

Rejection of application for certificate of registration

January 24, 2003

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 December 31, 2002 the application for certificate of registration submitted by Sahakar Finance and Investment Co. Ltd., at Hanuman Galli, Sitaburdi, Nagpur-440 012, 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 IA of the Reserve Bank of India Act, 1934. The company has also been prohibited from acceptance of deposits under Section 45MB(1) and prohibited from alienation of assets under Section 45MB(2) of the Reserve Bank of India Act, 1934. However, the company is under an obligation to repay public deposits as per the terms and conditions of the contract of deposit.

**P. V. Sadanandan
Manager**

Press Release : 2002-2003/784