

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

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**MR. AJAY TYAGI,
CHAIRMAN,
SEBI,
SEBI BHAVAN, PLOT NO. C-4A,
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BANDRA EAST, MUMBAI 400 051**

April 04, 2020

Respected Sir,

SUB:REPRESENTATION ON BEHALF OF NBFC INDUSTRY ON COVID-19 PANDEMIC

We **thank** the Ministry of Finance, the Reserve Bank of India and the Securities and Exchange Board of India for the proactive measures to help mitigate the negative economic fallouts of the Corona Virus pandemic.

The measures announced by the Ministry on 26th March 2020 to provide succor to the economically weaker sections, those announced by the RBI on 27th March 2020 and slew of relaxation provided by the SEBI in the wake of global pandemic are indeed unprecedented, far reaching and bold measures to help the Indian economy survive and rebuild itself.

We would like to highlight following issue arising due of COVID-19 situation, which requires further clarity so as to allow effective percolation of benefit extended by the SEBI:

Moratorium to apply to all the instruments like NCDs:

The present relief package announced by the RBI does not cover debt raised through capital market instruments such as NCDs and PTCs. This would put undue stress on the NBFCs who have raised funds through issuance of debt.



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We humbly submit that corresponding moratorium be applied to all such instruments viz., NCDs, PTCs and other instruments of similar nature. This will help the industry to avoid any unnecessary rating downgrade and liquidity squeeze.

We sincerely appeal to consider this request as a one-time step to help NBFCs manage the current situation and to enable them to play a due role in the rebuilding efforts.

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

Yours faithfully,

For FINANCE INDUSTRY DEVELOPMENT COUNCIL

**MAHESH THAKKAR
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