

FIDC

Finance Industry Development Council

(A Representative Body of NBFCs in India)

CIN: U91990MH2004NPL146931

101/103, Sunflower, 1st Floor, Rajawadi Road No.2, Ghatkopar (East), Mumbai – 400 077

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30th July, 2025

Mr. Pramanshu Rajput
Manager
Department of Regulation
Reserve Bank of India
Central Office,
Central Office Building
Fort, Mumbai – 400 001

Dear Sir,

Reg: Nomination of Nodal Officers for Acceptance of Advance Copies of Petitions in the Debt Recovery Tribunals (DRT)/ Debts Recovery Appellate Tribunal (DRATs)

This has reference to your letter dt. 18th July, 2025 asking us to give our inputs on the subject. We apologize for the delay in responding which happened due to the time taken to get inputs from our member NBFCs across the country.

We thank you for giving us an opportunity share our inputs on this important matter. At the outset, we welcome the initiatives to streamline the process of service at DRTs/DRATs and enable NBFCs to appear before the tribunals in a timely manner.

As regards to the proposal of requiring each bank / financial institution to nominate one or two officers to receive advance copies of petitions filed before DRTs/DRATs, with their contact details published on respective DRT websites, following are our inputs:

1. Merely naming the nodal officer and providing their contact details may not be sufficient, as officers can be transferred or move to other organisations. It may be more effective to specify a designated email ID along with the officer's designation or position. Advance notice / service of proceedings to such designated email ID shall eliminate the requirement of appointing multiple Counsels/Lawyers across various DRT /DRAT jurisdictions. This shall remove the hassle of substitution formalities in case of change in

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Counsel/Advocates or change in nodal officers due to such persons/employees no longer being in the organizations or change in contact details.

2. Additionally, providing advance notice to the designated officer or position should be integrated into the DRT's standard filing process. Specifically, serving notice on the prescribed officer or position could be made a mandatory step before completing the filing on the DRT portal. This would align with the established practice followed by the NCLT in insolvency proceedings involving financial institutions, where prior notice to institutional stakeholders is a required step.
3. Such notices/ advance copies of petitions instituted before DRTs/DRATs should be sent to the designated Email ID at least 5 working days prior to the date of listing of matter followed by physical copy delivered to the registered office address of the banks /financial institutions. Proof of service of notices should be established and the onus to prove the same should be on the sender. The advance notice of 5 working days would be reasonable so as to ensure that Notices are not deliberately served last minute to gain undue and unjust advantage . Such advance notice will help the banks and financial institutions to ensure that no ex-parte orders are passed under the guise of notices being served on email and reasonable opportunity is made available to internally analyze the case, collect information and documents, get instructions, engage lawyers or represent the case in person.

We hope that our inputs and suggestions shall be considered favorably. Assuring you of our full cooperation always and thanking you in anticipation

Yours Sincerely,

For FINANCE INDUSTRY DEVELOPMENT COUNCIL

RAMAN AGGARWAL

Chief Executive Officer

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