

Rejection of application for certificate of registration

October 18, 2000

The Reserve Bank of India, in exercise of the powers conferred on it under Section 45 IA of the Reserve Bank of India Act, 1934, has rejected on October 17, 2000 the application for grant of certificate of registration submitted by M/s. Kargahar Finance Company Limited, Buxar Road, Kargahar, Dist. Rohtas, Bihar for carrying on the business of a Non-Banking Financial Institution. As such, the above company cannot transact the business of a Non-Banking Financial Institution, as defined in Clause (a) of Section 45 I of the RBI Act, 1934. However, the company is required to repay to the existing depositors on maturity even after rejection of Certificate of Registration.

N.L. Rao
Asstt. Manager

Press Release : 2000-2001/590