



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2012-2013/207

DNBS (PD) CC. No.303/ Factor / 22.10.91/ 2012-13

September 14, 2012

All NBFCs

Dear Sir,

The Non-Banking Financial Company –Factors (Reserve Bank) Directions, 2012

It may be recalled that the Bank had issued the captioned Directions on July 23, 2012. In continuation, notifications amending the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, all of date have been issued for meticulous compliance.

2. A copy each of the above notifications of date is enclosed for meticulous compliance.

Yours sincerely,

(Uma Subramaniam)
Chief General Manager-in-Charge

Encl: As above

**RESERVE BANK OF INDIA
DEPARTMENT OF NON-BANKING SUPERVISION
CENTRAL OFFICE
CENTRE I, WORLD TRADE CENTRE,
CUFFE PARADE, COLABA,
MUMBAI 400 005.**

Notification No. DNBS. 250 / CGM(US)-2012 dated September 14, 2012

The Reserve Bank of India, having considered it necessary, in public interest and being satisfied that for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to amend the 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](#) (hereinafter referred to as the Directions), in exercise of the powers conferred by sections 45J, 45JA and 45L of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, hereby directs that the said Directions shall be amended with immediate effect as follows, namely -

1. Amendment of paragraph 2 –

In sub-paragraph (1), after clause (xii), the following clause (xiiia) shall be inserted.

“(xiiia) ‘Non-Banking Financial Company - Factor’ means a non-banking financial company as defined in clause (f) of section 45-I of the RBI Act, 1934 having financial assets in the factoring business at least to the extent of 75 percent of its total assets and its income derived from factoring business is not less than 75 percent of its gross income and has been granted a certificate of registration under sub-section (1) of section 3 of the Factoring Regulation Act, 2011.”

2. Amendment of paragraph 15 –

In para 15, after the last sentence the following sentence shall be added:

"For an NBFC-Factor, such certificate will indicate the requirement of holding the certificate of registration under section 3 of the Factoring Regulation Act. The certificate will also indicate the percentage of factoring assets and income, and

that the company fulfils all conditions stipulated under the Factoring Regulation Act to be classified as an NBFC-Factor”.

(Uma Subramaniam)
Chief General Manager In-Charge

Withdrawn

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DEPARTMENT OF NON-BANKING SUPERVISION
CENTRAL OFFICE
CENTRE I, WORLD TRADE CENTRE,
CUFFE PARADE, COLABA,
MUMBAI 400 005.**

Notification No. DNBS. 251 / CGM(US)-2012 dated September 14, 2012

The Reserve Bank of India, having considered it necessary, in public interest and being satisfied that, for the purpose of enabling the Bank to regulate the credit system to the advantage of the country, it is necessary to amend the 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](#) (hereinafter referred to as the Directions), in exercise of the powers conferred by sections 45J, 45JA and 45L of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this behalf, hereby directs that the said Directions shall be amended with immediate effect as follows, namely -

1. Amendment of paragraph 2 –

In sub-paragraph (1), after clause (viii a), the following clause (viii b) shall be inserted .

“(viii b) ‘Non-Banking Financial Company - Factor’ means a non-banking financial company as defined in clause (f) of section 45-I of the RBI Act, 1934 having financial assets in the factoring business at least to the extent of 75 percent of its total assets and its income derived from factoring business is not less than 75 percent of its gross income and has been granted a certificate of registration under sub-section (1) of section 3 of the Factoring Regulation Act, 2011.”

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and that the company fulfils all conditions stipulated under the Factoring Regulation Act to be classified as an NBFC-Factor”.

(Uma Subramaniam)
Chief General Manager In-Charge

Withdrawn