and RNBCs with total assets of Rs. 100 crore and above should submit the return as prescribed in the format (NBS 6) on monthly basis within seven days of the close of the month to which it relates. The first such return may be submitted for the month ending April 30, 2007.

4. However, those NBFCs with deposits of Rs 50 crore and above may continue to submit return on Capital Market Exposure as hitherto being submitted by them till the month ending March 31, 2007, thereafter revised instructions shall be applicable.

Yours faithfully

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