



भारतीय रिजर्व बैंक
RESERVE BANK OF INDIA

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November 29, 2013

All Credit Information Companies

Investment in Credit Information Companies

In exercise of the powers conferred by sub-section (1) of Section 11 of Credit Information Companies (Regulation) Act, 2005, and in supersession of its direction on Investment in Credit Information Companies dated November 20, 2008, Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest to do so, hereby directs that investments directly or indirectly by any person, whether resident or otherwise, shall not exceed ten per cent of the equity capital of the investee company.

2. Notwithstanding the above, the Reserve Bank may consider allowing higher FDI limits as under to entities which have an established track record of running a Credit Information Bureau in a well regulated environment:

(a) up to 49% if their ownership is not well diversified (i.e., one or more shareholders each hold more than 10% of voting rights in the company)

(b) up to 74% if their ownership is well diversified

or

If their ownership is not well diversified, at least 50% of the directors of the investee CIC in India are Indian nationals/ Non-Resident Indians/ Persons of Indian Origin subject to the condition that one third of the directors are Indian nationals resident in India.

(c) The investor company should preferably be a listed company on a recognised stock exchange.

3. In case the investor in a Credit Information Company in India is a wholly owned subsidiary (directly or indirectly) of an investment holding company, the conditions as at (a), (b) and (c) of (2) above will be applied to the operating group company that is engaged in credit information business and has undertaken to provide technical know-how to the Credit Information Company in India.

(B. Mahapatra)
Executive Director