

Info Capsule

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OMBUDSMAN SCHEME FOR NON-BANKING FINANCIAL COMPANIES, 2018

The Reserve Bank of India (RBI) had vide Notification Ref.CEPD.PRS.No.3590/13.01.004/2017-18 dated February 23, 2018, implemented the Ombudsman Scheme for Non-Banking Financial Companies (NBFCs) as defined in Section 45-I(f) of the Reserve Bank of India Act, 1934 and registered with the RBI under Section 45-IA of the Reserve Bank of India Act, 1934 which are authorised to accept deposits. The Scheme was to be extended to remaining identified categories of NBFCs based on experience gained. As announced in Para 11 of the Statement on Developmental and Regulatory Policies of the Monetary Policy Statement dated April 04, 2019, in partial modification of the Notification ibid, RBI hereby directs that the Non-banking Financial Companies, as defined in Section 45-I(f) of the Reserve Bank of India Act, 1934 and registered with the RBI under Section 45-IA of the Reserve Bank of India Act, 1934 which (a) are authorised to accept deposits; (b) are Non-Deposit Taking Non-Banking Financial Companies having customer interface, with assets size of Rupees 100 crore or above, as on the date of the audited balance sheet of the previous financial year, or of any such asset size as the RBI may prescribe, will come within the ambit, and shall comply with the provisions of the Ombudsman Scheme for Non-Banking Financial Companies, 2018.

2. The Non-Banking Financial Company - Infrastructure Finance Company (NBFC-IFC), Core Investment Company (CIC), Infrastructure Debt Fund-Non-Banking Financial Company (IDF-NBFC) and an NBFC under liquidation, are excluded from the ambit of the Scheme.
3. The Scheme will continue to be administered from the offices of the Non-Banking Financial Companies Ombudsman in four metro centers viz. Chennai, Kolkata, Mumbai and New Delhi for handling complaints from the respective zones, so as to cover the entire country. The area of jurisdiction of these offices is indicated in 'Annex- I' of the Scheme.
4. The extension of the Scheme to eligible Non-Deposit Accepting Non-Banking Financial Companies shall come into effect and force from April 26, 2019.

Source: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11546&Mode=0>