

RBI/2010-11 /23

DNBS (PD) CC No. 183 / 03. 02.001/ 2010-11

July 1, 2010

To
The Chairman/CEOs of all Miscellaneous Non-Banking Companies

Dear Sir,

Notification as amended up to June 30, 2010 – “Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1977”

As you are aware, in order to have all current instructions on the subject at one place, the Reserve Bank of India issues updated Circulars / notifications. The instructions contained in the Notification No.DNBC.39/DG(H)-77 dated 20th June 1977 updated as on June 30, 2010 are reproduced below. The updated notification has also been placed on the RBI web-site (<http://www.rbi.org.in>).

Yours sincerely,

(Uma Subramaniam)
Chief General Manager-in-Charge

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

Notification No.DNBC.39/DG(H)-77 dated 20th June 1977

The Reserve Bank of India having considered it necessary in the 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 give the directions set out below, hereby, in exercise of the powers conferred by sections 45J, 45K and 45L of the Reserve Bank of India Act, 1934, (2 of 1934) and of all the powers enabling it in this behalf, and in supersession of the earlier Directions contained in Notification No.DNBC.21/DG(S)-73 dated the 23rd August 1973 as amended from time to time gives to every miscellaneous non-banking company the directions hereinafter specified.

PART I - PRELIMINARY

1.Short title and commencement of the directions

These directions shall be known as the Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1977. They shall come into force with effect from the 1st July 1977 and any reference in these directions to the date of commencement thereof shall be deemed to be a reference to that date.

2. Extent of the directions

¹[These directions shall apply to every financial institution which is a company and which carries on, in any place in the State of Jammu and Kashmir, any of the following types of business and to every financial institution which is a company and which carries on, in any place in India, any of the types of business referred to in subparagraph (2) to (4) below :-

(1) Collecting whether as a promoter, foreman, agent or in any other capacity monies in one lump sum or in instalments by way of contributions or subscriptions or by sale of units, certificates or other instruments or in any other manner or as membership fees or admission fees or service charges to or in respect of any savings, mutual

¹ Substituted, vide Notification No. DNBC 41/ED(T)-79 dated May 9, 1979

benefit, thrift, or any other scheme or arrangement by whatever name called, and utilising the monies so collected or any part thereof or the income accruing from investment or other use of such monies for all or any of the following purposes -

- (a) giving or awarding periodically or otherwise to a specified number of subscribers as determined by lot, draw or in any other manner, prizes or gifts in cash or in kind, whether or not the recipient of the prize or gift is under a liability to make any further payment in respect of such scheme or arrangement;
 - (b) refunding to the subscribers or such of them as have not won any prize or gift, the whole or part of the subscriptions, contributions or other monies collected, with or without any bonus, premium, interest or other advantage, howsoever called, on the termination of the scheme or arrangement, or, on or after the expiry of the period stipulated therein;
- (2) managing, conducting or supervising as a promoter, foreman or agent of any transaction or arrangement by which the company enters into an agreement with a specified number of subscribers that every one of them shall subscribe a certain sum in instalments over a definite period and that every one of such subscribers shall in his turn, as determined by lot or by auction or by tender or in such other manner as may be provided for in the agreement be entitled to the prize amount;

Explanation

For the purposes of this sub-paragraph, the expression "prize amount" shall mean the amount, by whatever name it be called, arrived at by deduction from out of the total amount subscribed at each instalment by all subscribers,

- (a) the commission charged by the company or service charges as a promoter or a foreman or an agent; and
 - (b) any sum which a subscriber agrees to forego, from out of the total subscriptions of each instalment, in consideration of the balance being paid to him;
- (3) Conducting any other form of chit or kuri which is different from the type of business referred to in sub-paragraph (2) above;
- (4) undertaking or carrying on or engaging in or executing any other business similar to the business referred to in sub-paragraph (1) to (3).]

3. Definitions

- (1) In these directions, unless the context otherwise requires,

(a) "banking company" means a banking company as defined in section 5(c) of the Banking Regulation Act, 1949 (10 of 1949);

(b) "company" means a company as defined in section 45 I(a) of the Reserve Bank of India Act, 1934 (2 of 1934) but does not include a company which is being wound up under any law for the time being in force;

(c) "deposit" shall have the same meaning as assigned to it in section 45 I(bb) of the Reserve Bank of India Act, 1934 (2 of 1934)";

(d) "depositor" means any person who has made a deposit with the company;

(e) "foreman" means a person who under the chit or kuri agreement or any other scheme or arrangement is responsible for the conduct of the chit or kuri or such scheme or arrangement;

(f) "free reserves" shall include the balance in the share premium account, capital and debenture redemption reserves and any other reserve shown or published in the balance sheet of a company and created through an allocation of profits, not being (i) a reserve created for repayment of any future liability or for depreciation in assets or for bad debts; or (ii) a reserve created by revaluation of the assets of the company;

(g) "miscellaneous non-banking company" means a company carrying on all or any of the types of business referred to in paragraph 2 of these directions;

(h) words or expressions used but not defined herein and defined in the Reserve Bank of India Act, 1934 (2 of 1934) shall have the same meaning as assigned to them in that Act. Any other words or expressions not defined herein or in the Reserve Bank of India Act, 1934 (2 of 1934) shall have the same meaning as assigned to them in the Companies Act, 1956 (1 of 1956).

4. Non-applicability of the directions to certain types of deposits of money

Nothing contained in paragraphs 5 to ²[9B] and 13 of these directions shall apply to the following types of deposits received by a miscellaneous non-banking company, namely:-

i) Any money received or collected under a transaction or arrangement referred to in sub-paragraph (2) of paragraph 2;

ii) any money received from the Central Government or a State Government or any money received from any other source and the repayment of which is guaranteed by the Central Government or a State Government or any money received from a local authority or a foreign Government or any other foreign citizens, authority or person;

² Substituted, vide Notification No. 44/ED(B)-81 dated April 15, 1981

iii) any money received from a banking company or from the State Bank of India or from a banking institution notified by the Central Government under section 51 of the Banking Regulation Act, 1949 (10 of 1949) or a corresponding new bank as defined in section 2 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970) or from a co-operative Bank as defined in ³[Section 5 (cci) of the Banking Regulation Act, 1949 (10 of 1949)] ;

iv) any loan received from the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964 (18 of 1964) or the Industrial Credit & Investment Corporation of India Ltd., established under the Indian Companies Act, 1913 (7 of 1913) or the Industrial Finance Corporation of India established under the Industrial Finance Corporation Act, 1948 (15 of 1948) or the Industrial Reconstruction Bank of India Ltd., or the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956) or ⁴[the Small Industries Development Bank of India established under the Small Industries Development Bank of India Act, 1989 (39 of 1989) or] a State Financial Corporation established under the State Financial Corporation Act, 1951 (63 of 1951) or Unit Trust of India established under the Unit Trust of India Act, 1963 (52 of 1963) or the General Insurance Corporation of India and its subsidiaries or the Tamil Nadu Industrial Investment Corporation Ltd., or the National Industrial Development Corporation of India Ltd., or the ⁵[SCICI Ltd.], or the Rehabilitation Industries Corporation of India Ltd., or any Electricity Board constituted under the Electricity (Supply) Act, 1948 or the State Trading Corporation of India Ltd. or the Rural Electrification Corporation Ltd., or the Minerals and Metals Trading Corporation of India Ltd., or the Agricultural Finance Corporation Ltd., or the State Industrial and Investment Corporation of Maharashtra Ltd., or the Gujarat Industrial and Investment Corporation Ltd. or ⁶[the Asian Development Bank, or International Finance Corporation, or] any other financial institution wholly owned by the Central Government or a State Government or any other financial institution that may be notified by the Reserve Bank in this behalf;

v) Deleted⁷

vi) Deleted ^[7]

