



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
www.rbi.org.in

RBI/DNBR/2018-19/227

DNBR.PD (ARC) CC.No.07/26.03.001/2018-19

June 28, 2019

The Chairman/Managing Director/Chief Executive Officer

All registered Asset Reconstruction Companies

Dear Sir/Madam,

**Permission to acquire financial asset from other Asset Reconstruction Companies (ARCs)**

Please refer to [Circular DNBS \(PD\) CC.No.35/SCRC/26.03.001/2013-2014 dated January 23, 2014](#) on the captioned subject.

2. In view of amendment to the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002, it has been decided to permit ARCs to acquire financial asset from other ARCs on following conditions:

- a. The transaction is settled on cash basis;
- b. Price discovery for such transaction shall not be prejudicial to the interest of Security Receipt holders;
- c. The selling ARC will utilize the proceeds so received for the redemption of underlying Security Receipts;
- d. The date of redemption of underlying Security Receipts and total period of realisation shall not extend beyond eight years from the date of acquisition of the financial asset by the first ARC.

Yours faithfully,

(Manoranjan Mishra)  
Chief General Manager