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RBI notification regarding 'Financial Institution' under Section 2(1)(m)(iv) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act)

This is in reference to Para 105 of [Master Direction – Non-Banking Financial Company – Housing Finance Company \(Reserve Bank\) Directions, 2021](#) wherein certain criteria have been prescribed for notification of HFCs as 'Financial Institution' under Section 2(1)(m)(iv) of the SARFAESI Act.

In this connection, Government of India (GoI) has, vide its Gazette Notification No. S.O. 2405(E) dated June 17, 2021 notified the HFCs registered under Section 29A(5) of National Housing Bank Act, 1987 and having assets worth ₹100 crore & above, as 'Financial Institution' under Section 2(1)(m)(iv) of SARFAESI Act, 2002. In view of revision of the criteria for notification as 'Financial Institution' as per the abovementioned Gazette notification of GoI, the criteria prescribed under Para 105 of the aforesaid Master Direction are withdrawn with immediate effect.

The [Master Direction – Non-Banking Financial Company – Housing Finance Company \(Reserve Bank\) Directions, 2021](#) is being modified accordingly.

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Warm Regards,

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