⁸[vii) any money received from an employee of the company by way of security deposit for due performance of his duties :

Provided that the amount of such security deposit is deposited with a scheduled bank or a post office in the joint names of the employee and the company on the conditions, that, -

³ Substituted, vide Notification No. DFC (COC) 74 ED(S)-94 dated April 19, 1994

⁴ Inserted vide Notification No.DFC(COC) 65 DG(T)/91-92 dated June 17, 1992

⁵ Substituted, vide Notification No. DFC(COC) 71ED (S)/93 dated May 12, 1993

⁶ Inserted, vide Notification No. DFC(COC)87 ED(JRP)/96 dated July 24, 1996

⁷ Omitted, vide Notification No. DFC(COC) 67 ED(S)-93 dated April 10, 1993

⁸ Substituted vide Notification No.DFC(COC) 62 DG(J)-91 dated September 19, 1991

(a) it shall not be withdrawn without the consent in writing of the employee; and

(b) it shall be repayable to the employee in accordance with the terms of his employment along with interest paid by bank/post office on the deposit account;]

⁹[viii) any money raised by issue of debentures or bonds with predetermined terms of conversion without any option given, either to the issuer or the holder for conversion of the said debentures or bonds into equity share capital;]

ix) any money received by way of subscription to any share or stock pending the allotment of such shares or stock or any money received by way of subscription to debentures or bonds of the type specified in clause (viii) of this paragraph pending the allotment of such debentures or bonds and any money received by way of calls in advance on shares in accordance with the company's articles of association so long as such money is not repayable to the shareholders under the articles of association of the company.

¹⁰**4A. Joint Deposit**

Where so desired, deposits may be accepted in joint names not exceeding three, with or without any of the clauses namely, "Either or Survivor/s", "Number one or Survivor/s", "Any one or Survivor/s".]

PART II - ACCEPTANCE OF DEPOSITS

5. Acceptance of deposits by miscellaneous non-banking companies

On and from the 1st July 1977, no miscellaneous non- banking company shall :-

(a) receive any deposit repayable on demand or on notice, or repayable after a period of less than six months and more than thirty six months from the date of receipt of such deposit or renew any deposit received by it, whether before or after the aforesaid date unless such deposit, or renewal, is repayable not earlier than six months and not later than thirty six months from the date of such renewal:

Deleted¹¹

Deleted¹²

⁹ Substituted, vide Notification No.DFC(COC) 87 ED(JRP)-96 dated July 24, 1996

¹⁰ Inserted, vide Notification No.DFC(COC) 65 DG(T)-92 dated June 17, 1992

¹¹ Deleted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

¹² Deleted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

(b) receive or renew :-

(i) "any deposit from a shareholder, if the amount of such deposit already received and outstanding in the books of the company as on the date of acceptance or renewal of such deposits, exceeds fifteen per cent of its net owned funds"¹³

(ii) "any other deposit, including non-convertible bonds or debentures".¹⁴

{“Provided that where a miscellaneous non-banking company is holding any deposit accepted from any person other than its shareholders, the same shall be repaid on maturity and shall not be eligible for renewal”}.¹⁵

¹⁶[Deleted]

¹⁷[Deleted]

¹⁸**Explanation**

Net owned fund means -

(a) the aggregate of the paid up equity capital and free reserves as disclosed in the latest balance sheet of the company after deducting therefrom -

(i) accumulated balance of loss;

(ii) deferred revenue expenditure; and

(iii) other intangible assets; and

(b) further reduced by the amounts representing

(1) investments of such company in shares of

(i) its subsidiaries;

(ii) companies in the same group;

(iii) all other non-banking financial companies; and

¹³ Substituted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

¹⁴ Substituted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

¹⁵ Inserted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

¹⁶ Deleted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

¹⁷ Deleted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

¹⁸ Substituted, vide Notification No. DFC(COC) 104-ED(JRP)/97 dated March 31, 1997

(2) the book value of debentures, bonds, outstanding loans and advances (including hire purchase and lease finance) made to, and deposits with

(i) subsidiaries of such company; and

(ii) companies in the same group

to the extent such amount exceeds ten per cent of (a) above.]

6. Particulars to be specified in application form soliciting deposit

On and from the 1st July 1977, no miscellaneous non-banking company shall accept, renew or convert any deposit except on a written application from the depositor in the form to be supplied by the company, which form shall contain all the particulars specified in the Non-Banking Financial Companies and Miscellaneous Non-Banking Companies (Advertisement) Rules, 1977, made under section 58A of the Companies Act, 1956 (1 of 1956).

7. Furnishing of receipts to depositors

(1) Every miscellaneous non-banking company shall furnish to every depositor ¹⁹[or group of joint depositors] or his agent, unless it has done so already, a receipt for every amount which has been or which may be received by the company by way of deposit before or after the date of commencement of these Directions.

(2) The said receipt shall be duly signed by an officer entitled to act for the company in this behalf and shall state the date of deposit, the name of the depositor, the amount in words and figures received by the company by way of deposit, the rate of interest payable thereon and the date on which the deposit is repayable.

8. Register of deposits

(1) Every miscellaneous non-banking company shall keep one or more registers in which shall be entered separately in the case of each depositor the following particulars, namely-

- (a) name and address of the depositor,
 - (b) date and amount of each deposit,
 - (c) duration and the due date of each deposit,
-

- (d) date and amount of accrued interest or premium on each deposit,
- (e) date and amount of each repayment, whether of principal, interest or premium,
- (f) any other particulars relating to the deposit.

(2) The register or registers aforesaid shall be kept at the registered office of the company and shall be preserved in good order for a period of not less than eight calendar years following the financial year in which the latest entry is made of the repayment or renewal of any deposit of which particulars are contained in the register:

Provided that if the company keeps the books of account referred to in sub-section (1) of section 209 of the Companies Act, 1956 (1 of 1956) at any place other than its registered office in accordance with the proviso to that sub-section, it shall be sufficient compliance with this sub-paragraph if the register aforesaid is kept at such other place, subject to the condition that the company delivers to the Reserve Bank a copy of the notice filed with the Registrar under the proviso to the said sub-section within seven days of such filing.

9. Information to be included in the Board's report

(1) In every report of the Board of Directors laid before the company in general meeting under sub-section (1) of section 217 of the Companies Act, 1956 (1 of 1956) after the date of commencement of these directions, there shall be included in the case of miscellaneous non-banking company, the following particulars or information, namely :

- (a) the total number of depositors of the company whose deposits have not been claimed by the depositors or paid by the company after the date on which the deposit became due for repayment or renewal as the case may be according to the contract with the depositor or the provisions of these directions, whichever may be applicable, and
- (b) the total amount due to the depositors and remaining unclaimed or unpaid beyond the dates referred to in clause (a) as aforesaid.

(2) The said particulars or information shall be furnished with reference to the position as on the last date of the financial year to which the report relates and if the amounts remaining unclaimed or undisbursed as referred to in clause (b) of the preceding sub-paragraph exceed in the aggregate the sum of rupees five lakhs, there shall also be included in the report a statement on the steps taken or proposed to be taken by the

¹⁹ Inserted, vide Notification No.DFC(COC) 65 DG(T)-92 dated June 17, 1992

Board of Directors for the repayment of the amounts due to the depositors and remaining unclaimed or undisbursed.

²⁰**[Ceiling on the rate of interest and brokerage**

9A ²¹[(1)] On and from ²²[April 24, 2007], no miscellaneous non- banking company shall :-

(a) invite or accept or renew deposit on a rate of interest exceeding ²³[twelve and a half] per cent per annum. Interest may be paid or compounded at rests which shall not be shorter than monthly rests:

²⁴ [Deleted]

[²⁵(b) pay to any broker for deposits collected by or through him, brokerage in excess of the rates specified below :-

(i) where a deposit is for : one percent of such
a period not exceeding deposit
one year

(ii) where a deposit is for : one and a quarter
a period exceeding one per cent (not per
year but not exceeding annum) of such
two years deposit

(iii) where a deposit is for : one and a half per-
a period exceeding two cent (not per annum)
years. of such deposit.]

