

FIDC

Finance Industry Development Council

(A Representative Body of Assets and Loan Financing NBFCs)

101/103, Sunflower, 1st Floor, Rajawadi Road No.2, Ghatkopar (East), Mumbai – 400 077

Tel: 022 21029898/9820035553 • E-mail: directorgeneral@fidcindia.org.in



www.fidcindia.org.in

March 03, 2021

The Chief General Manager-in-Charge,
Reserve Bank of India,
Department of Regulation,
2nd Floor,
Main Office Building, Shahid Bhagat Singh Marg,
Fort, Mumbai – 400001

Dear Sir,

Early Recognition of Financial Distress, Prompt Steps for Resolution and Fair Recovery for Lenders: Framework for Revitalising Distressed Assets in the Economy – Access to NBFCs – Request

We bring to your kind notice that in terms of NBFC Directions, all NBFCs are mandated to report the relevant credit information on a quarterly basis in the enclosed formats given in Annex I to CRILC. It is observed that RBI has since established the XBRL mechanism for reporting of all data for NBFCs. However, presently the NBFCs don't have access to the data on their own customers or prospective customers through the CRILC portal.

Over the past period, the GoI and RBI have taken various supportive steps, significant being the improvement in their liquidity, access to SARFAESI Act, etc., for their being an integral part of the Indian Financial System. As a result, the NBFCs have contributed to the economic revival and their role has been vastly praised at all levels. Today, NBFCs account for about 20% of the loans disbursed in India and are participating with banks in various initiatives including consortium lending, co-origination and as banking correspondents.

We urge upon RBI to provide to the NBFCs full access to the CRILC website. The measure will go a long way in further improving the vitality and viability of the NBFCs by assisting in credit risk management, particularly in the following areas:



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- (a) NPA Review
- (b) Credit Appraisal and Underwriting
- (c) Monitoring Credit Discipline
- (d) Determining Non-cooperative borrowers
- (e) Request to other lenders for formation of Joint Lenders Forum
- (f) Early warning relating to impending delinquencies especially in co-lending or joint lending.

It may not be out of place to mention here that the credit discipline sought to be achieved by RBI through RBI measures on Opening of Current Accounts by Banks will be further strengthened by providing access to the NBFCs to the CRILC site.

We at FIDC aim at improving the operational efficiency of the NBFCs. We are confident that RBI will positively consider our request for allowing access to NBFCs to CRILC site. *We would be grateful for an opportunity to discuss and present our views to the RBI at a virtual or physical meeting.*

Thanking you,
Yours Faithfully,

For FINANCE INDUSTRY DEVELOPMENT COUNCIL

**MAHESH THAKKAR
DIRECTOR GENERAL
982003553**



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