

### **3.6.3 Details of financing of parent company products**

### **3.6.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC**

The NBFC should make appropriate disclosure in the NTA to the annual financial statements in respect of the exposures where the NBFC had exceeded the prudential exposure limits during the year. The sanctioned limit or entire outstanding, whichever is high, shall be reckoned for exposure limit.

### **3.6.5 Unsecured Advances**

- a) For determining the amount of unsecured advances the rights, licenses, authorisations, etc., charged to the NBFCs as collateral in respect of projects (including infrastructure projects) financed by them, should not be reckoned as tangible security. Hence such advances shall be reckoned as unsecured.
- b) NBFCs should also disclose the total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral. The disclosure may be made under a separate head in NTA. This would differentiate such loans from other entirely unsecured loans.

## **4. Miscellaneous**

### **4.1 Registration obtained from other financial sector regulators**

### **4.2 Disclosure of Penalties imposed by RBI and other regulators**

Consistent with the international best practices in disclosure of penalties imposed by the regulators, placing the details of the levy of penalty on the NBFC in public domain will be in the interests of the investors and depositors. Further, strictures or directions on the basis of inspection reports or other adverse findings should also be placed in the public domain. The penalties should also be disclosed in the NTA.

### **4.3 Related Party Transactions**