

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

April 19, 2021

To,
Mr. Abhay Kumar,
The Home Secretary,
Government of Rajasthan,
Jaipur.
Email: abhay.kumar@rajasthan.gov.in

Respected Sir,

Sub: Request for permitting the partial functioning of RBI-registered NBFCs in the state of Rajasthan

Finance Industry Development Council (FIDC) is a Representative Body of Asset and Loan Financing of the NBFCs registered with the Reserve Bank of India and operating across the country. FIDC was formed 17 years ago and is the recognized face of the NBFC sector. We have been engaged in regular interaction both with Reserve Bank of India and Govt. of India, which include pre-budget meetings and also important policy related meetings with RBI. Almost all the leading NBFCs and a large number of small and medium sized NBFCs are our members.

All the leading member NBFCs have a very strong presence in the entire state of Rajasthan. In addition to this, we have a large number of small and medium sized NBFCs which are registered in Rajasthan only. Our Regional Chapter for the North Region is working under our affiliated association, namely, Rajasthan Finance Companies Association, Jaipur.



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We welcome the Order dated 18th April 2021 issued by the Government of Rajasthan imposing a 14 day lockdown for containment of a sudden upsurge of Covid-19 in the state of Rajasthan, w.e.f 05.00 am 19th April, 2021 upto 5.00 am on 3rd May, 2021.

We, the NBFCs have been functioning and implementing the Social Distancing and Work from Home, using the available resources in the best possible manner. In this difficult phase, there is a great challenge in balancing interest of our various stake holders, primarily the employees, deposit holders, debenture holders, Banks and Institutions, such that NBFCs continue to meet their commitments for timely payment of interests, maturity payments of fixed deposit holders, debenture holders.

NBFC customers are primarily small truck or commercial or passenger vehicle operators, small 3-wheeler operators including the Gramin Seva, Phat Phat Seva, Maxi cab operators, E-Rickshaw operators, farmers, and MSMEs who visit our branches for making payment of EMIs of their loans. We have made great progress over last few years in moving our customers to digital payments mode and that effort would continue.

In view of the special circumstances, it is necessary that essential staff may be required to be physically present in the branch offices and they cannot Work from Home, for the collections, depositing cash in banks, etc.

Further, it may be noted that the Commercial Banks are functioning for limited hours with only limited resources whereas the fund requirements of needy customers are growing at a rapid pace which are currently being addressed by the unorganized sector which are not subject to any kind of supervision by Regulatory authorities.



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We wish to impress upon that many of our member companies have offices and operations across the state. If at least 50% of our staff are permitted to be operative on rotation basis, we can cater to the rising financial requirements of a larger segment of lower and middle income customers during this challenging time.

*As per clause 17 & 18 of the above said order, you have exempted banks and Stock Markets and its operators from the closure of offices. Our operations are akin to bank operations. **In fact, NBFCs are the only part of the financial sector that has been left out.***

Keeping in mind the interest of our stakeholders, in particular fixed deposit holders, debenture holders, employees, Institutions and Banks, it is necessary that **certain essential staff may be permitted to carry out the essential operations, in small number and at staggered timings while following social distancing. Similar exemptions were extended to NBFCs by Ministry of Home Affairs, Government of India vide its Order dated 16th April, 2020 (copy enclosed), and recently by Government of Maharashtra vide their Order dated 05th April, 2021 (copy enclosed) .**

In the current scenario of a sudden spurt of Corona cases in Rajasthan, our highest priority will continue to be the safety and protection of health and life of our countrymen.

We make an appeal to exempt RBI-Registered NBFCs from the said Order dated 18th April 2021 and issue necessary Advisory that the essential operations of non-banking financial companies in the state of Rajasthan are continued on par with banking operation and to facilitate the essential staff to provide the essential services to our stakeholders.



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We thank you in anticipation of a positive response and assure you of our full co-operation all the times.

Thanking you,

Yours Faithfully,

For FINANCE INDUSTRY DEVELOPMENT COUNCIL

**MAHESH THAKKAR
DIRECTOR GENERAL
982003553**

Cc to:

**Mr Niranjan Kumar Arya,
Chief Secretary,
Government of Rajasthan,
Jaipur.
Email: arayaniranjan62@gmail.com**



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