



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

DNBR(PD) No.313 /03.10.01/2014-15

February 12, 2015

Speed Post

The Executive Director
Sa-Dhan
12 & 13, Shaheed Jeet Singh Marg
2nd Floor, MPTCD Building
Special Institutional Area
New Delhi

Dear Sir,

Application for recognition as Self-Regulatory Organisation for NBFC-MFIs

Please refer to your application dated April 17, 2014 on the captioned subject. In this connection, it is advised that the Reserve Bank has decided to recognise Sa-Dhan as a Self-Regulatory Organisation (SRO) for NBFC-MFIs.

2. The recognition of Sa-Dhan as an SRO for NBFC-MFIs is subject to the following terms and conditions:

- i. The SRO will nominate a Compliance Officer who will directly report to the Reserve Bank and who will keep the Reserve Bank regularly posted of all developments in the sector. The name of the Compliance Officer may be communicated to the Reserve Bank at the earliest.
- ii. The SRO will have to conduct investigation into areas of concern as pointed out by the Reserve Bank including keeping the Reserve Bank informed of violations by any of its members, if any, of the provisions of the RBI Act, 1934, the directions issued under the Act, circulars or the guidelines issued by the Reserve Bank from time to time.
- iii. The SRO shall provide information, including data, to the Reserve Bank periodically or as requested for by the Bank.
- iv. The Reserve Bank shall, if need arises, call for information on the activities of the SRO and inspect the books of the SRO or arrange to have

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हिन्दी आसान है, इसका प्रयोग बढ़ाइए

the books inspected by an audit firm.

v. The SRO shall continue to conduct a due diligence on its Directors to ensure that the Directors continue to be Fit and Proper. The SRO will inform the Bank on adverse developments, if any, in this regard.

vi. The SRO will also keep the Bank posted on any change in Directorship including the due diligence conducted on them.

vii. The SRO shall continue to adhere to the criteria under which it has been recognized as an SRO at all times.

viii. Sa-Dhan shall submit to the Bank a Quarterly Statement giving a brief profile of the sector. The profile shall include a) status of Sa-Dhan membership, b) violations to RBI regulations observed during the quarter c) activities of the Grievance Redressal Committees d) Activities of the Enforcement Committee e) Other activities of the SRO f) Important Developments in the sector. The format in which the statement is to be submitted shall be conveyed at a later date.

ix. The SRO shall submit its Annual Report to the Reserve Bank at the earliest but not later than June 31 of each year.

Yours faithfully



(A. Mangalagiri)
General Manager-in-Charge