²⁶[Deleted]

Intimation of maturity of deposits to depositors

²⁷ **[9AA.** It shall be the obligation of the miscellaneous non-banking company to intimate the details of maturity of the deposits to the depositors at least two months before the date of maturity of the deposit.]

²⁰ Inserted, vide Notification No.DNBC.43 ED(S)-81 dated March 30, 1981

²¹ Paragraph 9A renumbered as 9A(1) vide Notification No. DNBS 175/CGM(OPA)-2003 dated September 17, 2003

²² Substituted, vide Notification No. .DNBS 196/CGM(PK)-2007 dated April 24, 2007

²³ Substituted, vide Notification No. .DNBS 196/CGM(PK)-2007 dated April 24, 2007

²⁴ Proviso deleted, vide Notification No. DNBS.207/CGM(ANR)-2009 dated August 17, 2009

²⁵ Inserted, vide Notification No. DNBC 46/ED(B)/87 dated February 24, 1982

²⁶ Deleted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

²⁷ Inserted, vide Notification No. 181 dated October 5, 2004

Renewal of deposits before maturity

²⁸ [²⁹ **[9AB.]** Where any miscellaneous non-banking company permits an existing depositor “being a shareholder, ³⁰” to renew his deposit before maturity for availing the benefit of higher rate of interest, such company shall pay the depositor the increase in the rate of interest provided

- (i) the deposit is renewed in accordance with the other provisions of these directions and for a period longer than the remaining period of the original contract; and
- (ii) the interest on the expired period of the deposit is reduced by one percentage point from ³¹[the rate which the company would have ordinarily paid , had the deposit been accepted for the period for which such deposit has run] and/or paid earlier and recovered/adjusted.]

Renewal of overdue deposits

³² [²⁵ **[9AC]** A miscellaneous non-banking company may, at its discretion, allow interest on an overdue deposit or a portion of the said overdue deposit from the date of maturity of the deposit provided that :

- a) the total amount of overdue deposit or the part thereof is renewed from the date of its maturity till some future date in accordance with the other provisions of these directions; and
- b) the interest allowed shall be at the appropriate rate operative on the date of the maturity of such overdue deposit which shall be payable only on the amount of deposit so renewed.]

General Provisions regarding repayment of deposits

³³[Minimum lock- in period and Repayment in the event of death of the depositor

- 9B.** (i) No miscellaneous non-banking company shall grant any loan against deposits or make premature repayment of deposit within a period of three months (lock-in period) from the date of its acceptance:

Provided that in the event of death of a depositor, a miscellaneous non-banking

²⁸ Inserted, vide Notification No. DFC (COC) 62/ DG(J) dated September 19, 1991

²⁹ Renumbered, vide Notification No. 181 dated October 5, 2004

³⁰ Inserted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

³¹ Substituted, vide Notification No.94.ED(JRP)/96 dated January 1, 1997

³² Inserted, vide Notification No. 79 DG(T)/94 dated 31-12-1994 ,

³³ Substituted, vide Notification No.181 dated October 5, 2004

company may repay the deposit prematurely, even within the lock – in period, to the surviving depositor/s in the case of joint holding with survivor clause, or to the nominee or the legal heir/s of the deceased depositor, on the request of the surviving depositor/s/nominee/legal heir, and only against submission of proof of death, to the satisfaction of the company.

Repayment of [Deleted³⁴]deposits by a miscellaneous non-banking company not being a problem miscellaneous non-banking company

(ii) Subject to the provisions contained in sub-paragraph (i), a miscellaneous non-banking company not being a problem miscellaneous non-banking company may,

(a) with effect from October 5, 2004, permit premature repayment of a deposit at its sole discretion:

Provided that in the case of a deposit accepted prior to the aforesaid date, such miscellaneous non-banking company may, if so permitted by the terms and conditions of acceptance of such deposit, repay it prematurely at the request of the depositor, after the expiry of three months from the date of deposit;

(b) grant a loan up to seventy-five percent of the amount of deposit to a depositor after the expiry of three months from the date of deposit at a rate of interest two percentage points above the interest rate payable on the deposit.

Repayment of Deleted³⁵ [] deposits by a problem miscellaneous non-banking company

(iii) Subject to the provisions contained in sub-paragraph (i), in order to enable a depositor to meet expenses of an emergent nature, a problem miscellaneous non-banking company may make premature prepayment of, or grant a loan against, a deposit in the following cases only, namely:

(a) repay a tiny deposit in entirety or repay any other deposit up to an amount not exceeding Rs. 10,000/-; or

(b) grant a loan against a tiny deposit or up to an amount not exceeding Rs. 10,000/- against any other deposit at a rate of interest two percentage points above the interest rate payable on the deposit.

³⁶Clubbing of deposits by a problem miscellaneous non-banking company

³⁴ Deleted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

³⁵ Deleted vide Notification No. DNBS. 207 / CGM (ANR)-2009 dated August 28, 2009

³⁶ Substituted by Notification No. DNBS184/CGM(PK)-2005 dated December 9, 2005

(iv) All deposit accounts standing to the credit of sole/first named depositor in the same capacity shall be clubbed and treated as one deposit account for the purpose of premature repayment or grant of loan by a problem miscellaneous non-banking company;

Provided that this clause shall not apply to premature repayment in the event of death of depositor as provided in sub-paragraph (i).]

Rate of interest on premature repayment of deposits

(v) Where a miscellaneous non-banking company, whether at its sole discretion or at the request of the depositor, as the case may be, repays a deposit after three months from the date of its acceptance, but before its maturity (including premature repayment in the case of death of the depositor), it shall pay interest at the following rates:

| | |
|--|---|
| After 3 months but before 6 months | No interest |
| After 6 months but before the date of maturity | The interest payable shall be 2 per cent lower than the interest rate applicable to a deposit for the period for which the deposit has run or if no rate has been specified for that period, then 3 per cent lower than the minimum rate at which deposits are accepted by the miscellaneous non-banking company. |

Explanation: For the purpose of this paragraph,

(a) 'problem miscellaneous non-banking company' means a miscellaneous non-banking company which -

(i) has refused or failed to meet within five working days any lawful demand for repayment of the matured deposits ; or

(ii) intimates the CLB under section 58AA of the Companies Act, 1956, about its default to a small depositor in repayment of any deposit or part thereof or any interest thereupon; or

(iii) approaches the Bank for withdrawal of the liquid asset securities to meet its deposit obligations; or

(iv) approaches the Bank for any relief or relaxation or exemption from the

provisions of Miscellaneous Non-Banking Company (Reserve Bank) Directions, 1977 for avoiding default in meeting deposit or other obligations; or

(v) has been identified by the Bank to be a problem miscellaneous non-banking company either suo moto or based on the complaints from the depositors about non-repayment of deposits or on complaints from the company's lenders about non-payment of dues.

(b) 'tiny deposit' means the aggregate amount of deposits not exceeding Rs. 10,000/- standing in the name of the sole or the first named depositor in the same capacity in all the branches of the miscellaneous non-banking company.]

PART III- MISCELLANEOUS

Copies of balance sheet and accounts together with the Directors' report to be furnished to the Reserve Bank

10. Every miscellaneous non-banking company shall deliver to the Reserve Bank unless it has done so already, an audited balance sheet as on the last date of each financial year and an audited profit and loss account in respect of that year as passed by the company in general meeting together with a copy of the report of the Board of Directors laid before the company in such meeting in terms of section 217(1) of the Companies Act, 1956 (1 of 1956) within fifteen days of such meeting.

