

NBFC Registration Process in India: Step-by-Step Guide



Non-Banking Financial Companies (NBFCs) play a crucial role in bridging the credit gap in India's financial ecosystem. If you're planning to start an NBFC, understanding the registration process is vital. Here's a step-by-step guide to help you navigate through it.

Step 1: Decide the Type of NBFC

Determine the category of NBFC you wish to register, such as loan companies, asset finance companies, microfinance institutions, or investment companies.

Step 2: Incorporate a Company

Before applying for [NBFC registration](#), incorporate your business as a Private Limited Company or Public Limited Company under the Companies Act, 2013. Ensure the company's Memorandum of Association includes financial services-related objectives.

Step 3: Fulfill Capital Requirements

The minimum net owned funds (NOF) requirement for NBFC registration is ₹2 crore. Ensure the funds are available in the company's account and backed by a statutory auditor's report.

Step 4: Prepare Necessary Documents

Gather all required documents, including:

- Certificate of Incorporation.
- Memorandum and Articles of Association.

- Audited financial statements of the company.
- Directors' profiles and credit reports.
- Banker's report confirming the NOF.

Step 5: Submit the Online Application

Apply for NBFC registration on the Reserve Bank of India (RBI) website through the **COSMOS portal**. Submit the application form and upload all required documents.

Step 6: Submit a Physical Copy

After submitting the online application, send a hard copy of the application along with supporting documents to the regional office of the RBI.

Step 7: RBI Review and Approval

The RBI thoroughly examines the application and documents. If satisfied, the RBI grants a Certificate of Registration (CoR) to the applicant, enabling them to commence NBFC operations.

Compliance Post-Registration

After receiving the CoR, ensure compliance with RBI regulations, such as maintaining statutory liquidity ratios, adhering to reporting norms, and following fair lending practices.



Conclusion

NBFC registration is a structured process that requires careful preparation and compliance with RBI guidelines. By following this step-by-step guide, you can establish a strong foundation for your NBFC and contribute to India's financial ecosystem.

If you need expert assistance with NBFC registration, reach out to a [Corpbiz professional consultant](#) to ensure a smooth process!

Visit - <https://corpbiz.io/nbfc-registration>