

# FIDC

## Finance Industry Development Council

*(A body incorporated as a Self Regulatory Organization for Registered NBFCs)*

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**For Immediate Press Release**

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### **FIDC hails budget measures for NFBCs**

- **Sector will benefit from budget proposals**
  - **Liquidity to be eased**
- **Long pending demands have been met**
  - **Cost of operations to go down**

**Mumbai, July 05, 2019: Finance Industry Development Council (FIDC) is a Self-Regulatory Organization (SRO) cum Representative Body of the assets and Loan Financing NBFCs.**

**FIDC heartily welcomes very encouraging remarks on the NBFC sector, made by the Hon'ble FM in her budget speech.**

**On the much talked about Liquidity crunch, though the measures announced may not address the issue substantially, but the fact that Govt of India shall offer First Loss guarantee on the NBFC pool of assets, indicates the importance and confidence that the Govt has in the sector.**

**FIDC said that the decision to remove Debenture Redemption Reserve on public bonds issued by NBFCs and allowing tax deductibility of the Provisions made u/s Section 43D will result in level-playing field and bringing down the cost of operations for the sector.**

**Amendment of Factoring Regulation Act and allowing all NBFCs will channelise substantial amount of working capital to MSME sector, FIDC said.**

**The Finance Minister has also empowered the Reserve Bank of India to take several positive measures to address the liquidity headwinds faced by the industry in the last few months and this augurs well for the sector, FIDC further added.**

**For FINANCE INDUSTRY DEVELOPMENT COUNCIL**

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