Returns to be submitted to the Reserve Bank

11. (1) Without prejudice to the provisions of paragraph 10, every miscellaneous non-banking company ³⁷[holding or accepting deposits] shall submit to the Reserve Bank a return furnishing the information specified in the First Schedule hereto, with reference to its position as on the dates specified in the said Schedule.

(2)(i) Every miscellaneous non-banking company shall, not later than one month from the coming into force of these directions or from the commencement of business, whichever is later, deliver to the Reserve Bank, a written statement containing a list of :-

(a) the names and the official designations of its principal officers;

(b) the names and residential addresses of the directors of the company; and

(c) the specimen signature of the officers authorised to sign on behalf of the company, returns specified in sub-paragraph (1)

³⁷ Inserted vide Notification No.DNBS.185/CGM(PK)-2005 dated December 27, 2005

(ii) any change in the list referred to in clause (i) of this sub-paragraph shall be intimated to the Reserve Bank within one month from the occurrence of such change.

Balance sheet, returns etc. to be submitted to the
³⁸ **[Department of Supervision]**

12. Any balance sheet, returns or information required to be submitted or furnished to the Reserve Bank in pursuance of these directions shall be submitted or furnished to the Regional Office of the ³⁹[Department of Supervision] of the Reserve Bank within whose jurisdiction the registered office of the company is situated, as specified in the Second Schedule hereto.

⁴⁰**Advertisement and statement in lieu of advertisement**

13.(1) Every miscellaneous non-banking company shall comply with the provisions of the Non-Banking Financial Companies and Miscellaneous Non-Banking Companies (Advertisement) Rules, 1977 and shall also specify in every advertisement to be issued thereunder, the following :

- (a) the actual rate of return by way of interest, premium, bonus or other advantage to the depositor;
- (b) the mode of payment to depositor;
- (c) maturity period of deposit;
- (d) the interest payable on a specified deposit;
- (e) the rate of interest which will be payable to the depositor in case the depositor withdraws the deposit prematurely, the terms and conditions subject to which a deposit will be renewed; and
- (f) any other special features relating to the terms and conditions subject to which the deposits are accepted/renewed; and
- ⁴¹**[(g) that the deposits solicited by it are not insured]**

(2) Where a company intends to accept deposits without inviting or allowing or causing any other person to invite such deposits, it shall before accepting deposits, deliver to the

³⁸ Substituted vide Notification No. DFC (COC) 87 ED(JRP)/96 dated July 24, 1996

³⁹ Substituted vide Notification No. DFC (COC) 87 ED(JRP)/96 dated July 24, 1996

⁴⁰ Substituted vide Notification No. DFC (COC) 62 DG(J)-91 dated September 19, 1991

⁴¹ Inserted vide Notification No. DNBS 162/CGM(CSM)-2002 dated October 1, 2002

Regional Office of the ⁴²[Department of Supervision] of the Reserve Bank, within whose jurisdiction its registered office is situated, for registration, a statement in lieu of advertisement containing all the particulars required to be included in the advertisement pursuant to the Non-Banking Financial Companies and Miscellaneous Non-Banking Companies (Advertisement) Rules, 1977 as also the particulars stated in sub-paragraph (1) hereinabove, duly signed in the manner provided in the aforesaid Rules.

(3) A statement delivered under sub-paragraph (2) shall be valid till the expiry of six months from the date of closure of the financial year in which it is so delivered or until the date on which the balance sheet is laid before the company in general meeting or where the annual general meeting for any year has not been held, the latest day on which that meeting should have been held in accordance with the provisions of the Companies Act 1956 (1 of 1956), whichever is earlier, and a fresh statement shall be delivered in each succeeding financial year before accepting deposits in that financial year.

14. Exemption

The Reserve Bank may, if it considers it necessary for avoiding any hardship or for any other just and sufficient reason, grant extension of time to comply with or exempt any company or class of companies, from all or any of the provisions of these directions either generally or for any specified period subject to such conditions as the Reserve Bank may impose.

15. Non-applicability of certain other directions

Nothing contained in the Non-Banking Financial Companies (Reserve Bank) Directions, 1977 shall apply to a financial institution of the type referred to in paragraph 2 of these Directions.

16. Saving of action taken or that may be taken for contravention of the Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1973

It is hereby clarified that the supersession of Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1973 as amended from time to time, shall not in any way affect

- (i) any right, obligation or liability acquired, accrued or incurred thereunder;
- (ii) any penalty, forfeiture, or punishment incurred in respect of any contravention committed thereunder;

⁴² Substituted vide Notification No. DFC (COC) 94 ED(JRP)/96 dated January 1, 1997

(iii) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid,

and any such investigation, legal proceeding or remedy may be instituted, continued, or enforced and any such penalty, forfeiture or punishment may be imposed as if those directions had not been superseded.

Sd/-
(R.K. HAZARI)
DEPUTY GOVERNOR

LIST OF AMENDING NOTIFICATIONS

| | <u>Notification No.</u> | <u>Date</u> |
|------|-------------------------|-------------------|
| [1] | 74 | April 19, 1994 |
| [2] | 79 | December 31, 1994 |
| [3] | 81 | October 28, 1995 |
| [4] | 87 | July 24, 1996 |
| [5] | 94 | January 1, 1997 |
| [6] | 101 | March 29, 1997 |
| [7] | 104 | March 31, 1997 |
| [8] | 145 | June 30, 2000 |
| [9] | 147 | March 31, 2001 |
| [10] | 150 | June 27, 2001 |
| [11] | 152 | October 31, 2001 |
| [12] | 181 | October 5, 2004 |
| [13] | 184 | December 9, 2005 |
| [14] | 185 | December 27, 2005 |
| [15] | 191 | January 4, 2007 |
| [16] | 196 | April 24, 2007 |
| [17] | 207 | August 28, 2009 |

Annexure

Second Schedule

(Please see paragraph 12 of the Directions)

Area under the jurisdiction of each Regional Office of the

RESERVE BANK OF INDIA

| <u>Name and address of the Office</u> | <u>Area under jurisdiction</u> |
|--|--|
| 1. Ahmedabad Regional Office, La Gajjar Chambers, Ashram Road, Ahmedabad-380 009. | State of Gujarat and Union Territories of Daman and Diu and Dadra and Nagar Haveli |
| 2. Bangalore Regional Office, 10-3-8, Nrupathunga Road, Bangalore-560 002. | State of Karnataka. |
| 3. Bhopal Regional Office, Hoshangabad Road, Post Box No.32, Bhopal-462 011. | ⁴³ [States of Madhya Pradesh and <i>Chhattisgarh</i>] |
| 4. Bhubaneswar Regional Office PanditJawaharlal Nehru Marg, Post Bag No.16, Bhubaneswar-751 001. | State of Orissa. |
| 5. ⁴⁴ [<i>Kolkata</i>] Regional Office, 15, Netaji Subhas Road, ⁴⁵ [<i>Kolkata</i>]-700 001. | States of Sikkim, and West Bengal and the Union Territory of Andaman and Nicobar Islands |
| 6. Chandigarh Regional Office, 11, Central Vista, New Office Building Opp. Telephone Bhavan, Sector 17, Chandigarh-160 017. | States of Himachal Pradesh, Punjab and the Union Territory of Chandigarh. |

