

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3036
ANSWERED ON:19.08.2011
ASSET LIMIT OF NBFCS
Das Shri Khagen

Will the Minister of FINANCE be pleased to state:

- (a) Whether the present stipulation requiring Non-Banking Financial Companies (NBFCs) to have a minimum asset size of Rs. 100 crores was determined long back;
- (b) If so, the details thereof;
- (c) Whether the Government proposes to increase the asset limit classification to a minimum of Rs. 500 crores in view of the mushrooming of NBFCs across the country; and
- (d) If so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (d):- Reserve Bank of India (RBI) has not prescribed any minimum asset size for classifications for Non-Banking Financial Companies (NBFCs). However, keeping in view their systemic implications, w.e.f. December, 2006, the NBFCs (Non-Deposit) with asset size of Rs. 100 crore and more are being categorised as 'Systemically Important NBFCs'. In view of the systemic implications of these entities, RBI has no proposal to revise the asset size criterion for 'Systemically Important NBFCs'.