

# FIDC

## Finance Industry Development Council

(A Representative Body of NBFCs in India)

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

Tel: 022 21029898/9820035553 • E-mail: [directorgeneral@fidcindia.org.in](mailto:directorgeneral@fidcindia.org.in)



[www.fidcindia.org.in](http://www.fidcindia.org.in)

23<sup>rd</sup> February, 2023

**MR. KRISHNA KANT PATHAK,  
SECRETARY (REVENUE),  
FINANCE DEPARTMENT,  
GOVERNMENT OF RAJASTHAN,  
1<sup>ST</sup> FLOOR, MAIN BUILDING, GOVERNMENT SECRETARIAT,  
JANPATH, JAIPUR 302005  
Email: [secyfinr@rajasthan.gov.in](mailto:secyfinr@rajasthan.gov.in)**

Dear Sir,

### **SUB:STAMP DUTY BENEFIT FOR MSME SECTOR**

**Finance Industry Development Council (FIDC)** is a Representative Body of NBFCs registered with the Reserve Bank of India and operating across the country. FIDC was formed 18 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.

The Government of Rajasthan has played a very supportive role in development of MSMEs, given the rich heritage of the state in promoting and encouraging entrepreneurship. The Govt. had issued an Order (No. F.2(97)FD/Tax/2010-11 dated April 25, 2011) under Section 9(1) of the Rajasthan Stamp Duty Act significantly reducing stamp duty on instruments executed for taking loans for setting up of MSMEs or for enhancement of credit facilities or for transfer of credit facilities **from one bank to another** (*emphasis added*). This has provided a major relief to MSME entrepreneurs and has been welcomed widely. A copy of the said Order is *enclosed* for your ready reference.

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Over the past few years, **RBI registered NBFCs** have assumed an increasingly important role in ensuring credit flow to the MSMEs. NBFCs are committed to furthering this role and be a prime mover in the growth and development of MSMEs. The flow of credit from NBFCs to MSMEs has now increased to almost 20% of new credit provided to the sector. We request that the aforesaid **concessional stamp duty be also allowed in case of credit provided by NBFCs to MSMEs or for transfer of credit facilities from a bank to an NBFC or from one NBFC to another.** This would provide a significant relief to MSMEs in accessing credit from NBFCs as well and thus allow larger corpus of funds flowing to the sector.

We look forward to your kind and favourable consideration of our request.

Thanking you,

Yours faithfully,

For **FINANCE INDUSTRY DEVELOPMENT COUNCIL**

**MAHESH THAKKAR**  
**DIRECTOR GENERAL**  
**9820035553**



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