⁴³ Substituted, vide Notification No. 150 dated June 27, 2001

⁴⁴ Substituted, vide Notification No. 150 dated June 27, 2001

⁴⁵ Substituted, vide Notification No. 150 dated June 27, 2001

- | | |
|---|--|
| 7. Chennai Regional Office, Fort Glacis, Rajaji Salai, Chennai-600 001. | State of Tamil Nadu and Union Territory of Pondicherry. |
| 8. Guwahati Regional Office, Station Road, Pan Bazar, Post Box No.120, Guwahati-781 001. | States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. |
| 9. Hyderabad Regional Office, 6-1-56, Secretariat Road, Saifabad, Hyderabad-500 004. | State of Andhra Pradesh. |
| 10. Jaipur Regional Office, Ram Bagh Circle, Tonk Road, P.B.No.12, Jaipur-302 004. | State of Rajasthan. |
| 11. Jammu Regional Office, Rail Head Complex, Post Bag No.1, Jammu-180 012. | State of Jammu and Kashmir. |
| 12. ⁴⁶ <i>[Kanpur Regional Office Mahatma Gandhi Marg, Kanpur - 208 001</i> | <i>States of Uttar Pradesh and Uttaranchal]</i> |
| 13. Mumbai Regional Office, Garment House, 4th Floor, Dr. Annie Besant Road, Worli, Mumbai-400 018. | States of Goa and Maharashtra |
| 14. New Delhi Regional office, 6, Sansad Marg, New Delhi-110 001. | State of Haryana and National Capital Territory of Delhi. |
| 15. Patna Regional Office, South of Gandhi Maidan, Post Bag No.162, Patna-800 001. | ⁴⁷ <i>[States of Bihar and Jharkhand]</i> |

⁴⁶ Substituted, vide Notification No. 150 dated June 27, 2001

⁴⁷ Substituted, vide Notification No. 150 dated June 27, 2001

16. Thiruvananthapuram State of Kerala and Union
Regional Office, Territory of Lakshadweep.
Bakery Junction,
Thiruvananthapuram-695 033.

⁴⁸Form - NBS 1

Annual Return on Deposits as on 31, March 20..
(To be submitted by all Non-Banking Financial Companies accepting / holding public deposits, and MNBCs - except Residuary Non-Banking Companies and MBFCs⁴⁹)

| | |
|---------------------------------|--|
| File Number | |
| ID Number | |
| Nature of business | |
| District Code | |
| State Code | |
| (To be filled in by RBI) | |

Name of the Company:

Instructions for filling in the Return - General

1. This Return should be submitted by a Non-Banking Financial Company covered by Para 8(3) of Notification No.DFC.118/DG(SPT)-98 dated January 31, 1998 and by a Miscellaneous Non-Banking Company covered by para 11 of the Notification No.DNBC.39 / DG (H)-77 dated June 20, 1977 to the Regional Office of Department of Non-Banking Supervision, Reserve Bank of India where its Registered Office is situated, once a year, after March 31 and latest by September 30, **with reference to its position as on March 31**, irrespective of the date of closing of the financial year of the Company concerned. A Certificate from the Auditors of the Company should be appended to the Return as per format furnished herewith. However, only in respect of **Part-3**, the information should be furnished as per the latest balance sheet but preceding the date of the return.
N.B. In terms of Notification No.DNBS.135/CGM(VSNM)-2000, dated 13-1-2000, NBFCs shall prepare their balance sheets and profit and loss accounts as on March 31, every year with effect from its accounting year ending with 31st March 2001. Therefore with effect from accounting year ending 31st March 2001, the information in Part 3 of the return shall be as on the date of current balance sheet thus coinciding with the date of return.
2. Submission of the Return should not be delayed for any reason such as the finalisation/ completion of the Audit of the annual accounts. The compilation of the Return should be on the basis of the figures available in the books of accounts of the company and should be certified by its Statutory Auditors.
3. **The number of accounts** should be given in actual figures while **the amounts of deposits should be shown in lakhs of rupees**. The amount should be rounded off to the nearest lakh. Illustratively, an amount of Rs.4,56,100 should be shown as 5 and not as 4.6 or 5,00,000. Similarly, an amount of Rs.61,49,500 is to be shown as 61 and not as 61.5 or 61,00,000.
4. The Return should be signed by a Manager (as defined in Section 2 of the Companies Act, 1956) and if there is no such Manager, by Managing Director or any official of the Company who has been duly authorised by the Board of Directors and whose Specimen Signature has been furnished to the Reserve Bank of India for the purpose. In case the Specimen Signature has not been

⁴⁸ Substituted, vide Notification No. 145 dated June 30, 2000

⁴⁹ Inserted vide Notification No 191 dated January 4, 2007

furnished in the prescribed card, the Return must be signed by the authorised official and his Specimen Signature furnished separately.

5. In case there is nothing to report in any part / item of the Return, the relevant part/ item may be marked '**Nil**' in the column meant for "*No. of accounts*" and **00s** may be indicated in the column meant for "*Amount*".
6. 'Subsidiaries' and 'Companies in the same group' mentioned in this Return have the same meanings assigned to them in Section 4 and Section 372 (11) respectively, of the Companies Act, 1956 as appearing prior to amendment to the Companies Act dated 31st October 1998.
7. In case this return is being filed through electronic media(internet), to the specified Web Server, a hard -copy of the same may be submitted to the concerned Regional Office duly signed .

Company Profile

| | | | | | | |
|-----|--|--------------------|---------|--------------------|----------------|--|
| 1. | Name of the Company | | | | | |
| 2. | Address of the Registered Office | | | | | |
| | | PIN | | | | |
| | Phone Nos. | | Fax No. | | e-mail address | |
| 3. | Name of the State in which the company is registered | | | | | |
| 4. | Address of the Corporate/ Head Office | | | | | |
| | | PIN | | | | |
| | Phone Nos. | | Fax No. | | e-mail address | |
| 5. | Date of Incorporation | | | | | |
| 6. | Date of Commencement of Business | | | | | |
| 7. | Name and Residential Address of : | | | | | |
| | i) Chairman | | | | | |
| | ii) Managing Director/ CEO | | | | | |
| 8. | Is it a Government Company (Please tick) : | Yes | | No | | |
| 9. | Status of the company (Please tick) : | | | | | |
| | | (i) Public Ltd. | | (ii) Deemed Public | | |
| | | (iii) Private Ltd. | | (iv) Joint Venture | | |
| 10. | Financial Year of the Company | | | | | |
| 11. | Nature of business | | | | | |
| 12. | Status of registration with RBI | | | | | |

| | | |
|-----|---|--|
| | i) Number and Date of Certificate of Registration if issued by RBI | |
| | ii) If not registered, indicate whether the application submitted for registration is rejected/ pending | |
| 13. | Classification of the Company (if given by Reserve Bank as HP / Leasing / Loan / Investment/ MBC etc. and reference number and date of such classification) | |
| 14. | Credit rating : | |
| | i) Rating assigned | |
| | ii) Date of rating | |
| | iii) Name of the Rating Agency | |
| | iv) Whether any change has occurred since the last rating (details) | |
| 15. | Number of Branches / Offices. (Please enclose a list of names and addresses thereof in the format given below as per Note 1) | |
| 16. | If a subsidiary company, please indicate the name and address of the holding company | |
| 17. | If the company is having subsidiaries / associate companies, number thereof. (Please enclose a list of names, addresses, Names of Directors and particulars of business activities thereof in the format given below as per Note 2) | |
| 18. | If a Joint Venture, name and address of the promoting institution(s) | |
| 19. | Name of the Company's statutory auditors with address and phone numbers | |
| 20. | Name(s) of the company's Bankers with addresses and phone numbers. | |

Note (1) : Format for furnishing details of branches:

| Sr.No. | Name of the branch | Date of opening | Address | City | District | State | Amount of public deposit |
|--------|-----------------------|-----------------|---------|------|----------|-------|---|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | Total No. of Branches | | | | | | Total Public Deposits of all the branches (Amount) |
| | | | | | | | Total Public Deposits as per balance sheet dated(Amount) |

Note (2) : Format for furnishing details of the subsidiaries:

| Sr. No. | Name of the subsidiary | Address | Name of the Directors | Business Activity |
|---------|------------------------|---------|-----------------------|-------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Details of Assets and Liabilities (as on March 31, 200--)

