



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

वेबसाइट : www.rbi.org.in/hindi

Website : www.rbi.org.in

ई-मेल/email : helpdoc@rbi.org.in



संचार विभाग, केंद्रीय कार्यालय, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई-400001

Department of Communication, Central Office, Shahid Bhagat Singh Marg, Fort, Mumbai-400001 फोन/Phone: 022- 22660502

August 25, 2023

**Governor, Reserve Bank of India meets MD & CEOs of NBFCs in Upper Layer
(including HFCs) and select Government NBFCs**

The Governor, Reserve Bank of India held a meeting today (August 25, 2023) with the MD & CEOs of select large Non-Banking Financial Companies (NBFCs), including Government NBFCs and Housing Finance Companies (HFCs) in Mumbai. These Entities constitute nearly 50 per cent of the total assets of all NBFCs including HFCs. The meeting was also attended by the Deputy Governors Shri M. Rajeshwar Rao and Shri Swaminathan J. and the Managing Director, National Housing Bank (NHB), Shri S. K. Hota, besides a few senior officials of the RBI.

The Governor in his opening remarks complimented the NBFCs and HFCs for their improved financial health and operational resilience in recent years. While acknowledging the important role played by the sector in delivering credit to the unbanked and underserved areas, the Governor advised that the NBFCs and HFCs need to remain alert to avoid any complacency during good times. The Governor highlighted the need for further strengthening the governance standards and assurance mechanisms viz. Compliance, Risk management and Internal audit in these entities.

Discussions were also held on diversifying the resources for NBFCs and HFCs to contain the increasing reliance on bank borrowings; risks associated with high credit growth in retail segment mostly in unsecured; prioritising the upgradation of IT systems and cyber security; strengthening Balance Sheets with improved provisioning cover; monitoring of stressed exposures and slippages; ensuring robust liquidity and asset-liability management; ensuring reasonableness and transparency in pricing of credit; and adherence to Fair Practices Code including robust grievance redress mechanism.

Press Release: 2023-2024/813

(Yogesh Dayal)
Chief General Manager