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RBI list of NBFCs registered and permitted to accept Public Deposits and those which have been denied registration to function as NBFC On RBI website

The Reserve Bank of India has on its website (URL: <http://www.rbi.org.in>) released the all India lists of non-banking financial companies.

- i. 584 non-banking financial companies (NBFCs) whose applications for certificate for registration under Section 45IA of RBI Act, 1934 have been approved and have been allowed to hold/accept deposits from public; and
- ii. 1032 NBFCs including Residuary Non-Banking Companies (RNBCs) whose applications for certificate of registration under Section 45 IA of RBI Act, 1934 have been rejected.

Anyone interested in the information may download it from the RBI website. The RBI will regularly update the lists.

The Reserve Bank has also sent copy each of these lists to all the State Government and Union Territories to enlist their support in ensuring that the unauthorized and unregistered NBFCs do not accept public deposits. The State Governments and Union Territories have the resources and machinery available with them even at small towns and places and are thus better placed to ensure that unauthorized and unregistered NBFCs do not accept public deposits.

While 1032 companies, which have been refused Certificate of Registration by the Reserve Bank should immediately cease to function as NBFCs under the provisions of the Reserve Bank of India Act, the companies, which have not applied for registration to the Reserve Bank should also cease to function as NBFCs.

584 companies registered with the Reserve Bank can accept public deposits subject to their compliance with the regulatory framework including the need for minimum investment grade credit rating, as applicable. However, 6821 NBFCs either having a track record of less than two years and those not holding any public deposits on the date of grant of registration are not allowed to accept public deposits without the prior specific approval of the Reserve Bank of India even though registered with it. The NBFCs having net owned funds below Rs. 25 lakh are precluded from accepting public deposits in any manner.

Members of the public are advised to remain vigilant of the above factors and should not deposit their money with unregistered and unauthorized NBFCs. The members of public are also cautioned that unincorporated entities like individuals, firms, Hindu Undivided Families, associations of persons, etc., are allowed to accept deposits only from their relatives, corporate bodies as specified in the Reserve Bank of India Act, banks and financial institutions. They are neither allowed to accept deposits from others nor can they issue advertisement for mobilizing deposits.

While the Reserve Bank or any other government agency does not guarantee repayment of deposits, the Reserve Bank has been taking various prudential regulations/ supervisory measures so that NBFCs grow on healthy and sound lines. With a view to educating the general public, the Reserve Bank has been undertaking publicity campaign through print media, indicating the names of the NBFCs which have been refused registration and have been prohibited from accepting public deposits, as also, 'Do's and Don'ts', which a prospective investor should keep in mind before taking a decision to invest money in a particular NBFC.

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