To

All Housing Finance Companies

Madam/Sir,

Withdrawal of exemptions granted to Housing Finance Institutions

Please refer to Para 1 of our Master Direction – Exemptions from the provisions of RBI Act, 1934.

2. Housing Finance Institutions as defined under Clause (d) of Section 2 of the National Housing Bank Act, 1987 are currently exempt from the provisions of Chapter IIIB of Reserve Bank of India Act, 1934. On a review, it has been decided to withdraw these exemptions and make the provisions of Chapter IIIB except Section 45-IA of Reserve Bank of India Act, 1934, applicable to them.

3. Master Direction – Exemptions from the provisions of RBI Act, 1934 has been updated accordingly.

4. Necessary notification withdrawing the exemption under Section 45 NC of the RBI Act, 1934 shall be issued separately.

Yours faithfully,

(Manoranjan Mishra)
Chief General Manager