



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/DoR/2025-26/224

DoR.GOV.REC.No.414/18.10.008/2025-26

February 26, 2026

**Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous)
Amendment Directions, 2026**

Please refer to the [Reserve Bank of India \(Non-Banking Financial Companies – Miscellaneous\) Directions, 2025](#).

2. The National Urban Co-operative Finance and Development Corporation Limited (NUCFDC) has been set up with a specific purpose - to function as an Umbrella Organisation (UO) for primary (urban) co-operative banks (UCBs) - with an overarching mandate to strength the UCB sector by providing various kinds of fund-based support and non-fund-based services to its member (shareholder) UCBs.

3. To achieve its objectives, it is necessary that NUCFDC grants membership to all the 1400-plus UCBs as early as possible. However, the statutory provisions contained in Section 42(2) of the Companies Act, 2013, read with Rules 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, limits private placement offers to 200 persons in aggregate in a financial year. This restriction would constrain the NUCFDC from granting membership to all UCBs expeditiously. However, in terms of sub-rule (7) of Rule 14 of the said Rules, the provisions of sub-rule (2) of Rule 14 shall not be applicable to non-banking financial companies which are registered with the Reserve Bank of India under the Reserve Bank of India Act, 1934 (2 of 1934), if they are complying with regulations made by the Reserve Bank in respect of offer or invitation to be issued on private placement basis. Therefore, in terms of the provisions contained in Rule 14 (7) *ibid*, it is considered necessary to issue Directions to NUCFDC to help fulfil its mandate.

4. Therefore, in exercise of the powers conferred by section 45L of the Reserve Bank of India Act, 1934 (2 of 1934) and of all the powers enabling it in this regard, Reserve Bank, being satisfied that it is necessary and expedient in the public interest so to do, hereby issues these Directions hereinafter specified.

(1) These Directions shall be called the Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Amendment Directions, 2026.

- (2) These Directions shall come into force with immediate effect.
- (3) These Directions shall modify the [Reserve Bank of India \(Non-Banking Financial Companies – Miscellaneous\) Directions, 2025](#), in the manner as specified hereinafter.
- (4) After paragraph 13 of the [Reserve Bank of India \(Non-Banking Financial Companies – Miscellaneous\) Directions, 2025](#), the following shall be inserted, namely:

C.2 Directions on Private Placement of Equity Shares by NUCFDC (Umbrella Organisation for Primary Co-operative Banks)

13A. National Urban Co-operative Finance and Development Corporation Limited (NUCFDC) may make offer or invitation to subscribe to its equity shares on a private placement basis to more than 200 persons in aggregate in a financial year, subject to the conditions specified herein below:

- (1) NUCFDC shall have a Board approved policy for resource planning which, *inter alia*, covers the planning horizon and the periodicity of the private placement.
- (2) Offer/invitation for the private placement of equity shares under these guidelines shall only be made to UCBs and National Co-operative Development Corporation (NCDC).
- (3) The offer document shall clearly state that UCBs must ensure compliance with all the applicable statutory requirements, as well as the extant instructions/directions issued by Reserve Bank when making an application for subscribing to the equity shares under the offer.
- (4) NUCFDC shall not extend any loan or advance or any other kind of financial accommodation against the security of its own shares.
- (5) Proceeds of the share capital raised under these guidelines shall be used for the purposes consistent with the mandate of NUCFDC as approved by Reserve Bank.
- (6) Subject to the provisions of these Directions, NUCFDC shall ensure compliance with all the applicable statutory and regulatory requirements with regard to the private placement of securities.
- (7) NUCFDC shall submit a quarterly statement containing, *inter alia*, the amount of equity raised, the number and category of subscribers and the subscription

amounts (during the quarter as well as cumulatively) to the Department of Regulation, Reserve Bank of India, Central Office within 15 days from the close of a quarter.

13B. The Directions contained in paragraph 13A shall remain in force from the date of issue till March 31, 2029, unless modified or withdrawn earlier or extended further by the Reserve Bank.

Yours faithfully

(Scenta Joy)
Chief General Manager