



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

RBI/DoR/2025-26/341

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November 28, 2025

**Reserve Bank of India (Non-Banking Financial Companies - Voluntary
Amalgamation) Directions, 2025**

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In exercise of the powers conferred by Section 45K, 45L, and 45M of the Reserve Bank of India Act, 1934 and all other provisions / laws enabling the Reserve Bank of India ('RBI') in this regard, RBI being satisfied that it is necessary and expedient in the public interest so to do, hereby issues the Directions hereinafter specified.

Chapter I - Preliminary

A. Short Title and Commencement

1. These Directions shall be called the Reserve Bank of India (Non-Banking Financial Companies- Voluntary Amalgamation) Directions, 2025.
2. These Directions shall come into force with immediate effect.

B. Applicability

3. These Directions shall be applicable to all categories of Non-Banking Financial Company (hereinafter collectively referred to as 'NBFCs' and individually as an 'NBFC'), for all layers, unless specified otherwise.

Note: The applicability under these Directions is in line with the regulatory structure for NBFCs as set out in Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.

C. Definitions

4. In these Directions, unless the context otherwise requires,
 - (1) '**Amalgamated Entity**' means the entity which is proposed to transfer its business to another entity under the scheme of amalgamation.
 - (2) '**Amalgamating Entity**' means the entity which is to acquire the business of the amalgamated entity under the scheme of amalgamation.
 - (3) '**Amalgamation**' refers to one or more entities merging with another entity under the relevant statutes / regulations under a scheme of amalgamation (or whatever name called), which sets out the terms and modalities of the process.



- (4) **‘Principal Business Criteria’** shall be as defined in [Reserve Bank of India \(NBFCs – Registration, Exemptions and Framework for Scale Based Regulation\) Guidelines, 2025](#), as amended from time to time.
 - (5) **‘Tribunal’** means the National Company Law Tribunal constituted under Section 408 of the Companies Act, 2013 (as defined in sub-section (90) of Section 2 of the said Act), as amended from time to time.
5. All other expressions, unless defined herein, shall have the same meaning as have been assigned to them under the Reserve Bank of India Act, 1934, or the Banking Regulation Act, 1949, or any statutory modification or re-enactment thereto, or [Glossary](#) of Terms published by the RBI, or as used in commercial parlance, as the case may be.

D. Scope

6. The undernoted cases of amalgamation shall be covered under these Directions:
- (1) An NBFC with another NBFC.
 - (2) An NBFC with any other entity not under the regulatory purview of RBI.
 - (3) Any entity not under the regulatory purview of RBI with an NBFC.



Chapter II – Grant of No Objection Certificate (NOC) / Approval by RBI

7. For voluntary amalgamations involving an NBFC, scheme of amalgamation shall require approval of the Tribunal in terms of Sections 230 to 234 of the Companies Act, 2013. However, an NBFC shall seek No Objection Certificate (NOC) / prior approval of RBI before approaching any Court or Tribunal seeking orders for amalgamation as set out hereunder:
- (1) Where an NBFC is proposed to be amalgamated with another NBFC, both the entities shall seek NOC of RBI and the amalgamated NBFC shall surrender its Certificate of Registration for cancellation post-amalgamation. The amalgamating NBFC shall also seek prior approval of RBI if such an amalgamation satisfies any one or all of the conditions i.e., (i) change in its control as defined under clause (e) of sub-regulation (1) of regulation 2 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, (ii) change in shareholding of 26 percent or more of the paid up equity capital, (iii) change in its management which would result in change in more than 30 percent of the directors (excluding independent directors).
 - (2) Where an NBFC is proposed to be amalgamated with another entity (non-NBFC), the amalgamated NBFC shall seek prior approval of RBI and surrender its Certificate of Registration for cancellation post-amalgamation. The amalgamating entity shall approach RBI to seek registration as an NBFC, if it is likely to meet Principal Business Criteria post-amalgamation.
 - (3) Where a non-NBFC is proposed to be amalgamated with an NBFC, the NBFC shall seek NOC of RBI. However, the NBFC shall seek prior approval for such an amalgamation if it satisfies any one or more of the conditions i.e., (i) change in its (NBFC's) control as defined under clause (e) of sub-regulation (1) of Regulation 2 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, (ii) change in its (NBFC's) shareholding consequent to the amalgamation which would result in change in shareholding of 26 percent or more of the paid up equity capital, (iii) any change in its (NBFC's) management which



would result in change in more than 30 percent of the directors, excluding independent directors.

Provided that the amalgamating NBFC shall continue to fulfil the Principal Business Criteria after amalgamation to be eligible to hold the Certificate of Registration as an NBFC as per the relevant guidelines / directions, as amended from time to time.

(Scenta Joy)

Chief General Manager