Part - 1

Public Deposits

(Amount in lakhs of Rupees)

| Item No. | Particulars | Item Code | Number of Accounts | Amount |
|----------|---|------------|--------------------|--------|
| 1. | Deposits received from public in the form of Fixed Deposits, Recurring Deposits etc. | 111 | | |
| 2. | (i) Deposits received from shareholders by a Public Limited Company (other than Nidhis). | 112 | | |
| | (ii) Deposits received from Joint shareholders other than the first named shareholder by a Private Limited Company. | 113 | | |
| 3. | (i) Money received by issue of Non-convertible unsecured debentures (please see instruction No.1 given below) | 114 | | |
| | (ii) Any other type of public deposits (Please Specify) | 115 | | |
| 4. | Total (111 to 115) | 110 | | |
| 5. | Of the total Deposits at item 4 above, those repayable | | | |
| | (i) within 1 year | 121 | | |
| | (ii) after 1 year but up to 2 years | 122 | | |
| | (iii) after 2 years but up to 3 years | 123 | | |
| | (iv) after 3 years but up to 5 years and | 124 | | |
| | (v) after 5 years | 125 | | |
| 6. | Total (121 to 125) | 120 | | |
| 7. | Break up of public deposits at item 4 above, as per rate of interest (excluding brokerage, if any) | | | |
| | (i) Below 10% | 131 | | |
| | (ii) 10% or more but less than 12% | 132 | | |
| | (iii) 12% or more but less than 14% | 133 | | |
| | (iv) 14% or more but less than 16% | 134 | | |
| | (v) At 16% | 135 | | |
| | (vi) More than 16% but up to 18% | 136 | | |
| | (vii) More than 18% | 137 | | |
| 8. | Total (131 to 137) | 130 | | |

| | | | | |
|-----|--|------------|--|--|
| 9. | Break-up of Public Deposits according to the size | | | |
| | i) Fixed deposits etc received from public (vide item No. 1 above) | | | |
| | a) upto Rs.10,000 | 141 | | |
| | b) over Rs.10,000 | 142 | | |
| | ii) Deposits from share holders in case of public limited companies (vide item No. 2 above) | | | |
| | a) upto Rs.10,000 | 143 | | |
| | b) over Rs.10,000 | 144 | | |
| | iii) Non-convertible unsecured debentures (vide item No.3 above) | | | |
| | a) upto Rs.10,000 | 145 | | |
| | b) over Rs.10,000 | 146 | | |
| 10. | Total of (141 to 146) [should tally with the amount shown against item 110] | 140 | | |
| 11. | Of the deposits at item 4 above : | | | |
| | i) Those which have matured but not claimed. | 151 | | |
| | ii) Those which have matured, claimed but not paid (please see instruction No.2 given below) | 152 | | |
| | a) From public (vide item No.1 above) | 153 | | |
| | b) From shareholders (vide item No. 2 above) | 154 | | |
| | c) From debenture holders (vide item No. 3 above) (Please furnish details of (a) (b) and (c) in Annexure No.....) | 155 | | |
| | iii) Those shown against item (ii) above where CLB has passed the orders for repayment | 156 | | |
| 12. | Public Deposits mobilised during the year by payment of brokerage | 157 | | |
| 13. | Brokerage paid | 158 | | |
| 14. | % of 13 to 12 | 159 | | |
| 15. | Public deposits matured but remaining unclaimed for 7 years including the year in which they have matured | 160 | | |

Instructions:

1. In the case of partly convertible Debentures/Bonds, the convertible portion should be shown against item 9 of Part -2. The Non-convertible unsecured debentures should be included under this item.
2. The reasons for non-payment of each Deposit and the steps taken for repayment including compliance of CLB Order (if any) should be indicated in an Annexure.

Part - 2
Particulars of other borrowings

| Item No. | Particulars | Item Code | Number of Accounts | Amount |
|----------|--|------------|--------------------|--------|
| 1. | Money borrowed from the Central/State Government/Local Authority/ others the repayment of which is guaranteed by the Central/ State Governments | 221 | | |
| 2. | Money borrowed from: | | | |
| | i) Foreign Government | 222 | | |
| | ii) Foreign Authority | 223 | | |
| | iii) Foreign Citizen or person | 224 | | |
| | Total (222 to 224) | 225 | | |
| 3. | Borrowings from : | | | |
| | (i) Banks | 226 | | |
| | (ii) Other Specified Financial Institutions | 227 | | |
| 4. | Money borrowed from any other Company | 228 | | |
| 5. | Unsecured loans from Directors / Promoters | 229 | | |
| 6. | Money borrowed by a private Company from its shareholders | 230 | | |
| 7. | Money received from employees of the Company by way of security deposit and kept in joint accounts in the name of the Company and the employees with a scheduled bank or a post office | 231 | | |
| 8. | Money received by way of caution money, margin money from the borrowers, lessee, hirers or by way of security or advance from agents in the course of company's business or advance received against orders for supply of goods or properties or for rendering of services | 232 | | |
| 9. | Money received by issue of convertible or secured debentures/bonds (please see the instruction given below) | 233 | | |
| 10. | Of the above, debentures subscribed by the banks/ other NBFCs. | 234 | | |
| 11. | Money received by way of subscription to shares, bonds or debentures pending allotment or money received by way of calls in advance on shares (not due for refinance). | 235 | | |
| 12. | Commercial Papers | 236 | | |
| 13. | Deposits received from relatives of Directors | 237 | | |
| 14. | Borrowings from Mutual Funds | 238 | | |
| 15. | Any others (Not treated as public deposits - Please specify) | 239 | | |
| 16. | Total (221 + 225 + 226 to 233+235 to 239) | 250 | | |

Instruction:

In the case of Partly Convertible Debentures/Bonds, only the convertible portion should be shown against item 9 of Part -2 above.

Part - 3**Net Owned Fund**

[Figures to be furnished as per the latest balance sheet preceding the date of the Return or as per balance sheet as on the date of return]

[Balance sheet as on]

| Item No. | Particulars | Item Code | Amount |
|----------|--|------------|--------|
| 1. | Capital Funds : | | |
| | (i) Paid-up Equity Capital | 311 | |
| | (ii) Paid-up preference shares which are compulsorily convertible to Equity | 312 | |
| | (iii) Free Reserves (please see instruction No.1 given below) | 313 | |
| 2. | Total (311 +312 +313) = A | 310 | |
| 3. | (i) Accumulated balance of loss | 321 | |
| | (ii) Balance of deferred revenue expenditure | 322 | |
| | (iii) Other intangible assets (please specify) | 323 | |
| 4. | Total (321+322 +323) = B | 320 | |
| 5. | Owned Fund (A - B) i.e.(310-320) = C | 330 | |
| 6. | Book value of investments in shares of : | | |
| | (i) Subsidiaries of the Company | 341 | |
| | (ii) Companies in the same group | 342 | |
| | (iii) all other Non-Banking Financial Companies (Details in Annexure No.....) | 343 | |
| 7. | Book value of investments in debentures and bonds of : | | |
| | (i) Subsidiaries of the Company | 344 | |
| | (ii) Companies in the same group (Details in Annexure No.....) | 345 | |
| 8. | Outstanding loans and advances including bills purchased/ discounted, inter-corporate deposits, hire purchase and lease finance, CPs with: | | |
| | (i) Subsidiaries of the Company | 346 | |
| | (ii) Companies in the same group (Details in Annexure No.....) [please see instruction No.2 given below] | 347 | |
| 9. | Total (341 to 347) = D | 340 | |
| 10. | D in excess of 10% of C (340 in excess of 10% of 330) = E | 351 | |
| 11. | Net Owned Fund (330 - 351) = (C - E) | 350 | |
| 12. | Paid-up preference Share Capital not compulsorily convertible, as per latest balance sheet | 361 | |
| 13. | Paid-up preference Share Capital not compulsorily convertible, as on | 362 | |

| | | | |
|-----|--|-----|--|
| | the date of this Return | | |
| 14. | Total liabilities as per the latest balance sheet preceding the date of Return | 363 | |
| 15. | Total liability as on the date of this Return | 364 | |

Instructions:

1. “Free Reserves” mentioned under item 1(iii) above shall include the balance in the Share Premium Account, Capital and Debenture Redemption Reserves and any other Reserve shown or published in the Balance Sheet and created through an allocation of Profits (including credit balance of Profit & Loss Account) but not being :

- (i) a Reserve created for repayment of any future liability or for depreciation of assets or for provision against non-performing assets / bad debts; or
- (ii) a Reserve created by Revaluation of the Assets of the Company.

