

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2649

ANSWERED ON:31.08.2007

CHANGE IN GUIDELINES OF NON-BANKING FINANCE COMPANIES (NBFC )

Rao Shri Sambasiva Rayapati

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Government proposes to make any change in the guidelines for non-banking finance companies; and

(b) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (b) : Reserve Bank of India (RBI) has reported that regulation and supervision of Non-Banking Financial Companies (NBFCs) is a continuously evolving process and necessary changes are effected by way of issue of directions/guidelines to NBFCs, under statutory provisions, from time to time. Some of the guidelines for NBFCs recently amended by RBI include Fair Practices Code, Corporate Governance, Regulatory and Supervisory Framework for non-deposit taking NBFCs with asset size of Rs. 100 crore and above and reclassification of NBFCs to recognize a new class of NBFCs namely Asset Finance Companies.