All Non-Banking Financial Company – Peer to Peer Lending Platforms

Madam/Sir,

Review of Master Directions - Non-Banking Financial Company – Peer to Peer Lending Platform (Reserve Bank) Directions, 2017


2. On a review, it has been decided that
(i) The aggregate exposure of a lender to all borrowers at any point of time, across all P2P platforms, shall be subject to a cap of ₹50,00,000 provided that such investments of the lenders on P2P platforms are consistent with their net-worth.

The lender investing more than ₹10,00,000 across P2P platforms shall produce a certificate to P2P platforms from a practicing Chartered Accountant certifying minimum net-worth of ₹50,00,000. Further, all the lenders shall submit declaration to P2P platforms that they have understood all the risks associated with lending transactions and that P2P platform does not assure return of principal/payment of interest.

(ii) Escrow accounts to be operated by bank promoted trustee for transfer of funds need not be mandatorily maintained with the bank which has promoted the trustee.

3. Master Directions - Non-Banking Financial Company – Peer to Peer Lending Platform (Reserve Bank) Directions, 2017, have accordingly been updated.

Yours faithfully,

(Chandan Kumar)
General Manager