2. Hire Purchase and Lease Finance mean :

- (i) in the case of hire purchase asset, the amount of future instalments receivable reduced by the balance of the unmatured finance charges; and
- (ii) in the case of lease assets, the depreciated book value of the lease asset plus/minus the balance in the lease adjustment account;

Amount due but not received should be added in both the cases.

Part - 4

Outstanding loans and advances, including Inter-Corporate Deposits/ Commercial Papers

| Item No. | Particulars | Item Code | Amount |
|----------|---|------------|--------|
| 1. | Loans and advances etc. in subsidiaries of the company | 411 | |
| 2. | Companies in the same group | 412 | |
| 3. | Companies, Firms and Proprietary Concerns where Directors of the Company hold substantial interest / are interested. (please see instruction No.1 given below). [Details in Annexure No.....] | 420 | |
| 4. | Others: | | |
| | (i) Companies not in the same Group | 431 | |
| | (ii) Directors / Promoters | 432 | |
| | (iii) Shareholders | 433 | |
| | (iv) Members of Staff | 434 | |
| | (v) Depositors | 435 | |
| | (vi) Others | 436 | |
| 5. | Total (411 +412 +420 +431 to 436) | 400 | |

Instructions:

- (1) "Substantial interest" shall have the same meaning as assigned to it in Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- (2) Sundry Debtors, Tax paid in advance and other Recoverable items not in the nature of loans and advances should **not** be shown in Part-4 above.
- (3) Fixed Deposit with other companies should be included under item 1, 2, 3 and 4 (i), as the case may be.
- (4) Investment in unquoted debentures shall be treated as credit and not investment.

Part - 5 (i)
Investments (at book value)

| Item No. | Particulars | Item Code | Amount |
|----------|---|------------|--------|
| 1. | Investments in - | | |
| | (i) Fixed deposits with banks/certificates of deposits issued by banks | 541 | |
| | (ii) Balances in any other deposit accounts with bank(s) | 542 | |
| | (iii) Securities of Central/State Govts. and bonds guaranteed by Central/State Govts. | 543 | |
| | (iv) Units of Unit Trust of India | 544 | |
| | (v) Others (Please specify.....) | 545 | |
| 2. | Investments in shares: | | |
| | (i) Quoted | 511 | |
| | (ii) Unquoted | 512 | |
| 3. | Investments in debentures and bonds | 515 | |
| 4. | Investments in shares of and debentures/bonds of companies where directors of the company hold substantial interest.(Please see the instruction No.1 of Part-4). (Details in Annexure No.....) | 520 | |
| 5. | Total [541 to 545 + 511 + 512 + 515 + 520] | 500 | |

Instructions:

- (1) Details of shares, debentures and commercial papers held in investment account or by way of stock-in-trade should be included in this part.
- (2) Fixed deposit with other companies should not be included here but should be shown in Part-4
- (3) Investment in unquoted debentures / bonds shall be treated as credit and not investment.

Part - 5 (ii)
Quoted shares/debentures/bonds/commercial papers

| Item No. | Particulars | Item Code | Amount |
|----------|--------------|-----------|--------|
| 1. | Book value | 551 | |
| 2. | Market value | 552 | |

Part - 6

Hire Purchase Business

| Item No. | Nature of goods on hire | Item Code | Number of Accounts | Amount |
|----------|---|-----------|--------------------|--------|
| 1. | Automobiles : | | | |
| | (i) Heavy Commercial Vehicles | 611 | | |
| | (ii) Light Commercial Vehicles including two wheelers | 612 | | |
| | (iii) Others | 613 | | |

| | | | | |
|----|---|------------|--|--|
| 2. | Total [611+612+613] | 610 | | |
| 3. | Household durables | 621 | | |
| 4. | Data processing / office automation equipment | 622 | | |
| 5. | Agricultural implements (Tractors, Bulldozers, etc.) | 623 | | |
| 6. | Industrial machinery or tools or equipment for use in industries | 624 | | |
| 7. | All others | 625 | | |
| 8. | Total [610+ 621 to 625] | 600 | | |
| 9. | Of 8 above, dues from - Subsidiaries / Companies in the same group / Companies, firm and proprietary concerns where directors of the company hold substantial interest | 691 | | |

Part - 7

Equipment Leasing business

| Item No. | Nature of Equipment on Lease | Item Code | Gross Leased Assets | Accumulated depreciation +/- Lease Adjustment Account | Net Leased Assets plus amounts due but not received |
|----------|---|------------|---------------------|---|---|
| 1. | Plant & Machinery | 701 | | | |
| 2. | Data Processing/office equipment | 702 | | | |
| 3. | Vehicles | 703 | | | |
| 4. | Others | 704 | | | |
| 5. | Total (701+702+703+704) | 700 | | | |
| 6. | Of 5 above, dues from Subsidiaries / companies in the same group / companies, firms and proprietary concerns where directors of the company hold substantial interest / or are interested | 791 | | | |

Part - 8

Bills business

| Item No. | Particulars | Item Code | Amount |
|----------|---|------------|--------|
| 1. | Bills purchased/discounted where the drawers, drawees or any endorsers are: | | |
| | (i) Subsidiaries of the company | 801 | |
| | (ii) Companies in the same group | 802 | |
| | (iii) Companies or firms in which any director of the company holds substantial interest or proprietary concerns owned by him | 803 | |
| 2. | Bills purchased / discounted other than 1 above | 820 | |
| 3. | Total (801 + 802 + 803 + 820) | 800 | |

Part - 9

Particulars about other fixed assets

| Item No. | Particulars | Item Code | Amount |
|----------|-------------|-----------|--------|
|----------|-------------|-----------|--------|

| | | | |
|----|--|------------|--|
| 1. | Fixed assets | | |
| | (i) Land and Buildings for own use | 901 | |
| | (ii) Land and Buildings – others | 902 | |
| | (iii) Furniture and Fixtures | 903 | |
| | (iv) Vehicles | 904 | |
| 2. | Other assets excluding intangibles | 905 | |
| 3 | Total of other assets (901 + 902 + 903 + 904+905) | 910 | |
| 4. | Total assets [excluding intangibles] (400 + 500 + 600 + 700 + 800 + 910] | 900 | |

Part - 10

Business statistics / information for the year ended 31 March, 200--

| Item No. | Particulars | Item Code | Amount |
|----------|--|-----------|--------|
| | <u>I. Disbursements (Fund based activities)</u> | | |
| 1 | Equipment leasing: | | |
| | (a) Outstanding balances as on the date of the return | 1001 | |
| | (b) Total disbursement during the year | 1002 | |
| 2 | Hire purchase: | | |
| | (a) Outstanding balances as on the date of the return | 1003 | |
| | (b) Total disbursement during the year | 1004 | |
| 3 | Loans | | |
| | (a) Loans against shares to corporates: | | |
| | (i) Outstanding balances as on the date of the return | 1005 | |
| | (ii) Total disbursement during the year | 1006 | |
| | (b) Loans against shares to individuals: | | |
| | (i) Outstanding balances as on the date of the return | 1007 | |
| | (ii) Total disbursement during the year | 1008 | |
| | (c) Loans against shares to brokers: | | |
| | (i) Outstanding balances as on the date of the return | 1009 | |
| | (ii) Total disbursement during the year | 1010 | |
| | (d) Loans to finance Initial Public Offerings (IPOs): | | |
| | (i) Outstanding balances as on the date of the return | 1011 | |
| | (ii) Total disbursement during the year | 1012 | |
| | (e) Inter-corporate loans / deposits: | | |
| | (i) Outstanding balances as on the date of the return | 1013 | |
| | (ii) Total disbursement during the year | 1014 | |
| | (f) Others | 1015 | |
| 4 | Bills Purchased/Discounted : | | |
| | (a) Outstanding balances as on the date of the return | 1016 | |
| | (b) Total disbursement during the year | 1017 | |
| 5 | Of 4, bills rediscounted : | | |
| | (a) Outstanding balances as on the date of the return | 1018 | |
| | (b) Total volume during the year | 1019 | |
| | <u>II. Trading in shares / securities (quoted other than SLR)</u> | | |
| 6 | Purchases / sales of shares / debentures / commercial papers: | | |
| | (a) Purchases | 1020 | |
| | (b) Sales | 1021 | |
| | <u>III. Fee based activities</u> | | |

| | | | |
|-----|---|------|--|
| 7. | Guarantees issued for Capital Market Operations: | | |
| | (a) Outstanding balances as on the date of the return | 1022 | |
| | (b) Total volume during the year | 1023 | |
| 8. | Guarantees issued for other purposes: | | |
| | (a) Outstanding balances as on the date of the return | 1024 | |
| | (b) Total volume during the year | 1025 | |
| 9 | Lease / Hire purchase syndicated during the year | 1026 | |
| 10. | Loan / ICDs syndicated during the year | 1027 | |
| 11 | Bills syndicated during the year | 1028 | |
| 12 | Underwriting : | | |
| | (a) Total amount underwritten | 1029 | |
| | (b) Amount devolved | 1030 | |
| | (c) Outstanding commitments | 1031 | |

Part - 10(A)
Status of overdues

| Item No. | Particulars | Item Code | Amount |
|----------|--|-------------|--------|
| 1 | Lease overdues more than 12 months | 1041 | |
| 2 | Lease overdues up to 12 months | 1042 | |
| 3 | Hire purchase overdues more than 12 months | 1043 | |
| 4 | Hire purchase overdues up to 12 months | 1044 | |
| 5 | Other overdues more than 6 months | 1045 | |
| 6 | Other overdues up to 6 months | 1046 | |
| 7 | Total (1041 to 1046) | 1040 | |

Part - 11
Particulars of selected Income and Expenditure
(Please see instructions given below).

| | | | |
|----|---|-------------|--|
| | <u>Fund-based income :</u> | | |
| 1 | Gross lease income | 1101 | |
| 2 | Less : Depreciation on Assets on Lease + / - Lease Equalisation | 1102 | |
| 3 | Net lease income (1101-1102) | 1103 | |
| 4 | Hire purchase income | 1104 | |
| 5 | Bills discounting income | 1105 | |
| 6 | Investment income | | |
| | (a) Dividend / interest | 1106 | |
| | (b) Profit / Loss (+ / -) on sale of shares / debentures / commercial papers | 1107 | |
| 7 | Interest income | | |
| | (a) Inter-corporate deposits / loans | 1108 | |
| | (b) Other loans and advances | 1109 | |
| 8 | Other fund based income | 1110 | |
| 9 | Total fund based income (1103 to 1110) | 1111 | |
| | <u>Fee based income</u> | | |
| 10 | Income from merchant banking activities | 1112 | |
| 11 | Underwriting commission | 1113 | |
| 12 | Income from syndication of bills, loans, ICDs, lease & hire purchase | 1114 | |
| 13 | Miscellaneous income | 1115 | |

| | | | |
|-----------|---|-------------|--|
| 14 | Total fee-based income (1112 to 1115) | 1116 | |
| 15 | Total Income (1111 + 1116) | 1100 | |
| | <u>Interest and other financing costs</u> | | |
| 16 | Interest paid on fixed deposits | 1117 | |
| 17 | Interest paid on ICDs | 1118 | |
| 18 | Brokerage | 1119 | |
| 19 | Reimbursement of expenses to brokers | 1120 | |
| 20 | Other financing costs | 1121 | |
| 21 | Bills rediscounting charges | 1122 | |
| 22 | Total financing costs (1117 to 1122) | 1123 | |
| | <u>Operating expenses</u> | | |
| 23 | Employee costs | 1124 | |
| 24 | Other administrative costs | 1125 | |
| 25 | Total operating costs (1124 + 1125) | 1140 | |
| 26 | Depreciation on own assets | 1126 | |
| 27 | Intangible assets amortised | 1127 | |
| 28 | Provision for diminution in value of investments | 1128 | |
| 29 | Provision against Non-Performing Assets | 1129 | |
| 30 | Other Provisions if any | 1130 | |
| 31 | Total expenses (1123 +1140 + 1126 to 1130) | 1150 | |
| 32 | Profit before tax (1100 – 1150) | 1160 | |
| 33 | Tax | 1170 | |
| 34 | Profit after tax (1160 - 1170) | 1180 | |

Instructions :

- (1) Particulars in this part should be for a full financial year. If the company closes its books on any date other than on 31st March, the date of closing of the books and the period should be indicated.
- (2) "Gross lease income" includes lease rentals (net of rebate), lease management fees, lease service charges, up-front fees, profit on sale of leased assets and delayed / late payment charges relating to lease business (including interest/compensation charges on advance payment for purchase of assets in respect of lease agreements entered into / finalised).
- (3) 'Lease equalisation account' has the same meaning as in the Guidance Note on Accounting for Lease (revised) issued by ICAI.
- (4) 'Hire purchase income' includes finance charges(net of rebate), hire service charges, delayed / late payment charges, up-front fees and other income relating to hire purchase business (including interest earned on advance payment for acquisition of hire purchase assets for identified hirers)

C E R T I F I C A T E

1. Certified that the directions contained in the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998* (as amended from time to time)/ Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1977*, as the case may be, are being complied with.
2. Further certified that the particulars / information furnished in this Return have been verified and found to be correct and complete in all respects.

(* Please delete whichever is not applicable)

Signature of Manager / Managing Director /
Authorised Official

Date:
Place:

A u d i t o r ' s R e p o r t

We have examined the books of account and other records maintained by -----
Company Ltd. in respect of the data furnished in this return and report that to the best of our knowledge and
according to the information and explanations given to us and shown by the records examined by us, the data
furnished in this return are correct.

Place:

Signature:

Date:

Name of the Chartered Accountants

Enclosures to the return :

1. The following documents should be submitted along with the return in case they have not already been sent. Please tick in the box against the item for the documents enclosed and state the date of submission in other cases.
 - (i) A copy of the audited balance sheet and profit and loss account dated nearest to the date of return.
 - (ii) Specimen signature card.
 - (iii) A copy of application form referred to in paragraph 4(12) of the Notification No.DFC.118/DG(SPT)-98 dated January 2, 1998 or paragraph 6 of the Notification No.DNBC.39/DG(H)-77 dated the 20th

June 1977.

2. A list of Principal officers and the names and addresses of directors in the form enclosed is to be sent with this return.

Part - 12

List of principal officers and directors of ----- Ltd.

I. Principal Officers

| Sr.No. | Name | Designation | Address & Tel. No. | If director in any company / ies, name(s) of the company / ies |
|--------|------|-------------|--------------------|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

II. Directors

| Sr.No. | Name | Address | % of equity shares of the company held by the director, his spouse and minor children | Names of other companies where he/she is a director |
|--------|------|---------|---|---|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Signature of Manager / Managing Director
/ Authorised Official

Name :

Designation :

Place:

Date :
